

**Yuba Community College District  
Foundation Board Meeting  
Minutes – 11/03/2021**

**The Yuba Community College District Foundation Board met on Wednesday, November 3, 2021 for its Regular Foundation Board Meeting.**

**Board Members Present via Zoom:** Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Sonja Lolland, Tawny Dotson, Artemio Pimentel, Dr. Houpis, Jared Hastey, Richard Teagarden

**Absent:** John Cassidy, Jessie Ortiz

**Resource Members:** Kathleen Miller, Jay Lowden, Angelica Munoz, Kuldeep Kaur

**Guest:** Tonya Mack, Aaron Schmoekel, Regina Langley

1. **Call to Order and Opening Items:** Board President Ginsburg called the meeting to order at 3:02 PM, and reviewed the remote meeting protocols.
2. **Approval of Agenda:** Motion to approve the November 3, 2021 Foundation Board Agenda: Tawny Dotson; second by Jared Hastey; Final Resolution: Motion carries. Aye: Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Tawny Dotson, Artemio Pimentel, Jared Hastey, Richard Teagarden
3. **Approval of Minutes:** It is recommended that the Foundation Board approve the Minutes of August 4, 2021 as presented. Motion to approve: Eileen Schmidtbauer; Second by Jared Hastey; Final Resolution: Motion carries. Aye: Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Tawny Dotson, Artemio Pimentel, Jared Hastey, Richard Teagarden
4. **Open Agenda and Public Comment - NONE**
5. **Consent Agenda: The consent agenda included:** Acceptance of Contributions; Acceptance of Quarterly Warrants; Newly Established Foundation Accounts; Financials; Fund Account List with Balances. Motion to approve the Consent Agenda: Jared Hastey; Second by Artemio Pimentel; Final Resolution: Motion carries. Aye: Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Tawny Dotson, Artemio Pimentel, Jared Hastey, Richard Teagarden
6. **Discussion**  
**Allocation Unrealized Investment Gains:** Mr. Lowden provided a 3-step process for consideration of how the board might distribute the more than \$3 million accumulated in unrealized gains.

Step One: Move \$293,312 of unrealized gains into the Foundation Operating Account. This is the balance of the \$500,000 that was approved by the Foundation Board in 2018 to hire a Director for the Foundation. Step Two: Allocate the balance of unrealized gains \$3,160,406 (\$3,453,718 minus \$293,312 moved to Foundation Operating Account) proportionately among all funds of the Foundation as detailed in the attachment.

There is over \$3 Million dollars of unrealized gains as of June 30, 2021. \$3,453,718 has accumulated over approximately 10 years. This amount has yet to be allocated among the 175 funds that make up the Foundation. Each fund would be allocated an amount equal to the percentage of their portion of the overall investment. The bulk would be in the Endowed Scholarships which would end up providing additional resources for scholarships on an annual basis. There are a number of funds in the Foundation that have like purposes, Mr. Lowden is suggesting combining funds with like purposes. This proposal was provided for discussion and a proposal for formal consideration would be brought to the board at the next meeting.

Mr. Teagarden asked where these gains have been cumulated. Mr. Lowden explained it was on the books primarily shown as short-term investments. Mr. Teagarden added that he donors that set up

funds might not be happy if the market has a downturn and they see their accounts reduced below the original contribution to cover other expenses. This scenario happened in the recession of 2008-09. Mr. Ginsburg ask for an alternative scenario for the next meeting. Mr. Teagarden added that when the \$500,000 was allocated for the Executive Director it was from that accumulated growth and by allocating all of it to the various funds that the, the Foundation would lose that flexibility.

Mr. Teagarden asked if there will be a policy on holding back funds. Mr. Lowden suggested that we might consider setting up a fund specifically for operations of the Foundation, or developing a policy that places a charge or a surcharge on contributions or fund balances for operations. We might also consider a more robust reserved fund. Mr. Teagarden said that would satisfy his concerns

## 7. Information Items

**Investment Report from Smart Investor:** Aaron Schmoekel presented a brief investment reflecting the first few months that he had managed the portfolio. \$10,414,657 ending balance on September 30, 2021. The asset allocation is similar to when they started managing the fund and they have started to make reallocation of investments to bring the portfolio in line with the investment policy.

## 8. Action

**Approval of Investment Spending for 2021-22:** Mr. Lowden provided an overview. At August meeting the Board approved a new investment policy. The policy allows a 4.5 – 5.5% annual allocation of the portfolio, based on a three-year average of the year-end balance of the portfolio. The proposal for 2021-22 is for a 5.5% allocation. Proposal for 21-22 would be to have 5.5 allocation. Motion to approve the distribution: Jared Hastey; Second by Tawny Dotson; Final Resolution: Motion carries. Aye: Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Sonja Lolland, Tawny Dotson, Dr. Houppis, Jared Hastey, Richard Teagarden, Artemio Pimentel

### **Approval of Direct Mail Consulting Agreement**

In a conversation with other Foundation directors, direct mail and how Foundations manage it was discussed. A number of Foundations with small staffs outsource their direct mail program to outside firms that specialize in Direct Mail fundraising. One firm that came highly recommended is by Modesto and Los Rios was Rescignos. They have been a direct mail fundraising consultant firm for more than 30 years with clients across the United States. They manage it for Lo Rios and Modesto Jr. College. Director Lowden asked Rescigno to provide a proposal to manage a comprehensive direct mail program for the Foundation. It would include three appeal per year, a wealth screening and analysis of the Foundation's donor records. A program such as this would be a significant long-term investment for the Foundation and the cost for first year would be \$50,465.

Motion to approve the agreement with Rescignos: Marcia Stranix; Second by Eileen Schmidtbauer; Final Resolution: Motion carries. Aye: Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Sonja Lolland, Tawny Dotson, Dr. Houppis, Jared Hastey. Nay: Richard Teagarden, Artemio Pimentel

Mr. Lowden indicated that the first year you would break even, make money the 2<sup>nd</sup> year. Modesto said they made money, Los Rios said they are in the break-even stage. Should be able to break even in a couple of years. The Foundation would own all of the material prepared by Rescigno's on behalf of the Foundation.

### **8.03 Approval of 2021-22 Operating Budget:** Proposed budget for 2021-22. Income of 1,026,406; expense of 977,160. Motion to approve the budget: Marcia Stranix; Second by Sonja Lolland; Final Resolution: Motion carries. Aye: Marcia Stranix, Eileen Schmidtbauer, Wayne Ginsburg, Sonja Lolland, Tawny Dotson, James Houppis, Jared Hastey, Richard Teagarden, Artemio Pimentel

The budget includes \$35,000 for WCC to conduct a Feasibility Study. Mr. Lowden added typically in a capital. Campaign budget the feasibility study is a line item and the cost of the study would be refunded to the Foundation through the proceeds of the campaign. Chancellor Houppis added the purpose of the study is to see if there is a funding donor base in the WCC community that you

generate the monies to complete the project. Mr. Lowden stated that the \$35,000 is what it cost to hire a firm. They will go out and interview targeted individuals in the community to get feedback on support if they feel it is possible to raise the amount needed.

## **9. Reports**

**9.01 Foundation President's Report:** None

**9.02 YCCD Board of Trustees Foundation Liaison Report:** None

**9.03 Woodland Community College Report-**Dr. Pimentel: There will be a capital campaign dinner this evening. They hope they can brainstorm about raising funding for the performing arts building. After 22 years in the making they are finally planning to start athletics with a soccer program, Men's and Women's. They are in the process of writing the curriculum now. In March they entered into an agreement for the Promise grant with the City of Woodland, Student get 1000 for 2<sup>nd</sup> year, 1<sup>st</sup> year paid for, December 2<sup>nd</sup> going before City Council now to start this with Clearlake.

**9.04 Yuba College Report:** Dr. Dotson reported that there are lots of exciting things happening. The Yuba College Police academy will be featured at 7:30 on PBS. They will be recognizing the staff and the challenges of policing. Yuba College has also been approved by the Yuba Water Agency for a \$700,000 Grant for a water shed management program, their vision included a Kinder through College program. The Family of Neena Gill approached Yuba College to make a donation to have specific projects done at on the campus. We have a tentative agreement for a significant gift for the counseling center at YC. This will need to go before the governing board and Mr. Lowden indicated that we may need to call a special Foundation board meeting so we can have the Governing Board approve the agreement before the end of the year.

**8.05 Chancellor's Report:** Chancellor Houpis spoke to the importance of an ample donor base. More than 14,000 people on LinkedIn are linked to Yuba College. We need to expand our pyramid. Need to understand how to do fundraising and have a five year target on how we would like to see fundraising grow.

**8.06 Foundation Director's Report:** The Foundation news for November can be found in Board Docs. Fred Smiley a retired professor lives in San Francisco and is a Yuba College Graduate. He made a large contribution to the Foundation to establish an endowed scholarship at Yuba College. In addition the Foundation is finalizing two new scholarships for WCC.

**8.06 Next Regularly Scheduled Meeting** will be Wednesday February 2, 2022, a special meeting may need to be had and a joint meeting with Board in January.

**9.0 Adjournment:** The meeting adjourned at 4:25p.m.