



Date: Tuesday, December 17, 2019

Time: 12:00 NOON

Location: President's Conference Room

Present:

☒ D. Crippens

☐ R. Farrell

☐ C. Hannan

☒ B. Tseng

☒ J. McDowell

☒ D. Campos

☒ H. Nadel

☐ G. Pérez

☒ P. Chavez

☒ V. Reyes

☒ Claudia Lima

Staff: Iris Caplan

Guests: Sue Blumenfeld, Jerry  
Vachon, Nicole Jordan

**I. Meeting Convened:** The Foundation Board meeting was called to order at 12:10 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 we will be going back to our schedule of more frequent board meetings as we go into 2020. David discussed the challenges that faced the college and the foundation in 2019. David introduced Dr. Andrew Jones, the Interim President at LA Trade Tech. David discussed that we had in 2019 a President, An Acting President & an Interim President. We are expecting to have a new President at the College by March 1, 2020. The contract between the Foundation and the District is up in June of 2020.

The District is becoming very focused on are the foundations focusing on student support in light of the new state funding formula. David discussed that the upcoming retreat on February 1<sup>st</sup> is extremely important to the planning of the future of the foundation.

The dinner will be discussed later. The dinner was down around 20K which was due in part to transition of President. All in all, we did quite well. The honorees and presenters were so poignant in their discussion of the college and the students. Planning for 2020 has already begun. We have put a deposit on the Sheraton Hotel for 2020. Bonnie Tseng felt the dinner was executed very well

and that everyone really felt the impact of what got across to the audience. Herb Nadel felt it was one of the best and most well executed dinners he had attended.

David discussed that in the last six months the foundation has gone through two audits, our auditor and the district is now auditing all foundations. For our foundation it leads back to the audit from nine years ago and the malfeasance. He mentioned how hard the district audit is due to all the changes at the college and the personnel. Bonnie repeated how the audits help to keep us on the path of our mission to students.

David discussed what we have gone through with Tools of the Trades due to all the changes at the campus. We usually close the books on Tools at least a month after the Tools dinner. This year we are paying bills up to six months later which causes red flags in an audit. We also don't pay on quotes. We need to pay on invoices. Again, without actual figure, we raise red flags. The procedure in tools this year has caused so much extra time. He brought this up since a big part of the district audit is around Tools of the Trade. John McDowell questioned why the students aren't receiving their tools on time. He feels that we should focus on making sure the students get their Tools on time. David mentioned that we are going to start just giving the school a check at one time for the Tools. John felt we still should be focused on the process so it doesn't fall back to the foundation.

Priscilla questioned what is happening with workforce development center and how we are leveraging the foundation and working with them for the students on campus. David mentioned that he will meet with her and again this will be discussed at the February retreat.

#### **Item IV. August Minutes**

David had asked if everyone had looked at the minutes. Denise Campos mentioned that we had talked about an audit committee being formed. Iris mentioned that she will fix the previous minutes to reflect an audit committee being formed. Herb Nadel asked that we go around the table and introduce ourselves both board and guests.

**Action Taken: Denise Campos made a motion to accept the August minutes as amended. John McDowell seconded the motion. David asked for discussion. The motion was accepted and passed.**

#### **Item V. November Financials**

David discussed that we have assets around 1.8. In his discussions with other foundations we need to have around 2 to 2.5 million to talk about additional staff. We are operating on an old budget until we have the retreat. Denise asked about the Executive Committee meetings and David mentioned that we will start meeting more regularly. We will spend time at the retreat about governance, board structure, etc. David encouraged everyone to read the Blueprint for Sustainability. David is looking to change our budgets to reflect more of where we are at a moment of time which will be presented to Executive Committee and then at the retreat

Denise Campos questioned what was the \$7,000 in revenue from parking. David said this is income for the President's fund and use. Money that comes from the college renting out the parking lot which goes into the President's fund as a pass-through. Bonnie asked about Ballmer funds which David said is a pass through which is a pass through to be used for general funds. Bonnie questioned who several people were and which grants they were under. She also questioned Susan Pollack which David discussed was from the President's

fund. Victor asked what her invoice is for. Susan is working on the fundraising for the new building and mainly for strategic plan. She is a consultant. Denise questioned that this is not an expense that the board voted on. David said no but it is under the guidance of the previous President. David explained again that we don't have control of the money that comes from a pass through. Claudia then went into that it is hitting the books of the foundation so it is separate entity. She asked are there policies. David explained and this is true of all foundations in the district. People won't give unless they can give it to a charity which the foundation is so they can get a donation. Our files reflect this. Is it ethical, is it transparent, can it pass the smell test? Claudia wanted to know who made the decision for the consultant. David wants the board how restrictive do you want to be and how much do you want to know. Bonnie questions the meaning of sustainability and she thinks more of profitability. Bonnie and the board asked for the contract for Susan Pollack. David explained how the board needs a structure and he mentioned again that the naming of the buildings is so important. Denise explained that as a new board member it was never explained to her. David explained that again we will solve all this at the board retreat. Bonnie questioned what standards are vendors to be held to and what are the checks and balances. David again explained this is what the retreat is for.

John McDowell that there are two discussions. He also explained that when he joined the board we didn't even know where the funds were coming from. He mentioned this is what David and Iris spent the time on. John also mentioned that when he came on, he went over the Investment Policy and how we had lost money and that we now have a good investment policy as we brought in Bernstein & Company. We are now making money with very little risk.

David went back to financials and cash flow. \$60,000 in scholarships will go out in January as we must give them out as we have been asked by our auditor. David discussed the money that went to Bernstein. David has kept in touch with them. David mentioned that the board voted not use the interest for at least three years. We also decided that we would try and send at least \$100,000 a year. We will be sending \$60,000 from the Title X which is from the district. This will go up in January. Claudia questioned \$527,000 moved from Bernstein. David mentioned that we will ask Bernstein and send the answer to Claudia. It was moved internally in Bernstein.

**Action Taken: Herb Nadel made a motion to accept the November financials. Claudia seconded the motion with the answers to questions. David asked for discussion. The motion was accepted and passed with Denise Campos abstaining.**

## **Item VI. Budget 2018-2019**

David wants a motion to continue the 2018-2019 budget until our next board meeting. David wants the budget to dovetail with our future direction which will be created at the retreat. We are still operating on old budget.

**Action Taken: Denise Campos made a motion to accept continuation of the 2018-2019 Budget and John McDowell seconded the motion. David asked for discussion. The motion was accepted and passed.**

## **VII. Committee Reports**

Iris reported that the dinner raised \$255,000 and Expenses were \$73,591 which were actually down from the previous year. Net Revenue of \$181,409.00. We raised close to \$200,000. David discussed that we should look at Tools as their own fundraiser. He mentioned that this should be brought up at later date. We need to look at fundraising differently. David mentioned that we have already started 2020 as we put a deposit down on the hotel. We have had the first 2020 Student Benefit Dinner committee meeting. He mentioned that we need the board support. Bonnie & Victor are on the committee this year. Bonnie mentioned how everyone that everyone liked the new venue. David brought up the contract for ICAP Specialty events which is in the packet.

**Action Taken: Claudia made the motions made a motion to accept the ICAP Contract. Victor Reyes seconded the motion. David asked for discussion. The motion was accepted and passed.**

David mentioned that we are looking for nominees for the board.

#### **IX. 2019 Audit**

David mentioned that we just got the audit which is clean but does the board want to vote on at the next meeting so that we can everyone can look over the audit and discuss more in length.

Questions were about the money that we need to get spent for scholarships. Claudia asked if they expire. David explained no but these have been around for 10 years and they do need to moved. David said that they will be spent in January. Student affairs is working on this now. David explained that the foundation is not able to pick the students as the college should be picking the scholarships with certain criteria. Claudia questioned that we need to know how the college picks the students. The foundation needs more information. Claudia feels we need the procedures for scholarships. This is also coming from the District Auditors. We are also asking each area to give us their goals and objectives.

It was decided to vote on acceptance of the 2019 audit at the February 2020 board meeting.

#### **VIII. Tools of the Trade & Skills**

David explained that Chris Hannan had questions on Skills but they have been worked out as he met with the departments. David is asking that we support in principle Tools up to \$80,000 and Skills up to \$40,000 and can finalize in February at the board retreat. We can't do anything until we meet in February until we know where our funds are going.

David mentioned that we asked for goals & objectives for both programs. Claudia wanted to be sure that the students are getting their tools which David assured her happened at the Tools dinner. David has asked Skills for a matrix for the use of the funds. We are committing to it and the final decision will be made in February. David again discussed making Skills & Tools separate fundraising. Sue Blumenfeld mentioned that the students have such troubles even maintaining staying in school and that is why if we can help support the Skills students. Discussion came about as to what Skills and Tools fit into the college and in relation to what it means to the students.

**Action Taken: John McDowell made a motion to accept the in-principle funding for Skills for \$40,000 and in principle \$80,000 for Tools of the Trade. Victor Reyes seconded the motion. David asked for discussion. The motion was accepted and passed.**

The meeting was adjourned at 2:00 pm