

**Crafton Hills College Foundation Board of Directors**  
Annual Meeting Minutes  
June 19, 2014

**Directors Present:** David Raley, Gordon Clopine, Bill Nassar, Sam Irwin, William Lindsey, Michael Strong, Gloria Harrison, Donna Ferracone, Betty Jo Wood, Cheryl Marshall

**Absent:** Don Nydam, Denise Allen, Joanna Averett, Cheryl Cox, James Ramos, Robert Temple, Lillian Vasquez, Michelle Tinoco, Michelle Riggs, Donna Hoffmann

**Staff Present:** Karen Childers, Nicole Rodriguez

1. **Call to Order and Opening Comments** – President David Raley called the meeting to order at 3:05 p.m.

2. **College Happenings – Cheryl Marshall**

Construction – we are happy to have a new parking lot behind the LRC building. We are in full gear with four major projects at the same time. This was intentional to save money and capitalize on lower construction costs but we are already seeing escalation.

The PE Annex is on closeout and the President's Circle preview of it will be on July 9<sup>th</sup>. On July 11<sup>th</sup> & 12<sup>th</sup> we'll be holding the 10-Year Celebration of the pool, which was used for the Olympic trials in 2004. We have three Olympians coming to the event on that Friday and they will be signing autographs and taking pictures. Then there will be swim clinics on Saturday. Hopefully we'll get a lot of community members and some donors also.

The Crafton Center construction has started and is being graded. New CTE and Science buildings are on schedule, within budget, and are halfway done. Some smaller roofing and door hardware projects are underway also.

The tablet initiative is moving forward – with funding from the District and Foundation we have purchased 120 tablets. We have three pilot programs scheduled for fall in ASL, music and psychology. The faculty members are

currently being trained to work with the tablets, eBooks, other resources and how to support the students with their technical needs.

Last year, using Foundation funds, we awarded several \$1500 Innovation Mini Grants for the first time. We're getting the reports in on how those went this year and will have a formal report on those for next meeting. We've already received several requests for 2014-2015. Next week we'll be taking a look at those and deciding which ideas will be awarded mini grants for next year.

Summer school is going well. We have over 300 FTEs, which is much larger than we've had in a long time. The first session is going on now; the second session will start in July.

Gifts to College Report was distributed and reviewed by all.

### **3. Approval of Minutes of March 20, 2014 – All**

Bill Nassar moved to approve the minutes from March 20, 2014 as presented; the motion was seconded by Sam Irwin and passed with one abstention from Michael Strong.

### **4. Financial Report – Michael Strong**

(a) Investment Committee Report: we had a presentation by Merrill Lynch back in May. The latest statement through May 30<sup>th</sup> shows that since the inception of our investment in April 2013 we've gained \$12,000 on a portfolio value of \$721,000. We've increased amount in our investment with some CDs that matured. We have another CD that just matured yesterday, so we'll be closing that out and moving that into the investment. We'll also be moving \$51,000 from a money market account because the Investment Committee felt it shouldn't be sitting in a very low interest gaining account. We'll put \$41,000 of it into the investment and \$10,000 into the checking account for cash flow.

David suggested that after the Investment Committee has a meeting, a summary report should be forwarded to the Board. Email the summary to Nicole and she will forward to the Board before each meeting.

Karen mentioned that we have a dormant savings account with \$161,000 in it and suggested closing it out and moving into Merrill Lynch in accordance with the approved Investment Policy Statement. The next Investment Committee meeting is in August, but Mike suggested handling it prior to that.

(b) Krasovec update: The house sold for \$725,000 and the car sold for \$300. We are still waiting to see the money from the sale of the estate. The court date was May 22nd so Karen will follow up with the attorney to see when we will receive the money. Bill Nassar also suggested Karen call him for an update. Once we receive the money we'll see the amount in our investment account increase.

(c) Budget 2013-2014

The bottom line is that we budgeted to receive \$274,000 in income and we received \$280,000 in income. So for the first year of our budget we gained and feel good about that. On the expense side, we budgeted \$239,000 in expenses and spent \$244,000. The pie chart distributed breaks down types of donations we are getting and also the types of expenditures.

(d) Budget 2014-2015

Taking lessons learned over the prior year, we kept it relatively the same but a little different in a couple of areas. We want to track the Gala income more specifically this year instead of lumped in with general contributions. We now have a specific Gala account. We anticipate our gain on Merrill Lynch investments will be \$36,000. We'll probably receive more, but we're being conservative.

Total anticipated revenue is \$332,300 and we anticipate spending \$329,200, creating a balanced budget. So our goal is to increase our contributions over the course of the year so our income will exceed our expenses and build our assets within the Foundation.

We discussed but haven't formalized discussion on setting aside a certain amount or percentage of net income annually toward endowment so we don't spend all we earn. Investment committee should discuss. Maybe we

should consider making it a part of the policy. Majority of Krasovec will be invested but was not specified as an endowment.

Mike Strong moved to approve the 2014-2015 budget; Gordon Clopine seconded and the motion passed unanimously.

## **5. Annual Meeting – David E. Raley**

### **(a) Election of Directors:**

Joanna will continue with the Investment Committee, but will not attend regular Board meetings (we do not have a policy about minimum attendance). Gloria moved to make James Ramos an Emeritus Director; Bill Nassar seconded and the motion carried. Bill Nassar moved to approve all remaining Directors; Sam Irwin seconded and motion carried.

### **(b) Election of Officers:**

Don Nydam has asked to step down from VP position as he will not be actively involved for the next six months. Sam Irwin moved to approve the following officers; Bill Nassar seconded and motion carried.

President – David Raley

Vice President – Sam Irwin

Secretary – Cheryl Marshall

Chief Financial Officer – Michael Strong

### **(c) Designate Signers on Foundation Accounts:**

Betty Jo Wood moved to approve the following signers to transact Foundation business; Donna Ferracone seconded and motion carried.

Cheryl Marshall

David Raley

Michael Strong

## **6. Resource Development – ORDG**

### **(a) Policies/Forms:**

Karen distributed a signature sheet for all Directors to sign accepting the whistleblower protection and conflict of interest policies.

Please complete the Individual Assessment form and keep for your own records.

Please complete the Affiliation sheet and Individual Director Agreement and return to Nicole.

(b) Gala Summary:

The Gala was a success! A summary spreadsheet is in your packet that details the receipts and expenses. This report differs from the budget because it gives us credit for all pledges and the budget counts only what has actually been received.

Thanks to Gloria and Bill and Sam who put together the \$10,000 donation the night of the Gala. This year we didn't receive the San Manuel grant, but we should have it for next year's Gala (\$25,000). Next year we should break \$100,000. Gala meetings will start again in October.

(c) ORDG Update:

ORDG Quarterly Report was distributed.

Please come to the Aquatic Celebration July 11 & 12 – the new PE building will be complete and very nice.

The Retiree Brunch on August 15 will be a “welcome back”, not a fundraiser.

The Give BIG campaign raised money for the Faculty Scholarship for 4.0 students. Along with some President's Circle funds, 14 students received scholarships of \$150 each.

Thank you to those who came to the scholarship donor appreciation mixer. We plan to make that an annual event. Since the Foundation provides scholarships, all Directors are invited and welcome to come. Students have been writing letters to donors more than in the past and stewardship is going well.

We spoke about wanting Foundation scholarships to be at least \$500 (several are \$300). Karen will look in past minutes to see if this has been voted on before. If not, we should consider voting on it at the next meeting.

We award two scholarships at each of several local high schools in Yucaipa and Redlands, but not Citrus Valley. It was suggested that we start awarding scholarships to Citrus Valley also and should vote on it at the next Board meeting.

Alumni – we have 76 Facebook followers and 64 Linked-in members. Michelle spoke at the graduation breakfast and distributed license plate frames in exchange for completed surveys. Donna suggested purchasing alumni pins for all graduates next year and have Board members hand them out on the way up to the podium.

Alumni database – we have Raiser’s Edge and it’s a good system, but there are issues. Michelle has access to SPSS and wants to enter alumni in there, as a pilot, and see if she can get it to work the way she wants. She feels that it will be more helpful. The quote to clean up Raiser’s Edge was \$15,000 and didn’t include checking addresses. We can get a quicker start on contacting alumni if we start with a clean set of data until we decide if we want to spend that kind of money on Raiser’s Edge.

(d) Distribution of Revision of By-laws

We have added the President of CHC Student Senate as a voting member – please keep for your records.

(e) Calendar of Events for 2014-2015

A copy of the calendar is in the Board packet. Please attend and participate in as many events as possible.

Donna Ferracone suggested that if Foundation Directors are invited to the Scholar’s Convocation that they should have a role, such as handing out awards.

The 2014 Gala is mistakenly listed for May 28; it should be March 28.

**7. Other**

Buy a Brick Challenge (form distributed) – We would like to challenge Foundation Directors to each buy a brick and to get three friends to buy bricks also. Each brick is \$250 and will be part of the new Crafton Center. Brick

money is unrestricted unless the donor designates a cause. Karen will find out how many characters/lines will fit onto a brick and inform the Board.

Gloria said that the Foundation should be promoted with logo prominently on all literature and materials and literature for special events that the Foundation sponsors or acts as the fiscal agent (such as the Buy a Brick form). She also feels that the mailing lists should be the same for all events. Cheryl feels that is worth more discussion at the September Board meeting.

### **Adjournment**

Sam Irwin moved to adjourn meeting; Gordon Clopine seconded and motion carried.

### **Celebration of Board of Directors**