

Fullerton College Foundation
Executive Committee Meeting

Thursday, May 24, 2018; 9:30AM – 11:00AM - Part I

Recessed to & Reconvened on Tuesday, June 5, 2018: 1:30PM – 4PM - Part II

Recessed to and Reconvened on Monday, June 11, 2018: 12N – 2PM - Part III

FC President's Conference Room A (Revised Location)

For Approval

Attendees: Dr. Greg Schulz - FC President, Chuck Allen, Irene Shaw Broden, Mary Dalessi, Bob Miranda, Darlene Jensen

Absent: Nicole Bernard (Jury Duty)

Guests: Brent Hunter

The FC Foundation Executive Committee Meeting was called to order @ 9:39am by Irene Shaw Broden, Vice President, FCF Board. (Part I)

1. Approval of the Minutes of the March 22, 2018 meeting

Bob Miranda moved to approve the FC Foundation Executive Committee Minutes for Thursday, March 22, 2018 as submitted, Dr. Greg Schulz seconded the motion, and the minutes were approved with no objections.

2. 2018-2019 Foundation Budget Discussion

a. The Executive Committee held a general discussion about YTD expenses and revenue and started a review of potential changes to the 2018-2019 Foundation budget. One recommendation by Dr. Schulz was to explore the possibility of using the District's Auditors.

i. Bob Miranda moved to approve for the FC Foundation transitioning to NOCCCD and/or FC's CPA/Audit Firm. Darlene Jensen seconded the motion. The motion passed with no objections.

ii. Under Events and Projects:

1. Chuck Allen announced that the Revised Budget for 2018-19 is more conservative. "Gift Matching" and "Giving Tuesday" has been added back in as revenue at \$15,000. Event income will be added into the budget for the next draft, estimated at \$51,250. \$150,000 or difference is still needed from investments.

iii. Chuck Allen recommended to formally present the concept of FCF becoming an Auxiliary Foundation at the FCF Board Mtg on Th, 6/ 7/18

1. Dr. Greg Schulz will provide a detailed timeline for the Th, June 7 FCF Board Mtg and for the Special FCF Execs Committee Meeting on Tuesday, June 5.

2. FCF Board members gave preliminary straw poll support with comments from Bob Miranda and Mary Dalessi.

3. Dr. Greg Schulz made a motion for the FCF Board to seriously explore and move to change over to an Auxiliary Foundation with NOCCCD and

FC. Mary Dalessi seconded the motion. The motion was passed with no objections.

Darlene Jensen, FCF Board Secretary motioned to recess the FCF Executive Committee meeting until Tuesday, June 5 at 1:30pm – 4pm in the President’s Conference Room. The motion was seconded by Dr. Greg Schulz, FC President, and approved with no objections.

Fullerton College Foundation
Executive Committee Meeting – Part II
Recessed Meeting Reconvened on Tuesday, June 5, 2018: 1:30PM – 4PM
FC President’s Conference Room A
Continuation Minutes - For Approval

Attendees: On Tuesday, June 5, 2018; 1:30PM – 4PM*

Present: Dr. Greg Schulz - FC President, Chuck Allen, Nicole Bernard, Irene Shaw Broden, Mary Dalessi, Bob Miranda, Darlene Jensen Absent: None Guests: Brent Hunter

1. 2018-2019 Foundation Budget Discussion

- a. Chuck Allen, FC Foundation Executive Director, presented the Proposed FCF Revised Budget for 2018-19 with the revisions from 5/24/18 (May/June Exec Comm. Meeting – Part I) for review and discussion.
- b. 2018-19 Revised Budget Highlights, in addition to those revised on 5/24/18, included the following:
 - i. Consider Unrealized Gains
 - ii. Add: Implement Policy of 5% Administrative Fees for all restricted assets.
 - iii. Launch an Employee Campaign, with Board and Community Members Campaign
 - iv. Consider Realistic Revenue Sources
 - v. Still looking for \$150,000 needed
 - vi. \$10,000 Reduction in Executive Director Pay (Voluntary) for FCF Technical & Record Retention Project, unless can be funded thru another source.
 - vii. Add Car Raffle Back In for \$22,000 Budget allocation. Possible \$41,000 revenue for ticket sales.
 - viii. More Sponsorships and partnerships; Gala!
 - ix. Chuck Allen left \$1,000 in the revised budget for the transition audit.
 - x. Under Events and Projects, the following were added:
 1. Car Raffle Expenses: \$22,000
 2. Misc Events: Obtain Sponsorships/Partnerships with FC: \$3,000
 3. Awards Banquet: Obtain \$4,000 Sponsorship to cover cost
 4. Retired Faculty/Staff Event: Obtain \$2500 Sponsorship for cost
 - xi. New expense added for Foundation Records Preservation, totaling \$10,000. Chuck Allen wants to apply his 1-time voluntary adjustment in the FCF Director’s salary to cover this cost.
- c. 2018-19 Revised Budget Discussion:
 - i. Dr. Greg Schulz’s Comments:
 1. Consider a policy for future gifts.
 2. Consider a Management Fee and Administrative Fee

3. 5% Administrative Fee for all endowments
 4. Cypress College charges a 4% fee for all endowments
 5. Consider all FCF Board Members to give \$1,000 per year, plus seek support from the campus at large
 6. Establishing an FC Alumni Assn with a 1x Lifetime Membership, and will have the Alumni contact information
- ii. Dr. Schulz's Proposed budget of \$463,500 with his recommendations balanced the budget. Membership Program vs Board Members/Community Members/Employee Campaign were discussed.
 - iii. Additional Budget Discussion and Alumni Assn Comments:
 1. Chuck Allen also mentioned that Capital Gains have not been included in the FCF Budget in the past. Unrealized Gains were presented and discussed. Unrealized Gains of \$75,000, this item is now part of the Revised Budget.
 2. It was suggested that we re-start/re-establish an FC Alumni Association this year. There will be some roadblocks along the way. Consider \$25,000 to \$50,000 of revenue; will need start-up costs.
 3. Brent Hunter commented that FCF should not live within a deficit budget, that FCF should budget for a positive outcome, and to focus on an Employee Giving Campaign.
- d. Need for Continuation of FCF Executive Comm. Meeting in June
 - i. Due to the need for more work to be done on the FCF Revised Budget, and the interest of time, The FCF Executive Committee agreed & confirmed to support FCF Board President Nicole Bernard's recommendation to table this meeting until Monday, June 11, from 12N – 2pm, in the FC President Conference Room A (lunch to be provided by the FC President's Office.) If additional time was still needed, the meeting would be tabled again to Thursday, June 14, 4pm – 5pm, in FC President's Conference Room A.
 - e. Postponement of and New Date for FCF Board Meeting in June 2018.
 - i. Due to the need for more work to be done on the FCF Revised Budget by the FCF Exec Committee before presenting it to the FCF Board of Directors, The FCF Executive Committee agreed & confirmed to support FCF Board President Nicole Bernard's recommendation to table the FCF Board of Directors Meeting scheduled on Thursday June 7, 2018 until Thursday, June 28, from 4:30pm – 6pm in Room 224 of the FC College Center.
 - f. Foundation Board Vacancy/Nominations Update Mary Dalessi, Past President and Nominations Chair presented a handout of the current FC Foundation Board of Directors, by term groups, and presented the "Proposed Nominees for New Group II."

The new term would be in effect upon election this summer, with the term ending in 2021. The nominees included: Melissa Davis, Robert Jaurequi, Adrian Tanakeyowma, Stephen Laipply, Nick Fuscardo. The vacant seat from Derek Kirk's resignation in Group I, would be kept vacant until the following election.

- i. Irene Shaw Broden made the motion to approve the Proposed FCF Board Nominees for Group II and to leave Group I's vacant seat empty for future applicants, which was seconded by Dr. Greg Schulz. The motion was approved with no objections.

2. Investment Advisor Recommendation (Presented on 6/5/18)

- a. Chuck Allen reported out that due to the death of the previous FCF Investment advisor, Mark Weber was approved in January 2018 as the current Investment advisor for FCF. Chuck has worked with Morgan Stanley, as well, and recommends the transferring of the FCF Investment Process to Morgan Stanley. Board Agenda Items for the Th, June 28, 2018 Meeting (revised from Th, June 7, 2018)

3. All Business items on this agenda would be added to the FCF Board Agenda for June.

- a. Consideration for FCF becoming an Auxiliary Foundation, and the establishment of an Ad-hoc Committee to research it during Summer 2018, would be added to the June Agenda, as well.

4. FCF Board President Nicole Bernard recessed the FCF Executive Committee meeting until Monday, June 11 from 12N – 2pm (Part III) in the President's Conference Room, with no objections.

Fullerton College Foundation
Executive Committee Meeting
Recessed Meeting Reconvened on Monday, June 11, 2018: 12N– 2PM (Part III)
FC President’s Conference Room A
Continuation Minutes (Parts I, II & III) - For Approval

Attendees: On Monday, June 11, 2018; 12N – 2PM*

Present: Nicole Bernard, Dr. Greg Schulz, Mary Dalessi, Bob Miranda, Irene Shaw Broden

Absent: Darlene Jensen Guests: Brent Hunter

1. Continuation of 2018-2019 Foundation Budget Discussion – Noon, June 11.
 - a. Chuck Allen and Dr. Schulz reported that they had met the prior day and finalized the 2018-2018 proposed Budget. The following changes were made:
 - i. Unrealized gains/losses will be accounted for on a 3-year moving average basis
 - ii. Partners in Education subscriptions were increased by 2
 - iii. The Foundation will hold a new car raffle in the second half of the year
 - iv. 5% Administrative Fee for new donations and 1% Fee on the Foundation’s endowment will be implemented.
 - v. Use of District Auditors
 - vi. Sponsorships will be solicited for Retired Faculty and Staff and Awards Ceremony
 - b. The proposed budget was unanimously adopted by the Executive Committee and will be presented at the June Foundation Board meeting. Approved Budget is attached to the Minutes.
 - c. The meeting was adjourned at 2pm.

<u>2018-2019 Fullerton College Foundation Budget</u>	Approved 2017-2018 Budget	Proposed 2018-2019 Budget	Notes for proposed 2018-2019 Budget
Support & Revenue:	Unrestricted	Unrestricted	
Interest, Dividends, Unrealized Gains (average of 5 yrs = \$91,000) and Capital Gains Distribution	\$105,000.00	\$169,750.00	
Contributions - Unrestricted:			
Membership Program (Foundation and President's Circle)	\$20,000.00	\$10,000.00	
Partners in Education	\$0.00	\$65,000.00	New program for 2018-2019
Major Fund-Raisers			
Car Raffle (Q3/Q4 2018-2019)	\$31,000.00	\$41,000.00	New Fund Raiser for 2018-2019
Giving Tuesday	\$25,000.00	\$15,000.00	
Foundation Sponsored "Gala"	\$45,000.00	\$101,000.00	Gavel Group has been hired to run auctions
In-Kind Donations	\$0.00	\$500.00	
Passive income sources (PinRaise, Ralphs, Smile Amazon)	\$2,000.00	\$1,000.00	Ralphs and Amazon Smile
Donations (Board members/Community members)	\$35,000.00	\$15,000.00	FCF Board plus Employee Campaign
Launch "Alumni Association" Drive	\$0.00	\$0.00	Work with College on a plan to implement
Implement policy of 5% admin fee for all Donated Gifts	\$0.00	\$32,000.00	Requires Board Approval
Implement policy of 1% Assessment on Restricted/Temp Rest. Assets	\$0.00	\$33,000.00	Requires Board Approval
Corporate Sponsorships	\$30,000.00	\$2,000.00	Reallocated to other Revenue items
Total Support & Revenue:	\$293,000.00	\$485,250.00	
Foundation Scholarships and Grants:			
Total Scholarships and Grants Paid:	\$260,000.00	275,000.00	
Less Pass-Through (SCE, Waltmar, Boeing, Osher, Beckman Coulter)	\$115,000.00	\$120,000.00	
Total Foundation Scholarships and Grants:	\$145,000.00	\$155,000.00	
Administration/Salary Expenses:			
Accounting & Professional Fees (Accounting/Legal)	\$8,500.00	\$1,000.00	Proposal to use District external Auditors
Bank Charges	\$300.00	\$300.00	
Depreciation	\$1,400.00	\$1,600.00	\$200-\$300 increase for furniture/improvements
Office expense and Supplies	\$2,000.00	\$1,500.00	
Payroll tax/Healthcare Expenses	\$23,500.00	\$24,500.00	Health Insurance 7% increase
Postage	\$2,000.00	\$1,500.00	
Salaries - Full-Time Staff	\$150,000.00	\$140,000.00	Reduction in Exec. Dir. Salary and Hours
Salaries - Part-Time Staff	\$12,500.00	\$15,000.00	
Salaries - Work Study	\$0.00	\$0.00	
Salaries - Development Staff	\$50,000.00	\$50,000.00	
Taxes & Licenses	\$100.00	\$100.00	
Insurance (D&O, Liability, Worker's Comp)	\$4,500.00	\$4,000.00	
Dues, Conferences, Travel and Mileage	\$2,500.00	\$1,500.00	
Public Relations/Marketing/Printing	\$4,000.00	\$4,000.00	
Website Development/Software License Fees	\$13,000.00	\$12,000.00	
Foundation Records Preservation	\$0.00	\$10,000.00	New Expense \$10,000 for 2018-2019
Telephone	\$0.00	\$0.00	
Administration/Salary Expenses - Sub-Total	\$274,300.00	\$267,000.00	
Foundation Events and Projects:			
Membership Program	\$2,000.00	\$250.00	
Giving Tuesday	\$1,000.00	\$500.00	
Car Raffle	\$23,100.00	\$22,000.00	
Misc. Events including annual CofC, etc.	\$4,000.00	\$3,000.00	
Awards Banquet	\$4,000.00	\$0.00	Obtain \$4,000 sponsorship to cover cost
Foundation Sponsored "Gala"	\$30,000.00	\$37,500.00	
Retired Faculty and Staff Event	\$2,500.00	\$0.00	Obtain \$2,500 sponsorship to cover cost
Dr. Lynn Sheller Honor Wall Updates	\$500.00	\$0.00	
Total Foundation Events and Projects:	\$67,100.00	\$63,250.00	
Total Administration/Events Expenses	\$341,400.00	\$330,250.00	
Total Scholarship/Administration/Events and Salaries	\$486,400.00	\$485,250.00	
		\$485,250.00	Revenue
		\$485,250.00	Expenses