

**Cal Alumni Association  
Board of Directors' Meeting  
September 14, 2018**

Directors in attendance: President Eric Mart, Vice President Amanda Pouchot, Interim Vice President Finance Demetrios Boutris, Allard Chu, Diane Dwyer, Joy Kovaleski, Carol Liu, Catherine McKee, Dionicia Ramos Ledesma, Kiran Rao, Danielle Silveira, Gary Slavitt, Bob Sproul, Michael Steckler, Kirk Tramble, Ryan Waliany

Via Conference Call: Esperanza Vielma, Alumni Regent Jason Morimoto, CFO Consultant Monisha Merchant

Absent Directors: Sangeeta Chakraborty, Prentice Tom, Alexander Randolph

Honorary Directors in attendance: Chancellor Carol Christ, Associate Vice Chancellor for Communications & Public Affairs Diana Harvey, Dean UC Berkeley Extension Diana Wu

CAA Staff in Attendance: Clothilde Hewlett, Susie Crumpler, Matt Terwilliger, Anjeannette Schnetz, Anh Tran, Ann Truong

Guests: Julie Treppa, Alyssa Snyder – Farella, Braun & Martel LLP, Alfredo Terrazas, Alan Mendelson

Guests Via Conference Call: Karen Leong Clancy, Deborah Cole, Shirley Conner, Claude Hutchison, Carl Stoney

President Mart called the meeting to order at 9:20am and established a quorum of voting Directors.

1. M/S/A: The CAA Board of Directors approved the following consent agenda item:
  - The CAA Board of Directors Approved the 6/29/18 minutes.
  - The CAA Board of Directors Approved the 2018-2019 Committee assignments.
  - The CAA Board of Directors Approved Ryan Waliany to serve as the 2018-2019 Vice President, Finance.

## 2. President Report – Eric Mart

Mr. Mart shared that the next *California Magazine* Editorial Advisory Committee meeting will take place early October and he is looking forward to seeing the progress being made with the future of the magazine. Mr. Mart recently met with Chancellor Christ regarding the Berkeley Strategic Plan and the Chancellor will be joining the CAA Board later today to discuss the annual giving section and other findings that are shaping the direction of the campus's strategic plan. Marts & Lundy, the consultant firm hired by campus to review the annual giving program as well as alumni relations, will share their findings at the December 7 CAA Board meeting.

The next Alumni Associations of the University of California (AAUC) meeting will be held in October 1 at UC Irvine. Mr. Mart, Mr. Morimoto and Ms. Hewlett will attend. On October 12 during Homecoming, the Volunteer Awards (sponsored by CAA and the UC Berkeley Foundation) will be celebrated at Alumni House. Former CAA President and UC Regent, Cynthia So Schroeder, will receive the Spirit of 1868 Award recognizing her outstanding leadership in support of the UC Berkeley alumni community. In addition, the Chinese Chapter will receive the Loyal Company Outstanding Volunteer Group Award. Mr. Mart hopes that the Directors will join him and attend the ceremony. Lastly, The Achievement Award Program (TAAP) dinner is coming up on October 17, Mr. Mart is unable to attend however, CAA Vice President Amanda Pouchot will represent the Association and he hopes that other Directors will attend as well.

Lastly, before we move on to the next agenda item, Mr. Mart noted that Amy Shin resigned her position as Vice President, Finance on September 4, 2018. He asked that the Board formally recognize Ms. Shin's service to CAA as follows:

M/S/A: The CAA Board of Directors recognizes and is thankful for Ms. Amy Shin's important contributions for her service as the Cal Alumni Association CAA's Vice President, Finance 2017 – 2018.

## 3. Executive Director Report - Clothilde Hewlett

Ms. Hewlett recently attended a conference of the Self-Governing Alumni Forum (SGAF), a group of independent alumni associations that gather on an annual basis to share best practices with one another. Through meeting with different executive directors, we gain exposure to one another's cutting edge practices. One of the recurring topics among the various alumni associations is how to maintain support for all the alumni volunteer groups / chapters, especially for older alumni associations with numerous chapters and limited staff. One emerging trend is that this support is occurring through the use of technology, which is a similar strategy employed by CAA. CAA has been productive in this goal by helping CAA Chapters rebuild their websites, to facilitate communication with one another. CAA is also training Chapter leaders who can then take the lead in their local events. We have also increased the grant program through the Alumni Engagement Expansion Initiative (AEX,) so that the Chapters have the resources to assume the lead roles at their events because CAA has limited staff

capacity to provide intensive event-planning services. CAA is providing the infrastructure to help the Chapters accomplish their goals. The results are significant, especially for this year, because our Chapter events have increased. For example, for the first time ever, there were Welcome Parties held for the Chicanx and Latinx Chapters at Alumni House. This event in particular was moving, because there were families in attendance who were received by alumni and made to feel exceptionally welcomed.

Ms. Hewlett is proud to share that CAA has one of the strongest scholarship programs across the country, not only from a funding standpoint but as importantly, from a programming / student support standpoint. Owing to the restrictions with Proposition 209, UC Berkeley is unable to support certain scholarships, which is where CAA has been able to step in. A key example of this is the African American Initiative (AAI), CAA has the expertise to provide programming and important support for African American scholars. This initiative has attracted attention from the media and has also been featured on local news. This is a strong example of what we can accomplish through joint efforts with the campus. There are plans underway to celebrate the AAI, during which corporations that support diversity will be involved.

Regarding revenue-generating, Ms. Hewlett pointed out that CAA has received almost 500 new memberships within the last month. Membership is typically flat, given the need to balance the rates of alumni who have passed away, with generating new memberships. Cal Discoveries Travel has exceeded expectations with the new Oxford Program. The Lair of the Golden Bear had another outstanding summer season. UC President Janet Napolitano camped at the Lair for the second summer in a row and Glenn Washington, producer of *Snap Judgment*, also camped with us.

Ms. Hewlett highlighted the Berkeley Career Network and encouraged everyone to sign up for CAA's new PeopleGrove application, which has become popular among other alumni associations as well. PeopleGrove is a digital platform that allows mentoring between students and alumni as well as alumni to alumni connections. Given our goal to grow this pipeline, we have also adopted networking career mixers. We just held one of these at Memorial Glade, with more than 1,900 people in attendance. There were mentoring sessions with students and much interest in getting involved with CAA. We also had the Southern California Chapters raise enough money to fly students from low-income families to Cal for the start of the fall semester. Alumni welcomed incoming students at airports and helped move them onto campus.

Ms. Hewlett is also excited to announce that CAA is partnering with the Berkeley Haas Center for Equity, Gender, and Leadership in November for an Alumnae focused career event titled "Women Who Lead: A Storytelling Salon."

Lastly, Ms. Hewlett stated that last evening's reunion event with former CAA Board members was a wonderful celebration of the best in volunteer leadership.

4. Finance Report - Ryan Waliiany, Demetrios Boutris, Ann Truong, Monisha Merchant

Mr. Boutris has served as Interim Chair of the Finance Committee and he is elated that Mr. Waliiany has been approved by the Board to serve as the Vice President, Finance and Chair of the Finance Committee for the 2018 – 2019 term. The budget and the finances have been in great shape for three consecutive years. This means that for three years, CAA has had clean audits and generated a surplus. CAA recently finished a mid-year budget analysis and determined that the Association does not need a mid-year revision due to fiscally prudent budgeting and expense controls. This process involved all the budget managers and the senior management team as well. We are happy to report that the re-forecasted budget is similar to the original budget, hence we're not proposing a mid-year revision to the 2018 operating budget.

The Finance Committee believes that CAA's funds have been well managed by Capital Group for the past ten years however, CAA will be issuing an RFP to look at alternative money managers. The Association is also inviting Capital Group to present their performance to the Board.

Ms. Crumpler introduced CAA's new CFO and Controller, Ann Truong, who has been with CAA for two months now and is rapidly learning about everything that CAA does. Ms. Truong reviewed the August financial results with the Directors and mentioned that staff are in the beginning stages of planning the proposed 2019 operating budget. The plan is to have the proposed 2019 operating budget presented to the Finance Committee in November and following the Committee's endorsement, to bring it to the full Board for approval at the December 7 Board meeting. Ms. Truong stated that the accounting team is also working on the 990 Tax Return for 2017.

5. Lair LLC & Pinecrest Chalet Update – Matt Terwilliger

Northern California has experienced numerous fires in the past few months. Mr. Terwilliger is happy to report that the fires did not directly affect the Pinecrest properties however, for about two and a half weeks, the Lair and Pinecrest Chalet were impacted by the smoke that accumulated from all the fires. CAA was challenged by the variation in the concentration of the smoke. For example, some days, the smoke was heavier in the morning but would clear up by the afternoon. In addition, there were no mandatory evacuations ordered by the local or state government agencies which presented a challenge for insurance purposes as CAA could not make a claim on the loss of revenue for the campers who canceled or left the facilities and requested refunds.

CAA had to find a way to minimize the risk on behalf of our campers and our donors. We had good communication between our staff and our campers and offered a proposal to them, for everyone was in a different situation. There were pre-existing conditions, and we had to make a decision based on what was best for the Lair, our campers and for CAA. We then issued some partial credits and partial refunds. When people could demonstrate that they had pre-existing conditions, which prevented them from coming to the Lair, we worked with them for a suitable solution.

For example, some campers were issued a 25% credit to be used for 2019 and for Weeks 9-10 (which were significantly more smoke-impacted) we offered a 50% credit for camping for next year. In addition, we're working on a case by case basis to issue refunds for 2018. If they're not returning during 2019, or if they have a strong case for why they should be issued a refund, we are considering this on a case by case basis. The staff has done a great job of managing the budget concerns, yet at the same time providing excellent customer service to our campers.

We've explored different options for future solutions in case of such a reoccurrence. One of the options is to offer travel insurance. The challenge, however, is that if Camp is not shut down / mandatorily evacuated, the insurance is not guaranteed.

Lastly, Mr. Terwilliger reported that the Pinecrest Chalet is on the market. The smoke only slightly impacted the Chalet, primarily because it is an indoor facility. We do have some people interested and who are evaluating the property. According to the broker, there were about four different parties who'd expressed interest in the Chalet, but the smoke advisories deterred them from making an offer.

#### 6. Progress on CAA Strategic Plan, Third Quarter Report - Susie Cohen Crumpler

Ms. Crumpler reminded everyone of the Vision Statement of CAA's 2018 – 2022 Strategic Plan: All Cal alumni worldwide are connected and actively engaged with UC Berkeley for life. The Cal Alumni Association serves all Cal alumni – not only its members or chapters or scholars or travelers. Ms. Crumpler encouraged everyone to keep this Vision Statement in mind, especially when inspiring others to become engaged as alumni. This vision is the cornerstone of CAA's Strategic Plan.

Future directions: to focus our efforts to attract and engage the greatest number of alumni. We want to strengthen our partnerships in our coordination with campus and to increase our financial resources. While we are growing the number of alumni who are engaged, we also want to nurture those who are already engaged and ensure they continue to stay engaged.

CAA measures performance through Key Performance Indicators (KPIs). We have six core strategies in the Strategic Plan. Every strategy has goals and every goal has KPIs.

The overarching goal is to increase the engagement of alumni: to build programs to engage the greatest number of alumni with a goal of an 18% increase from the baseline in 2017 to 2022. We plan to meet this goal through our various program areas and from our digital communication standpoint. Staff uses an internal scorecard to track all of the engagement (on a monthly basis) for the organization. We track every time someone becomes involved with a program activity or becomes affiliated, or makes a donation, or opens one of our newsletters. All of this information is linked to a spreadsheet that staff members can access.

As indicated on the KPI Report, CAA is on track to meet our target goals for the first three quarters of 2018, the first year of the Strategic Plan. There are some areas that are

more challenging than others and we're using the internal scorecard to identify those areas as early as possible so the appropriate adjustments can be made.

Ms. Hewlett noted that it is important for everyone to be aware that the challenges in driving our virtual engagement stem from the university's approval process. If there are delays in approvals or in technological accessibility, our initiation of these programs is also delayed. Ms. Tran noted that what surprised staff with the PeopleGrove application, the newly launched digital platform to connect alumni, took over a year to get approval from campus to use the alumni data. Because CAA is independent from the campus, we have limited access to the data and the infrastructure that campus owns and controls.

Ms. Crumpler noted that the growth of CAA Chapters is an important KPI in order to leverage connections however, CAA necessarily relies on the data reporting of our Chapter volunteers which can be tricky, but it is useful data for tracking our effectiveness.

The next KPI is the alumni who are aged 40 and younger. We are working on engaging them in our career networking programs. This is reflected in the piloting of our network programs and on different platforms. We have a communication plan in place to ensure that everyone is aware of CAA. We want to increase the awareness of CAA on campus and also with the alumni community. So we are increasing the channels through which we're sharing new kinds of content, around testimonials and stories about alumni, share in the magazine and online.

One of the goals that we made progress in the last Quarter is that we want to ensure that alumni who participate in our programs and who are engaged with us have a good experience. One of our findings was that the survey of alumni across the organization was inconsistent. We discovered that our surveys were not addressing the same problem areas across the departments. In comparison, our comprehensive all alumni survey that we conduct every three years helps us gather comprehensive data. We recently launched a Survey Task Force to help identify which tools and programs various departments use, to help us create a more uniform method of surveying our alumni. The results from such a cohesive effort will help us with decision-making for better programming.

#### 7. Closed Session – Eric Mart

Mr. Mart put the meeting into closed session for Board discussion and excused all non-voting Directors and CAA Staff.

Mr. Mart brought the meeting back into open session.

The Board broke for lunch from 12:00pm – 1:00pm.

1:00pm: Public Comment

Mr. Mart asked for public comment. There was no public comment.

8. CAA Bylaws, Policy Manual & Conflict of Interest Updates – Julie Treppa, Partner, Farella Braun + Martel LLP

Mr. Boutris chaired the Bylaws and Governance Committee which met over the summer to update CAA's Bylaws, Policy Manual and Conflict of Interest Policy. During our review, we wanted to ensure that we were compliant with the California laws for nonprofits, and also that we were in compliance with our policy manual and our conflict of interest policies. The overwhelming amount of changes that we've made are purely technical. CAA hired attorney Julie Treppa of Farella Braun + Martel LLP and her team to review CAA's governance documents.

Ms. Treppa reviewed the primary changes proposed to conform CAA governance documents to be in compliance with federal, state and local laws:

1. Adding a new section to the Bylaws to clearly articulate the members' rights as statutory members pursuant to a California Corporations code section,
2. Revising an existing section to reflect the requirement that directors can only be removed without cause with the approval of the members, pursuant to another code section. This has to do with removal without cause coming for approval to the Board.
3. Modifying the timing of our annual report for technical purposes, for we are on a different reporting schedule than the university, because we operate under a year-end schedule.
4. Clarifying that certain members (such as distinguished members) defined in our Bylaws are not treated as Board members under the code. We're clarifying that only by resolution can the Board create committees with delegated board-level responsibilities. In this instance, we are proposing that the Audit and Awards Committees act on behalf of the full Board.

In accordance with best practices: about 10% of any given budget surplus is permitted for use by the Executive Director. However, Ms. Hewlett suggested that our documents authorize a more conservative amount of 3% of any budget surplus.

M/S/A: The CAA Board of Directors approved the proposed resolutions regarding the Amended & Restated CAA Bylaws, Board of Directors Policy Manual and the Conflict of Interest Policy & Annual Affirmation.

## 9. Campus Strategic Plan Update – Chancellor Carol Christ

Chancellor Christ met with the Directors to discuss the Berkeley Strategic Plan (BSP) as well as UC Berkeley alumni relations. We are gathering the last round of comments for the BSP from campus stakeholders with an October 15 deadline.

We will use our campaign as the basis for priority setting for our fundraising campaign, meant to go public in late 2019 or early 2020. This is a bare skeleton of our current status on the BSP. To clarify these matters, I'd like to emphasize the key elements of a strategic plan. A strategic plan is not an account of everything the campus will do in the next 10 years. We have numerous priorities that the campus is working on that are not detailed in the plan. I think of the strategic plan as a lodestar, a statement of principles and priorities that helps guide the campus' decision-making.

I will begin with our four strategic questions:

1. What are the grand challenges (signature initiatives) that the campus could invest in and has the resources to create a distinctive contribution to the campus and to the university?
2. What investments will be most impactful to the quality of the student experience?
3. Which enrollment strategies should we pursue?
4. What is our new financial model for the campus?

Clearly, the answers are not specifically relevant to the campaign. Work is ongoing with the financial modeling, but it's not part of the campaign. The signature initiatives and the investments that we can make in the undergraduate field of education are critical to our overall strategy. We are beginning with a high-level generality by setting a Vision.

Chancellor Christ read out loud the current BSP vision statement: "UC Berkeley: a vision for 2028. Empowering engaged thinkers and citizens to change our world." So this vision answers the question: "What does Berkeley do?" Answer: "It empowers engaged thinkers to change our world."

We are focused on the good, by solving societies' problems in and with the community. We embody the California spirit: diverse, inclusive, and entrepreneurial. This is the level of vision and ideals under which we will nest particular initiatives.

Today I'd like to expound on these two sets of initiatives:

1. The student experience: Because Berkeley has more than one hundred undergraduate majors, it's a very distributed program. With five undergraduate colleges, professional schools that offer undergraduate majors. Student programs at UCB are quite different from the others, which presents a challenge with trying to have a transformational effect on undergraduate education at Berkeley.
  - a. We've therefore identified the following unifying principles:

- i. Berkeley Connect commits to providing accessibility to the navigation tools, the advising, the networks, the maps that will enable the student to take advantage of opportunities at Berkeley.
- ii. The Berkeley Discover program. We want every student to have access to the discovery period and to actively participate (individually and collectively).
- iii. The third of these is Berkeley Engage, which is about making our knowledge applicable and relevant to everyone's personal experiences (e.g.) education abroad, community learning experiences and co-ops. Extra-curricular opportunities.
- iv. The final of these is Berkeley Reflect, to engage students' reflection on their strengths and on areas that could be improved upon

Housing is a critical element of this campaign, for students cannot be expected to perform well if they are insecure about their living conditions.

I would like to also discuss about the characteristics of the signature initiatives. They are characterized by multiple disciplines, for they are big problems with social importance and implications. They will combine research, teaching, and service.

Climate Change and environmental justice: Berkeley wants to be a leader in this space

The relationship between human intelligence and artificial intelligence (AI): we are world-leaders as a university in AI research, yet we also want to advance communication about AI implications in this area.

Wealth and equality: we have some of the leading faculty in the world working on these issues.

The future of democracy: I was in Washington D.C. yesterday at an alumni event with about 200 alumni present. I hear that we have about 10,000 alumni in the Washington D.C. area. When I talked about the signature initiatives, they applauded.

The BSP also contains information regarding alumni. One of these is the expectation that Berkeley alumni will be students for life, returning to their educational homes throughout their lifetimes to reflect, renew, and retool. The Provost and I shared a conversation regarding the possibility of a debt-free UC. The idea we're considering is how students could get their debt forgiven, if they offered two years of public service. Such an initiative would certainly require the involvement of external partners. In addition, we would like these students to have access to online classes.

I wanted to offer a preview of the Marts & Lundy report on our annual fund (which will be presented to you in December). I'd like to share about one recommendation from the Marts & Lundy report:

The campus does not have an integrated, comprehensive, strategic alumni relations program. The consultants have identified it as a big problem in terms of building a basis

for a robust philanthropy. It challenges us to do this, which we hope by December we will have an outline for a discussion regarding this partnership with CAA.

Question: In terms of this initiative, how do we navigate the intricacies involved with alumni from different colleges, e.g. (the College of Engineering, or the Haas School of Business)?

Answer: I have a memo drafted regarding the changes to our fundraising strategy. One of the recommendations from the Marts & Lundy report was regarding our fundraising culture. One of the observations they've made is that our fundraising culture has progressively become extremely decentralized, which is not a best practice. This does not mean that we will become fully centralized. We aim to maintain a funding program with both centralized and decentralized elements to it. However, we cannot maintain a fundraising program where each entity regards itself as an independent entity. We've received alumni feedback affirming that our donors deserve to have an integrated approach to fundraising, demonstrating strategic partnership between the various units and the Central.

The third report from Marts & Lundy is about annual funds. They recommend centralization at the undergraduate level. They suggest that I assemble a committee and that we work to determine how we can simplify the annual fund process and distribute the funds to the units.

I believe that we are moving in the right direction, and that the Marts & Lundy report is helping to spur us to continue in that direction. Everyone on campus understands the message that fundraising is important to our future. However, too many people regard fundraising as a shopping list that you take to the supermarket, rather than as a thoughtful dialogue between donors who are interested in supporting the campus.

#### 10. Closed Session – Eric Mart

Mr. Mart put the meeting into closed session for Board discussion and excused all non-voting Directors and CAA Staff.

The CAA Board meeting adjourned at 3:45pm.