

CSU East Bay Foundation, Inc.

Board Meeting Minutes

May 10, 2019

1-2:30 pm, SA4350

Members Present

Myles Watkins

Staff

Carmen Rusca

Consulting

Follett Higher Education Group

*The Foundation Board of Directors is a public body, and members of the public have a right to attend and participate in its meetings.

Follett representatives presented a video and information about All Access, formerly called Inclusive Access, a program designed to deliver all required course materials at one price and available to students the first day of class. It is believed it will increase retention and graduation rates. Discussion with faculty, students and presenters followed. Topics included how costs would be structured and academic freedom.

VI. Operating Budget FY18/19

Debbie Chaw reviewed budget actuals. No notable items, there was a decrease in income affected by quarter to semester conversion. Net revenue was lower due to decreases in AIF funds. However, there is \$2.5 million in reserves.

Minute Action: That the board approve the FY19/20 Budget and Reserves as presented

Motion: Watkins Seconded Maxion Motion Approved

VII. Conflict of Interest/Related Parties Questionnaire

Debbie Chaw reviewed the COI and explained questionnaire. Board members completed questionnaires.

VIII. Investment Summary YTD 3/31/2019

Brian Sharpes reviewed the portfolio and noted we had a strong start to the year but sees a big issue will be the coming trade war with China. He expects lower return than we have had in the last few years.

- Asset Allocation Target Changes
Update target allocation to 27.5% US Equity, 27.5 International, 30% Fixed Income, 15%
- Alternatives
Terminate S&P 600 small cap ETF and trim SPDR Total Stock Market ETF by \$195 k to achieve target to US Equity exposure and reduce overweight to small cap. stocks
Terminate Alliance Bernstein international.
Establish 10% allocation \$270L to iShares
- Adjustments
Reduce PIMCO total return by 500K and Breckinridge Int Gov/Credit to manage \$525
reduces fees by almost 70%.

Minute action: That the board approve changes in target allocations and accept recommendations

Motion: Chaw Seconded Watkins Motion Approved

IX. Other Business

Vice Chair Inch thanked board student board members for their service to the board and congratulated ASI President Myles Watkinson his upcoming graduation

X. Vice Chair Inch adjourned meeting at 2:31pm.

Dated: May 5, 2019

Debbie Chaw, Secretary Treasurer

Recorded by Carmen Rusca

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