



## Foundation Board Meeting

General Session: 3:00 p.m.

Wednesday – December 2, 2015

Meeting Location (See map)

**Cravens Student Services Multi-Purpose Room**

BOARD PACKETS ARE REQUIRED AT EVERY MEETING.  
Please bring yours.

**Our Mission:**

The mission of the Foundation is to enhance the quality of education by advancing the College of the Desert through building relationships, securing philanthropic support and stewarding assets.

**Our Vision:**

To positively impact the lives of students who are striving to achieve a purposeful education and to enhance the communities of the Coachella Valley and the region.

**Core Values:**

- ✓ Accountability
- ✓ Integrity
- ✓ Service Excellence
- ✓ Trust

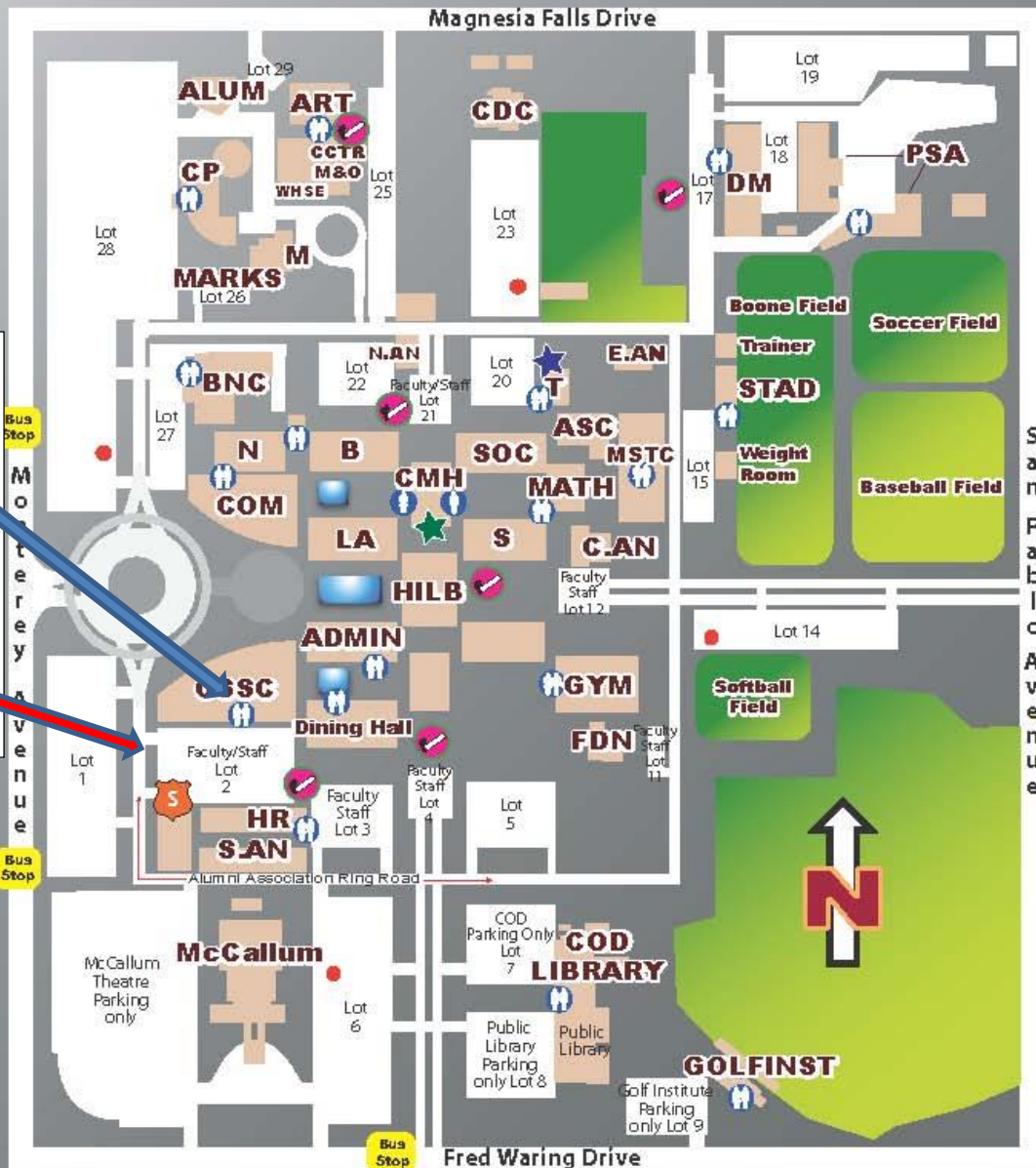
Important Notice:

All meetings will be recorded

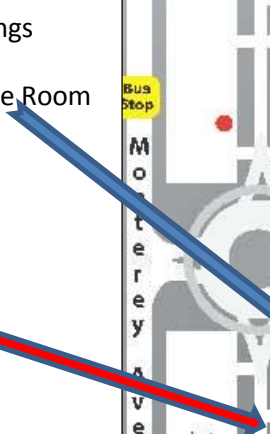


# COLLEGE of the DESERT

## Campus Guide



- Board Meetings
- Multi-Purpose Room
- Cravens Bldg
- Park Lot 2



## AGENDA

**(\*\*Board action required)**

- I. Call to Order
- II. Public Invitation to speak per the Brown Act
- III. COD Student speaker
- III. Approval of meeting minutes
  - A. **\*\*Approval of October 28, 2015 Board Meeting Minutes..... Page: 1**
- IV. Financials Review – George Holliday
  - A. **\*\*Approval of Financials September 2015..... Page: 6**
  - B. **\*\*Approval of Financials October 2015..... Page:**
- V. Foundation Standing Committee Reports
  - A. Audit Committee – Larry Spicer
  - B. Finance Committee – Suz Hunt
    - a) **\*\* Approval of October 21, 2015 Finance & Investment Minutes..... Page: 12**
    - b) **\*\* Approval of November 18, 2015 Finance Minutes..... Page: 12**
    - c) **\*\* Approval of ISP CCA Addendum..... Page: 21**
  - C. Academic Angels Committee – Jan Harnik
- VI. Foundation Reports
  - A. YOU CAN Campaign – Jim Hummer
  - B. Messaging & Marketing for Foundation – Kay Hazen/Jim Hummer
  - C. Citizens of Distinction - Gigi Muth
  - D. A Gift of Love , Barry Manilow – Peter Sturgeon
  - E. Stepping Out for COD- Smokey Robinson Human Nature –Gershowitz ,McGrath & Hummer
  - F. Economic Impact of COD – Joel Kinnamon
- VII. Reports:
  - A. College of the Desert President – Joel Kinnamon
  - B. Academic Senate President – Kelly Hall
  - C. COD Trustee – Becky Broughton
  - D. Foundation Board President – Mark Nickerson
  - E. Response to Community Involvement Requests:
    - a) Opera Guild

XI. New Business

XII. Adjournment



Board of Director Meeting  
Wednesday, October 18, 2015 – 3:00p.m.  
Cravens Multi-Purpose Room

## MINUTES

### Present

Bob Archer, Bill Chunowitz, Donna Jean Darby, Marge Dodge, Diane Gershowitz, Dr. Kelly Hall, Jan Harnik, Brian Holcombe, Dr. Joel Kinnamon, Vern Kozlen, Bob Manion, Dan Martinez, Dr. Chuck Monell, Mark Nickerson, Sally Simonds, Dominique Shwe, Larry Spicer,

### Absent

Joan Busick John J. Benoit, Becky Broughton, Norma Castaneda, Peggy Cravens, Carol Bell Dean, Lisa Howell, Suz Hunt, Peggy Sue Lane, Donna MacMillan, Penny Mason, JoAnn McGrath, Jane Saltonstall, Arlene Schnitzer, Kate Spates,

### Guest

George Holliday, Wayne Carlsen, Jim Hummer, Kippy Laflame, Virginia Ortega, Peter Sturgeon, Gigi Muth, Vern Kozlen

### Call to Order

### Public Invitation to speak as per the Brown Act

None

### COD Student speaker

Peter Sturgeon introduced Andres Quiroz

### Approval of meeting minutes as distributed

It was M/S/C Jan Harnik/Diane Gershowitz to approve the Septemeber29, 2015 Board Meeting Minutes.

### Financials Review – George Holliday

George reviewed the August 2015 financials. Of note is the unrealized investment losses of \$900k. Both Brian Holcombe and George explained what these are to the board..

It was M/S/C Brian Holcombe/Dan Martinez to approve the August 2015 Financials.



## Foundation Board Reports

### Standing Committees

#### Nominating Committee- Brian Holcombe

M/S/C by Bob Archer/Diane Gershowitz to approve the nomination of Vern Kozlen to the Foundation Board

#### Finance Committee

M/S/C by Sally Simonds/Bill Chunowitz to approve the May 27, 2015 Finance meeting minutes as presented

M/S/C by Sally Simonds/Bill Chunowitz to approve the September 9, 2015 Finance meeting minutes as presented

M/S/C by Sally Simonds/Bill Chunowitz to approve the October 21, 2015 Investment meeting minutes as presented

#### Review the IPS addendum

M/S/C Donna Jean Darby/Bill Chunowitz to approve

#### Academic Angels – Jan Harnik and Gigi Muth

Jan reviewed the Citizens of Distinction event. Currently we have 187 participants that have RSVP including over 50% of board members. The raffle was discussed as well as the different levels of sponsorships.

### Reports

#### College of the Desert President – Dr. Joel Kinnamon

Dr. Kinnamon reported to the Board that enrollment is 12,000 students up 2,000 from last year. By next spring upwards of 15 new faculty members will be hired. Last spring we had the largest graduating class in the history of COD. When many colleges are stagnating we are in a position to serve our students because of our resources which the Foundation plays a big part in.

#### Academic Senate President – Dr. Kelly Hall

Dr. Hall spoke to the Board about the One Stop Career Center. The project received broad support on campus. The second reading of the motion will be read at the Senate meeting on December 10<sup>th</sup> for final approval this semester to move forward. We are in a growth mode and that is very exciting. On October 16<sup>th</sup> the MESA, Chemistry and Biology clubs hosted a science fair for 90 middle school students from James Munroe Elementary. Students donated their Fridays to put this on. The COD Desert Band—an honor band with students and musicians from the area-- in partnership with the McCallum will be putting together a concert in May.



#### COD Trustee – Becky Broughton

Becky was absent but Dr. Kinnamon reported on the Trustee meeting which was held at the Mecca Thermal campus presented the plan for the expansion that will be in place next year. Adding classrooms, a wet lab and programming at that site. It was an evening meeting so that community members, over 30, could participate. We'll have another meeting once the construction is finished next year. Our district goes all the way to the Salton Sea with some remote areas that have very limited educational opportunities.

Status on the West Campus EIR (Environmental Impact Report) we are finalizing that process slated for January to have everything completed hopefully we will be in a position to meet a willing seller of the site that we are wanting to build on. FTES issue is resolved the impact was not significant.

COD is very highly regarded in the Community College system in California.

Dr. Kinnamon acknowledged Jim and Kippy for the great presentation, including our campaign and videos they made at the annual ACCT convention in San Diego.

#### Development Reports – Peter Sturgeon

Peter reported on the NCFE convention in Anaheim for community colleges across the United States. COD Foundation seems to be the Gold standard for community college foundation fundraising. The Foundation is excited to continue the outreach in the community. Peter told the Deep Canyon Tennis Club scholarship which has raised more than \$40K that came about because of one person attending a campus tour. There are two open tour dates in November 3 and 24.

#### Executive Director – Jim Hummer

Jim asked the board to spread the word about the Kick-Off event as a great chance for engagement. The YOU CAN campaign will be kicked-off on Sunday. We will be starting the Stepping Out for COD solicitation for sponsorships in the next few weeks. Joel will be doing the economic impact summary report at the December meeting. The biggest issue we face is not raising the funds for scholarships but for the unrestricted funds for operations.

#### EDGE Program Presentation – Dr. Annabelle Nery and Katie Chartier

The EDGE program is a 3 week intensive review of basic skills in Math, English/reading, or both, along with student development workshops. Annabelle reviewed the results of the program. The PowerPoint presentation is available upon request.

#### Foundation Board President – Mark Nickerson

Discussed having the November and December board meetings for December 2, 2015. The Board approved the change. Mark is hopeful that there will be a better turn out at the next meeting. Mark reminded everyone of their financial and time commitment to the Board.

Of the Adjournment 4:40 p.m.

# KEY FINANCIAL INFORMATION

	September 2015	September 2014
A) Total Net Assets:	\$ 27,914,528	\$ 29,547,630

**B) Total Revenue Received July 1, 2015-September 30, 2015:**

*(Detailed on Page 4 of this report)*

	Total Revenue and Support	Realized / Unrealized Gains & Losses	
Unrestricted:	\$ 421,247	\$ (283,399)	\$ <b>137,848</b>
Temporarily Restricted:	233,513	(1,106,801)	<b>(873,288)</b>
Permanently Restricted:	1,645	-	<b>1,645</b>
	\$ 656,405	\$ (1,390,200)	\$ <b>(733,795)</b>

**C) Total Revenue received in September 2015:**

*(Detailed on Page 3 of this report)*

	Realized/Unrealized Gains & Losses	\$ (581,216)
	Total Revenue and Support	\$ 272,595
		\$ <b>(308,621)</b>

**D) Total Funds transferred to College for Use:**

July 1, 2015 – September 30, 2015:

	Scholarships	\$ 105,979
	Programs	\$ 25,951
		\$ <b>131,930</b>

**E) Total Funds in endowments: September 2015:**

*(See Line 16 / Page 2 of this report)*

**\$ 18,898,073**

**F) Total Funds in Unrestricted Funds:**

*(Detailed on Page 2 of this report)*

**\$ 669,080**

	Carry over from June 2015	\$ 805,228
	Net Activity YTD	(136,148)
	As of September 2015:	\$ <b>669,080</b>

**G) Other**

Board Reserve	\$ 500,000
Ackerman Fund (Unrestricted) Balance	\$ 49,294



# KEY FINANCIAL INFORMATION

	October 2015	October 2014
A) Total Net Assets:	\$ 28,418,636	\$ 29,604,014

**B) Total Revenue Received July 1, 2015-October 31, 2015:**

*(Detailed on Page 4 of this report)*

	Total Revenue and Support	Realized / Unrealized Gains & Losses	
Unrestricted:	\$ 510,245	\$ (144,392)	\$ 365,853
Temporarily Restricted:	324,373	(628,082)	(303,709)
Permanently Restricted:	2,189	-	2,189
	\$ 836,807	\$ (772,474)	\$ 64,333

**C) Total Revenue received in October 2015:**

*(Detailed on Page 3 of this report)*

Realized/Unrealized Gains & Losses	\$ 617,726
Total Revenue and Support	\$ 181,902
	\$ 799,628

**D) Total Funds transferred to College for Use:**

July 1, 2015 – October 31, 2015:

Scholarships	\$ 243,608
Programs	\$ 93,263
	\$ 336,871

**E) Total Funds in endowments: October 2015:**

*(See Line 16 / Page 2 of this report)*

**\$ 18,898,617**

**F) Total Funds in Unrestricted Funds:**

*(Detailed on Page 2 of this report)*

**\$ 807,130**

Carry over from June 2015	\$ 805,228
Net Activity YTD	1,902
As of October 2015:	\$ 807,130

**G) Other**

Board Reserve	\$ 500,000
Ackerman Fund (Unrestricted) Balance	\$ 49,294



Finance Committee Meeting  
Wednesday, October 21, 2015 – 3:00pm  
Foundation Board Room

MINUTES

Present

Bill Chunowitz, Brian Holcombe, Suz Hunt, Mark Nickerson, Sally Simonds

Absent

Bob Archer, Bill Chunowitz, Suz Hunt, Dan Martinez, Penny Mason

Staff/Guests

Rondi Edwards, Michael Borders, Gary Hall, Brian Chavez, Patricia Renna, George Holliday, Virginia Ortega, Kippy Laflame

Call to Order

The meeting was called to order at 3:10pm.

Brown Act Invitation for Public Comment

No cards were submitted from the public

Investment meeting from 3:00-4:00pm

Investors Summary Reports

Both the Merrill Lynch and Wells Fargo quarterly reports were reviewed.

Jim Hummer reviewed upcoming cash needs of Foundation. He requested that both investors put aside \$250,000 for invoices coming in from the College.

Finance meeting from 4:00-5:00pm

Financials –

Group discussed their concern with the timeliness of receipt of financials for review. Jim explained that the Foundation should be back on track now that we have both Kiersten and Virginia on board.

August 2015 financials were reviewed and explained by George Holliday.

Revising the format used for financial statements.

Setting of monthly meeting dates the Wednesday before the board meeting

Adjournment:

Meeting adjourned at 4:40pm

Minutes taken by Kippy Laflame, Executive Assistant



Finance Committee Meeting  
Wednesday, November 18, 2015 – 4:00pm  
Foundation Board Room

MINUTES

Present

Bob Archer, Bill Chunowitz, Lisa Howell, Suz Hunt, Penny Mason, Mark Nickerson

Absent

Dan Martinez, Sally Simonds

Staff/Guests

George Holliday, Kirstien Renna, Virginia Ortega, Kippy Laflame

Call to Order

The meeting was called to order at 4:00pm.

Brown Act Invitation for Public Comment

No cards were submitted from the public

Financials – Kiersten Renna

Kiersten reviewed both September and October 2015 financials.

Status on revising financial reports

The steps that need to be taken to revise our financial statements.

Specifically timeliness of receiving reports, the historical data that needs to be cleaned up and the overall comprehensiveness of the statements. Suz asked the Foundation to provide reports that are available direct from MIPS (our accounting software.) A subcommittee was formed (Hunt, Howell, Kozlen, Holcombe, Foundation staff) to review the reformatting financials. They will meet for the first time December 16, 2015.

Investment policy statement – Suz Hunt

Suz reviewed the IPS overview that she formulated for the committee.

Investment Managers

How investors deliver results and the allocation of new funds between the investors was discussed. Felt that it would be best to have the investors present individually at the quarterly meetings.

Adjournment:

Meeting adjourned at 5:10pm

Minutes taken by Kippy Laflame, Executive Assistant



**College of the Desert Foundation IPS for Endowed Faculty/ Staff  
Positions and Building Support Funds  
05/27/2015**

**Investment Objective- Endowed Faculty/Staff Positions**

- The primary investment objective is income and capital preservation.
- Income and Capital preservation objective defined: to generate on-going consistent income, while emphasizing capital preservation.

**Risk Tolerance**

Low to moderate risk tolerance defined as: not exceeding the 3 and 5 year standard deviations of the applicable Bench marks;

**Investment Horizon**

Long Term Investment Horizon: defined as 10 years or longer

**Investment Objective- Building Support Funds**

- The primary investment objective is asset growth and capital preservation.
- Asset growth and Capital preservation objective defined: to generate on-going increase in assets invested, while emphasizing capital preservation.

**Risk Tolerance**

Low to moderate risk tolerance defined as: not exceeding the 3 and 5 year standard deviations of the applicable Bench marks;

**Investment Horizon**

Long Term Investment Horizon: defined as 10 years or longer

**Asset Allocation Strategy**

The mix of assets in the portfolio, save for special circumstances, shall be maintained as follows (percentages are of the market value of the portfolio):

**Performance Goal**



The portfolio's return is expected to exceed the average annual return of the applicable benchmark index **on a risk-adjusted basis** over a three- to five-year rolling time period.

**Benchmarks**

Lehman Brothers Intermediate Corp & Gov't Bond Index  
S&P 500

**Permitted Securities**

The below mentioned investment types are the only investment permitted for the segregated assets held for the benefit of the Building Support Funds.

**Equity securities include:** common stocks, exchange traded funds (ETFs), real estate (REIT) securities and securities convertible into common stock of U.S.-based companies. Mutual funds may be included.

**Convertible securities include:** securities that are convertible into the common stock of U.S. or non-U.S.-based corporations. This would include convertible bonds and convertible preferred stock. All convertible securities purchased must be U.S. dollar denominated securities. Individual convertible securities should be rated "A" (or its equivalent) or higher at the time of purchase, by a nationally recognized statistical rating agency. For the purpose of asset allocation, convertible securities shall be considered equities.

**Fixed Income Securities Include:**

Domestic fixed and variable rate, strip and zero coupon bonds and notes issued by the U.S. Government and its agencies, U.S.-based corporations, or bond funds containing these assets, Yankee bonds and notes (bonds or notes issued by non-U.S. based corporations and governments but traded in the U.S., securitized mortgages (e.g., GNMA's, FNMA's, FHLMCs), collateralized mortgage obligations, asset-backed securities, taxable municipal bonds and preferred stock.

<b>Portfolio Asset Allocation</b>			
Asset Class/ Investment Style	Market Value		
	Minimum	Target	Maximum
Domestic and International Equities	0%	50%	70%
Investment Grade Fixed Income	15%	45%	95%
Cash and Cash Equivalents	5%	5%	25%
Alternatives	0%	n/a	10%

Fixed income securities shall be rated "A"<sup>1</sup> (or its equivalent) or higher at the time of purchase, by a nationally recognized statistical rating agency. Should a security be downgraded below the minimum permitted credit quality, as defined above by a nationally recognized statistical rating agency, the Investment Manager will retain the option to hold or sell the security. The entire fixed

<sup>1</sup> All rating categories, include qualifiers "+" and "-" for S&P and "1," "2" and "3" for Moody's. In the event of a "split rated" security, that is a security with non-equivalent rating classifications from different rating agencies, the lower of the credit quality ratings shall apply.



income portfolio should have a minimum average rating of "A" with a weighted average duration that does not exceed ten years.

**Cash and Equivalents**

Cash reserves may be utilized from time to time to provide liquidity or to implement some types of investment strategies. Cash reserves shall be held in the each Investment Managers' money market fund, short-term maturity Treasury securities, or high quality money market instruments.

\_\_\_\_\_  
**Suz Hunt, Treasurer**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Jim Hummer, Executive Director**

\_\_\_\_\_  
**Date**