



**Regular Meeting of the Foundation Board  
Minutes for Wednesday, September 29, 2021**

**3:00PM**

**Zoom Video:**

<https://cccconfer.zoom.us/j/98222065956?pwd=UDdCYXhqb1IzcXo2TWthaldpUm4rUT09>

**Meeting Participants**

**Voting Board Members Present (22 members)**

Christine Anderson (Chair), Norma Castaneda, Bill Chunowitz, Peggy Cravens, Carol Bell Dean, Marge Dodge, Carol Fragen, Barbara Fromm, Jim Greene, Paul Hinkes, Peggy Jacobs, Jim Johnson, Rob Kincaid, Dale Landon, Thomas Minder, Joanne Mintz, Barbara Foster Monachino, Rob Moon, Diane Rubin, Jane Saltonstall, Jim Williams and Jake Wuest.

**Non-Voting Board Members Present**

Catherine Abbott, Kim Dozier and John Ramont

**Board Members Not Present**

Martha Garcia, Donna MacMillan, Marlene O’Sullivan, Bonnie Stefan and Leslie Usow

**Guest(s) & Staff**

Christine Bruno (Eide Bailly), Gailya Brown, Liz Chambers, Matthew Durkan, Brandon Harrison (Eide Bailly), Theresa Maggio (Competitive Advantage), Juli Maxwell, Amanda McCarthy, Kirstien Renna and Mike Rodriguez

**Recorder**

Eve-Marie Dehondt

**Meeting Minutes**

**1. Call to Order/Roll Call**

**1.1 Call to Order**

The meeting was called to order at 3:02.

Dale Landon joined the meeting at 3:30PM. Peggy Cravens left the meeting at 4:00PM. Peggy Jacobs and Rob Moon left the meeting at 4:15PM. Rob Kincaid left the meeting at 4:01PM. Tom Minder left the meeting at 4:55PM.

**1.2 Resignation from Board Member John Monahan Update**

Christine Anderson informed the Board that John Monahan resigned from the Foundation Board in June 2021 due to a lack of availability.

**2. Approval of Agenda**

**2.1 Approval of Agenda: Foundation Regular Board of Directors Meeting of September 29, 2021:** Pursuant to Government Code Section 54954.2(b)(2), the Board 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 Board of Directors Meeting of September 29, 2021 with any addition, correction or deletions. Tom Minder asked to add an agenda item to review and approve the proposed amendments to the Foundation’s Investment Policy Statement, as recommended by Covington Capital. This will become **agenda item 9.8**.

Christine Anderson asked to table **agenda item 9.6 “Update on the Executive Committee Organizational Chart”** to the next meeting as no update was currently available on this topic.

**2.2 Conclusion**

Barbara Fromm moved to approve the agenda as updated. Jane Saltonstall seconded. Motion carried.

<b>2.2 Follow-up Items</b>	<b>2.2 Task of</b>	<b>2.2 Due by</b>
None	None	None

**3. Approval of Minutes**

**3.1 Approval of May 26, 2021 Foundation Regular Board of Directors Meeting Minutes**

Bill Chunowitz moved to approve the minutes as presented, Diane Rubin seconded. Motion Carried. Board Members who were not present at the meeting abstained.

<b>3.1 Follow-up Items</b>	<b>3.1 Task of</b>	<b>3.1 Due by</b>
None	None	None

## 4. Comments from the Public

**4.1 Comments from the Public:** In accordance with Assembly Bill 361 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. Questions will be accepted by email to [codfoundation@collegeofthedesert.edu](mailto:codfoundation@collegeofthedesert.edu) and read into the record during public comment. Persons who wish to speak to the Board on any item not already on the agenda may do so at this time. There is a time limit of three (3) minutes per person and fifteen (15) minutes per topic, unless further time is granted by the Board. This time limit will be doubled for members of the public utilizing a translator to ensure the non-English speaker receives the same opportunity to directly address the Board, unless simultaneous translation equipment is used. Requests should be directed to the Foundation as soon in advance of the Board meeting as possible

There were no comments from the public.

## 5. Mission Moment

This item was tabled until the next meeting, as the presenters were not able to attend.

5.1 Follow-up Items	5.1 Task of	5.1 Due by
This item was tabled to the October 27 Board Planning Session	Cathy Abbott	October 27, 2021

## 6. Reports

### 6.1 Foundation Board President Report –Christine Anderson

Christine Anderson reported that Board Member Marlene O’Sullivan would be away for a few weeks due to health issues. Christine Anderson will reach out to some Board Members to discuss what can be done to support her during this difficult time. Bill Chunowitz agreed to step up as the Chair of the President’s Circle Membership Committee during her absence.

Christine Anderson summarized the Foundation’s activities, which took place over the summer and thanked the Committee members and staff for their hard work. She thanked the Committee Chairs who have submitted their reports for the Board Packet.

6.1 Follow-up Items	6.1 Task of	6.1 Due by
Bill Chunowitz agreed to step up as the Chair of the President's Circle Membership Committee during Marlene O'Sullivan's absence	Bill Chunowitz	

**6.2 College Superintendent/President –Martha Garcia**

As Dr. Garcia was not present, John Ramont reported that she was being very active getting herself in the Community and was currently meeting at UC Davis working on a project. He shared that Dr. Garcia is very experienced, knowledgeable, and has a great understanding of the College's finances. She has been a pleasure to work with thus far and the College's leadership is looking forward to continuing working with her.

6.2 Follow-up Items	6.2 Task of	6.2 Due by
None	None	None

**6.3 College Board of Trustees – Dr. Bonnie Stefan**

No report was provided, as Dr. Bonnie Stefan was not present.

6.3 Follow-up Items	6.3 Task of	.3 Due by
None	None	None

**6.4 Executive Director – Catherine Abbott**

Catherine Abbott provided an overview of the College of the Desert and College of the Desert Foundation's recent activities to the Board.

She reported that the Desert Sun recently concluded its Summer Bruce Fessier Internship Program for three College of the Desert students, which was funded through the Bruce Fessier Internship Scholarship Fund and during which, students had the chance to cover news and write news stories. She shared some of the students' highlights during their internship programs and reported that the Foundation would apply for a \$25,000 grant through Gannett Media Corporation, which, if granted, would help replenish the Fund to keep the program in place.

Catherine Abbott reported that the Executive Committee members got the opportunity to meet with Dr. Garcia at their last meeting, where she reinforced her willingness to work and engage with the Board.

The Foundation staff prepared a Board Calendar including all the Foundation Events, and meetings, as well as the College events. This calendar was included in the Board packets and updates will be sent on a monthly basis.

Catherine Abbott informed the Board that they are now welcome on campus. The campus police will ask individuals to complete a test on the “Sway” application, which can be downloaded from App Stores using the code “96639”. The application will ask to answer a list of questions, including a report of the individual’s temperature. The campus police will also take the individual’s temperature at the entrance, check that the application has been completed ahead of time, and will provide a bracelet to wear on Campus before giving permission to enter. The only entrance for the Palm Desert Campus is currently on Fred Waring Dr.

The College’s goal is to remove these procedures as quickly as possible.

**6.4.1 Development Update (Matt Durkan)**

Matt Durkan provided an update on the activities from the Development Team and the significant gifts received since the last Board meeting. He also acknowledged the Board members who recently made a pledge or significant gifts for the current fiscal year.

He reported that the Development Committee met and reviewed the fiscal year 2021-22 development plan.

**6.4.1.1 Legacy Leaders Update (Liz Chambers)**

Liz Chambers and Peggy Cravens provided a report on the last quarter of activity of the Legacy Leaders. They invited the Board members to attend the Legacy Leaders event that will take place in November. Details will be confirmed soon.

6.4 Follow-up Items	6.4 Task of	6.4 Due by
None	None	None

**7. Consent Agenda Items**

**Consent Agenda:** Blanket Motion: All Consent items were voted on in one motion. Any Board Member may request that any item(s) be moved to the Action Agenda.

**7.1 Approve the May 21, 2021 Board Orientation Meeting Minutes**

**7.2 Approve the Committee Lists for 2021-2022 as presented**

**7.3 Approve the Financial Statements for period ended May 31, 2021, June 30, 2020 and July 31, 2021**

**7.4 Approve the Proposed 2021-2022 Budget Adjustments**

Jim Johnson asked questions on agenda item 7.4. "Approve the Proposed 2021-2022 Budget Adjustments". He agreed to take the discussion offline and Catherine Abbott recommended adding an agenda item on how the Foundation budget is prepared to the October 27 planning session.

## 7. Conclusion

Tom Minder moved to approve the consent agenda, Diane Rubin seconded. Motion carried.

Jim Johnson abstained.

7. Follow-up Items	7. Task of	7. Due by
An agenda item on Foundation budget will be added to the next Board meeting agenda	Catherine Abbott	October 27, 2021

## 8. Action Agenda (Items pulled from the Consent Agenda for Separate discussion and consideration)

No agenda items were pulled from the Consent Agenda. However, a discussion on the Foundation budget will be added to the next meeting.

8. Follow-up Items	8. Task of	8. Due By
An agenda item on Foundation budget will be added to the next Board meeting agenda	Catherine Abbott	October 27, 2021

## 9. Discussions & Action Items

### 9.1 Approve the Marketing Contract for Competitive Advantage As Recommended by the Finance & Investment Committee (Tom Minder & Theresa Maggio from Competitive Advantage)

Catherine Abbott and Tom Minder provided some background on the marketing contract and the different marketing firms that were evaluated: CV Strategies, ElderTree and Competitive Advantage. They indicated that Competitive Advantage was the firm recommended by the Finance and Investment Committee to go for Board approval.

Theresa Maggio, National Business Development Director at Competitive Advantage, a subsidiary of HR Advantage, and Norma Castaneda, as the Founder of HR Advantage, left the virtual main room while the Board discussed this agenda item regarding the contracts with Competitive Advantage, due to a conflict of interest.

Theresa Maggio and Norma Castaneda joined back the room and Theresa Maggio provided a presentation on her marketing firm. She then answered questions from the Board. They both left the room again when the Board discussed further and made their votes, after the presentation.

Joanne Mintz asked if the contract with Competitive Advantage included any timeline to provide the material, and consequences if they could not meet their deadlines, and recommended adding this into future contracts, since this occurred with prior marketing firms.

Diane Rubin moved to approve the Marketing Contract with Competitive Advantage As Recommended by the Finance & Investment Committee, Jim Johnson seconded. Motion carried.

Theresa Maggio and Norma Castaneda returned to the virtual room.

9.1 Follow-up Items	9.1 Task of	9.1 Due by
None	None	None

**9.2 Approve the Quasi-Endowment Policy As Recommended by the Finance & Investment Committee (Tom Minder)**

Tom Minder provided some background on the quasi-endowment policy as recommended by the Finance & Investment Committee. He explained that the auditors informed them that the Foundation did not have the proper policy in effect allowing the Foundation to invest the \$18M gift funds received by MacKenzie Scott. Diane Rubin worked with Kirstien Renna to create a quasi-endowment policy that would be added to the existing Investment policy, for these funds to be invested.

Diane Rubin provided further information to the Board and explained that a quasi-endowment is an endowment that the Board directs, and it is not restricted, unlike a restricted endowment. Catherine Abbott provided additional background to the Board. Diane Rubin explained that the College was awarded the unrestricted \$18M MacKenzie Scott gift and they decided to have the Foundation manage it. The Foundation is working in harmony with the College to do what is best for the students, and using that unrestricted gift to fund EDGE/pLEDGE was what aligned best with the College’s wish and the donor’s vision.

The Board asked what the annual administrative fee of 2% on the \$18 million represent, and Kirstien Renna indicated that this was the regular annual endowment fee for all the Foundation’s endowment to manage the funds and to administrate them. The Board was concerned that 2% of the \$18 million (\$360,000) might be too expensive and that the Foundation should update it for that particular gift.

Diane Rubin recommended adopting the quasi-endowment policy and have the Finance and Investment Committee come back with a recommendation, as for the annual administrative fee percentage they think would be appropriate.

**9.2 Conclusion**

Diane Robin moved that the College of the Desert Foundation shall establish a board-designated endowment (also referred to as a “quasi-endowment”) called the “EDGE and pLEDGE Endowment” (also referred to as “the EDGE/pLEDGE Forever Fund”) whose purpose shall be to support students who participate in the District’s EDGE and pLEDGE program. The entirety of MacKenzie Scott’s eighteen million dollar (\$18,000,000) gift shall be used to seed the EDGE/pLEDGE Forever Fund. The EDGE/pLEDGE Forever Fund shall be invested in a manner consistent with the Foundation’s Endowed Asset Fund, described in the Foundation’s Investment Policy Statement, except that the 2% annual administrative fee will be reviewed subsequently by the Finance and Investment Committee, and the income shall be spent in a manner consistent with the Foundation’s Endowment Spending Policy. The Foundation will distribute funds available for expenditure to the District’s EDGE and pLEDGE program to support students in a manner consistent with the Fund’s charitable purpose, Carol Fragen seconded.

Motion carried.

<b>9.2 Follow-up Items</b>	<b>9.2 Task of</b>	<b>9.2 Due by</b>
The Finance and Investment Committee should come back with a recommendation, as for the annual administrative fee percentage they think would be appropriate for the quasi-endowment policy for the EDGE/pLEDGE quasi-endowment.	Tom Minder	

**9.3 Approve the Use of the Bruce Fessier and Workforce Development Internships Scholarship Fund to Fund the Desert Sun Internships (Catherine Abbott)**

Catherine Abbott reported that there are two funds available to fund the Desert Sun internships: the Bruce Fessier Fund and Workforce Development Internship Scholarship Fund. Julie Makinen is only recruiting one student for the Fall, for a part-time internship.



If the Foundation wanted to continue to support Desert Sun internships in the future, they would need to look at the options available. The Bruce Fessier fund is near depletion. The other fund available is the Development Internships Scholarship Fund. Kirstien Renna presented the budget available to the Board.

Bill Chunowitz moved to approve the Use of the Bruce Fessier and Workforce Development Internships Scholarship Fund to Fund the Desert Sun Internships, Jim Johnson seconded. Motion carried.

9.3 Follow-up Items	9.3 Task of	9.3 Due by
None	None	None

**9.4 Audit Update (Diane Rubin)**

Diane Rubin reported that the Audit Committee approved the 2020-21 draft Audit Report on September 27, 2021. Brandon Harrison from Eide Bailly will be attending and present the Audit report during the Board Planning Session on October 27, which will go for Board approval. Diane Rubin reported that this will be an exciting report and acknowledged Kirstien Renna, Mike Rodriguez and the auditors for a successful audit.

9.4 Follow-up Items	9.4 Task of	9.4 Due by
None	None	None

**9.5 Stepping Out for College of the Desert Update (Barbara Foster Monachino and Jane Saltonstall)**

Jane Saltonstall reported on the Stepping Out for College of the Desert. She noted the importance of raising the \$500K for the event as this would position the Foundation for the 40<sup>th</sup> anniversary in 2024. The Stepping Out Committee gathered a list of donors that they will strategize around, and the Board will be asked to participate in writing letters to their contacts, and to brainstorm around new possible donors.

9.5 Follow-up Items	9.5 Task of	9.5 Due by
None	None	None

**9.6 Update on the Executive Committee Organizational Chart Restructuring (Christine Anderson)**

Christine Anderson tabled that item to the next meeting.

9.6 Follow-up Items	9.6 Task of	9.6 Due by
This item was tabled that item to the next meeting.	None	None

**9.7 Reminder: Board of Directors Planning Session – Oct 27, 2021 from 9AM to 5PM – Desert Willow Golf Resort – Followed by a Cocktail Reception – Masks and Social Distancing will be required.**

Christine Anderson reminded the Board that the Planning Session would take place on October 27, 2021 from 9AM to 5PM at the Desert Willow Golf Resort in Palm Desert. This meeting will be followed by a cocktail reception on the patio. She asked the Board to share any agenda items they would like to add for that day.

The Board asked for the following items to be added to the agenda

- Budget training discussion
- Barbara Fromm asked to add the goals of the Nominating Committee
- Jane Saltonstall asked to add an item on Stepping Out for College of the Desert
- Jim Johnson asked to add a discussion around the strategic plan
- A discussion on the Quasi-Endowment fund Policy

9.7 Follow-up Items	9.7 Task of	9.7 Due by
The Board asked for the following items to be added to the agenda <ul style="list-style-type: none"> <li>- Budget training discussion</li> <li>- Goals of the Nominating Committee</li> <li>- Stepping Out for College of the Desert</li> <li>- Strategic plan</li> <li>- A discussion on the Quasi-Endowment fund Policy</li> </ul>	Catherine Abbott	October 27, 2021

## 9.8 Amendment on the Investment Policy from Covington Capital

Tom Minder added the amendment on the Investment Policy from Covington Capital as an agenda item. He indicated that he asked Covington whether the Foundation's Investment policy statement was up to date, as it was originally done in 2007. They came back with the following recommendations for updates:

- **With respect to fixed income:** The current policy states that the Foundation can invest 25% to 80% of its endowment in fixed income. They recommend changing it to 25% to 50%.
- **With respect to Cash:** The current policy states that the Foundation can hold 2% to 25% in cash. They recommend changing it to 2% to 20%.
- **With respect to Bonds:** The current fixed income benchmark is Barclays US aggregate index. They recommend changing to Barclays' intermediate government credit index.
- Covington recommended the Foundation purchases up to 10% in triple-B rated bonds. The current Investment Policy statement states that fixed income securities shall be rated "A1" (or its equivalent) or higher at the time of purchase by a nationally recognized statistical rating agency.

The Finance and Investment Committee members were asked for their opinions in this regards and the majority of them responded in favor of the proposed changes.

## 9.8 Conclusion

Diane Rubin moved to approve the changes proposed by Covington Capital as listed above, Barbara Fromm seconded. Motion carried.

9.8. Follow-up Items	9.8. Task of	9.8. Due by
The approved changes recommended by Covington should be updated on the Investment policy statement	Kirstien Renna/Tom Minder	

## 10. Other Discussions & Future Agenda Items

Christine Anderson added a Budget Discussion to be added to the next meeting, as per the discussion during item 7.4.

Marge Dodge shared that the Academic Angels Membership Tea is scheduled on November 18, 2021 at Barbara Fromm's residence and invited the Board members to attend.

**10. Follow-up Items****10. Task of****10. Due by**

An agenda item on Foundation budget will be added to the next Board meeting agenda	Catherine Abbott	October 27, 2021
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**11. Adjournment**

The Foundation President adjourned the meeting at 4:42PM.

**Next Meeting: Wednesday, October 27, 2021 – 9AM to 5M – Desert willow Golf Resort – Followed by a cocktail reception at 5PM. Masks and Social Distancing will be required.**