Board Meeting Minutes
Monday, April 27, 2015
4:30 PM
SSA 219

Members present: Joeann Valle, Juanita Naranjo, Lou Baglietto, Rob Katherman, Mike Bodlovich, Olga Chavez, Trini Jimenez, Karen Marvin, Jim Stanbery, Mark Waronek
Members absent/excused: Moises Figueroa, Dave Gascon, Dale Hinkens, Ajna Sharma-Wilson, Cecilia Moreno, Jim White, Tony Wilson, John Yanez
Ex-Officio Members present: Dr. Otto Lee, Bob Suppelsa, Sandra Sanchez

1. Call to order
Lou Baglietto called the meeting to order at 4:55 pm.

2. Approval of agenda
   Action Item #1
   Agenda was amended to add a “5 f” to the agenda: “Amendments to Policies and Procedures.” Lou Baglietto moved and S. Sanchez seconded to approve the agenda. Passed with 1 abstention

3. Approval of 3/23/15 minutes
   Action Item #2
   L. Baglietto moved and R. Katherman seconded to approve the 3/23/15 minutes as submitted.
   Passed with 1 abstention by M. Waronek

4. Approval of Foundation Financial Statements and Tax Returns from Charles McDonough
   Action Item #3
   R. Katherman moved and L. Baglietto seconded the approval of the above-mentioned items.
   Passed with 1 abstention by M. Bodlovich
5. Foundation Policies – Best Practices

*B. Suppelsa* reported on the audit performed by the Charles McDonough Accountancy Corp. He pointed out their suggestions on page 4, specifically “The Foundation should consider adopting policies covering for Conflict of Interest, including a Donor Privacy Statement, a Whistleblower Policy, an Investment Policy Statement, and a Record Retention Policy. He suggested that we address these issues as a group as we see fit. *L. Baglietto* suggested that Sandra create a new policy for Conflict of Interest; the group can sign it each and every year and keep documentation on file. Sandra agreed to look at what was signed previously back in June or July of this year and bring it back to the group.

R. Suppelsa reported that he’s having trouble obtaining UBS statements, a historical problem, he noted the UBS investments are not consistent with our investment policy. Our investment policy must be looked at. There may be misunderstandings with the roles of Financial Advisors and other experts we hire. Bob suggested we look at those definitions and have a better understanding of how we manage our money as a Foundation.

*L. Baglietto, B. Suppelsa, J. Valle, and O. Lee* agreed to meet as the Financial Committee and decide what their future investment policies will be. *B. Suppelsa* noted that our asset allocation is drastically different from what our policy states. *J. Valle* suggested the Financial Committee meet prior to next board meeting. *L. Baglietto* will call the meeting and send out a notice.

6. Fed Form 990 and other documents

*B. Suppelsa* enlightened the group on the tax documents prepared for the Foundation. He suggested, T. Jimenez moved, and J. Naranjo seconded that the Foundation accept the tax documents filed for the year ending June 30, 2014. **Passed with no abstentions**

7. College President’s Report (O. Lee)

*Dr. O. Lee* announced that Tuesday, June 9th at 3:45 is the Scholarship Event. Graduation is at 3PM on June 11th, the L.A. Fire Chief will be the keynote speaker. Also expected to attend is the Chancellor. Two retirements are coming up for two V.P.s: Luis Rosas and Abbie Patterson. Their last days will be July 5, 2015. Abbie’s dinner party is scheduled for June 20, 2015 and Luis’ luncheon is scheduled for May 12, 2015.

8. Finance Report

L. Baglietto suggested since Firebird Financial is behind and has yet to catch up with the Foundation’s business changes, he’d like to begin working with Broadway. Sandra noted that some campus accounts were comingled with Scholarship Accounts among other issues. She recommended that the group look at changing
some of the policies and procedures in the near future. L. Baglietto referred to the financial document issued by Firebird Financial, dated April 24, 2015. Total Revenue last quarter was $39K plus change. Total expenses were $20,188. $11K of that was in Scholarships for the quarter. There were $5,500 in bank charges on the investments. Our net income is ahead at $19,700.

**Action Item #4**

J. Naranjo moved and J. Stanbery seconded the acceptance of the Financial Report. **Passed unanimously.**

9. **Old Business**

S. Sanchez reported regarding the Cramer Trust Endowment. The auditors found that one third of it goes to Faculty Enrichment. S. Sanchez spoke to the Faculty and the Staff Development Committee is putting together a proposal on how they’d like their money to be spent and what their internal policy will be. S. Sanchez will report back on that once decided. A withdrawal date needs to be decided on by the group. Sandra will work on writing up that procedure.

10. **New Business**

Title V Endowment – Grants have the ability to establish endowments. LAHC is applying for a new Title V grant from the Federal Government. S. Sanchez proposed that if the Foundation agrees to match the Federal Grant money that the grant provides, the Foundation needs to decide within the next week so she can document it in the application. The application deadline is May 19, 2015. She reported that the Foundation cannot touch the corpus for 20 years, the interest can’t be touched for 5 years plus a couple other stipulations were mentioned. Each year, both checks must be deposited at the same time. We have to agree and document what the Foundation has agreed to and the terms identified in the Grant.

B. Suppelsa asked the group if you could be guaranteed a 100% return on your investment, how much money would the group like to invest. In other words, that is how this Title V grant system works. Yes, the money is tied up over time, but we should be investing our money in perpetuity and to capture market cycles over time. A few ideas were discussed and proposed. L. Baglietto moved that the College apply for $100K, the Foundation would match $50K, $10K every year over 5 years. The motion was discussed and later withdrawn as another motion was raised. J. Naranjo reported that the average Golf Tournament fund raiser raises approximately $50,000. R. Katherman wanted to hear some recommendations, another member asked to see it in writing and recommended a special meeting to decide how much the Foundation would match and the details surrounding it.

**Action Item #5**
L. Baglietto moved that the Board delegate that decision making process to the Finance committee, it was seconded by R. Katherman. R. Katherman requested that a notice be sent out to any member of the Board who might be interested in attending that meeting. L. Baglietto agreed to send the notice out to Maureen Schaller and she would forward it on to the Board.

Passed Unanimously

Action Item #6

S. Sanchez proposed a change to the way we contribute to Scholarship Accounts to help minimize the administration of the Scholarships. M. Waronek moved and L. Baglietto seconded that the Board would consider a minimum amount of $500 to create a scholarship and $250 minimum to maintain it. The smallest scholarship granted would be $250.

Passed Unanimously

11. Golf Tournament

J. Naranjo raised the issue of moving the tournament to Los Verdes Golf Course on June 12. We already have a contract signed with the City for June 19th. R. Katherman agreed to look at the contract with the City to see if we could cancel. Considering it is two months out, there shouldn’t be a problem.

No motions were raised or passed as quorum was lost.

12. Adjourn

Meeting adjourned at 6 PM. There was no quorum present.