



Date: Thursday, August 15, 2019

Time: 12:00 NOON

Location: President's Conference Room

Present:

☒ D. Crippens

☒ J. McDowell

☒ V. Reyes

☒ R. Farrell

☒ D. Campos

☒ Claudia Lima

☒ C. Hannan

☐ H. Nadel

☒ B. Tseng

☒ G. Pérez

Staff: Iris Caplan

☐ P. Chavez

Guest: Susan Pollack, Chris
Pham

Dr. Melinda Nish, Acting
President of LATTC.

I. Meeting Convened: The Foundation Board meeting was called to order at 12:08 p.m. by Chairperson as there was a quorum. David Crippens.

II. Public Comment – No public comment.

III. – Chairs Report – David Crippens, Board Chair, discussed that Trade Tech is in a transition due to Larry Frank leaving the college to go to the District. David went on to say that his major role was to protect the Foundation. Also, Trade has only one permanent Vice President. We are an auxiliary organization of the Community College District. We need to be working closely with the President of the College. David will be introducing the Acting President of the College. The District is hoping to have a new full time President by Spring of 2020. The later part of the meeting will be where we are at with the Strategic Plan. David had hoped to be ratifying the Strategic Plan at this meeting, but we need the new interim President to be involved. This is what shared governance is all about. We won't be voting on new budget until the Interim President is on board. David will come back to the September meeting for ratifying the Strategic Plan and new budget.

David discussed that this year's dinner is one of the most important. We don't have one of our major fundraisers which was Larry Frank. Dr. Melinda Nish Trade's acting President, introduced herself.

Item IV. April Minutes

David had asked if everyone had looked at the minutes.

Action Taken: Bob Farrell made a motion to accept the April minutes. Bonnie Tseng seconded the motion. David asked for discussion. The motion was accepted and passed.

Item V. June Financials

David discussed that our accountant Chris Pham is on the phone. He started discussing the financials. We ended the year with a surplus of \$235,000 which is due to how we will be dispensing the money with Susan Pollack and other items. David is going to ask for two resolutions. One is to accept the June Financials and one is to approve a continuation of the 2018-2019 budget until we get a new budget in place at our September meeting. He wants the new budget to dovetail with our Strategic Plan.

David discussed that he and Iris are handling the Foundation on a day to day basis. He also said that Iris is the major fundraiser for the foundation. Also, the foundation has been using quite a few consultants this year. This is keeping the foundation ahead of everything. David also announced that we will be hiring and using consultants even more.

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David explained to Dr. Nish how the Foundation is extremely careful due to past malfeasance and also that we spend a lot of time on the Financials and the reporting.

Denise Campos had a couple of questions on the financials. What is the difference between Statement of Assets the budget? This is a snapshot in time on the various pages. We have net assets of 1.7 million in bank at this time. The surplus for the year is cash. When we get an audited figure, it may be different. This is the reason we do a cash flow statement. She also asked what is the Ballmer Group. David explained this was money given to the college and that the money resides in the Foundation portfolio. We are the pass through.

Denise mentioned that she would be interested in being on the audit committee.

David explained that the foundation serves as a pass-through for the college, the money goes through the foundation. We are the arbiter of the money. Also, Denise questioned that we are not charging administrative fees now. The chair stated that this will change as we go forward.

Action Taken: Bob Farrell made a motion to accept the June financials and George Perez seconded the motion. David asked for discussion. The motion was accepted and passed.

Item VI. Budget 2018-2019

We are waiting for the interim President to pass a new budget since we are an auxiliary organization of the District and must work closely with whoever is president on it's interim.

Also, the new budget will have implications that need to be discussed in tandem with the Strategic Plan. David asked for the board to approve the continuation of the 2018-2019 budget until our September board meeting.

Action Taken: Bob Farrell made a motion to accept continuation of the 2018-2019 Budget and George Perez seconded the motion. David asked for discussion. The motion was accepted and passed.

David then went into the explanation of the Investment Policy. David has discussed with Dr. Melinda Nish, Acting LATTC President. Our investment person wasn't able to attend the meeting. In the first quarter we sent 1,074,000 up to our investments. Most of our money is in a fairly conservative strategy, based on short, medium, and long-term. We have money in bonds. We won't touch the money unless in dire circumstances or we needed cash immediately. We are looking for the net income from investments to help pay for Executive Director. We get monthly reports. Our best strategy will give us less return, but is safe. We are looking for a 5% return.

David is hoping when we adopt new budget, we can send an additional 50,000 – 200,000 up to our investments. We have the 1 million for the last three or four years. It took David and Iris almost three years to find out where all the money was at and what it was for. We spent that time before we changed the investment policy. John McDowell was responsible for pointing out how we lost \$80,000 due to past investment policy and lack of oversight and this lead to the formation of our investment policy. Again, we need to have an investment committee.

VII. Committee Reports

David discussed the importance of this dinner and discussed some possible problems with past president leaving and newspaper articles regarding the college. We have been meeting since January on the dinner. He also discussed the honorees will be helping to raise money. The honorees are Darrell Brown, Sergio Rascon, Nike, Inc., Stephen Smith, and Kitty Black-Perkins as our alumni. The event will be at the Sheraton Grand Hotel Downton.

Iris stated that our October 25, 2018 honorees are incredible. We have raised \$65,000 as of this date. She reported that Hathaway Dinwiddie gave an incredible list and how they have contributed every year to the college. Sergio provided a good list. She reported that all her reaching out to these lists is paying off. \$10,000 US Bank, CIT, \$10,000, \$10,000 Hathaway Dinwiddie, Kaiser \$10,000, and Laborers Local 300, \$10,000, Union Bank \$7,500. She will continue reaching out to raise the money and achieve our goals. Iris encouraged everyone to step up.

VII. Strategic Plan

David delved into the Strategic Plan which is called Blueprint for Sustainability Overview. Susan Pollack was hired to establish a Blueprint that would allow the Foundation to grow. He also discussed how important it is to hire an Executive Director. He also reported that June 1, 2020 David will be stepping down as LATTC Board Chair.

David started out by saying that there was a study done by the District, that any Foundation should have a corpus of at least 2 million before Hiring an Executive Director and staff. Our foundation will need at least \$250,000 more before a staff of three can be hired.

Bonnie Tseng then questioned that shouldn't the function of an Executive Director be to raise money, and if not, shouldn't we look at hiring a Development Director. David discussed that money will need to come from various sources.

Trade has such a unique history and is over 95 years old.

He then went into the Blueprint which is attached.

David discussed how Susan interviewed board, staff, faculty, and district people. He stated that when the final report is shown, it will really be a Blueprint.

He discussed there will be a separate document for alumni. No college can exist without a strong alumnus. He feels all colleges will eventually need an Office of Advancement. Money from the state won't be the same coming in. Dr. Nish explained how the different colleges had different missions and different ways of raising money. She also explained that there were only 3 top colleges doing any fundraising. Trade is number 3 behind East and City College. She explained that what we are doing shouldn't be considered small for a board of this size.

Dr. Nish explained how the District is now having frequent meetings with the Foundations. She also explained that there are a lot of different ideas of how to help the colleges that don't have the same ability to fundraise.

Bonnie Tseng questioned and was surprised that there is no place on the campus that focuses on giving money to the students. Bonnie explained and repeated what John McDowell said that the foundation is not here to fix the college, but to support the students.

Bonnie also questioned that if we enter into spending \$300,000 on salaries and then only giving out \$100,000 to students, the optics are not good. Presently, the Foundation has been giving approximately \$300,000 a year over the past four years.

Susan Pollack explained that creating a robust alumnus and then the focus of the foundation becomes more workforce jobs. Susan also explained that the board has to look at by the hiring of staff it may take 3 years to start serious fundraising. Bonnie is concerned that after 3 years we would have spent almost 1 million dollars.

David kept reiterating that the major focus of the board is how do we serve students. He also discussed that he and Susan are working with sources to create naming opportunities, on the new building, to bring money into the foundation to build up the corpus.

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In discussing the fundraising part of the Blueprint, he is looking at all aspects of our fundraising. He is thinking of making Tools of the Trade a separate fundraising from the board.

Dr. Nish explained the reality of all the interims and the commitment to get the positions filled. She went into length of how the process of recruitment is going on and the lengths to get the right person for this community college. She explained the very tight timeline with the recruiters to try and have a new President by February 1, 2020.

Bonnie brought up the fact that she always hopes that the individuals hired by the foundation reflect the diversity of the students on the campus. Dr. Nish commended this board and what they have achieved. She explained that we will need to work closely with the new full time President

Bonnie discussed that in hiring this full-time staff we need to clearly have the goals and objectives of the full time Executive Director. Dr. Nish agreed that one of the main goals of this person is to fundraise. David agreed that the person needs to hit the ground running.

There was discussion as to whether the Foundation works with the District and has have them pay part of the expenses of the staff. David explained that the foundation has had this discussion in the past and will do so with the interim president.

Both Dr. Nish and David explained that the Foundation should not hire a full time ED until a permanent college president is in place. The Foundation and the college President need to be in sync.

David kept going into sustainability and again asked George Perez to have his group meet regarding Skills USA as the foundation needs to look at if they will be able to sponsor at the same level.

John McDowell discussed how we need to have all the faculty contributing part of their pay to the foundation.

Chris Hannan suggested that at the next board meeting we take up bringing back the support of Skills USA. David brought up that possibly we should have a consultant for this project as well. George Perez expressed concerns about skills and David again asked to have a meeting with the Skills people.

Denise Campos mentioned that she is feeling we are not ready to hire a full time Executive Director in the near future. David didn't disagree, but he again mentioned that he will be stepping down and we will need somebody. David also did agree with Denise and Bonnie that we will need money to support this person.

The meeting was adjourned at 2:00 pm