

AGENDA

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Meeting: 1:45 p.m., Tuesday, January 24, 2012
Glenn S. Dumke Auditorium

Melinda Guzman, Chair
Glen O. Toney, Vice Chair
Carol R. Chandler
Bernadette Cheyne
Steven Dixon
Debra S. Farar
Kenneth Fong
Margaret Fortune
Linda A. Lang
Bob Linscheid
Peter G. Mehas

Consent Items

Approval of minutes of meeting of November 15, 2011

Discussion Items

1. Recommended Changes to Title 5, California Code of Regulations, Related to Alumni Associations, *Action*
2. Approval of the 2010-2011 Annual Report on Philanthropic Support to the California State University, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON INSTITUTIONAL ADVANCEMENT
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, California**

November 15, 2011

Members Present

Melinda Guzman, Chair
Carol R. Chandler
Debra S. Farar
Hsing Kung
Bob Linscheid
Peter G. Mehas
Charles B. Reed, Chancellor
Herbert L. Carter, Chair of the Board

Chair Guzman called the meeting to order.

Approval of Minutes

The minutes of September 20, 2011, were approved by consent as submitted.

Recommended Changes to Title 5, California Code of Regulations, Related to Alumni Associations

Mr. Garrett P. Ashley, vice chancellor university relations and advancement, provided background information, stating that Title 5 of the California Code of Regulations is the administrative law that governs the CSU and that the trustees have the authority to change Title 5 as long as it does not contradict the Education Code, the law governing all aspects of education in the state. The proposed amendments would bring the CSU into compliance with changes to the California Corporations Code, Section 5047 that was recently amended and no longer allows nonprofit corporations to have ex officio non-voting directors.

Title 5 Article 15 related to alumni associations states that the campus president or designee serves as an ex officio voting or non-voting member of the alumni association's governing board. By removing the requirement from Title 5 that the campus president or designee be an ex officio member of the association's board, the proposed amendments give campuses greater flexibility to determine the appropriate relationship between the university president and the alumni association rather than being bound to an ex officio voting role. Clarification of these relationships can be accomplished in the Memorandum of Agreement between the university

Inst. Adv.

president and the alumni association or in the association's bylaws as it relates to constituency alumni groups.

Alumni associations have been informed about the proposed Title 5 change through the meeting of the Alumni Council in September, email distribution, and posting on the Trustees' website. To date, there has been no opposition to the amendment.

Mr. Ashley concluded by informing the board that the item today is presented as an information item and will be brought forward as an action item in January.

Naming of a Facility – California State University, Fresno

Trustee Guzman asked Mr. Ashley to present the request to name a facility at California State University, Fresno, as the Meyers Family Sports Medicine Center.

Mr. Ashley stated that the naming recognizes a \$3 million lead gift by Mr. Marvin Meyers and his family. Mr. Meyers is an alumnus of Fresno State and a successful farm owner and is known for his innovations in water banks. Mr. Meyers was named the 2010 agriculturist of the year by the Fresno Chamber of Commerce. The Meyers Family Sports Medicine Center will be a first-class facility featuring more than 10,000 square feet of state-of-the-art amenities and equipment for Bulldog student-athletes.

President John Welty noted that Mr. Meyers has been a great friend to the university, and is a leading innovator in terms of water conservation, gaining national recognition for his efforts. Mr. Meyers and family have made enormous contributions to the university and the Fresno community is honored to recognize his outstanding leadership.

Trustee Guzman congratulated President Welty, and stated that this is a significant contribution not only to the campus, but the entire central valley. She thanked Mr. Meyers for this contribution.

The committee recommended approval of the proposed resolution (RIA 11-11-07).

Trustee Guzman adjourned the meeting.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Recommended Changes to Title 5, California Code of Regulations, Related to Alumni Associations

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Summary

This item recommends amending Title 5 regulations related to the relationship between the university and alumni associations. Board approval of the amendment would bring Title 5 Article 15 – Alumni Associations in to compliance with changes to California Corporations Code, section 5047. State law no longer allows for *ex-officio non-voting directors*. The recommended amendment would delete references of *ex-officio voting or nonvoting members* of the alumni association’s governing board.

Given the prohibition of *ex-officio non-voting directors*, Sections 42397.2 and 42397.6 would now require *ex-officio* members to have voting rights. Removing this requirement gives campuses greater flexibility to determine the appropriate relationship rather than being bound to an *ex-officio* voting role. Clarification of these relationships can be accomplished in the Memorandum of Agreement between the university president and the alumni association or the association’s bylaws as it relates to constituency alumni groups.

The following proposed amendment to Title 5 is recommended to bring CSU regulations into compliance with state law.

Title 5, California Code of Regulations
Division 5—Board of Trustees of the California State Universities
Chapter 1—California State University
Subchapter 5—Administration
Article 15—Alumni Associations

§ 42397.2. Organization

(a) A campus alumni association may be included as part of the university or an auxiliary organization or, if organizationally separate from the university or an auxiliary organization, shall obtain and maintain status as a tax-exempt organization under state and federal law.

~~(b) The campus president or designee shall be an ex officio voting or non voting member of the association's governing body.~~

(eb) Campus presidents are responsible for determining that campus alumni associations are in compliance with this article and have authority to require campus alumni associations to provide written evidence of compliance.

(dc) Campus presidents may, after consultation with the campus alumni association, establish additional written campus policies governing campus alumni associations consistent with this article. Copies of these policies and any amendments thereto shall be forwarded promptly upon their issuance to the Chancellor.

(ed) A campus alumni association shall comply with campus policies pertaining to use of the campus name and symbols.

Note: Authority cited: Sections 89030 and 89031.1, Education Code. Reference: Sections 89030 and 89902, Education Code.

Title 5, California Code of Regulations
Division 5—Board of Trustees of the California State Universities
Chapter 1—California State University
Subchapter 5—Administration
Article 15—Alumni Associations

§ 42397.6. Organization of Constituency Alumni Groups.

(a) A constituency alumni group organized after the effective date of this article shall be organized within and as part of the campus alumni association.

(1) A constituency alumni group representing a school, college, department, or other unit shall secure the endorsement of the school, college, department, or other unit. The administrative head of the represented unit or designee shall periodically review and provide advice concerning the planned activities of the constituency alumni group, ~~and shall serve as an ex officio voting or nonvoting member of the governing body of the constituency alumni group, if any, or of any executive or similar committee empowered to act for the governing body, if any, of the constituency alumni group.~~

(2) A constituency alumni group, as part of the campus alumni association, shall comply with all applicable campus policies and campus alumni association policies.

(b) A constituency alumni group separately organized prior to the effective date of this article shall be organized within and become a part of the campus alumni organization and shall comply

with subdivision (a), unless the campus president enters into an agreement with the constituency alumni group which provides as follows:

(1) The separate constituency alumni group agrees to the following characteristics:

a. is organized and operated solely for the benefit of the campus and the alumni of a school, college, department, or other campus administrative, academic, geographic, or other constituent unit;

b. has as its purpose providing service and support to its members, the alumni of a constituent unit, and to the university;

c. does not restrict membership or benefits of membership on the basis of race, religion, national origin, gender, or sexual orientation;

d. recognizes the unique role of the campus president or designee in setting campus or campus unit priorities; and irrevocably dedicates its assets for the benefit of the campus or appropriate unit of the campus. In the event of the group's dissolution, its assets shall be transferred to the campus alumni association, the campus, an appropriate unit of the campus, or an auxiliary organization designated by the campus for purposes consistent with the purposes of the group and the terms of any individual gifts that are part of its assets, and, if a corporation, in conformance with the California Nonprofit Corporation Laws.

e. A constituency alumni group representing a school, college, department, or other unit shall secure the endorsement of the school, college, department, or other unit. The administrative head of the represented unit shall periodically review and provide advice concerning the planned activities of the constituency alumni group ~~and shall serve as an ex officio voting or nonvoting member of the governing body of the constituency alumni group, if any, or of any executive or similar committee empowered to act for the governing body, if any, of the constituency alumni group.~~

(2) The separate constituency alumni group agrees to obtain and maintain recognition, as a separate constituency alumni group by submitting the following to the campus president or designee on an annual basis or otherwise as specified by the campus president:

a. a current list of officers, members of the governing body, and the principal contact person for the group;

b. a statement of the group's purpose and goals consistent with subsection (a) and copies of the current enabling documents of the group (i.e., bylaws, constitution, articles of incorporation, or other governing document);

c. a current roster of names and addresses of donors and members, unless such records are otherwise maintained by the campus;

d. a statement signed by the officers/representatives of the group that the governing body has read and formally voted that it will comply with this article and the agreement;

e. a copy of the group's annual financial statements;

f. for a group with accounts at a financial institution, a list identifying all such accounts, including the institution's name and address, the group's account numbers, and a statement signed by an appropriate officer or representative of the group authorizing the campus to obtain upon request from the financial institution information, records, or photocopies of transactions relating to the accounts;

g. for an incorporated, tax-exempt organization, (A) a copy of the organization's state and federal tax-exempt status determination letter; (B) a copy of the organization's most recent Internal Revenue Service Form 990; and (C) a list of the types of activities, including fundraising and membership drives, the organization intends to undertake and how the organization intends to financially support these activities.

(3) The provisions of this article shall be incorporated by reference;

(4) The exchange of value between the campus and the constituency alumni group shall be expressed and may include provision of facilities and other tangible as well as intangible exchanges;

(5) A license agreement for use of the campus name and symbols; and

(6) The term of the agreement.

(7) Privileges granted including authorization to use the name of the campus or other institutional unit. Without authorization, no group may:

a. represent itself as raising funds or otherwise providing support on behalf of or for the benefit of the campus, or any part of it, including its alumni;

b. use the name of the campus or any of its facilities or programs either expressly or by implication in connection with its activities; or

c. use campus facilities or resources in connection with its activities.

(8) If a separate constituency alumni group does not comply with this article, the campus president or designee shall by written notice require the constituency alumni group to comply within 90 days or recognition as a constituency alumni group will be withdrawn.

a. In the event the group fails to comply within this time period, the campus president or designee may withdraw the constituency alumni group's recognition. In appropriate circumstances, the campus president may extend the period for compliance when action to remedy noncompliance is in progress.

b. Upon withdrawal of recognition, the assets of the constituency alumni group shall be transferred to the campus alumni association, the campus, or the designated campus auxiliary organization for purposes consistent with the purposes of the group and the terms of any individual gifts that are part of the assets.

(9) Use of the campus or unit name and symbols, including mascot or other identifying mark by a separate constituency alumni group after July 1, 2003, is prohibited unless the group has entered into an agreement and has been recognized by the campus under the provisions of this article.

Note: Authority cited: Sections 89030 and 89031.1, Education Code. Reference: Sections 89030 and 89902, Education Code.

The following resolution is recommended for approval:

RESOLVED, By the Board of Trustees of the California State University, to amend Title 5, California Code of Regulations, Division 5—Board of Trustees of the California State Universities, Chapter 1—California State University, Subchapter 5—Administration, Article 15—Alumni Associations as submitted.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Approval of the 2010-2011 Annual Report on Philanthropic Support to the California State University

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Lori A. Redfearn
Assistant Vice Chancellor
University Advancement

Summary

This item presents information on philanthropic support received by the 23-campus California State University (CSU) system from July 1, 2009 to June 30, 2010. Section 89720 of the Education Code requires that an annual gift report be submitted to the California Joint Legislative Budget Committee and the California Department of Finance.

The report is attached as a PDF document and additional campus highlights will be available for viewing on the system website at www.calstate.edu/ua/philanthropic.

Overview

Over the past three years, the California State University has averaged \$324 million in gift commitments, including over \$344 million designated in 2010-2011. Giving increased \$79 million over the prior year.

Gift commitments include new gifts, pledges and testamentary provisions recorded during the period. This accrual method of reporting reflects the positive outlook for initiatives underway and confidence in the potential of future generations of students.

Charitable gift receipts, a combination of new gifts and pledge payments, totaled \$240 million—a 6 percent increase from 2009-2010. Within gift receipts, donors invested over \$145 million to encourage student achievement and promote innovation:

- \$17.4 million for student scholarships

- \$43.3 million for academic enrichment
- \$13.7 million for applied research
- \$1.5 million for faculty support
- \$2.0 million for library resources
- \$15.4 million for athletics
- \$27.6 million for public service programs
- \$1.8 million for facility improvements
- \$23.1 million for other university needs

To support the future capacity of the university, more than \$21.5 million was contributed to build state-of-the-art libraries, technologically advanced laboratories, contemporary performing arts centers, and expanded athletic facilities. Additionally, donors added \$54.5 million to university endowments and 39 irrevocable deferred gifts valued at \$12.9 million.

Of all charitable gifts received, 97 percent were designated to specific interests identified by the donor. Only \$5.9 million received was unrestricted and available to be directed to the university's most pressing needs.

Adoption of the following resolution is recommended:

RESOLVED, by the Board of Trustees of the California State University, that the Board adopts the *2010-2011 Annual Report of Philanthropic Support to the California State University* for submission to the California Joint Legislative Budget Committee and the California Department of Finance.