

**Quarterly Board Meeting**

7:30 am, Wednesday, September 24, 2008  
President's Conference Room, Moorpark College

**MEETING NOTES**

**MCF Board of Directors Present:**

<input checked="" type="checkbox"/> Brian Angel	<input type="checkbox"/> Ted Bagley	<input type="checkbox"/> Jodi Bagwell	<input type="checkbox"/> Gavin Bradley
<input checked="" type="checkbox"/> Debi Cassar	<input type="checkbox"/> Tom Cessario	<input checked="" type="checkbox"/> Elad Goren	<input checked="" type="checkbox"/> Debbie Heaslip
<input type="checkbox"/> Ruth Hemming	<input type="checkbox"/> Tom Henry	<input type="checkbox"/> Robert Isaeff	<input type="checkbox"/> John C. Lindsey
<input type="checkbox"/> William Messenger, Jr.	<input checked="" type="checkbox"/> Dan Peate	<input type="checkbox"/> Becky Savell	<input type="checkbox"/> Sylvia Sullivan
<input checked="" type="checkbox"/> Nick Vega	<input checked="" type="checkbox"/> Timothy L. Weaver	<input type="checkbox"/> Michael Wesner	

**Ex-Officio Members Present:**

<input checked="" type="checkbox"/> Pam Eddinger	<input checked="" type="checkbox"/> Ray Di Guilio	<input checked="" type="checkbox"/> Julius Sokenu	<input checked="" type="checkbox"/> Jeanne Brown
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***NOTE:** Not enough members present to hold a Quorum. All action items cannot be finalized at today's meeting. Send potential items out via email to all of the board members with a section for discussion.*

**I. Introduction of guest: Mr. Michael DiGregorio**

Dan Peate, Chair, indicated that Mr. Michael DiGregorio was not able to attend today's meeting. It was discussed and decided to table his introduction until the next meeting.

**II. Introduction of board member: Mr. Brian Angel**

Chairman Peate introduced Mr. Brian Angel to the Members of the Board. Mr. Angel indicated that this was his second official meeting as a Member of the Board. Mr. Angel also stated that he had participated in the President's Circle for many years, prior to joining the Board as an active member.

**III. Reports**

**a. Executive Committee report (Chair: D. Peate)**

**i. Pre-Audit Report: New IRS form and possible audit findings**

- 1. Unrealized loss**
- 2. Policies and procedures**

Dr. Pam Eddinger indicated that the IRS has a new form for auditing foundations that includes many pages and items. While the auditor noted no fraud or other material items in the audit, we are lacking in the area of policies and procedures. This will show up on the audit report and is something that needs to be fixed. A solution to this challenge is that once we find out what those specific items are we can then begin to develop the policies and procedures.

ii. **Special event update: October 25, 2008, Bat Boy**

Jeanne Brown stated that ten (10) invitations were mailed to every board member with a list of all sponsors within the last several years. Commitments from Heery International, Pratt Whitney, and Sage Publications have been received. Chairman Peate noted that this year, the event expenses are down and there is still time to make a big push for sales. He suggested that the Members of the Board help close the gap and make money. Ms. Brown stated that there are typically 100-120 attendees. Two years ago we brought in \$50K; however, \$20K is more usual.

iii. **Symposium and conference attendance: Network of California Community College Foundations, October 15-17, 2008 Council for Resource Development, November 5-8, 2008.**

The purpose for each of these conferences is to learn strategies for operating a fully functional and successful foundation. Topics include fundraising, general governance of organizations, operation techniques, and it will offer a venue for professional development learning. Chairman Peate, Dr. Eddinger, and Mr. Weaver will bring back strategies learned for the Board at the next meeting. The board briefly discussed the rationale of conference attendance and agreed despite tight financial times.

b. **Budget report (Staff: R. DiGuilio/D. Melby) – attachment**

Ray Di Guilio stated that at the last meeting the Foundation Board approved a tentative budget for this fiscal year. There was some absent information at the time of the budget approval such as event fees and projected event income. These items are now added.

Mr. Di Guilio distributed a MCF Proposed Operational Budget and stated that the figure of \$53.5K for Total Revenue includes the President's Circle, Special Event Activity, Payroll Deductions, and Scholarships. Fees for the BATBOY Fundraiser will be approximately \$12K with an expected income of \$22.5K. The Foundation Operating Cost line item for Travel under the proposed column heading reflects a figure of \$4K. This amount was not calculated into the prior budget. Lacking a Quorum, the budget will be voted via email.

**c. Investment report (Staff: R. DiGuilio/D. Melby)**

Mr. Di Guilio reported that we dedicated a large portion of general unrestricted funds to the scholarship program. The MCF Investment Portfolio is currently at \$677K on paper and is in fluctuation. Mr. Weaver, Mr. Goren, Mr. Di Guilio, and Ms. Melby met a couple weeks ago and received the status of the portfolio. Mr. Di Guilio discussed briefly the investment history and the various segments of restricted and non-restricted funds.

Additionally, Mr. Di Guilio reported that the Audit Report findings will reflect that we have an unrealized loss that is not capitalized. If we were to dissolve the foundation tomorrow, we would not have enough cash on hand to reimburse the endowments. Mr. Di Guilio indicated that a set of recommendations will be brought to the next MCF Board meeting regarding investment strategies.

Ms. Brown will provide information to the Board regarding the status of Foundation Scholarships. The Foundation will consider being more conservative in scholarship distribution.

**d. President's Circle and dues invoicing (Staff)**

Ms. Brown reported that invoices were sent to each Foundation Board Member at the beginning of the new Fiscal Year for 2008-09. Additionally, a three-year historical perspective summarizing payment of dues was distributed. There is a need to reinforce the member dues policy, since payments have been uneven over the years.

**e. Analysis of Interest Income from Temporary Restricted Accounts (small scholarships) (Staff: R. DiGuilio/D. Melby) – attachment**

In March 2007, a decision was rendered by the Board that with a Temporary Restricted Account, if interest was accrued at \$1500 or more the money accrued would be and added to the balance of that account. If the interest was under \$1500, it moved to the Continuing Education Scholarship Account.

Staff is making a recommendation for the below \$1500 level interest to be re-routed to general funds in order to support operations.

IV. Action Items

a. **Recommendation from CEO to adopt Bylaw changes (CEO: P. Eddinger) – attachment**

Dr. Eddinger recommended passage of the newly amended MCF Bylaws. Ms. Heaslip indicated that some time ago there was an issue with two people from the same group not having signing authority. This can be found at the bottom of Page 23. This discussion item will be tabled and will be brought to the next board meeting. Chairman Peate indicated that this was a living document and will continue to be revised. He called for the approval of the Bylaws. Ms. Heaslip motioned for approval, Mr. Weaver seconded the motion.

*Pending email approval.*

b. **Recommendation from Executive Committee to direct Foundation Chair to form a Steering Committee for Governance Structure Review and Recommendations**

Mr. Weaver motioned for approval, Ms. Cessar seconded the motion.

*Pending email approval.*

c. **Ratification of email vote to approve \$10,000 endowments for:**

- i. **Michael Wesner Scholarship**
- ii. **Steve Conrad Rafter Scholarship**

Item is ratified; Board cautions future commitment that would unduly strain the general fund in favor of restricted funds. Ms Heaslip motioned for approval, Mr. Weaver seconded the motion.

*Pending email approval.*

d. **Recommendation from Executive Committee to adopt profile for board membership (Chair: D. Peate)**

- i. **Understanding and support of the community college mission**
- ii. **Understanding of non-profit and philanthropic foundations, history of participation, and/or experience in executive level leadership and management**
- iii. **Knowledge or experience in fundraising or friend-raising**
- iv. **Knowledge and access to community and civic leadership**
- v. **Ability and willingness to meet financial obligation required of membership and bylaws**

Discussion was held. Profile adopted. Ms. Heaslip motioned for approval, Mr. Weaver seconded the motion.

*Pending email approval.*

- e. **Recommendation to post interest income from temporary restricted (small scholarships) account to general fund (Staff)**

Discussion was held. Recommendation accepted to post interest to general funds account.

*Pending email approval.*

- f. **Authorization for the Executive Committee to accept financial audit report; audit report to be ratified by the full Board at the next available quarterly board meeting.**

The Executive Committee is authorized to accept the financial audit report when it is ready. The audit report to be ratified by the full Board at the next available quarterly board meeting. Ms. Heaslip motioned for approval, Mr. Weaver seconded the motion.

*Pending email approval.*

- g. **Mr. Michael DiGregorio**

Discussion was held on Mr. DiGregorio's candidacy. The Chair and CEO will conduct an orientation with Mr. DiGregorio and officially present him to the Board, as specified in the MCF Bylaws.

Additionally, Chairman Peate would like to present Mr. James Tierney and he will send out biography via email. Chairman Peate will invite both Mr. DiGregorio and Mr. Tierney to next meeting.

#### V. **New Business**

Mr. Weaver will be the representative to answer questions regarding the audit.

*Pending email approval.*

Meeting adjourned at 9:10 a.m.