



**BOARD OF DIRECTORS MEETING**  
**12:00 p.m., Thursday, February 24, 2011**  
**San José City College Tech Center Room T-112**

**Minutes**

**Directors Present:** Alex Torres, Autumn Young, Ron Lind, Rita Cepeda, Jeanine Hawk, Pritpal Singh, Neil Struthers

**Directors Absent:** Balbir Singh Dhillon

**Foundation Representative Present:** Heather Saito

**College Representatives Present:** Marilyn Brock, Barbara Kavalier

**Guests:** Jill Stenton (Vavrinek, Trine, Day & Co.)

**I. Call to Order**

President Torres called the meeting to order at 12:16, there were no public comments.

**II. Approval of Agenda**

Ms. Saito requested that a motion be made to table item X, Acceptance of Investment and Spending Policy so that it can be discussed in detail by members of the board at the retreat. *Mr. Struthers motioned to table item X until the retreat, Ms. Young seconded and the motion carried. Ms. Young then moved to approve the agenda as amended, Mr. Sing seconded and the motion carried.*

**III. Introduction of New Board Member Mr. Ron Lind**

Mr. Lind will be serving on the Foundation Board for two years in his role as current Chair of the District Board of Trustees. He shared that he is looking forward to working with this board to bring all good ideas to fruition. The rest of the board engaged in a quick round of introductions. At the end, Alex welcomed Mr. Lind warmly and shared that Alex shares that ever since he's come on board, he's had a desire to make the foundation more visible and the board is very optimistic and hopeful that the foundation will be more visible and taken to greater heights.

**IV. Chancellor's Comments**

Chancellor Cepeda shared that she is very excited to see more bodies around the table and that this was a sign of positive outcomes with the work that has been done in the foundation. Revitalization of the foundation is becoming more important. During town hall presentations, many staff members questioned what we are doing in regards to resource development in light of the many reductions happening across the district. Often when people ask these questions, Chancellor Cepeda speaks of the foundation as a vehicle to garner funds and she has been sharing that the foundation board has been reinventing the

foundation to have a broader focus than simply on student scholarships. This is being very well received by the campus communities. She also shared that while we have made some efforts in revitalizing the web presence of the foundation, we also need to continue to make improvements. Chancellor Cepeda also noted that with all of the new facilities through Measure G, we will have many naming opportunities and that we should do some detailed work on how we will handle those naming opportunities. She also shared that the progress of the foundation was key to saving vital student funding from the Grove Foundation.

**V. College President's Reports**

Dr. Brock (EVC) reported that her 6 weeks as interim president has been a whirlwind. They have decided to hold Summer School at the EVC campus, but it will be about half of the normal summer program. Both campuses hosted a series of town hall meetings which served to keep everyone informed about budget and other issues. EVC is looking at the facilities master plan and prioritizing the next building projects. Dr. Brock is certain that while this budget crisis is a little deeper and longer than any that has occurred in the past, we will get through it. She also shared that any fundraising activities undertaken by the foundation is greatly appreciated by students. Most students are keeping up with multiple jobs, supporting families and the fee increase is going to be a great burden to many students.

Dr. Kavalier (SJCC) reported that she has been here for 5 weeks and that she is excited to continue to learn about the work of the foundation. She shared that it is her belief that the foundation plays a critical role in helping to augment the programs to students. She is also excited about the bond projects and feels that it is the perfect opportunity for the colleges to partner with the foundation and finding ways to generate additional funds through naming rights. SJCC enrollment is stable, but they are facing difficult times and they are doing everything they can to protect students.

**VI. Directors Report**

Ms. Saito reported that she has finally hit a stride with the work that needs to be done here at the foundation. She also reported on meetings with campus constituents regarding potential grant opportunities and partnerships. Heather also shared some more detail in regards to the Grove Foundation funding which was recently saved thanks to Dr. Cepeda's willingness to take a phone conference with the Executive Director when she was nervous about San Jose City College's accreditation status.

**VII. Approval of Minutes from December 8, 2010**

*Ms. Young moved to approve the minutes, Mr. Lind seconded and the motion carried*

**VIII. Acceptance of the Foundation Audit and Tax Return for FY 09/10**

Jeanine introduced Jill Stenton, who is a manager with Vavrinek, Trine, Day & Co. (VTD), who performed our audit. She explained that as auditors, they have a responsibility to offer us an unqualified opinion. Ms. Stenton explained the they audit both the qualitative aspects, such as policies and procedures as well as quantitative aspects which include accounting aspects. Ms. Stenton noted that there were no new policies since the last audit. There were no significant findings, so a written management letter was issued. In the management letter, VTD made a recommendation that the foundation write and approve an investment policy, a spending policy, and that an investment committee is established. It is up to the board to decide the guidelines of the spending policy, the only rule is that it has to be

prudent and have a clear vision. Ms. Saito and Vice Chancellor Hawk explained that the investment policy will be part of the retreat.

Ms. Stenton explained that the financial statements are very basic and easy to understand, the foundation currently has approximately \$1.9 million in cash. Foundation net assets currently total a little under \$400,000 which is primarily designated by the board and \$19,000 was what was available to spend. The board has the ability to unrestrict money, from the auditors perspective, either a portion of the \$400,000 should be freed up, or fundraising activities need to be beefed up. Jeanine shared that during the treasurers report, she will be asking the board to make a motion to free up some of the money.

Ms. Stenton presented the form 990 to the board before it can be filed.

*Mr. Lind motioned to accept the Annual Financial Report as well as the Form 990, Ms. Young seconded and the motion carried.*

## **IX. Treasurers Report**

Vice Chancellor Hawk presented the current financial report to the board. She shared that this time of year tends to be a little bit slower, there is not as much going out and coming in. Vice Chancellor Hawk noted that there are many expenses related to San Jose Promise and that there will be a report on the success of San Jose Promise students presented to the board at a later date. Jeanine is requesting that the board move to move \$100,000 of restricted funds into the unrestricted pool to continue to support the ongoing operations of the foundation. These operational costs include board meetings, the bookkeeper, supplies and overhead.

Ms. Young posed a question regarding Denise's time and how much of that is spent managing the funds held in trust for the campuses and how we are reimbursed for that. Vice Chancellor Hawk shared that due to the size of the funds, it is inconsequential. Ms. Young shared that we should be thoughtful about what this position entails and how it is supported by the campus groups. She also wonders if we are following the same protocol that other Community College District Foundations follow. Mainly we are interested in sustaining foundation operations, so it would be helpful if we could look at other foundations to see how they make it work. She also stated that she would be willing to support undesignating the funds as long as we are looking at how we can sustain operations.

*Ms. Young Moved to transfer \$100,000, \$25,000 from each Board Designated Fund to the undesignated pool, Mr. Singh seconded*

Mr. Struthers questioned what the four funds that Vice Chancellor Hawk is requesting we move the money from is used for, Vice Chancellor Hawk explained that these are "Board Designated" Scholarship funds and that she is recommending that we take \$25,000 proportionately from each fund. Chancellor Cepeda requested that we not take money from the San Jose Promise Fund because she is concerned that we have already promised the full amount and feels that there is already a struggle to come up with the funds that we committed to that program.

Vice Chancellor Hawk recommended that rather than take \$25,000 from San Jose Promise, they move to undesignated \$75,000, moving funds from the other three accounts and leave San Jose Promise as is.

*Ms. Young amended her motion to transfer \$75,000, (\$25,000 from 181200, 18181300, and 181400) to an undesignated fund to support foundation operations through June 30, 2012, Mr. Singh seconded and the motion carried*

**X. Investment and Spending Policy**

Item X was tabled at the beginning of the meeting

**XI. Proposed By-law Changes**

Vice Chancellor Hawk recommended that this motion be tabled so that the group can work together to come up with a purpose statement.

*Ms. Young motioned to table this item until the retreat, Mr. Singh seconded and the motion carried*

**XII. Funding Request from Student Group**

Ms. Saito presented a funding request from the Chemistry Group at San Jose City College. Vice Chancellor Hawk recommended that this request should be forwarded back to the San Jose City College President's office and if she felt it was appropriate for foundation funding, then she could re-submit it. Ms. Saito agreed to forward the request back to Dr. Kavalier.

*Ms. Young moved to table this item, Mr. Singh seconded, and the motion carried*

**XIII. Board Member Recruitment**

Mr. Torres shared that he has been actively talking to different groups in the community including a major construction builder and executives from Google and Cisco. Mr. Torres feels that they are very interested in joining the foundation, especially at the level it is currently at.

Ms. Saito shared that per the bylaws, we can have twenty-five board members, 4 of which are designated seats (the Board of Trustees President, Past President, the District Vice Chancellor, and the Chancellor). There was a consensus that at this point, ten or twelve board members seems reasonable.

**XIV. Board Retreat**

Ms. Saito shared that board recruitment would be a big part of the retreat and that she has engaged a facilitator to help the board undertake this important work.

**XV. Adjournment**

*Ms. Young moved to adjourn the meeting, Mr. Singh seconded and the motion carried.*