

COLLEGE OF THE CANYONS FOUNDATION
26455 Rockwell Canyon Road, Santa Clarita, CA 91355

Finance Committee
Meeting - Minutes
February 27, 2026, 8:30 AM
Canyons Hall 211

Members Present: Lisa Burke (Finance Committee Chair), George Reyes (Finance Committee Co-Chair), , Jason Hinkle (Vice-President, Business Services and Foundation Treasurer), Shawna Mann (Executive Director), Randy Moberg, Jesse McClure

Members Absent: Steve Corn

Foundation Staff Present: Desiree Dodd (Director of Development and Engagement), Melayn Poladian (Foundation Relations Coordinator III), Dylan Mahoney (Events and Marketing Coordinator), Mayra Cuellar (Administrative Assistant V)

District Staff Present: Rosie Kochendorfer (Senior Accountant, Business Services)

Affiliated Guests Present: James Schramm (Investment Advisor, Raymond James)

Other Attendees:

1. PRELIMINARY FUNCTIONS

1.1 Call to Order/Establishment of a Quorum **Lisa Burke**

Noting that a quorum had been established, Lisa Burke called the meeting to order at 8:41 AM.

1.2 Approval of Meeting Agenda **Lisa Burke**

Motion to Approve:	Second:	Vote - Passed:
Randy Moberg	George Reyes	5 Yes
		0 No
		0 Abstention

1.3 Approval of Meeting Minutes: December 12, 2025 **Lisa Burke**

Lisa Burke requested a motion to approve the meeting minutes from the Foundation Board meeting on December 12, 2025.

Motion to Approve:	Second:	Vote - Passed:
Jason Hinkle	Randy Moberg	5 Yes
		0 No
		0 Abstention

2. REVIEW

2.1 Foundation Investment Update by Financial Advisor **James Schramm**

Over the past four months, the stock market has remained relatively stable, trading within a 70% range with little movement. Currently, our account has grown by 6.6%, but it trails our benchmark of 9.3% due to a conservative investment approach considering market conditions. This month, we have seen a 2% increase in our accounts, in contrast to a flat stock market, largely because we have shifted our portfolio towards dividend-paying, less growth-oriented stocks, particularly moving away from technology as fears of AI disruption affect those sectors.

The Magnificent Seven—seven major companies in the S&P 500—have experienced an average decline of 6.5% this year, while the remaining 493 companies have seen gains of around 4-5%. This reflects a market rotation favoring value stocks over growth stocks, with sectors such as energy, consumer staples, and industrials performing well.

Despite 76% of companies beating earnings expectations, there are concerns that the S&P repeatedly hitting just under 7,000 may signal a potential market pullback. We are cautious about adopting a more aggressive investment strategy at this time, but we may consider it after the pullback. Our investment policy is focused on generating consistent returns with lower volatility rather than trying to outperform the S&P 500. Historically, this approach has yielded positive results, and we have maintained positive returns even during market downturns. Adjustments to our investment strategy can be made if desired, but our primary goal remains consistent performance with minimized market risk.

The current portfolio allocation is as follows: approximately 30% in large companies, nearly 41% in bonds due to a conservative approach, and around 8% in small and mid-cap investments, which falls within the allowable range of 2.5% to 10%. International investments constitute about 10%, slightly below the 13% threshold, while the target for large companies is 32%, with current holdings at 30%, indicating compliance within the set policy limits.

Concerns were raised regarding the relatively low international allocation compared to other endowments, which typically range between 20% to 40% for their stock portion. It was clarified that this percentage refers specifically to the equity portion of their portfolios. The endowment has the flexibility to increase international investments as needed, and it will be further examined in relation to similar institutions such as Harvard and Yale. Discussions emphasized the importance of these strategic conversations, aligning the portfolio more closely with established benchmarks while ensuring the management team operates within their defined parameters and objectives. Additionally, it was acknowledged that the size of the endowment influences investment strategy and risk-absorption capacity, as larger institutions can afford greater variance.

Moving forward, arrangements will be made for a future meeting to present a comparative analysis of the endowment's investment strategy against others, enabling informed discussions and potential recommendations for adjustments.

2.2 Review of Investment Policy and Current Investments

Shawna Mann

Shawna Mann emphasized the need to review the foundation's policies, noting that they have not been evaluated in quite some time. The goal is to establish a calendar for comprehensive policy reviews within the next two weeks. Jason Hinkle noted that the last review of the Investment Policy was about five years ago, suggesting it is indeed time for an update, especially since district policies typically undergo review every six years.

Randy Moberg recalled previous discussions where minor adjustments were made, and the committee noted that a special policy was created for Manvi, with changes possibly consolidated during that time. The committee acknowledged that a newer version of the policies might exist, possibly dating back two to three years, with the Manvi Trust project

invested a little over two years ago. The team agreed to investigate the most recent updates to ensure they have the latest information before proceeding.

3. APPROVAL

3.1 Approval of Financial Statements as of January 31st, 2026

Jason Hinkle

Jason Hinkle noted that we are on track operationally, with 58% of the year completed. He clarified that while expenses are aligned, the percentage may appear misleading as many costs are incurred upfront. Revenues are expected to increase steadily, particularly with the upcoming Silver Spur.

He reported that expenses related to salaries, benefits, and contract services are on target, and that developmental fundraising stands at approximately 50%. Jason Hinkle anticipates ending the year under budget for general operations, despite some initial costs.

Shawna Mann provided an update on the Raisers Edge NXT contract, which was delayed but has now been finalized as a three-year agreement; Rosie Kochendorfer will ensure proper prorating for the current and upcoming years. Desiree Dodd emphasized the program's comprehensive nature, noting its essential role in their CRM, online registration, donation pages, and overall website integration, and explaining the high costs due to its all-in-one package functionality.

Jason Hinkle concluded that finances remain stable and that preparations for special events, including golf and the Silver Spur event, are progressing well.

Motion to Approve:

Randy Moberg

Second:

George Reyes

Vote - Passed:

5 Yes

0 No

0 Abstention

3.2 Recommendation to transfer interest from Fund 84 (Expendable Scholarships)

Desiree Dodd

Desiree Dodd explained that this fund operates similarly to Fund 82 in terms of generating interest from various accounts. The primary objective is to transfer the accrued interest from Fund 84 to the COC Foundation Endowment, thereby supporting its growth, like the previous action taken with Fund 82. Fund 84 contains expendable scholarship money; it has been proposed to retain approximately \$40,000 for potential scholarship backfills and transfer the remaining \$75,000 to the endowment.

The rationale behind this transfer is rooted in the shift in scholarship planning. Previously, interest from endowments was drawn monthly; however, the new practice involves biannual withdrawals, allowing for better forecasting of available scholarship funds without relying on the residual amount in Fund 84.

The conversation also included insights into optimizing fundraising efforts as more donations are made online, which incur credit card fees that Fund 81 absorbs. Strategies under consideration include asking donors to cover these fees, ensuring their full donation benefits the intended cause, while directing any additional fees to operational support.

Overall, the recommendation is to proceed with the transfer of \$75,000 from Fund 84 to the COC Foundation Endowment, enhancing the foundation's financial resources while maintaining sufficient liquidity for scholarship commitments.

Motion to Approve:

Randy Moberg

Second:

George Reyes

Vote - Passed:

5 Yes

0 No

0 Abstention

4. PUBLIC COMMENT

4.1 Comments by Members of the Audience NOT on the Agenda

Lisa Burke

Lisa Burke requested comments on off-agenda items; none were given.

5. ADJOURNMENT AND ANNOUNCEMENT OF NEXT MEETING

5.1 Adjournment

Lisa Burke

Lisa Burke adjourned the meeting at 9:34 AM.