



MINUTES

ANNUAL MEETING of the BOARD of DIRECTORS
June 16, 2011 ~ 7:00 A.M.
CHC Learning Resource Center – Multi-Purpose Room

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

Present: Don Nydam, Gloria Harrison, Charlie Ng, Lynn Bogh Baldi, David Raley, Donna Ferracone, Cheryl Bardowell, Joanna Averett, Betty Jo Wood

Absent: Gene Wood, Bill Nassar, Marie Alonzo, Daniel Bahner, Judi Battey, Gordon Clopine, Cheryl Cox, Ray Quinto, James Ramos, Claire Marie Teeters, Bob Temple

Guests: Raju Hegde, Dean of Math, English, Reading and Instructional Support; Karen Childers, Director of Grant Development & Management; Ryan Callahan, Smith Marion & Co.

1. Call to Order & Opening Comments - Don Nydam

Don opened by stating that “focus is really critical” in these difficult economic times, and that it is essential to support the students, and the good people we work with on CHC’s staff: Gloria Harrison, Cheryl Bardowell, Cheryl Cox and Betty Jo Wood

2. College Happenings – Gloria Harrison

Don began by noting that the State legislature has passed a budget, and Gov. Brown has 12 days to sign it, after which “We’ll see what we have to do to fill the holes.” Two items of critical need will be books and classes.

Gloria’s report included the following:

- Progress is being made on parking lots. We have two completed (A&B) and have started on others.
- The West end campus road is closed. The East end will be closed later on.
- Measure P provided for lots of infrastructure, which has been completed.
- Measure P also funded the pool and adjacent parking, as well as the LRC, with its library and dedicated art gallery.
- With Measure M, 52% of bonds were sold. Because of devalued property, we cannot sell more bonds. Therefore, we are experiencing a 48% reduction in funds we anticipated having.

- We have a committee (the Crafton Council) diligently assessing the priorities, given this reduction. Lighting was a high priority from the beginning, and is being addressed.
- Modular classrooms for science and math, are being constructed where the basketball courts were.
- Our Number One criterion is to provide a quality learning environment for our students. On that basis, we have determined a balance....with options being proposed by the architects for our consideration, including some new construction and some remodels.
- The Crafton Council has approved the installation of a solar farm. It uses a new technology...very exciting. It should be complete by the end of the next academic year. The District will pay half the cost of +/- 6M dollars. It will be our "Wow" project.
- We had a wonderful Scholars Convocation and commencement ceremony, as well as graduation ceremonies for our fire academy and our EMTs, and EOPS students. Celebratory breakfasts and lunches were also a part of the end of the term festivities.

Donna Ferracone noted that at SBVC's graduation, every student is handed an alumni pen. The board responded positively about considering such an idea as a good one for building a relationship right away with graduates.

3. Approval of Minutes of the meeting of March 17, 2011

It was Moved by David Raley, Seconded by Donna Ferracone, and unanimously carried, to approve the minutes as recorded.

4. Financial Report – Charlie Ng, Chief Financial Officer

Charlie stated that there had been no real major activity, apart from the income from the Santos Manuel grant and the Gala. We have not yet spent any money on the Bridge program grant from San Manuel.

Financial Review – Ryan Callahan, representing Smith Marion & Company, reported on the Foundation's review of FYE June 30, 2010. Ryan explained that the purpose of a review is similar to that of an audit. The review "opinion page" states that there are no material modifications required to bring the reporting into conformity. Internal controls are not tested in a review...only in an audit. The review of a non-audit year is sufficient, since the more intense scrutiny of an audit is not necessary every year, when there have not been changes in the personnel performing the bookkeeping, nor the practices/procedures used.

5. Annual Meeting – Don Nydam

(a) Budget – fiscal year ending June 30, 2012

The budget will be presented to the Directors at the meeting in September.

(b) Election of Directors - Terms expiring in 2011(re-election to 3-year terms)

Joanna Averett	Donna Ferracone
Ray Quinto	David Raley
Daniel Bahner	James Ramos
Claire Marie Teeters	Charlie Ng

It was Moved by Gloria Harrison, Seconded by Lynn Bogh Baldi, and unanimously carried, to elect the full slate of Directors, as shown above.

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

President.....	Don Nydam
Vice President.....	David Raley
Secretary.....	Gloria Harrison
Chief Financial Officer.....	Charlie Ng

It was Moved by Lynn Bogh Baldi, Seconded by Don Nydam, and unanimously carried, to elect the full slate of Officers, as shown above.

7. Strategic Plan

(a) Overview – Charlie reported that the committee has completed the framework for the strategic plan, i.e., the Mission, Vision, and Values statements, and the over-arching goals. Charlie will meet with Daniel Bahner and Ericka Paddock to start writing a final draft. The full strategic planning committee will meet again before the next quarterly meeting of the Board of Directors, with the intention of presenting the Strategic Plan to the Directors at September Board meeting.

(b) Possible Special Dinner Meeting – Hilton Hotel

Lynn concurred with having a dinner in early September, as proposed by Don Nydam, with the strategic plan as a topic for discussion.

8. How the Board Functions – Don Nydam

(a) Meetings – Don emphasized the importance of attending Directors’ meetings, and of the Directors making them a priority in their schedules.

(b) Committee Structure – Don is reviewing the present committee structure. In keeping with the programs and projects to be defined within the strategic plan, there will be some new committees added, and he will urged Directors to consider which they

would be a good fit for. He also stated that he wants to see committees meeting on a regular basis and reporting to the Directors at quarterly meetings.

(c) Strategic Plan – Again, he stressed that all are involved in the implementation of the Plan’s goals and objectives.

(d) Personal Evaluation Form – Don asked the Directors to consider carefully their commitment, as outlined in the form, and re-iterated that it is more important at this

time than ever before that members be fully committed to the time and financial requirements of board participation.

9. Development – Cheryl Bardowell

- (a) Gala Re-Cap – Cheryl states that, in her professional opinion, the Gala is “maxed out”, unless the Board assists with securing major sponsors. She said, “It is recognized as a fun event, but we need to maximize the funds. Next year, for the fortieth, we’ll plan to create a tribute book.”
- (b) Whistleblower Protection Policy – A copy of the Whistleblower policy was distributed, with those in attendance being asked to sign and return it.
- (c) Conflict of Interest Policy – Likewise, a copy of this policy was distributed.

It was Moved by David Raley, Seconded by Donna Ferracone, and unanimously carried to accept the two policies. All Directors will be asked to sign them. Those in attendance did so.

- (d) Financial Review & Audit

There was no further discussion of the review process previously explained by Mr. Callahan.

It was Moved by David Raley, Seconded by Lynn Baldi, and unanimously carried, to accept the review.

Cheryl stated that the Foundation is subject to an audit of the fiscal year to end on June 30, and asked the Directors to approve the cost of \$5,000 for preparation by Smith Marion & Co.

It was Moved by Lynn Baldi, Seconded by David Raley, and unanimously carried, to accept the \$5,000.00 cost of the audit.

- (e) Resolution authorizing application to American Honda Foundation and California Council for the Humanities – Cheryl explained the opportunity to apply for a grant that provides a student mentorship program, and asked the Directors to approve.

It was Moved by David Raley, Seconded by Donna Ferracone, and unanimously carried, to approve the resolution.

- (f) Dollar goals – Cheryl presented a “Funding Plan Snapshot” of fund-raising goals from six months to five years out. She stated that unrestricted funds become even more important as the Title V money goes away. Joanna concurred that unrestricted money is much more valuable, since restrictions can create a situation where large sums of money go unrewarded, while other areas are in real need. Cheryl reported that the two main sources of unrestricted funds at the present are the Gala and President’s Circle.

Lynn Baldi suggested that a certain per-cent of each gift go into an endowed fund of unrestricted moneys.

Ryan Callahan directed attention to the "Statement of Activities" (P.3), of the financial review, which shows that most of the cash is restricted. Cheryl pointed out P.8, item 8, which shows restricted grants moneys. Money such as the Krasovec gift, the CGA from Milloys, etc., are now listed in the audits and reviews.

Cheryl distributed copies of the Foundation's 990, which is a public record, and all Directors are to be provided a copy upon request. They will be available at the next meeting in September, as well.

David asked if our CPA tests to see that the stipulations of a grant are met. Gloria explained that the president and vice president's create the requisitions for expenditures, and that a full audit examines them. Don added that, as the Foundation grows, and more money is raised, policies are established and tested. He said that we need to start planning on staffing to handle the administration of grants.

In regard to Foundation spending, Charlie advises that, if expenditures are not directly Per FTES-related, the Chancellor's position is that we should not be allowing FTES-generated funds to pay for them. These salaries are under scrutiny, and are at risk. The District will pay the Resource Development Department salaries through 2011-2012, and very likely 2013. However, it seems likely there will be a push to get them off the books in the future. Grants and unrestricted dollars will become increasingly important. Ideally, the Foundation would fund the salaries of these staff members.

David added that the Foundation can also contract and pay for services, such as auditors.

10. Other

It was agreed to add Karen Childers, CHC's Director of Grant Development & Management, to the list of people who receive agenda packages and notification of Foundation board meetings.

David suggested that Karen be asked to contact Glen Kuck to inquire about grants for open source textbooks.

David Raley related that Ray Quinto is experiencing serious eye problems and was not able to attend the meeting. Joanna suggested the possibility of tele-conferencing meetings for those who cannot attend.

It was Moved by David Raley, Seconded by Lynn Baldi, and unanimously carried, that the Foundation fund two classes in the Fall, using money raised to date. Gloria will select the two classes and have Alisa Moore create a press release.

Adjournment - Next Meeting Date: September 15, 2011

Subsequent Meeting Dates for 2011- 2012

All meetings are on Thursday, at 7:00 A.M.

December 8, 2011

March 15, 2012

June 21, 2012

September 20, 2012

December 13, 2012

