

CABRILLO COLLEGE FOUNDATION
BOARD OF DIRECTORS MEETING
Minutes of November 1, 2016

Directors Present: Alan Aman, Carsbia Anderson, Jr., Pegi Ard, Ed Banks, Claire Biancalana, Carrie Birkhofer, Owen Brown, Linda Burroughs, Ceil Cirillo, Linda Downing, Laurel Jones, Kelly Nesheim, June Padilla Ponce, Patty Quillin, Gary Reece, Maria Esther Rodriguez, Gun Ruder, Stephen Snodgrass, Rachael Spencer, and Kathleen Welch

Directors Absent: Jess Brown, Enrique Buelna, Lee Duffus, David Heald, Leola Lapidés, Victoria Lewis, William Ow and Carlos Palacios

Guests Present: Terri Montgomery, Vavrinek, Trine, Day, & Co., LLC
Peter Shaw, Cabrillo College Horticulture Instructor/Department Chair

Staff Present: Melinda Silverstein, Eileen Hill, Nancy Machado, Kate Staveland

Call to Order

S. Snodgrass called the meeting to order at 12:03 pm.

Approval of Agenda

Motion: MSC: The committee voted unanimously to approve the Board of Directors agenda.

Public Comment Opportunity

There were no members of the public in attendance.

Approve Board Meeting Minutes

Motion: MSC: R. Spencer/C. Cirillo to approve the Board of Director Meeting minutes of September 13, 2016. There were 13 approvals and 7 abstained due to not being present at the previous meeting.

The following Board Members voted to approve the minutes:

Alan Aman, Carsbia Anderson, Jr., Carrie Birkhofer, Owen Brown, Linda Downing, Laurel Jones, Kelly Nesheim, June Padilla Ponce, Gary Reece, Maria Esther Rodriguez, Gun Ruder, Stephen Snodgrass and Kathleen Welch.

The following Board Members abstained:

Pegi Ard, Ed Banks, Claire Biancalana, Linda Burroughs, Ceil Cirillo, Patty Quillin and Rachael Spencer

The following Board Members were absent:

Jess Brown, Enrique Buelna, Lee Duffus, David Heald, Leola Lapidés, Victoria Lewis, William Ow and Carlos Palacios

Special Presentation

Peter Shaw announced that Cabrillo College will be receiving a \$5M Department of Education Title III STEM Grant which benefits students in the Horticulture Department and STEM fields. The Horticulture Department is installing a donated Sun Curve sculptural sustainable agriculture equipment in front of the greenhouse at the Horticulture Center, which was made possible through the TomKat Educational Ranch Foundation.

Cabrillo College Report

L. Jones read **"Ode to Melinda"**, a poem written for Melinda Silverstein as a thank you for her years of service and dedication to Cabrillo College Foundation and Cabrillo College.

2015-16 Audit

T. Montgomery reported that the Cabrillo College Foundation received an unmodified audit Motion: MSC: L. Burroughs/O. Brown. The Board of Directors voted unanimously to accept the 2015-16 Cabrillo College Foundation Audit.

Approve Financial Statements

As of August 31, 2016, the total assets were \$29M and the ending net assets were \$28M. The revenue for unrestricted, non-endowed and endowed funds was \$1,036,000 in total. Total expenses were \$421,000 with a net surplus for all funds of \$615,000. The total operating revenue was \$57,000 and expenses \$169,000. The operating deficit was \$112,000.

Motion: MSC: L. Downing/C. Cirillo. The committee voted unanimously to approve the August 31, 2016 Financial Statements.

Investment Activity

A. Aman reported Cabrillo College Foundation return on investments for the UBS Traditional endowment portfolio fiscal year to date as of September 30, 2016 (3 month) is as follows:

- Actual Return: 4.39%
- Benchmark Return 4.25%
- Difference 0.14%

The CCF return on investments for the UBS Environmental, Social, Governance (ESG) endowment portfolio fiscal year to date as of September 30, 2016 (3 month) is as follows:

- Actual Return 3.46%
- Benchmark 2.92%
- Difference 0.54%

Net Assets and Endowment Chart

The ending net assets balance as of August 31, 2016 was \$28,041,003. The highest net assets level reported by the Cabrillo College Foundation was \$28,081,369 as of May 31, 2016. The endowed net assets balance was \$24,164,114 and the endowed historical gifts value was \$20,161,962 and both were the highest reported by the Cabrillo College Foundation.

Statement of Investment Policy

Investment results from inception of the endowment in 1999 prove that that 7.75% has not been attainable. The Executive Committee recommends the target total return and absolute rate of return be reduced from 7.75% to 7.0% and the inflation factor be reduced from 2.25% to 1.5%.

Motion: MSC: C. Cirillo/L. Downing approved changing the target total return and absolute rate of return to 7.0% from 7.75%, reducing the inflation factor to 1.5% from 2.25% and **changing prudent “man” to prudent “person” in the Statement of Investment Policy.**

Fundraising Report

M. Silverstein reported the fundraising total from July 1, 2016 to October 19, 2016:

Secured gifts:	\$ 737,618
Unbooked Revocable Planned Gifts:	\$ <u>0</u>
Total:	\$ 737,618

Melinda reported that she had been notified the first payment from the Daryl Dill estate will be approximately \$200K and another donor had elected to name Cabrillo College Foundation in her estate plans and we can expect to receive \$750K to \$1M.

President’s Circle

C. Biancalana reported the **President’s Circle Kick-off** Celebration was held on August 31st from 5:30 – 7:30 p.m. in the Sesnon House. **Invitations to join the President’s Circle will be mailed November 8th.** New President Circle members and prospective President Circle members will be invited to a special reception at the Shadowbrook hosted by Ted Burke on November 16th from 5:30 – 7:30 p.m. To date the **President’s Circle** has raised \$37,068.

Women’s Educational Success

P. Ard reported the WES luncheon was held on Friday, September 30, 2016 with 121 donors in attendance. To date, WES has raised \$123,350 and the endowment corpus is over \$1.5M. This year a total of \$63,000 will be awarded to students through the WES program.

Faculty and Staff Grants

O. Brown reported that Faculty Grants for Student Success proposals will be reviewed next week by a committee of board members and faculty. The committee will determine funding for proposals up to \$22,848. The total amount to be awarded by the Foundation to support faculty is \$54,000, which includes the Crocker Endowment Grants. The \$1.3M endowed donation from the late Rod Lundquist for faculty grants will provide approximately \$52,000 annually when the endowment reaches maturity in 2019-20.

Executive Director’s Report

E. Hill reported that the Foundation has hired Caitlin Bonura as Development Officer and Lori Hood as Events Coordinator/Executive Assistant effective November 7, 2016. Eileen also reported that the Title III STEM grant includes a matching endowed scholarship component. The foundation will be responsible for raising approximately \$400,000 in endowed scholarship funds.

Committee Calendar and Roster

S. Snodgrass reviewed the Committee Calendar and Roster.

Adjournment

The meeting was adjourned at 1:15 PM.

BOARD OF DIRECTORS ATTENDANCE CHART

Board of Directors	9/15/15	11/10/15	2/9/16	5/10/16	9/13/16	11/1/16
Alan Aman	P	A	P	A	P	P
Carsbia Anderson, Jr.	N/A	N/A	N/A	N/A	P	P
Pegi Ard	P	P	P	A	A	P
Ed Banks	N/A	N/A	N/A	P	A	P
Claire Biancalana	P	P	P	P	A	P
Carrie Birkhofer	P	P	P	P	P	P
Jess Brown	P	P	P	P	P	A
Owen Brown	P	P	P	P	P	P
Enrique Buelna	P	P	P	P	P	A
Linda Burroughs	P	P	P	P	A	P
Ceil Cirillo	P	A	P	P	A	P
Linda Downing	A	P	P	A	P	P
Lee Duffus	A	A	P	P	A	A
David Heald	A	A	P	P	A	A
Laurel Jones	P	P	P	P	P	P
Leola Lapidés	P	P	P	P	P	A
Victoria Lewis	P	A	A	P	P	A
Kelly Nesheim	P	P	P	P	P	P
William Ow	P	A	P	P	P	A
Carlos Palacios	P	P	A	A	A	A
June Padilla Ponce	P	A	A	P	P	P
Patty Quillin	N/A	N/A	N/A	N/A	A	P
Gary Reece	P	P	A	A	P	P
Maria Esther Rodriguez	N/A	N/A	N/A	N/A	P	P
Gun Ruder	N/A	N/A	N/A	N/A	P	P
Steve Snodgrass	A	A	P	P	P	P
Rachael Spencer	P	P	A	P	A	P
Kathleen Welch	A	P	P	P	P	P

P=Present, A=Absent, N/A=Not applicable, not on the Board at the time. Based on Board of Director's meeting minutes. Please contact Cabrillo College Foundation if you believe this chart is in error.

2016-17 BOARD MEETINGS

Tuesdays, 12:00 PM – 2:00 PM - Sesnon House unless otherwise noted

February 14, 2017

May 9, 2017