



## Foundation Finance & Investment Committee Meeting

### Minutes for November 17, 2021

**3:00PM**

Zoom Video:

[Watch Video](#)

#### Meeting Participants

##### Committee Members Present

Tom Minder (Chair), Paul Hinkes, Jim Williams, John Ramont, Jake Wuest, Barbara Fromm, Dale Landon

##### Committee Members Absent:

##### Non-Voting Committee Members (total #): 1

John Ramont

##### Guest(s)

Catherine Abbott, Kirstien Renna, Ronda Edwards (Merrill Lynch)

##### Recorder

Juli Maxwell

#### Meeting Minutes

##### 1. Call to Order/Roll Call

The meeting was called to order at 3:01pm.

##### 2. Action Items

**2.1 Approval of Agenda: Regular Foundation Finance & Investment Committee Meeting of November 17, 2021 Agenda:** Pursuant to Government Code Section 54954.2(b)(2), the Committee may take action on items of business not appearing on the posted agenda, upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members

are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

## **2.2 Confirmation of Agenda: Approval of Agenda for the Regular Finance & Investment Committee Meeting of October 19, 2021 with any addition, correction or deletions.**

**Kirstien Renna added that Ronda Edwards with Merrill Lynch will be joining the meeting, and she would like to add this to the agenda.**

Paul Hinkes moved to approve the agenda as modified, Jake Wuest seconded.

Motion carried.

## **3. Minutes**

### **3.1 Approval of regular Finance & Investment Committee Meeting Minutes – October 19, 2021.**

Jake Wuest moved to approve the minutes from September 22, 2021 and Jim Williams seconded, motion carried.

## **4. Comments from the Public**

In accordance with Assembly Bill 361 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. Questions will be accepted by email to [codfoundation@collegeofthedesert.edu](mailto:codfoundation@collegeofthedesert.edu) and read into the record during public comment. Persons who wish to speak to the Board on any item not already on the agenda may do so at this time. There is a time limit of three (3) minutes per person and fifteen (15) minutes per topic, unless further time is granted by the Board. This time limit will be doubled for members of the public utilizing a translator to ensure the non-English speaker receives the same opportunity to directly address the Board, unless simultaneous translation equipment is used. Requests should be directed to the Foundation as soon in advance of the Board meeting as possible.

There were no comments from the public received.

## **5. Presentation by Ronda Edwards with Merrill Lynch on Alternative Investments – 3:15**

Ronda Edwards of Merrill Lynch gave the committee a detailed explanation of why she was asking the Foundation to remove the sentence in the IPS: "Only investments in fund of fund vehicles that are diversified by investment style and typically utilize multiple Investment Managers with a fund are allowed." Ronda felt that investing in only fund of fund creates a double fee when investing in alternative funds. After an informed discussion, the committee unanimously agreed the sentence would be removed from the IPS

with the caveat that Merrill Lynch would coordinate with Covington Capital to ensure they both were not investing in the same fund.

Tom Minder made a motion to remove the sentence from the IPS. Barbara Fromm seconded the motion. Motion passed.

## 6. Discussion Items

### 6.1 Review and approve the September 30, 2021 Financial Statement

Kirstien Renna presented the financial statements for the period ending September 30, 2021, to the committee.

6.1 Follow-up Items	6.1 Task of	6.1 Due by

### 6.2 2% Management Fee on Board Designated pLEDGE/EDGE Forever Quasi-Endowment

Kirstien Renna explained that the foundation has had a 2% management fee for all endowments. This fee is for the time it takes to do the work to manage these, as well as the software needed. Committee discussed that this amount taken out of the \$18M seems high. Catherine Abbot explained that the Foundation has the responsibility to cover its own costs of overhead and independently pays the payroll, the college does not contribute anything to the foundation. Foundation would still have to fundraise to cover the overhead so whether it comes from management fees or from fundraising efforts, the Foundation is still responsible for maintaining the staff in addition to all of the other expenses and programs and scholarships that it gives back to the college. Committee discussed this at length.

Jake Wuest made a motion to leave the fee at 2%, Paul Hinkes seconded

Motion carried.

**6.2 Follow-up Items**

**6.2 Task of**

**6.2 Due by**

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**6.3 Board member expectation form update and the Board’s financial engagement**

- The Board financial expectation was reviewed and the committee agreed that the inclusion of the commitment to donate \$5,000.00 per year should be included in the Board Commitment statement. As to the details pertaining to membership in Academic Angels and President’s Circle, it was left to the Nominating Committee to make that determination.
- Tom Minder made a Motion that the finance committee accept the board requirement of \$5k per year. Dale Landon seconded.

**6.3 Follow-up Items**

**6.3 Task of**

**6.3 Due by**

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**6.4 Potential Budget Ad Hoc Committee Meeting Dates – these should be called “budget workshops”.**

6.4.1 Wednesday, January 19, 2022 – 3PM

6.4.3 Wednesday, February 2, 2022 – 3PM

Committee decided on the above dates and times.

**6.4 Follow-up Items**

**6.4 Task of**

**6.4 Due by**

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**6.5 Change date of the Finance and Investment Committee meeting from December 15 to December 14 at 3PM.**

Committee decided to cancel the December meeting, and hold the January meeting on Tuesday, January 25 at 3PM.

**6.5 Follow-up Items**

**6.5 Task of**

**6.5 Due by**

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**7.0 Adjournment**

The Committee Chair adjourned the meeting at 4:59pm.

**Next Meeting:** January 25, 2022 – 3pm