



Foundation Finance & Investment Committee Meeting

Minutes for Monday, April 19, 2021

3:00PM

Zoom Video:

https://cccconfer.zoom.us/rec/share/IBDXfTt2Zh6EqxTvj_gt8LWrbkSrxLqNW8OztP0-8mu5EiPJPNIQYVQnovfXS_b.RoWRoxaE0m4cRqrc

Meeting Participants

Committee Members Present

Tom Minder (Chair), Barbara Foster Monachino, Paul Hinkes, Barbara Fromm, Jim Williams

Committee Members Absent:

Non-Voting Committee Members Absent

John Ramont

Guest(s)

Bill Chunowitz, Catherine Abbott, Kirstien Renna and Mike Rodriguez, Matthew Durkan

Recorder

Juli Maxwell

Meeting Minutes

1. Call to Order/Roll Call

The meeting was called to order at 3:01 pm.

2. Action Items

2.1 Approval of Agenda: Regular Foundation Finance & Investment Committee Meeting of April 19, 2021 Agenda: Pursuant to Government Code Section 54954.2(b)(2), the Committee may take action on items of business not appearing on the posted agenda, upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take

immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

2.2 Confirmation of Agenda: Approval of Agenda for the Regular Finance & Investment Committee Meeting of April 19, 2021 with any addition, correction or deletions.

Kirstien Renna asked to pull item 6.4 Endowment Discussion, off of the agenda.

Barbara Fromm moved to remove the agenda item, second Paul Hinkus seconded.

Barbara Monachino moved to approve the agenda, with changes. Jim Williams seconded.

Motion carried.

3. Minutes

3.1 Approval of regular Finance & Investment Committee Meeting Minutes – March 17, 2021.

The minutes were approved as presented.

4. Comments from the Public

4.1 Comments From The Public: Comments from the Public: In accordance with Executive Order N-25-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed and will be accepted by email until April 16, 2021 at 5PM to codfoundation@collegeofthedesert.edu and read into the record during public comment.

There were no comments from the public received.

5. Investment Portfolio Update – Rod Olea, First Republic

Prior to Rod joining the meeting, Tom Minder shared his knowledge that other charitable foundations are invested more in equities than fixed income and suggested that we ask the Rod from FRB for his opinion in this regard. Bill Chunowitz commented that First Republic was given the investment percentages by the Board of Directors of the college along with the Finance Committee. Barbara Foster Monachino added that First Republic just deals with fixed income to ensure that the Foundation has access to operating funds easily and readily, with very little risk of loss of capital. Kirstien Renna stated that First Republic is the one that manages those current use type funds, and they are managed differently than endowments.

Rod joined the meeting at 3:17 pm. Tom welcomed Rob to the meeting and posed the question “should we raise equities in the Foundation’s investment portfolio with First Republic?” Rod shared that there was pool of money’s in the amount of \$10 million in fixed income, and at one time it was in the one-to-five-year maturity space, and we were to just invest cash flows as they matured. This was the thought process from the committee at the time First Republic first pitched the portfolio number.

Rod shared that First Republic has been charging the Foundation less than the fee agreement, he has been changing them behind the scenes to about \$1000 less last quarter, than the assigned fee agreement. He will do it again this quarter. Rod shared that the endowment side where it’s supposed to grow, was awarded to other managers. Rod shared that the goal for First Republic was to minimize principal volatility for these restricted funds component.

Barbara Fromm suggested that the committee designate 2 members to review the investment portfolios to update our goals. Tom Minder asked that the committee postpone doing this until the July meeting and review then when the committee has more members.

6. Discussion Items

6.1 Review the Financial Statements for the period ended February 28, 2021.

Kirstien presented the financial statements to the committee.

6.2 Draft of Budget

Kirstien presented the draft of the budget to the committee. Tom asked if the Foundation is getting a return on the money with the consultant that is paid for planned giving. Catherine Abbott stated that it is absolutely a great return. Liz has about \$8M in her legacy gifts and has been very successful in the last year working on her legacy gifts. We have an estate that will be settled this or next month, that was Liz’ doing. She also has a 2-million-dollar scholarship coming in. Tom Minder suggested that once a year show what has been booked in terms of line items, not just one number.

Catherine stated that she will do a sketch on the planned gifts that are being brought in and said she will get a presentation from Liz on this and will present to the group. Tom stated that it would be very good to do this at the annual meeting. Kirstien Renna added that in the process of these estate planning, she also gets other gifts from individuals specifically the

\$100,000 5-year pledge from one of Liz’s Legacy Leaders.

Academic Angels question from Tom Minder. Doesn’t seem like this is a good ROI for staff time. Catherine shared that Learning to Lead program will be under the Academic Angels which budgeted at \$65K in revenue.

6.2 Follow-up Items

6.2 Task of

6.2 Due by

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|-------------------------------|------------------|----------------|
| Presentation on Planned Gifts | Catherine Abbott | Annual Meeting |
|-------------------------------|------------------|----------------|

6.3 Review 990 Returns

Paul Hinkes asked about the 990 regarding Political Activities. Kirstien Renna explained that about 4 years ago the District asked the Foundation to participate in the Bond measure that they were going after in the community. This was a one-time activity that was allowed. The Foundation reached out to attorneys and auditing firms, and to support the district’s bond measure, the Foundation had to have this election form. There were no expenses this year to this entity. Kirsten shared that she has reached out the tax accountant in the Auditors office (Eide Bailly) to see what has to be done to eliminate this election moving forward. At this time Kirstien has not heard back, but will follow up again

6.4 Pledge Endowment (Removed from Agenda)

6.5 Student Emergency Requests

Tom Minder showed three examples of the Student Emergency Fund applications submitted by students applying for these funds. He explained that he wanted the committee to see examples of applications which he felt could be questioned. Catherine explained that some students may be taking vocational courses that are non-credit courses. Catherine shared that this fund exists with or without a pandemic and the fund is for students that are having problems staying in school. Catherine expressed that a student’s circumstances do not have to be academically related, and that the fund is not public knowledge, and students are referred by their counselors or professors. Barbara Foster Monachino asked if the Foundation has an approval process after the student requests are sent. Catherine shared that the applications are signed off by the college before she receives them. Once received, Catherine looks over the applications to make sure applicants are current students but does not hold the responsibility to accept or deny the application. Kirstien Renna shared that each request is sent with the email string showing the paper trail and is

accompanied with at least 3 signatures.

6.6 Request to apply for PPP – 2nd Round

Kirstien Renna shared that the Foundation was approved for the first loan and received \$97,545, but does not know if the Foundation must repay the loan at this time. The second round is coming up, and the Foundation needs direction as to whether or not to apply for the funding again. The first round of PPP was spent on payroll salary expenses. The Foundation has applied for forgiveness but have not yet heard whether it would be granted. Committee approved taking this item to the board for approval to apply for the 2nd round of PPP.

| 6.6 Follow-up Items | 6.6 Task of | 6.6 Due by |
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| Add "Request to apply for 2 nd round of PPP to next board agenda. | Eve Dehondt | May 26, 2021 |

6.7 Invoice from Momentous State of the College

Kirstien Renna shared the most recent invoice from Momentous, \$12,828, which is well below the budgeted amount of \$55,000. This is so far the only invoice the Foundation has received for State of the College and have not heard from the college regarding the invoice from CV Strategies, which still may come. Committee felt this new invoice was very honorable, and the check will be sent.

6.8 Dates for May and June Meetings

Kirstien Renna expressed that May 19 and June 23 are the dates proposed. Tom Minder suggested that committee not have a June meeting because committee members will be unavailable. Committee decided to wait until the May meeting to set the date for the next meeting. Kirsten to schedule Covington Capital for May 19 and will hold off on scheduling Merrill Lynch.

7.0 Action Items

7.1 Approve the Financial Statements for January 31, 2021.

Jim Williams moved to approve the Financial Statements for February 28, 2021. Paul Hinkes seconded.

Motion carried.

7.2 990 Returns – Approve moving to the board for final approval

Barbara Fromm moved to approve moving the 990 returns to the board for final approval. Barbara Foster Monachino seconded.

Motion carried.

8.0 Adjournment

The Committee Chair adjourned the meeting at 4:59 pm.

Next Meeting: May 19, 2021 at 3pm via ZOOM