



Foundation Special Executive Committee Meeting

Minutes for Thursday, August 12, 2021

2:00PM

Zoom Video:

<https://cccconfer.zoom.us/rec/share/76G0x4XpTrSK3rEO0XBUpsxD5fPEK4fszZP5FNaN6jz43i04U7Sw8-hc29oZ4P2C.HXoUXPRYYXVo09b7?startTime=1628802111000>

Meeting Participants

Voting Committee Members Present

Christine Anderson (Chair), Barbara Fromm, Tom Minder, Diane Rubin and Jane Saltonstall

Voting Committee Members Absent

Marge Dodge, Bill Chunowitz, Joanne Mintz, Barbara Foster Monachino,

Non-Voting Committee Members Present

Catherine Abbott

Committee Members Not Present

Jeff Baker, John Ramont and Bonnie Stefan

Recorder

Juli Maxwell

Guests

Kirstien Renna

Meeting Minutes

1. Call to Order/Roll Call

The meeting was called to order at 2:02 pm

2. Action Items

2.1 Approval of Agenda: Foundation Special Executive Committee Meeting of August 12, 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).

2.1 Confirmation of Agenda: Approval of Agenda for the Special Executive Committee Meeting of August 12, 2021 with any addition, correction or deletions.

3. Minutes

3.1 Approval of the Regular Foundation Executive Committee Meeting Minutes – July 26, 2021

Tom Minder stated that the discussion about investment of the money and which way to go in 5.3. The second paragraph, last sentence needs to be amended to say we will get “zero basis points.”

Jane Saltonstall made a motion to accept the minutes from the July meeting with corrections, Barbara Fromm seconded. Motion passed with changes.

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 August 11, 2021 at 5PM to c�품碼eoundation@collegeofthedesert.edu and read into the record during public comment.

There were no comments from the public received.

5. Discussion & Action Items

5.1 September Full Board Meeting – The Board meeting will take place on September 29, 2021 from 3-5pm.

Catherine Abbott shared that the Foundation has preliminary approval to hold its September board meeting in person, and on campus, and all attendees must wear facemasks. Catherine asked the committee for feedback regarding this. After discussion, including the possibility of having board members both in-person and remote, the committee’s decision is that the meeting should be held via Zoom to make it safe for everyone to attend.

5.1 Follow-up Items	5.1 Task of	5.1 Due by
Schedule September Board meeting as a teleconference	Eve Dehondt	9/15/2021

5.2 Marketing Contract

5.2.1 Approval of marketing contract with Competitive Advantage

Catherine Abbott shared that she had called Tom Minder after she realized she mistakenly signed the contract with Competitive Advantage before getting proper approval, and is now asking for approval from the committee. Catherine shared the vision of the marketing company, and that all expenses fall within the current budget. Diane Rubin stated that she believes that Norma Castaneda whom is a board member, owns this company therefore the board needs to follow the conflict of interest policies and get competitive bids according to the bylaws. Tom Minder and Jane Saltonstall had concerns that a board member will benefit from this financially. Catherine stated that she had one more bid from Eldertree, which is the company that the college is using, and that Eldertree's bid was significantly higher. Tom Minder stated that the committee would need to see what the other bids are. Diane Rubin stated that committee's concern is that the board is meeting its fiduciary duty and doing what's best for the Foundation by not having a board member have any sort of private benefit, so the committee would need a report showing that this contract is much better than the other proposals. Tom Minder stated he is not comfortable with only two bids, another is needed for competitive bidding. He stated that the contract that was signed is not in effect and the Foundation should pay Competitive Advantage for the work done (under \$25,000), and they should complete their work on Stepping Out for College of the Desert. The Foundation will revisit the contract after information about the conflict of interest has been received and after other bids are received. Catherine Abbott stated she may have a bid from CV Strategies and will look for it. Diane Rubin stated that the Executive committee needs a presentation that shows 3 competitive bids and then they will choose the most beneficial.

Catherine Abbott was asked to find out from Theresa Maggio, how Norma Castaneda fits in. If Norma is an owner, more due diligence needs to be done to protect the foundation. Tom Minder stated that it needs to be put in writing to Competitive Advantage, that Catherine did not have approval to sign the contract. Diane Rubin suggested committee could use CV Strategies cost from last year as the 3rd bid.

5.2.1 Follow-up Items	5.2.1 Task of	5.2.1 Due by
Get one more bid for marketing contract	Catherine Abbott	ASAP
Find out Norma Castaneda's position in Competitive Advantage	Catherine Abbott	ASAP
Inform Competitive Advantage (Theresa Maggio) that the contract is not valid, and to finish what they are currently working on (under \$25,000) until the Foundation has clarification as to whether or not we will move forward with the contract.	Catherine Abbott	ASAP

5.3 Endowment of \$18M from Mackenzie Scott

Catherine Abbott shared that this meeting was called because she received direction from Jeff Baker to move funds into a permanent endowment for EDGE/pLEDGE. Catherine stated that the district and the Foundation have a shared vision of endowing in perpetuity, and this is what has been published to the community and the President stands behind this. Vice President Ramont is also very supportive of endowing pledge with the funds.

Tom Minder shared that when he received the letter he was surprised to learn that the funds were meant to go to the Foundation. Catherine Abbott said that the funds were meant for the College, but Jeff Baker directed the Chicago Foundation to send the money to the College of the Desert Foundation, and a letter was addressed to the Foundation. Tom Minder stated that the letter dated June 22, 2021 that says the grant goes to COD Foundation. Tom then got word that Aurora Wilson told Jeff Baker that she was considering taking some of the

money back, but according to the letter that was received by the Foundation, she could not. Catherine shared that Jeff Baker said he wants the money put into the endowment. Tom Minder noted that we have two endowment accounts, and asked whether the funds should go into a separate account so that we can give an accurate representation of what the income has been funds are doing, or should we have it stay in that same account number with Merrill Lynch and Covington. Diane Rubin said the funds are not restricted so they don't need to go in a restricted account. The legal document from Northern Trust is addressed to the Foundation, and states the funds unrestricted, but the Board can make its designation. The resolution would be the same kind of thing where the Board will designate the \$18M to be an endowment for EDGE and pLEDGE. The Board can un-designate at any time by a vote of the Board. If Biden's Bill goes through where Community College is free for everyone, this endowment could possibly go somewhere else. Money was given to the Foundation unrestricted by the donor, and it is up to the Board to designate. It has to be spent in accordance with the COD Foundation's mission. The money belongs to the Foundation through MacKenzie Scott, per the letter. Chris Anderson asked if the Committee wants to recommend or not recommend, to the Board, that the money goes to EDGE/pLEDGE. Jane Saltonstall stated that the Executive Committee must have a united front as to where the money came from, where it went to and how it is going to be invested. Chris would like to see something from attorney to clarify who the money was given to. The Community Foundation wants a written report from us, and a narrative description of the project and audited financials. Kirstien Renna shared with the Committee how the endowment will be managed. Kirstien also shared that the money was initially a gift to the district, and the district decided to not have the money flow through the District, they wanted it to go directly to the Foundation because it is the fund-raising arm of the College.

5.4 Conclusion

Tom Minder made a motion that these monies be invested, in accordance with our investment policies rather than keeping them in a bank account,

pursuant to the fact that this money did come to the Foundation. Barbara Fromm seconded. Motion carried.

6. Adjournment

The Chair adjourned the meeting at 3:07PM.

Next meeting: Tue, September 14, 2021 – 3 PM – Via Zoom