

COLLEGE OF THE CANYONS FOUNDATION
26455 Rockwell Canyon Road, University Center 301, Santa Clarita, CA 91455

Executive Committee
Minutes

Wednesday, January 10, 2024, 4:00 pm

- Members Present:** Fred Arnold (Board Chair)
Lisa Burke, Sharlene Coleal (Vice-President, Business Services and Foundation Treasurer), Tamara Gurney, Gary Horton (Vice-Chair), Brian Koegle (remote), Shawna Lubs (Chief Operating Officer), Randy Moberg, George Reyes, Jeff Thomas
- Members Absent:** Steve Corn, Jill Mellady, Dianne Van Hook (Chancellor)
- Foundation Staff Present:** Cassidy Butow (Events Coordinator), Jerry De Felice (Chief Development Officer), Desiree Dodd (Director of Development and Engagement)
- District Staff Present:**
- Board Liaison Present:** Edel Alonso (President, Board of Trustees)
- Guests Present:**

1. PRELIMINARY FUNCTIONS

- 1.1 Call to Order/Establishment of a Quorum **Fred Arnold**
Noting that a quorum had been established, Fred Arnold called the meeting to order at 4:05 pm.
- 1.2 Comments by Members of the Audience NOT on the Agenda **Fred Arnold**
- We invite Foundation Board Members to attend the January 17, 2024, Board of Trustees meeting for the presentation of the Foundation Audit.
- 1.3 Approval of Meeting Agenda **Fred Arnold**
Fred Arnold requested a motion to approve the January 10, 2024 agenda.
- Motion to Approve: Lisa Burke Second: Randy Moberg Voting Yes: Fred Arnold, Lisa Burke, Sharlene Coleal, Tamara Gurney, Gary Horton, Brian Koegle, Shawna Lubs, Jill Mellady, Randy Moberg, Jeff Thomas, George Reyes
- 1.4 Approval of Meeting Minutes: November 1, 2023 **Fred Arnold**
Fred Arnold requested a motion to approve the meeting minutes from the Executive Committee meeting on November 1, 2023.

Motion to Approve: Jeff Thomas

Second: George Reyes

Voting Yes: Fred Arnold, Lisa Burke,
Sharlene Coleal, Tamara Gurney,
Gary Horton, Brian Koegle, Shawna
Lubs, Jill Mellady, Randy Moberg
Jeff Thomas, George Reyes

Abstain: Tamara Gurney, Randy
Moberg

2. INFORMATION

2.1 2022-2023 Schedule of Commensurate Return

Sharlene Coleal

The Commensurate Return demonstrates the support or service that the Foundation has provided to the District and that the District has provided to the Foundation. The Commensurate Return is reviewed annually and based on the Foundation Audit information, but the auditors do not review it. The Foundation provided 423 COC Students with scholarships for \$402,661. \$352,059 was provided to support student programs, clubs, and athletics. \$42,165 in support was provided to instructional programs. In addition, the Foundation provided \$161,290 in donated assets to the District, including items such as pots and pans donated to the Culinary Arts & Wine Studies department and golf balls for Athletics. We are newly tracking the total Foundation staff salaries and benefits that contribute to promoting the college's brand, enrollment growth, improved relations with college constituencies, maintenance of donor data, and social media engagement for \$562,407. The 34 COC Foundation Board Members have contributed \$586,800 (\$150/hour) in volunteer in-kind services. The total support/service to the district was \$2,107,382. The District provided \$1,152,967 in support/service to the Foundation through salaries and benefits, donated services and operating expenses, and donated facilities. The net benefit or service provided to the District by the Foundation is \$954,415. The Commensurate Return also includes future benefits to the district, including balances as of June 30, 2023, of donor funds with purpose and perpetual restrictions held for District benefit.

2.2 COC Foundation Political Contributions Desk Procedure

Sharlene Coleal

The Foundation was asked by the joint Foundation Executive Committee and the Board of Trustees to develop a desk procedure regarding political contributions, which is referenced in the Foundation Operating Agreement. The desk procedure outlines a process for calculating how much money the Foundation can contribute to a District bond campaign. The spending limit is listed on the 990 under 501(h). The desk procedure does not guarantee contributions to a bond campaign but provides the procedure if appropriate. The Foundation is prohibited from influencing the outcome of candidate elections for public office. Still, it may engage in limited amounts of activities directed at influencing legislation related to the community college. The Foundation has previously contributed money to Measure C, M, and E.

Recommendations by the Foundation Executive Committee:

- Include more narrative and context to the desktop procedure
- Section F: Ballot Measures – it was recommended to add something specific to bond measures
- Refer to the State Chancellor's Auxiliary Organization Handbook
- Add an effective date to the desktop procedure
- Obtain legal counsel's opinion on the political contribution's desktop procedure

The Procedure will be revised and returned to the Executive Committee before it is taken to the Foundation Full Board.

2.3 Fund Balance Policy Revision

Sharlene Coleal

The Foundation Fund Balance Policy has been revised to reflect the cash balance in the Discretionary Fund (Fund 81) rather than the yearly operating expenditure balance. Sharlene realized that we were calculating the fund balance not by the cash balance but by the yearly operating expenditure balance, which inflated the fund balance. Using the cash balance better represents the actual cash on hand and creates a percentage difference. The cash balance includes cash and cash equivalents in the Discretionary Fund (Fund 81) held at LACOE.

Recommendations by the Foundation Executive Committee:

- Edit the Foundation Fund Balance Policy to say the cash balance includes cash and cash equivalents in the Discretionary Fund (Fund 81) held at LACOE.

The Manvi Endowment Investment and Spending Policy has been revised to be broader. Initially, the agreement was very narrow, only allowing us to invest and distribute funds in a specific way. The trust agreement was modified to reference our endowment policies so that the Manvi Trust will align with the Foundation's policy. Now, scholarships will be funded from up to 5% on the three-year average distribution and the Foundation has the authority to determine scholarship distribution amounts. The Manvi Trust will now be aligned with the other Foundation endowments.

The Fund Balance Policy Revision will be brought to the Foundation Full Board for approval.

3. APPROVAL

3.1 Approval of Financial Statements as of November 30, 2023

Sharlene Coleal

- Fund 81 Revenue & Expenses
- Operating Fund Cash Flow Projections
- Fund 82-89 Revenue & Expenses Summary
- Cash Balance Summary
- Fund 81-88 Disbursement Detail

As of November 30, 2023, we are 42% through the fiscal year. The Foundation has budgeted revenues of \$264,200 and expenses of \$263,400, with a net revenue of \$800. The year-to-date net revenue is \$10,000 but will shift as we progress through the fiscal year. LACOE interest is at 3.8%, an increase from prior years. The Interfund Transfer amount of \$20,000 is held in Fund 82 and is only utilized if needed to balance the Foundation budget. The Annual Fund Appeal is doing well at 41%, and we hope to continue to see that with the Spring 2024 appeal letter. General Fundraising is behind. The Alumni Development revenues will be seen in the spring, the Golf Tournament did exceptionally well, Chancellor's Circle is doing well and is close to the 42% target goal, and Silver Spur revenues will be seen in the spring.

For expenses, payroll and benefits are on track with the budget. The subscriptions and memberships have been pre-paid and are tracking in line with the budget. Office supplies are tracking above, due to a one-time purchase of a desk for staff. There are no current contract services expenses but we will see expenses for Raymond James and legal fees later in the fiscal year. All other expenses are on target with the budget.

For Special Events and Fundraising, the 2023 Golf Tournament achieved a net income of \$28,238 against a budget of \$16,000. The Chancellor's Circle is doing better than in previous years; it is currently \$29,500

below budget, but we anticipate that to change through the fiscal year. The Silver Spur revenues and expenses will be available later in the fiscal year as the event takes place on April 13, 2024.

As of November 30, 2023, the Foundation Fund Balance is \$301,000 after the \$100,000 transfer to the COC Foundation Endowment. The Foundation Discretionary Cash Balance as of November 30, 2023, is \$169,000 (64%). For reference, the state recommends operating at a 16.7% fund balance, so the Foundation is doing well.

Discussion by the Executive Committee:

- The President of the Classified Senate addressed the Board of Trustees to ask if the Foundation can support classified staff with the mini-grant Chancellor Circle's program grants.
- A desktop procedure should be developed on the process for distributing Chancellor Circle mini-grants (innovation grants)
- The Dr. Dianne Van Hook Dream It Do It Innovation Award may also support staff grant opportunities

Motion to Approve: Brian Koegle

Second: Lisa Burke

Voting Yes: Fred Arnold, Lisa Burke, Sharlene Coleal, Tamara Gurney, Gary Horton, Brian Koegle, Shawna Lubs, Jill Mellady, Randy Moberg, Jeff Thomas, George Reyes

3.2 Professional Service Agreements

- Newhall Refinery – Board Holiday Party - \$45 per person, plus tax, gratuity, and admin

The Newhall Refinery Professional Service Agreement was postponed for a vote at the Foundation Full Board meeting on January 23, 2024. The agreement will be presented with the total cost of the event. Gary Horton has donated his home for future Foundation Board events.

Motion to Approve: N/A

Second: N/A

Voting Yes: N/A

Shawna Lubs

3.3 Board Member Nominations

- Leticia Meza-Guerrero

Leticia Meza-Guerrero of Logix is passionate about education and has met with Fred Arnold and Jerry De Felice. Logix has been a valuable partner to the Foundation, and Leticia will continue in that respect.

Fred Arnold requested a motion to approve the nomination of Leticia Meza-Guerrero as a board member.

Motion to Approve: Fred Arnold

Second: Randy Moberg

Voting Yes: Fred Arnold, Lisa Burke, Sharlene Coleal, Tamara Gurney, Gary Horton, Brian Koegle, Shawna Lubs, Jill Mellady, Randy Moberg, Jeff Thomas, George Reyes

Jerry De Felice/Fred Arnold

3.4 Board Designated Funds - \$2,000 for the Golf Program

The Executive Committee approved transferring \$2,000 in board-designated funds to the Golf Program for their support of the 2023 Golf Tournament. In the 2024-2025 fiscal year, the \$2000 for the golf programs support of the golf tournament will be included in the Golf Tournament budget.

Fred Arnold requested a motion to approve the board-designated funds for \$2,000 to the Golf Program.

Desiree Dodd

Motion to Approve: Fred Arnold Second: Jeff Thomas

Voting Yes: Fred Arnold, Lisa Burke,
Sharlene Coleal, Tamara Gurney,
Gary Horton, Brian Koegle, Shawna
Lubs, Jill Mellady, Randy Moberg,
Jeff Thomas, George Reyes

4. ADJOURNMENT AND ANNOUNCEMENT OF THE NEXT MEETING

4.1 Adjournment

Fred Arnold

The next Executive Committee meeting is scheduled for Wednesday, March 6, 2024.

Fred Arnold adjourned the meeting at 5:18pm.