

CHC Foundation Board of Directors Annual Meeting MINUTES

**Thurs., June 16, 2022
4:00p.m. – 5:30p.m.
LRC 226**

Attendees:

- | | | | |
|--|---|---|---|
| <input checked="" type="checkbox"/> Phong Nguyen (Pres.) | <input type="checkbox"/> Sam Irwin | <input checked="" type="checkbox"/> Greg Wessels | |
| <input checked="" type="checkbox"/> Amy Minjares (VP) | <input type="checkbox"/> William Nassar | <input checked="" type="checkbox"/> Leslie Wessels | <u>Crafton Staff:</u> |
| <input checked="" type="checkbox"/> Kevin Horan (Sec.) | <input type="checkbox"/> Tommi Ng | <input checked="" type="checkbox"/> June Yamamoto | <input checked="" type="checkbox"/> Carrie Audet (staff) |
| <input checked="" type="checkbox"/> Mike Strong (CFO) | <input checked="" type="checkbox"/> Rosaura Solis-Parsons | <input type="checkbox"/> Brandi Bailes-AS Pres | <input checked="" type="checkbox"/> Ericka Paddock (staff) |
| <input type="checkbox"/> Denise Allen | <input checked="" type="checkbox"/> Col. David Raley | <input type="checkbox"/> Brandice Mello-CS Pres | <input checked="" type="checkbox"/> Michelle Riggs (staff) |
| <input checked="" type="checkbox"/> Ray Casey | <input type="checkbox"/> Barbara Smith | <input checked="" type="checkbox"/> Sean Ceballos-SS Pres | <input type="checkbox"/> Delmy Spencer (staff) |
| <input checked="" type="checkbox"/> Wynona Duvall | <input type="checkbox"/> Mike Smith | | <input checked="" type="checkbox"/> Cyndie St. Jean (staff) |
| <input checked="" type="checkbox"/> Donna Ferracone | <input checked="" type="checkbox"/> Mark Snowwhite | | <input type="checkbox"/> Keith Wurtz (staff) |
| <input checked="" type="checkbox"/> Damian Garcia | <input type="checkbox"/> Lillian Vasquez | | <input type="checkbox"/> Gio Sosa (staff) |
| <input type="checkbox"/> Gloria Harrison | <input type="checkbox"/> Robert Visconti | | <input checked="" type="checkbox"/> Brent Hunter |

TOPIC	DISCUSSION	FURTHER ACTION
Date/Time	Thursday, June 16, 2022 at 4:00 p.m.	
Call to Order & Opening Comments	Meeting called to order by Dr. Phong Nguyen at 4:01 p.m. Dr. Nguyen indicated that Tommi Ng, Sam Irwin and Denise Allen are resigning from the CHC Foundation board and thanked them for their service.	
Consent Agenda	Consent Agenda: <ul style="list-style-type: none"> a. Approve minutes of the 3-3-22 meeting b. Accept donations \$2,500 and above: <ul style="list-style-type: none"> • \$75,000.00 – Michael Orland 03/08/22 Orland Scholarship • \$30,000.00 – Raymond Pryke Foundation 03/11/22 Honor’s Scholarship • \$21,000.00 – Richard & Theresa Larsen 04/15/22 Larsen Accounting Schol • \$15,000.00 – SBCCD/IEHP 04/5/22 EOPS • \$7,710.00 – CHC Fire Academy 03/15/22 Fire Academy Fundraiser • \$5,000.00 – Erickson Hall Construction 03/02/22 Gala Sponsor • \$5,000.00 -William & Paula Ahlborn 03/03/22 Ahlborn Endowment • \$5,000.00 – DLR Group 03/09/22 Endowment Fund • \$5,000.00 – Bill Wherritt 03/31/22 Gala Sponsor • \$5,000.00 -SoCal Gas 04/15/22 Gala Sponsor • \$5,000.00 – Elaine S. Rosen 04/17/22 	

	<p style="text-align: center;">Gala Sponsor</p> <ul style="list-style-type: none"> • \$4,080.00 – CHC Fire Academy 03/15/22 Fire Academy Fundraiser • \$2,500.00 – Aravind Batra 02/05/22 Gala Sponsor • \$2,500.00 – Geoffrey Bachanas 02/05/22 Gala Sponsor • \$2,500.00 – W. E. O'Neil Const. Co of CA 03/29/22 Gala Sponsor • \$2,500.00 -Shannon Stewart 03/31/22 Gala Sponsor • \$2,500.00 – IECF 04/07/22 Gala Sponsor • \$2,500.00 -Elaine S. Rosen 04/14/22 Emergency Funds • \$2,500.00 – Beaver Medical Group LP 04/29/22 Gala Sponsor <p>c. Accept all signed and updated conflict of interest and whistleblower forms from Foundation directors.</p> <p>d. Approve contract for audit and 990 preparation FY end 6-30-22 with Ray Ashworth.</p> <p>e. Art work to be depreciated at \$64,000 in 21-22 FY and \$64,000 in 22-23 FY.</p> <p>Motion to approve made by: June Yamamoto Motion seconded by: Mark Snowwhite Motion was unanimously approved.</p>	
<p>Updates</p>	<p>a. College Update- Dr. Kevin Horan</p> <ul style="list-style-type: none"> ○ Had a Classified Connections BBQ today to show support and recognize our staff today. It was very well attended. ○ Had the largest commencement to date in May. We invited graduates from 2020 and 2021 to participate as well and 80 students from those two classes joined us. We had 370 graduates walk across the stage. We were able to complete the ceremony in 1.5 hours. The graduating class of 2022 was 34% larger than our previous largest class (2020). This is an outcome that recognizes that we are getting better at success. More college going graduates. It marks the wonderful work that the faculty, staff and management team are doing. ○ We have really exciting things coming up in the Fall. Our Counseling department is rolling out a completely different re-structure of how they serve students. They are organizing themselves to service students based on unit accumulation. The goal is that each unit accumulation marker (15, 30, 45 units) has very different needs and they are going to tailor their services to help those students achieve 60 units faster. They have recognized that we have 1,200 students that need 3 units to graduate. They are doing a campaign to work with these students to get those last three units completed and achieve their educational goals. ○ Thank you this board. We have achieved a lot over the last two years. Thanked Michelle Riggs and Carrie Audet. There is a new position, Institutional Advancement Coordinator which we will be filling soon. This is a partner position with Carrie and will focus on marketing and promotion. ○ Thanks to Mike Strong for his deep dive of our accounting system for the Foundation. He got certified as a non-profit accounting professional. We have simplified our Quick Books system. <p>b. Development Update – Michelle Riggs</p>	

	<ul style="list-style-type: none"> o San Manuel Grant. We applied for a another grant with San Manuel. We have been receiving funding from them for 10-11 years. They have been working with us on trying to help us align our needs with their funding priorities. Last year they wanted to focus on something to be a little more life changing for our students. They wanted to do something that would have a big impact. They wanted to focus on students who are getting jobs. We wrote a proposal and we were notified that we will be receiving the largest gift that we have ever received, \$1.8 million grant. To be paid \$1 million in July this year and \$800,000 next July. It is to support our fire academy. We have trouble recruiting students that have socioeconomic barriers because the program is very expensive. They will give a \$3,000 per cadet scholarship that will cover state certification, uniforms, equipment, everything they need to get through the program so they can go out and get a job without any barriers. It will support 60 students each year for the next 5 years. As part of this grant, we wrote that by the end of year one, we will have a sustainability plan so that we can continue this long after their funding has been expended. \$180,000 per year will go directly to students. The other \$180,000 each year will go into an endowment (into an investment) and we will start building that to use the interest in perpetuity to continue to support that program. We have set a lofty goal to raise \$5 million dollars over the next 5 years. So we will have \$900,000 directly from San Manuel and we are responsible for raising the remainder. We will be talking to these cadets during the program and making sure they are aware that San Manuel is paying all their fees. We will be asking them to pay it forward. 	
<p>New Business – Each item requires motion of approval individually</p>	<ul style="list-style-type: none"> a. Financial Update (Budget/Investment) – Mike Strong Consideration to adopt proposed 2022-2023 budget <p>Total annual revenue for 2021-22: We budgeted 1,255,913 and our projected actuals show we have received 1,469,113 to date. We have exceeded our revenue projections.</p> <p>Total expenses for 2021-22: We budgeted 568,014 in expenses and our projected actuals show we spent \$485,019 to date. We have spent less than we budgeted.</p> <p>Mike explained that the revenue lines are showing some large changes from previous year but we created new revenue lines that in previous years had been combined and we are separating out. The best gauge is the bottom line. Our projections for 2021-22 is \$1.4 million in revenue and our proposed 2022-23 revenue is \$2.0 million which includes \$1 million from San Manuel.</p> <p>Mike talked about the proposed expense budget which is a little higher than the prior year but with our revenues we feel this can be supported. The overall proposed net income is \$1,448,700.00 but \$1 million is from San Manuel grant so our true forecasted net income is \$448,700.</p> <p>Motion to accept this proposed budget 2022-23 as the adopted 2022-23 budget by: Mike Strong Motion seconded by: Ray Casey Motion was unanimously approved.</p> <p>Investments: Currently have \$507,145.78 in our checking account</p>	

Money Market has \$61,000.00
Investment account show:
\$345,671 total unrealized gains
\$673,389 total unrealized expenses (includes fees to Merrill Lynch and losses due to the stock market).
(\$327,719) Unrealized new income for this period
Total Merrill Lynch investment is \$3.8 million as of last report

Investment committee met with Merrill Lynch last week. They did a good job presenting where we are at. Since inception (2013) our investment has gained 7.72% annualized over 10 years. YTD we are down 11.4%. The market currently is trying to figure out:

- Inflation
- Interest rates
- Fears of recession (the definition of recession is two consecutive quarters of negative GDP).
- Mid-term elections
- War in Ukraine

We don't have a reserve account. We have unrestricted funds that we have chosen to invest in Merrill Lynch. Our Investment policy is 65/35 which is a moderate risk tolerance. They are actively repositioning our portfolio and getting out of European markets.

Motion to approve the investment report by: Ray Casey
Motion seconded by: Mark Snowwhite
Motion was unanimously approved.

- b. Consideration to approve re-election of foundation directors to 3-year terms – expiring June 30, 2025 (may entertain motion to elect full slate)
- Gloria Macías Harrison
 - William Nassar
 - Lillian Vasquez
 - Phong Nguyen

Motion to approve made by: Kevin Horan
Motion seconded by: Ray Casey
Motion was unanimously approved.

- c. Consideration of election of officers (may entertain motion to elect full slate)
- President – Dr. Phong Nguyen
 - Vice President – Amy Minjares
 - Secretary - Dr. Kevin Horan
 - Chief Financial Officer - Mike Strong
 - Immediate Past President – William Nassar

- d. Consideration of election of officers on foundation accounts, any TWO of which will be required to transact foundation business.
- Dr. Kevin Horan
 - Mike Strong
 - Dr. Phong Nguyen

Motion to approve both c (Consideration of election of officers) and d (Consideration of election of officers on foundation accounts) made by Ray Casey

	<p>Motion seconded by Mark Snowwhite Motion was unanimously approved.</p> <p>e. Consideration of appointment of Sean Ceballos, new Student Senate president as Foundation director to replace outgoing Student Senate president Madeleine Boone.</p> <p>Motion to approve made by: Kevin Horan Motion seconded by: Ray Casey Motion was unanimously approved.</p> <p>f. Consideration of committee membership appointment for 2022-2023. Executive Committee – Phong Nguyen (President), Amy Minjares (Vice President), Kevin Horan (Secretary), Mike Strong (CFO), Bill Nassar (Past-President), Michelle Riggs and Carrie Audet (non-voting members), add chairs of all sub-committees. Development Committee – Mark Snowwhite, Barbara Smith Gala Committee – Amy Minjares, Phong Nguyen, Barbara Smith, June Yamamoto, Ray Casey Scholarship Committee – Donna Ferracone, Wynona Duvall, Ray Casey, Leslie Wessels, Barbara Smith. Investment Committee – Mike Strong (chair), Amy Minjares, Greg Wessels, Rosaura Parsons, David Raley Alumni Committee – Phong Nguyen, Donna Ferracone, Lillian Vasquez, June Yamamoto, Damian Garcia</p> <p>Motion to approve made by: June Yamamoto Motion seconded by Amy Minjares Motion was unanimously approved.</p>	
<p>Reports</p>	<p>a. Planned Giving – Brent Hunter</p> <ul style="list-style-type: none"> o As part of the San Manuel grant, we need to build an endowment in five years so we can continue to maintain the scholarships for each of the fire cadets. There is also a need for EMT, Paramedic and Respiratory Care. o We break ground on a new performing arts center in November. There is virtually no operating budget for Fine Arts. We need to produce a national championship performance for CHC but we can't get to the competitions without a budget so we can compete. o Maybe instead of focusing on two programs in specialized areas that are expensive, we broaden our approach and we look at two additional areas to maybe include: STEM, Behavioral Social Sciences, Veteran's Center, or possibly Exceptional Educators that includes advising or Student Services. o We create endowed chairs to create funds for those individuals as well as the majority of those funds to support building and retaining the best faculty and educators as possible. o Maybe we have a fund to seize new opportunities that come our way so this would be seed money. o Doing a feasibility study as part of the new visioning on our campus to hire a consultant that will tell us which programs are the most marketable, what specific people we should be engaging with and raising money from. o Need more planned gifts o Need continued annual support (Gala, President's Circle) o Look at building long term relationships o Naming buildings o Charitable annuity, trusts or people commit funds as part of their retirement. 	

	<ul style="list-style-type: none"> ○ Required minimum distributions in their IRA 403B. If they give directly to the Foundation instead of taking the money, they get credit for the distribution but does not show up on their tax return as taxable income. <p>b. Gala Committee – Amy Minjares</p> <ul style="list-style-type: none"> ○ Net proceeds \$187,317.01 ○ Total of 336 people attended – largest event ○ Received 6 new President’s Circle members from this event (6 were community members) ○ Most appeal dollars ever raised \$86,087.00 ○ Most sponsors ever \$69,400.00 ○ Most raised for Sponsor-a-Student \$9,340.00 ○ Most unrestricted dollars raiser \$7,200.00 ○ The tent we rented was paid for by college funds. ○ Not providing In-N-Out cards because of the food situation ○ Next gala will be April 6, 2022 at 5:30-8:30 p.m. ○ Dr. Nguyen stated that we proposed \$12,000 as gala expenses in our budget and this report indicates our expenses were \$19,255. That number was based on the expenses reported as of the date the proposed budget was created. Mike asked if we could amend the adopted budget to increase the Gala expenses to \$25,000.00 <p>Motion by Mike Strong to amend the 2022-2023 adopted budget to increase the Gala expense item to \$25,000.00 by: Mike Strong Motion seconded by: Amy Minjares Motion unanimously approved.</p> <p>c. Scholarship Committee – Donna Ferracone</p> <ul style="list-style-type: none"> ○ We had 34 reviewers ○ We had 55 scholarships to review with 117 awards ○ Total Scholarships/Grants \$167,656.00 for 323 students ○ Top reviewers: <ul style="list-style-type: none"> ● Donna Ferracone – 116 ● Steve Hellerman – 82 ● Barbi Smith – 80 ● Julie McKee – 74 <p>d. Development Committee – Mark Snowwhite</p> <ul style="list-style-type: none"> ○ Small committee – need members ○ Will start our annual outreach in August/September ○ Will be doing a lot of calling and developing strategies ○ Building on what we did last year to increase our base ○ Trying to get to \$1 million in the endowment. 	
Adjournment	<p>a. Set date for board retreat in September: Dr. Nguyen scheduled the board retreat for September 15, 2022 Indicated 3-4 hours needed for retreat Can also zoom</p> <p>b. Review calendar of events Scholarship Reception 8-5-22 Legacy Wall Unveiling 9-9-22 Run for the Hills 5K 10-15-22 Performing Arts Center Groundbreaking Ceremony 11-4-22</p> <p>Adjourned at: 5:34 p.m.</p>	
Next Board Meeting	September 15, 2022, 4:00 p.m. – in person	