

Approved February 23, 2024

**Remote via Zoom**

*Governors present:* **Chuck Nelsen, Chair**; Cathy Pleasant, Vice Chair; Tom Giustina; David Heinsen

**Absent:** David Hodson, Past Chair

*Ex Officio present:* Steve Perez, President; Ahmad Boura, Vice President for University Advancement (CEO);  
Jamie Clyde, Interim Vice President for Business and Finance (CFO)

*Staff present:* Pam Hollis and Robin Carter, University Advancement

**MINUTES**

Chair Chuck Nelsen called the meeting to order at 3:33 p.m.

**Chair's Report: Chuck Nelsen**

Nelsen announced a proposal to hold the Board of Governors' Spring 2024 meeting in San Diego. He shared a tentative agenda and opened the topic for discussion. The agenda calls for the Governance committee and the Finance and Investment Committee meetings to be held remotely on Monday, June 17 from 2:00 p.m. – 4:30 p.m. The Development and Advocacy Committee Meeting and the General Session will be held in-person on Thursday and Friday, June 20 and 21 in San Diego along with the Alumni Board in a joint session. The committee unanimously approved holding the Spring '24 meeting in San Diego.

Nelsen presented the Winter 2024 draft meeting schedule. He asked for any discussion, concerns or comments. Ahmad Boura clarified the tours scheduled on Thursday and Friday. There was no further discussion and the schedule was approved as presented.

Nelsen presented the agendas for the Winter 2024 meetings. He asked for any discussion. Boura requested a change to the General Session agenda, adding a report from the Audit committee at 11:30 a.m. and removing the item "Matching Gift Program" under CEO's report as it is already included in the Development and Advocacy meeting agenda. Nelsen called for approval of the schedule with the changes. There were no objections and the agendas were unanimously approved as amended.

**President's Report: Steve Perez**

On the President's behalf, Boura gave an update on the one-day faculty and skilled labor strike, which had minimal impact on students during the first week of the spring semester. Enrollment outreach continues to move forward with steady numbers that are an improvement over last year. Marketing efforts continue with an aggressive goal to add 500 new students for the year. The new Behavioral and Social Sciences building project is scheduled to complete on time with an opening in fall 2024.

Steve Perez was delayed and joined the meeting during the CEO's Report. He gave an update on the negotiations with the unions noting that all agreements are close to being ratified. He announced that Leslie Cornick, the new Provost and Vice President for Academic Affairs, joined campus January 31. The

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current Strategic Plan concludes at the end of this academic year. A refresh of this plan is being kicked-off during this spring semester. The budget is a high priority with discussions about operational efficiencies taking place.

### **CFO's Report: Jamie Clyde**

Jamie Clyde gave an update on the budget and tuition increase. The CSU Board of Trustees approved a tuition increase, the first in twelve years. It is a 6% annual tuition increase each year over a five-year timeframe beginning fall 2024. These funds will be used to expand the Graduation Initiative, support students, provide competitive salaries/benefits to faculty and staff, increase enrollment, and provide safe, modern, and sustainable facilities.

The good news is that Chico State's admissions numbers are increasing and all levels are looking promising for the year. The bad news is that numbers are still not where they should be. Of the eight CSU schools failing to meet enrollment targets, Chico State is at least stabilizing and showing minor increases. Enrollment is critical not only for the tuition students bring, but also because the funding Chico State receives from the CSU is tied to enrollment numbers. The university is 20% below the enrollment target of 15,560 students. The original plan by the CSU was a five percent pullback of state funding to under-enrolled campuses starting in 2024-25. However, this first year, the pullback was reduced to three percent. The impact to Chico State is estimated to reduce campus funding between \$3.8-\$5 million. The Legislative Analyst's Office reported in the 2024-25 fiscal outlook that California faces a \$68 billion deficit over a 3-year period (Governor states \$38 billion). An unprecedented prior-year revenue shortfall creates challenges. The governor is still planning to honor the five percent budget increase ("compact") that was promised, but he is planning to defer the 2024-25 compact investment to 2025-26. The biggest budget concerns for 2024 are the union negotiations which create additional labor costs, deferred maintenance and supply chain costs, and increased costs for unfunded mandates, such as the California Native American Graves Protection Repatriation Act (CalNAGPRA) and Title IX.

### **CEO's Report - Ahmad Boura**

Boura introduced potential new board members for 2024-25: Daniel Cerda '00, Elida "Ellie" Carbajal '97, Lance Lew '79, Suzy McCreary '92, Bob Neinaber '89, and Ali Khorasaneh '96. He would like to see the board at a consistent level of 25 governors. Boura laid out the new campaign planning. He reminded the committee that Chico State is in the planning phase. He recently held a planning session with the cabinet, college deans, campaign consultant and the CEO of Chico State Enterprises. Boura's aim is to have the name of the campaign, the dollar goals, and the priorities for the campaign in line to present at the spring board meeting. He is continuing to build the infrastructure - building the fundraising team, alumni team, stewardship team and the outreach coordinators.

The contract with the foundation's investment consultant, Arnerich Massena, continues until terminated, but has not been refreshed since 2013. The board had performed a 360 review of the firm two years ago

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**BOARD OF GOVERNORS**  
**EXECUTIVE Committee**  
Wednesday, January 31, 2024  
3:30 p.m. to 5:00 p.m.



and agreed to continue with the relationship. The agreement will be refreshed and if any material changes are made it will be presented for approval at the February Finance and Investment meeting. The Chancellor's Office has selected Chico State for an Endowment Audit, which is well underway. The auditors will be on campus the first week of February and the audit is expected to be completed by the end of February.

An ad hoc committee was created within the Audit Committee to review responses from the request for proposal for a financial auditor sent out by Chico State Enterprises. Ad hoc committee members are Bob Kittredge, Glen Thomas, and governor, Jay Gilbert. The full Audit Committee will convene a special session next week to approve the selection and make a referral to the board.

The nomination deadline for the Gayle E. Hutchinson Award for Excellence is January 31 and six to ten nominations are expected. The selection committee, comprised of a combination of faculty, staff and board members, also including Gayle Hutchinson, will be convened to review the nominations.

Boura asked for a closed session with just the board members.

Nelsen asked for any new business, comments or questions. There were none. The open session of the meeting was adjourned at 4:30 p.m. University Advancement staff left the meeting at that time.

The next Executive Committee meeting will be Wednesday, May 29, 2024.

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