

Cabrillo College

Foundation

Officers

President

Linda Burroughs

Vice President

Stephen Snodgrass

Secretary

Leola Lapidés

Chief Financial Officer

Past President

Michael W. Machado

Community

Representatives

Alan Aman

Pegi Ard

Claire Biancalana

Carrie Birkhofer

Jess Brown

Owen Brown

Ceil Cirillo

Linda Downing

Lee Duffus

David Heald

Janet Heien

Kelly Nesheim

William Ow

June Padilla Ponce

Carlos Palacios

Carol Schmidt

College Trustee

Representatives

Margarita Carrillo

Rachael Spencer

Gary Reece

College Staff

Representatives

Laurel Jones

President

Victoria Lewis

VP Administrative Services

Kathleen Welch

VP Instruction

Dennis Bailey-Fougner

VP Student Services

Enrique Buena

Faculty Representative

Executive Director

Melinda Silverstein

MEMORANDUM

DATE: March 4, 2016

TO: Executive Committee: Pegi Ard, Claire Biancalana, Jess Brown, Owen Brown, Laurel Jones, Leola Lapidés, Michael W. Machado, Steve Snodgrass, Rachael Spencer

FROM: Linda Burroughs, President

STAFF: Melinda Silverstein, Executive Director

SUBJECT: **Special Executive Committee**
Tuesday, March 8, 2016
4:20 pm to 4:50 pm
Santa Cruz Community Foundation - Solari Room
7807 Soquel Drive
Aptos, CA 95003

<u>Time</u>	<u>Item</u>	<u>Responsibility</u>	<u>Page</u>
4:20	1. Open special Executive Committee Meeting	L. Burroughs	
4:21	2. Public Comment Opportunity	L. Burroughs	
4:22	3. Approval of minutes of February 24, 2016	L. Burroughs	
4:23	4. CCF Contribution to Bond Campaign	M. Machado	
	4.1. Report on legal limit permitted for bond campaign support	M. Machado	3
	4.2. Approval funding for bond campaign	M. Machado	4
4:50	5. Adjournment	L. Burroughs	

O:\Foundation\Committees\Executive\Agendas for Meetings\2015-16 Agendas\2016 03 08 SPECIAL MTG\2016 03 08 SPECIAL Exec.docx

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 www.cabrillo.edu/associations/foundation

Please remember Cabrillo College Foundation in your will

Executive Committee 2015-16 Attendance Chart

Executive Committee Members	8/27/15	10/22/15	1/21/16	2/23/16 special	3/8/16 special
Pegi Ard	P	P	P	P	
Claire Biancalana	A	P	P	P	
Jess Brown	A	A	P	P	
Owen Brown	P	P	P	P	
Linda Burroughs	P	P	P	P	
Laurel Jones	P	P	P	P	
Leola Lapidés	P	P	P	P	
Mike Machado	P	P	P	P	
Steve Snodgrass	A	A	P	A	
Rachael Spencer	P	A	P	P	

P=Present, A=Absent, N/A=Not Applicable - *Attendance based on minutes. Please contact the Foundation office if you believe chart is in error.*

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DATE: March 4, 2016
TO: Executive Committee
FROM: Michael Machado
SUBJECT: Report on Legal Limit Permitted for Bond Support

Cabrillo College Foundation Legal Limit for Bond Support

It is within the Cabrillo College Foundation's Charitable Exemption Test to provide some level of funding for the Cabrillo College Bond Measure. Under the Internal Revenue Code Section 501(h) election, the funding level that the Cabrillo College Foundation can provide is determined by a mathematical limit that is imposed upon a percentage of its "exempt purpose expenditures" to prove that the entity's legislative efforts are insubstantial. For the fiscal year ending June 2015, the Foundation's exempt expenditures were \$2,782,801.

The following calculation was used to establish the permissible amount. The Cabrillo College Foundation fits into the category "Over \$1,500,000 but not over \$17,000,000."

Limits on Lobbying Expenditures

If organization's exempt purposes expenditure is	The lobbying nontaxable amount is:
Not over \$500,00,	20% of exempt expenditures
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,00	\$1,000,000

Summary

The legal limit of what the Cabrillo College Foundation can contribute (based on \$2.8M in expenses) in support of the Bond Measure is \$290,000. The Cabrillo College Foundation has already contributed \$35,000 for the Bond Feasibility Study. Therefore the remaining balance legally allowed is \$255,000 in direct cash contributions and allocable staff time.

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MEMORANDUM

DATE: March 4, 2016
TO: Executive Committee
FROM: Michael Machado
SUBJECT: Approve Funding for the June 2016 Bond Campaign

Cabrillo College Foundation Legal Limit for Bond Support

The legal limit of what the Cabrillo College Foundation can contribute (based on \$2.8M in expenses) in support of the Bond Measure is \$290,000. The Cabrillo College Foundation has already contributed \$35,000 for the Bond Feasibility Study. Therefore the remaining balance legally allowed is \$255,000 in direct cash contributions and allocable staff time.

Source of Funding for Bond Campaign

Once the Bond Campaign consultant is selected, we will know the Bond Campaign budget. Other entities that may contribute to Bond Campaign expenses are the Student Senate and various vendors to Cabrillo College.

As of January 31, 2016, the Cabrillo College Foundation has the following fund balances:

\$477,458	Designated Operating Reserve (six months)
\$294,302	Hurd Tribute Quasi Endowment
\$ 15,000	Other Designated Funds
<u>(\$157,856)</u>	Undesignated Net Assets
\$628,904	Total Operating Fund Net Assets

Recommendation

Approve the amount that the Cabrillo College Foundation will provide (up to the remaining legal limit of \$255,000) in direct cash contributions and allocable staff time to support the June 2016 Bond Campaign. Approve reducing the Hurd Tribute Quasi Endowment to provide funding for the June 2016 Bond Campaign support.