



\*\*\* Minutes \*\*\*

ANNUAL MEETING of the BOARD of DIRECTORS  
June 21, 2012 ~ 7:00 A.M.  
TOTALLY KIDS – 1720 Mountain View Ave, Loma Linda

**MISSION STATEMENT:** To become a major partner in funding educational excellence.

Directors Present: Don Nydam, David Raley, Joanna Averett, Cheryl Cox, Gloria Harrison, Donna Ferracone, Lynn Bogh Baldi, Daniel Bahner, Gordon Clopine, Judi Battey, Charlie Ng

Directors Absent: Marie Alonzo, Ray Quinto, James Ramos, Claire Marie Teeters, Gene Wood, Bob Temple, Bill Nassar

Staff Present: Kelly Bingham, Karen Childers, Cheryl Marshall, Michelle Riggs, Kyle Hundley, Rebecca Warren-Marlatt, Michael Strong, Betty Jo Wood

Guests: Doug Padgett, President; Totally Kids

**1. Call to Order & Opening Comments** - Pres. Don Nydam

Since there were many staff attendees, as well as prospective directors and guests, Don invited each to introduce him/herself and provide a brief description of their relationship to the College and/or Foundation. Doug Padgett spoke briefly about the services provided by Totally Kids, and his interest in assisting the Foundation to secure more support from members of the allied health and healthcare communities since the College provides so many well-trained professionals for these facilities. Don added that the College is getting better all the time. He thanked Gloria for what she has accomplished as president.

**2. College Happenings** – Gloria Harrison

Gifts to College ~ *See Enclosed Report*

Among Gloria's comments were the following:

- The College enjoyed a very successful end of semester, graduating "a good number" of students, including the fire academy, EMS, EOPS scholars, and a number of scholarship winners awarded during a very successful Scholars Convocation event, with the Paramedic graduation schedule for June 28 in the PAC.
- We have some students on campus, since the Respiratory Therapy program is year long, and there are a few session of EMS.
- Since there is no summer session, the custodial and grounds departments are taking the opportunity to do a lot of campus clean-up.
- The big thing is that the user groups formed to define and help design the functionality of the new buildings have completed their work. We will be constructing four new buildings – the Crafton Center, housing the administration and student service functions, will be "the heart of this campus." It will house Admissions and Records, Student Life, EOPS, DSPS and financial aid. Most of the services will then be in one place. It is a beautiful building, with a footprint slightly larger than the old library building, and will complement the other structures on the campus, taking advantage of the view, the gathering areas, etc.
- The science building will be between the LADM and OE1. It will house the life sciences. It is designed to overhang the canyon, and will be quite striking when viewed from Sand Canyon. We are very excited about it.
- The OE2 will house the fire academy and allied health, respiratory and EMT. It is a good design, with shared spaces for all disciplines. It will have a lab and a conference room,

and will be the first time these programs have had a building designed specifically for them!

- There will be an extension to the Aquatics Center, tentatively to include a dance studio and offices for the health faculty. We will be able to make even more use of the aquatics facility, drawing more students to that area. The proposed deadline for all construction is five years. It is an exciting time on campus.

The challenge will be in finding the money to fund all of these improvements. The State budget is a disaster. It is hard for people to understand why we've cut classes when they see so much building going on, but moneys that are earmarked for specific use must be utilized as specified. We cannot fund classes with money allocated to construction.

### 3. Approval of Minutes of the meeting of March 15, 2012

**It was Moved** by Daniel Bahner, Seconded by Gordon Clopine and unanimously carried, to approve the minutes as recorded.

### 4. Financial Report – Charlie Ng, Chief Financial Officer

Charlie distributed the *Balance Sheet Previous Year Comparison* and the *Financial Recap* reports, noting that Foundation assets are all in money market, checking accounts & CDs, and that those investments are not in keeping with what would be considered “best practices”, given the growth in Foundation assets and the anticipated Krasovec gift. He stated that he will present to the Foundation at the September board meeting a proposal of how to maintain the Foundation assets. We will look at keeping pace with inflation, and perhaps utilizing the services of a professional funds manager. In regard to the *Financial Recap*, Charlie stated that the negative balance for Santos Manuel Bridge grant will be offset by a transfer from other funds.

#### (a) Budget – Fiscal Year Ending June 30, 2013

It is anticipated that the Foundation budget will be presented for approval at the September meeting.

#### (b) Investment Strategy

The finance committee has met to discuss the Foundation's investment strategy, and will make its recommendation to the Board of Directors by the September meeting. The Krasovec gift hasn't been disbursed. The next court date is in August. The attorney has asked for a preliminary distribution. Per Joanna Averett, if most of it is liquid, the court should approve it. The only asset is a small piece of real estate, and she will ask in re: the distribution. David Raley noted that there is a fund called Cal Trust, a statewide investment that pays a pretty good return on pooled funds. Charlie Ng will explore that concept.

The District is hoping to have a final budget approved in September, also. The District has a relatively healthy fund balance on paper, but the cash flow is not as healthy as fund balance indicates. The District has had to borrow money from the County and from its own funds. The District will be looking at many options, including an early retirement package, as a possibility. Turbulence has become a part of the routine. Don noted that Charlie has a tough job, given the current state of affairs in Sacramento.

**5. Annual Meeting – Don Nydam**

(a) Election of Directors - re-election to 3-year terms – expiring in 2015 (may entertain motion to elect full slate)

Don Nydam	Gordon Clopine
Gene Wood	Cheryl Cox
Lynn Baldi	Judi Battey
Bob Temple	Gloria Harrison (expiring 2013)
Cheryl Marshall (initial term)	Betty Jo Wood (initial term)

Don noted the proposed slate of Directors, as shown on the agenda, with the addition of the name of Gloria Harrison, which has been added to these minutes.

(b) Election of Officers (may entertain motion to elect full slate)

President.....	David Raley
Vice President.....	Don Nydam
Secretary.....	Cheryl Marshall
Chief Financial Officer.....	Charlie Ng

**It was Moved** by Gordon Clopine, Seconded by Lynn Baldi and unanimously carried, to elect the slate of Officers.

(c) Appointed Position:

Assistant Secretary.....	Kelly Bingham (staff)
--------------------------	-----------------------

(d) Consideration of Prospective Directors

1. Doug Padgett – CEO, Totally Kids, Loma Linda

Doug indicated great interest in the Foundation and a willingness to work in its behalf, but not as a Director at this time.

2. Sam Erwin – City Clerk, Redlands (Sam has not been approached at this time)

(e) Nomination of new Director, Michael Strong, CHC VP of Administrative Services

**It was Moved** by Betty Jo Wood, Seconded by Lynn Baldi, and unanimously carried to elect Michael Strong as a Director, to a three-year term.

(f) Designation of Authorized Signers on Foundation accounts, any TWO of which will be required to transact Foundation business (requires Motion of Approval)

1. Cheryl A Marshall
2. Charlie Ng
3. David E Raley
4. Michael W Strong

**It was Moved** by Don Nydam, Seconded by Daniel Bahner and unanimously carried, to approve the four Directors named above as authorized signers on Foundation accounts, with ANY TWO eligible to provide the required signatures for transacting business.

## 6. Friends of the College

### (a) Luncheon, September 18, 2012, Hilton San Bernardino

Karen distributed a draft agenda of the September 18 “Friend of Crafton Hills College” luncheon at the Hilton Hotel in San Bernardino. The agenda is based on a model of one used by a college that raised \$300,000 in an hour. In the form presented on the draft agenda, the program includes motivational speakers, and concludes with an “ask”. It would tell the story of Crafton Hills College, and would conclude with a closing statement by a board member who is a donor. Don Nydam stated that we want to show the guests a good time, but we want to establish a base of people who give.

### (b) Structure/Membership –

The luncheon will include present and former directors, as well as community leaders and prospective donors. Each Director will be commissioned to bring one guest who may be a potential donor.

### (c) Purpose – to further the Vision of the Foundation through extended outreach and networking.

David Raley observed, “It started out as a recruitment effort. Changing it into an “ask” sounds like a good idea, but what do others think?” Lynn Baldi said, “CHC has a compelling story, and that many people don’t realize what the College has done for the last 40 years. I’m all for this event being an “ask”. I’d like to see this event become a part of our tradition. We need examples of success, and stories about CHC’s impact and how others can help us.” Gordon Clopine added, “I’d like to see the story be told, but I’d like to see the giving aspect be a little more subtle than a direct ask as the focus of the meeting.” Don added that we can see it as a combination of Foundation-building and fund-raising. Gloria urged that no matter what our focus is for the first meeting, we need to keep the momentum going by exhibiting a purpose and engaging the attendees on a continued basis. She was suggested including a “State of the College” address, and agreed that it must be a very careful balance between friend- and fund-raising. Joanna said, “I think a “gentle ask” is very appropriate. That is, after all, our purpose. You are soliciting time, talent and treasures.” Cheryl Marshall offered the suggestion that we could offer a specific target, for example, funding a summer school class. Lynn urged, “It is highly important to have a follow-up plan, or we’ll lose the opportunity.” Mike Strong suggested providing an intake sheet where people who could indicate how they might be able to help – by donating, by introducing an influential person, by participating in events. These excellent ideas will be considered by the event committee, which will include Karen Childers and Cheryl Marshall.

## 7. Development – Karen Childers

- (a) *Gala Re-Cap* – Karen distributed the income and expenses report for the Emerald on the Hill Gala
- (b) *Whistleblower Protection Policy* – Updated documents were signed by all present.
- (c) *Conflict of Interest Policy* – Updated documents were signed by all present.
- (d) *Financial Review & Audit* – Karen has secured an engagement letter from Smith

Marion to perform an annual review of FYE June 30, 2012 in the amount of \$3,000.00

(e) *Campaign for Summer 2013*

Our goal will be to fund summer school classes. Gloria Harrison noted that President's Circle now has \$57,000.00 in it. Her suggestion was that some of that fund be used toward summer school. Karen Childers suggested that perhaps some could be used as a "match" opportunity. Gordon Clopine observed, "In the past, the State provided the classes. More and more I see us funding things the State is obligated to provide. I'm worried that we are becoming the agency that back-fills the State's obligation." Donna Ferracone said, "Although I agree with Gordon, the fact remains that the State is NOT doing it. In desperate times, we may resort to measures that we wouldn't ordinarily take. I'm opposed to us cutting any more classes." Daniel Bahner reminded the Directors that, in our strategic plan, we have a strategy to increase CHC section offerings. Donna continued, "We are failing our students by not offering those needed classes. What good are our scholarships, if the students who earn them are not able to enroll?" David Raley also agreed with Gordon, in principal, but added that we (the Foundation) need to fill that void. Lynn Baldi closed the discussion by suggesting that the Foundation more diligently promote awareness of the existence of its endowments fund

- (f) *Foundation Annual Report* - The report has been produced, and will be mailed on Friday, September 22. Copies were distributed to Directors attending the meeting.

**8. Other – Announcement of meeting dates, times & location for 2012 – 2013**

The consensus resulting from the online "Survey Monkey" designed by Michelle Riggs and sent to all Foundation Directors and staff associates revealed that the preferred day and time for quarterly meeting is Thursday at 3:00 PM. This will be cross-referenced with standing meetings on campus and at the District to avoid conflicts before the specific Thursday of the month is selected. The site will also be determined, be that on CHC's campus, or at Totally Kids in Loma Linda. Directors will be advised well in advance of the September meeting.

- 9. Closing** – Gordon Clopine thanked Don Nydam for his service to the Foundation, and David Raley for stepping up to the position of Foundation president. David thanked Don and Gloria for their service to the Foundation, and for remaining to support it even as they leave their professional or elected positions. He also expressed his appreciation to Don for his continuing lead in spear-heading fund-raising efforts, noting that this is "what he is really good at." A card and gift of appreciation were presented to Betty Jo Wood, upon her retirement, and transition from staff affiliate to Director.

\*\*\* NEXT MEETING DATE: A THURSDAY AFTERNOON IN SEPTEMBER, 2012\*\*\*  
EXACT DATE, AS WELL AS CONFIRMATION OF MEETING PLACE, WILL BE ANNOUNCED