

**SJECED Foundation
BOARD OF DIRECTORS MEETING
January 22, 2009, 12:00 p.m.
San José City College T-120
Minutes**

Directors Present: Barbara Avery, Frank Greene, Autumn Gutierrez, Neil Struthers, Monica Zent, Jeff Fischer, Rosa Pérez, Ron Root

Directors Absent: Carl Cilker, Randy Okamura

Also Present: Carole Cassidy, Michael Burke, David Wain Coon, Barbara Rodriguez, Denise Willis

I. Call to Order

President Jeff Fischer called the meeting to order at 12:22 p.m. There were no public comments. Jeff Fischer introduced Autumn Gutierrez, current president of the District Board of Trustees, as new Board member. Due to the need for the Chancellor and Vice Chancellor to leave early, the agenda was amended to place Mr. Root's presentation immediately after Dr. Pérez's comments. Likewise, Presidents Coon and Burke requested that the order of their presentations be reversed.

II. Approval of Minutes

Mr. Greene moved to approve the minutes; Ms. Avery seconded and the September 25, 2008 minutes were approved.

III. Introduction of Guests

No guests present.

IV. Chancellor's Comments

Chancellor Pérez wished everyone Happy New Year. She stated that student enrollment is up yet again for this semester. Due largely to the current economic situation, demand for community college programs is growing as laid-off workers seek training and as graduating high school students are turned away from CSU and UC campuses. The District is working to cope with the difficulty uncertainties of the state budget crisis, which is not expected to be resolved soon. Chancellor Pérez discussed the large turnout for the inauguration ceremony at both colleges.

Due to the budget crisis, our biggest challenge is to use our existing resources wisely to benefit our students and remain true to our vision and values. She emphasized the role of the Foundation as a key partner in maximizing resources. There are tough choices ahead, but the District has managed its resources well and employee morale remains high.

V. Treasurer's Report and 2008 Audit

Ron Root commented on the difficulty of operating without a budget from the state, but assured the board that the SJECCD is in better shape than most other local districts. All the community colleges have put cost saving measures in place, some more drastic than others. The Santa Rosa CCD Foundation, for example, gave out no financial aid this year as opposed to the several million in aid distributed in the past. Our foundation is fortunate that our assets are invested in the Santa Clara County Office of Education pool: returns are low, but very safe. Other foundations with more assets have been much more aggressive in their investments and are now paying the price with substantial asset declines.

Mr. Root discussed the highlights of the financial statements: unrestricted income showed an increase of \$6,600 over the same period last year and restricted income increased more than \$250,000 in large part due to a transfer of funds from the bookstores. \$32,000 in income was received for the Global Studies trip to El Salvador, and \$31,700 from the Grove Foundation. Expenses reflect costs to get the Foundation up to speed, including stationary, software, computers and printers, and general office supplies, plus ongoing costs for the Foundation's hourly accountant. The management letter accompanying the 2008 Audit was clean with no notes from the auditor indicating weaknesses.

Ms. Gutierrez moved to approve the audit and the financial report. Mr. Greene seconded the motion and it passed unanimously.

VI. Executive Director Signing Authority

Mr. Root explained that state statutes dictate many rules, one of which relates to the authority of administrators to sign contracts or make purchases that obligate the District prior to approval from the Trustees. The amount that the chancellor, vice chancellors, presidents, and vice presidents can authorize without prior approval is established as a percentage of the mandated 'bid limit,' currently \$72,000 and adjusted annually according to the consumer price index. He asked that the Foundation board consider an appropriate level of authority for the Executive Director and suggested that the full bid limit or some fraction of it be approved.

Mr. Struthers asked how this would affect monies deposited on behalf of the California Construction College (CCC). Mr. Root and Ms. Cassidy stated that it should have no effect, since contracts for services or goods for the CCC would normally be made with the District, not the Foundation, but that, in order to acknowledge the tax deductibility of donations, it would be

best for donations to come to the Foundation initially, even if the Foundation would ultimately reimburse the District for certain expenditures such as Payroll.

After further discussion on legal and procedural implications, Mr. Greene moved that the Executive Director's signing authority be fixed at 50% of the bid limit. Ms. Gutierrez seconded and the motion passed. Mr. Root went on to say that, in the future, the board will get a short report of any contracts, purchase orders etc. from unrestricted funds. They will, in fact, approve expenditures after the fact, but will have better information than at present.

VII. Executive Director's Report

The private reception for Rigoberta Menchu was held in October at the home of Lucy and Rigo Chacon: there was a good turnout and the Foundation netted several hundred dollars. The grand opening of the renovated Cosmetology facility at City College will be held in May 09 and the Foundation will take the lead in planning.

Kaleidoscope, the community engagement event planned for early fall 2009 has been placed on hold due to budget concerns. A new event like this, with expenses estimated at \$80-100,000 is a huge investment; the best case financial scenario expected would be to break even in the first few years and possibly it would lose money. She hopes to restructure and scale down the event with a focus on student cultural groups as opposed to community groups.

The new payroll deduction campaign has been a modest success, with approximately \$10,000 in pledges to the Osher Scholarship challenge and other funds as well. Ms. Cassidy thanked the presidents and chancellors for their support in signing the initial faculty/staff solicitation. A follow-up mailing to faculty/staff was signed by both Academic Senate presidents and by the presidents of the Faculty Association and Classified Staff Employees Association, our two unions.

The direct mail solicitation to district residents was sent to a purchased mailing list based on zip codes, average home value and level of education. As predicted, the mailing did not make money, but a number of new donors were acquired. One highlight was an Evergreen alumnus, now a local CPA, who called and pledged \$1,000 to the Angelo Atondo Memorial Scholarship, which honors an EVC counselor who passed away several years ago.

Approximately \$7,500 has been collected for the Osher challenge from the two solicitations in Fall 2008 and that will be sent to the Foundation for California Community Colleges in Sacramento to be matched. (Note: our segment of the pooled income fund in Sacramento will be shown as an asset in future financial reports.) All donors receive a letter of thanks within a week or ten days after their check is received. Donors and volunteers also received a Thanksgiving card from Rosa in mid-November.

Human Resources has provided a list of District retirees; these will be added to the data base and solicited for gifts in the future. A recent District newsletter was mailed to a smaller list of faculty retirees and a few donations were received from that mailing, although it was not a solicitation. A seminar for retirees and current employees is being planned: presenters will address investment management in the current climate, talk about estate planning, and introduce the topic of charitable planned giving via bequests or gift annuities.

Other new activities include monthly e-mails to District employees about giving. The first e-mail was sent in December on the topic of "Teaching our Children to Give" and several employees sent notes of thanks for a timely topic. The next e-mail will introduce employees to eScrip.com, a national program widely used by K-12 schools to raise money.

Due to investment losses, Chang Foundation funding for City College scholarships was reduced by 25%. Fortunately, we have built up a reserve in this account, so, even with the reduced funding, we will be able to cover existing commitments and make 5 new awards of \$7000 per year to students transferring to a four-year college or university.

Grant proposals in the works include a Community Foundation proposal for the Valdes Summer Math Institute for \$250,000 and proposals or letters of intent for the EVC Nursing program and Legal Interpreter program.

Ms. Cassidy next presented a list of district projects in need of funding for consideration by the Foundation board members.

- 1) Scholarships are a primary goal; she asked the board to consider personal support combined with seeking money from others for new scholarships or to increase the amounts given in existing awards. Ideally, every award would be at least \$500.
- 2) KinderCaminata, which brings 2000 kindergarten children from the Alum Rock school district onto both campuses for a day to introduce them to college. Each college funds this by patching together funds from other budget line items: about \$18,000 per campus is needed. Ms. Gutierrez expressed her interest in seeking corporate funding, possibly in concert with the Children's Discovery Museum.
- 3) There is no line item for City College's Biotech Bootcamp either, which brings 15 low-income, 'at-risk' Andrew Hill High School juniors on campus for a week in the summer to study science. The funding needed for 2009 is \$8200. Ms. Zent has some contacts in major biotech firms that she is willing to contact for a donation.
- 4) Funds needed at EVC include money for basic needs: grocery gift cards for emergency food, meal vouchers and bus passes. \$15,000 would go a long way to meeting this ongoing need for 2009. Income from eScrip is earmarked for the Basic Needs fund and this option will be added to payroll deduction forms.

The draft Vision Statement and mission were discussed; this was developed in October by Olga Martin Steele, Frank Greene, Rosalie Ledesma, and Carole Cassidy and intended to be simple and concise, but also to support the chancellor's vision for the colleges. Mr. Greene suggested

that results and outcomes be added. Further discussion and action were postponed until the March meeting.

VIII. SJCC presentation

Dr. Burke described the Inauguration Day celebrations presented live on large screens at both City and Evergreen, with several hundred students, faculty and staff present at each campus. He then discussed the Equity Scorecard Evidence project taking place this semester on both campuses. The goal of this project is to drill down into data on student achievement in an effort to determine the factors that contribute to success or failure for low-income students and students of color, who have historically displayed lower rates of success than white students.

Capital projects underway at City College include the theatre upgrade and the design/build Multi-Disciplinary/Math/Fine Arts Building and the demolition of buildings V, W, and XYZ.

Dr. Burke then announced that the Lumina Foundation recently made City and Evergreen participants in “Achieving the Dream,” a multiyear national initiative to help more community college students succeed. Our colleges are the only participants in California and thanks are due to the chancellor’s two-year dialogue with Lumina.

Dr. Burke showed slides from the recent Global Studies trip to El Salvador. El Salvador was chosen because it sends the second largest number of Hispanic immigrants to California. Two elementary schools were visited and insights were gained that will help faculty understand this significant subset of our student population in the classroom.

IX. EVC presentation

Dr. Coon announced a planned Service Learning trip in April, which would send 10 EVC students and 10 Central Washington students to the same areas of El Salvador for the opportunity to perform meaningful community service, while learning civic responsibility and gaining a better understanding of other cultures. He asked the board to consider supporting the trip as it has in 2004 and 2006 with a grant of \$6000. The total cost for the trip is about \$15,000.

Dr. Greene asked about the return on the investment. Dr. Coon replied that student gain course credit and work hard on improving facilities while learning to understand the hardships so prevalent in other areas of the world.

Ms. Zent moved to allocate \$6,000 from unrestricted funds to this project. Ms. Avery seconded and the motion was passed. Ms. Avery asked that staff prepare a projection of how to spend unrestricted funds for the remainder of the year instead of asking for this type of action one at a time.

Ms. Cassidy asked the board to help identify new potential board members: with the resignations of Teresa Alvarado and Olga Martin Steele, we have taken a step backward in board development.

X. Adjournment

Mr. Fischer announced that the next meeting will be on March 26, 2008 at Evergreen Valley College in the Appi Mishra Room. The meeting was adjourned at 1:56 p.m.

Ronald Root
Secretary/Treasurer