



**MIRACOSTA COLLEGE FOUNDATION BOARD  
EXECUTIVE COMMITTEE MEETING  
Tuesday, February 7, 2023 3:00 - 4:00pm**

3333 Manchester Avenue Cardiff, CA 92007  
Conference Room 1131

Members of the community not able to attend in person can listen to the live stream here:  
<https://www.miracosta.edu/faculty-staff/academic-information-services/media-services/ocn2.html>

***Executive Committee Members:***

Alec Babiarz, Bruce Bandemer, Janice Kurth, David McGuigan, Val Saadat, Tim Snodgrass, Denise Stillinger

***Staff Support Attendees:***

Shannon Stubblefield, Elizabeth Lurenana

**AGENDA**

**I. CALL TO ORDER**

This meeting's audio will be live streamed and recorded.

**II. ROLL CALL, WELCOME and INTRODUCTIONS**

**III. PUBLIC COMMENT ON ITEMS ON AND NOT ON THE AGENDA**

**IV. CHANGES IN AGENDA ORDER**

**V. APPROVE MEETING MINUTES – Action Required**

A. Regular Meeting of November 1, 2022

**VI. COMMITTEE UPDATES (Updates on activities since the last meeting)**

- A. Governance & Nominations Committee (Stillinger)
  - 1. Board Prospect: Hema Crockett – **Action Required**
  - 2. AB 2449 Review and Recommendations/Brown Act Training
  - 3. Land Acknowledgment
- B. Finance Committee (Bandemer)
  - 1. Review FY22/23 Q2 Financial Statements – **Action Required**
  - 2. Review FY 22/23 Q2 Recap with Recommendations from Accounting– **Action Required**
  - 3. Review **“Investment and Spending Policy” (Action Required)**
    - a. Section III a
    - b. Section VII c and corresponding Investment and Spending Policy Flow Chart
- C. Comprehensive Campaign Ad hoc Committee (McGuigan)
  - 1. Fundraising Update
  - 2. Naming Opportunities
  - 3. Donor Prospects
- D. Innovation Grants and Scholarships Ad hoc Committee (Saadat)
  - 1. Spring scholarship update
- E. Audit Committee (Stubblefield)

1. Meeting scheduled for March 8 at 9:00 a.m. at San Elijo campus
- F. Executive Committee (McGuigan)
1. FY 23/24 Strategic Planning Meeting/Retreat
  2. Review February 21, 2023 Quarterly Board Meeting Agenda

## VII. ANNOUNCEMENTS, MEETING AND EVENT CALENDAR REVIEW

### Next Executive Committee Meeting

May 2, 2023 3:00 p.m. – 4:00 p.m.

## VIII. FUTURE AGENDA ITEMS

## IX. ADJOURNMENT

\* **ITEMS ON THE AGENDA:** Members of the audience may address the Foundation Board Committee on any item listed on the agenda when that agenda item comes up for discussion and/or action. Comments will be limited to three (3) minutes per agenda item and a total of fifteen (15) minutes of public comment on an item, unless waived by the committee. Non-English speakers utilizing a translator will have six (6) minutes to directly address the Committee.

**ITEMS NOT ON THE AGENDA:** Members of the audience may address the Foundation Board Committee on any topic not on the agenda so long as the topic is within the jurisdiction of the Foundation. Under the Brown Act, the committee is not permitted to engage in public discussion or take any action on an agenda item not on the agenda, except that members of the committee may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Government Code §54954.3. In addition, on their own initiative, or in response to questions posed by the public, a member of the committee may ask a question for clarification. A member of the committee or the committee itself may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda. Comments from visitors shall not exceed three (3) minutes unless the committee waives the time limit. Non-English speakers utilizing a translator will have six (6) minutes to directly address the committee. The committee may also limit the total amount of time for public comment on a particular topic to fifteen (15) minutes.

**DECORUM:** Decorum requires members of the public to observe order at committee meetings. Speakers shall speak to the issues, and refrain from using defamatory or abusive personal remarks that disturb or impede the meeting or exceed the bounds of civility necessary to the conduct of the business of the Foundation Board Committee. The presiding officer has the authority to run the meeting, which includes the authority to issue warnings, call for recesses, or clearing the boardroom in the event of disruptive behavior. Government Code section 54954.3(c) establishes that the legislative body of a local agency shall not prohibit public criticism of the policies, procedures, programs, or services of the agency, or of the acts or omissions of the legislative body, and California Penal Code section 403 makes it a misdemeanor for any person to willfully disturb or break up any lawfully authorized assembly or meeting.

Foundation Committee meetings are held in meeting rooms that are accessible to those with mobility disabilities. If you wish to attend the meeting and you have another disability requiring special accommodation, please notify the board assistant, 760.795.6645, 760.757.2121, extension 6645, or 619.755.5155, extension 6645. The California Relay Service is available by dialing 711 or 800-735-2929 or 800-735-2922.

In compliance with Government Code §54957.5, nonexempt writings that are distributed to a majority or all of the MiraCosta Community College District Foundation Board in advance of their meetings may be viewed at the Office of Institutional Advancement, 1 Barnard Drive, Oceanside, California, 92056 or by clicking on the Foundation website at <http://foundation.miracosta.edu/agendas>. Such writings will also be available at the board meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact the board assistant, at 760.795.6645 or by e-mail at [foundation@miracosta.edu](mailto:foundation@miracosta.edu)



## MIRACOSTA COLLEGE FOUNDATION BOARD EXECUTIVE COMMITTEE MEETING

### MINUTES OF REGULAR MEETING

**NOVEMBER 1, 2022  
(DRAFT)**

#### I. CALL TO ORDER

The MiraCosta College Foundation Executive Committee met in open session on Tuesday, November 1, 2022 in Conference Room 1131 on the MiraCosta College District's San Elijo Campus (3333 Manchester Avenue, Cardiff, CA 92007). President Dave McGuigan called the meeting to order at 3:01 p.m.

#### II. ROLL CALL, WELCOME and INTRODUCTIONS

##### Committee Members Present:

Bruce Bandemer                      Janice Kurth                      David McGuigan                      Denise Stillingner

##### Committee Members Absent:

Alec Babiarz

##### Advisors & Staff Present:

Shannon Stubblefield, MiraCosta College Foundation Executive Director/Vice President of Institutional Advancement  
Elizabeth Lurenana, MiraCosta College Foundation Temporary Board Support

#### III. PUBLIC COMMENT ON ITEMS ON AND NOT ON THE AGENDA

None

#### IV. CHANGES IN AGENDA ORDER

None

#### V. APPROVE MEETING MINUTES – Action Required

##### A. Regular Meeting of August 2, 2022

By motion of Committee Member Kurth, seconded by Committee Member Bandemer, the minutes of the regular meeting of August 2, 2022 were approved.

Vote:                      3/0/1/1

Objection:            None

Aye:                      Bandemer, Kurth, McGuigan

Nay:                      None

Abstention:          Stillingner

Absent:                  Babiarz

#### VI. COMMITTEE UPDATES (Updates on activities since the last meeting)

##### A. Governance & Nominations Committee (Stillingner)

###### 1. Bylaws Revision (Article V, Section 1)

a. Committee Member Stillingner explained the recommended bylaws update.

###### 2. Discussion of Board Gaps/Needs

a. There are currently two prospects who are CPAs. Board Member Stillingner reviewed other major gaps including legal and real estate experts as well as members of the Latinx, LGBTQIA+, young people, and Veteran communities. Due to MiraCosta's designation as a Hispanic Serving Institution (HSI) the priority will be on Latinx representation.

- b. The maximum number of board members is 33 and there are currently 15. There are not enough staff to support 33, but there is definitely a need to bring on more board members strategically.
- c. The biggest challenge is meeting quorum by having enough board and committee members who can attend meetings in person meetings per the Brown Act.
- d. President McGuigan sent another board prospect (Dorothy Benson) to Executive Director/Vice President Stubblefield.

**3. Board Prospects – Action Required**

- a. Committee Member Stillinger reviewed the board applications for Eva Budnik and Cindy Musser.

By motion of Committee Member Stillinger, seconded by Committee Member Bandemer, the Executive Committee approved the board member applications of Eva Budnik and Cindy Musser to be sent to the full board for approval at their November 15, 2022 meeting.

Vote: 4/0/0/1

Objection: None

Aye: Bandemer, Kurth, McGuigan, Stillinger

Nay: None

Abstentions: None

Absent: Babiarz

- b. Customarily the vote for new members is done at the beginning of the meeting and new members are requested to come late to the meeting.
  - i. Executive Director/Vice President Stubblefield will send an email to the full board (BCC) with a note about the agenda.
  - ii. Staff will check the onboarding flow chart for next steps after the vote and the appropriate party will invite nominees to attend the board meeting.

**B. Finance Committee (Bandemer)**

- 1. This committee's meeting had to be cancelled. They will make up the meeting prior to the full board meeting if possible. Staff will ask the committee if they can arrive 30 minutes early for the full board meeting. If they are unable to do so, the meeting will be scheduled for a later date.
- 2. Committee Member Bandemer reviewed both the FY 21/22 End of Year Report and FY22/23 Q1 Financial Statements and answered questions from the committee about the plan to protect the portfolio and budget numbers for the coming year and how they affect fundraising.
- 3. Executive Director/Vice President Stubblefield and Committee Member Bandemer explained the [Investment and Spending Policy](#) and what it means for projections.
  - a. President McGuigan asked about the possibility of using significant amounts of money for specific initiatives. This has been done in the past.
- 4. The year-end appeal is currently being drafted. Committee Member Stillinger reiterated the importance of letting donors know we need their help to keep giving scholarships to students. The appeal will also include information about the board match and inflation.

**C. Comprehensive Campaign Ad hoc Committee (McGuigan)**

- 1. Launch of campaign at Community Leaders Breakfast
  - a. Executive Director/Vice President Stubblefield shared about the positive feedback from the event, specifically on the chosen speakers. A few donations were received, but this is not traditionally a giving event.
  - b. Executive Director/Vice President Stubblefield will share the date for a RAFFY year end scholarship celebration via e-mail and outlined other year end giving strategies. She will look at how to involve board members in these events (including poinsettia deliveries).
    - i. Staff will add this to the board agenda for November 15.
- 2. Progress updates
  - a. The goal is to raise \$150,000 between now and the end of the calendar year including grants.

- b. Meetings will be scheduled monthly in 2023 at a recurring meeting time.
- c. President McGuigan met with David Brenner, former provost of UCSD about a possible partnership with Conrad Prebis Foundation and MiraCosta because of MCC's HSI standing and Biotech program.
  - i. Committee Member Kurth will send a personal email to Brandt Oliphant to seek a meeting.
- D. Innovation Grants and Scholarships Ad hoc Committee (Stubblefield)
  - 1. Innovation Grants
    - a. The committee will meet on November 2 to review grant applications and will have an update at the quarterly board meeting.
  - 2. Scholarships
    - a. Staff have considered appropriate ways for community members to read scholarship applications.
      - i. Committee Member Kurth recommended downloading using sample scholarship applications in marketing and fundraising.
- E. Executive Committee (McGuigan)
  - 1. President McGuigan gave an update on the status of annual board giving.
  - 2. Board Meeting Format and Refreshments
    - a. Refreshments and social time are needed at quarterly board meetings. There will be wine, beer and catered charcuterie set up before the meeting at 2:30pm so board members can snack during and after the meeting.
    - b. A photographer will also be present to take pictures of board members after the meeting.
  - 3. Review November 15, 2022 Quarterly Board Meeting Agenda
    - a. The committee reviewed the agenda and staff made the requested updates in the meeting.
  - 4. Committee Membership
    - a. President McGuigan is going to ask Innovation Grants and Scholarships Committee Chair Val Saadat to join the Executive committee.
    - b. President McGuigan will talk with Karen Pearson about being the chair of the Comprehensive Campaign Committee and also joining the Executive Committee.
    - c. President McGuigan will reach out to Tim Snodgrass about being on the Executive Committee in his capacity as Chair of the Audit Committee.
  - 5. Executive Director/Vice President Stubblefield gave a staffing update.

## VII. ANNOUNCEMENTS, MEETING AND EVENT CALENDAR REVIEW

### Next Quarterly Board Meeting

Tuesday, November 15, 2022 at 3:00 – 5:00 p.m.

### Next Governance and Nominations Committee Meeting

Tuesday, January 31, 2023 at 2:00 – 3:00 p.m.

### Next Finance Committee Meeting

Make-Up Meeting To Be Determined

Tuesday, February 7, 2023 at 1:00 – 2:30 p.m.

### Next Executive Committee Meeting

Tuesday, February 7, 2023 at 3:00 – 4:00 p.m.

## VIII. ADJOURNMENT

The meeting was adjourned at 4:18 p.m.

**FOUNDATION**

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

*November 30, 2022*

Dear Hema,

Thank you for your interest in joining the MiraCosta College Foundation Board of Directors.

You can learn more about the foundation and its board of directors by visiting <https://foundation.miracosta.edu/foundation/>. Here you will find a broad overview of the foundation as well as detailed information regarding board service under the [board manual](#) link.

Board members are first and foremost ambassadors for MiraCosta College. They share their time, treasure, and talents to maintain the [vision](#) and advance the [mission](#) of the foundation. Board members serve a four-year term with a limit of two consecutive terms. Throughout their tenure, board members provide insight and guidance to the foundation through the lens of their respective professional backgrounds. Board members are responsible for assuring the foundation's fiduciary conformance in the receipt, management, and administration of gifts received by the foundation for the benefit of MiraCosta College. Philanthropic leadership by board members is crucial to the success of the Foundation. Many board members have endowed scholarships, secured corporate foundation grants, and included the MiraCosta College Foundation in their estate plan. At a minimum, board members make a \$1,000 donation annually to a fund of their choice. Donors who give a \$1000 or more per fiscal year are part of the President's Circle.

Please take a few minutes to fill out the following questionnaire so we can get to know you better. Once your questionnaire has been received, the Executive Director of the Foundation will contact you with regards to the next steps in the candidate process.

Again, we appreciate your interest in the MiraCosta College Foundation and look forward to furthering our relationship with you.

Sincerely,

*David McGuigan*

President, MiraCosta College Foundation Board

*Denise Stilling*

Chair, Governance &amp; Nominations Committee



**FOUNDATION**

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

**BOARD Candidate Questionnaire**

Please take about 10 minutes to complete and return this form to [Foundation@miracosta.edu](mailto:Foundation@miracosta.edu) along with a digital headshot photo and current resume.

Name:

Home Address:

City:  State:  Zip:

Home Phone:  Cell Phone:

Email Address:

Retired   
  Currently Working   
  Veteran   
  Active Duty Military

Company Name:

Position:

Type of Business:

Are you an alumnus of MiraCosta College?  Yes  No

If yes, year you graduated:  Major:

MiraCosta College Involvement (past/present):

In 2022, I co-facilitated the Administrators Offsite and led the program on leadership and diversity. I also attend the Community Leaders breakfast annually.

Education:

I hold a B.A. in Psychology and a minor in Business from The University of Arizona and an M.B.A in Global Management from University of Phoenix.

Other community activities:

I am involved in various San Diego based organizations including: Women Give San Diego, North County Philanthropic Council, SDHR Forum, North County HR SD, The Honor Foundation where I serve as a coach for transitioning Tier One Operators, assisting Business students from CSUSM do mock interviews, and I am an angel investor focusing on women-founded organizations.

Leadership roles:

I was an HR executive here in San Diego for various FinTech, Biotech, and Financial Services companies before starting my own company. I have also served on the Supervisory Committee at Frontwave Credit Union.

Other information:

I was named a Top 40 under 40 by the SDBJ in 2021. I have also co-authored two books, "The Everyday Leader" and "Designing Exceptional Organizational Cultures" which have both won awards for Non-Fiction books.

Foundation Office Only: Date Received: \_\_\_\_\_ Nominator: \_\_\_\_\_



**FOUNDATION**

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

**Why do you want to join the MiraCosta College Foundation Board?**

Over the past few years I have seen the work that Dr. Sunita Cooke and other leaders within MiraCosta College are doing to further education and keep the programs aligned with the ever-changing external business landscape. To be able to assist and lead in furthering the College's efforts to build and fund the future of education and to be able to do so in my own backyard is meaningful work. Additionally, I want to be able to contribute to making education affordable and accessible, especially to diverse populations. The ability to serve as an advocate for a college that is leading the way is impactful work.

**What are some of the qualities and strengths you can bring to the Board?**

As mentioned, I was an HR executive for many years before starting my own business. I am intimately familiar with all things talent, culture and leadership related. Additionally, having been a coach for many years, I am an adept listener, I ask critical questions and am able to think of new/innovative solutions. I am also well connected in the San Diego market. I am a firm believer that life is too short to not do what you love and follow your dreams and it is through this lens that I can formulate solutions that are beneficial for both the College as well as for the community.

**How can we best utilize your skills to advance the [Foundation's mission and vision](#)?**

While I am a utility player, I can best serve in ensuring that the Board and the MiraCosta College leadership conducts themselves in alignment with the values and in service to the mission all while creating an inclusive culture. Actively working and owning my own company allows me to be connected to the San Diego (and national) landscape around business market trends and skills needed for the future, bringing this information back to the board while also serving as an advocate for MiraCosta in the community and within businesses who can partner with the college to further education and opportunities.

**What are your interests and passion regarding MiraCosta College?**

Institutions like MiraCosta College are making education accessible and that is something that is important to me. When my family immigrated to the U.S. it was the Community College system that allowed my mom to obtain her degree and subsequent employment in Arizona. Additionally, I know the Futures work Dr. Cooke is doing is designed to really align programs to the business landscape while ensuring staff and faculty remain engaged. In the work I do, this is a successful combination and I would love to be part of furthering the College's mission and vision. Serving on the Board is my way of being part of changing education and ensuring more people are aware of the work of MiraCosta College.

Hema Crockett

Board Applicant Name

12/1/2022

Date





FOUNDATION

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

**Area(s) of Expertise (Check all that Apply):**

- Attorney
- Business
- Education
- Government
- Health/Medical
- Technology
- Executive Management
- Entrepreneur
- Finance/Investments
- Accounting (CPA)
- Legal System
- Estate Law
- Real Estate
- Marketing/PR
- Fund Raising
- Gift Planning
- Other Board of Directors Positions
- Community Reinvest Act
- Other:

**Diversity (Please self-identify):**

Gender:

Ethnicity:

Religion:

LGBTQIA+:  Yes  No

**Status:**

Highest Level of Education:  +

[MiraCosta College District of Residence](#) (if applicable):

Work Status:  +

Industry/Sector:  +

Institutional Relationship:



**FOUNDATION**

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

### **Conflict Of Interest Statement**

It is the responsibility of all directors to ensure the standard of behavior at the MiraCosta College Foundation (hereafter referred to as the Foundation). All board members shall scrupulously avoid conflicts of interest between the interests of the Foundation on one hand, and personal, professional, and business interests on the other. This includes avoiding potential and actual conflicts of interest, as well as the perception of conflicts of interest.

No member of the Foundation Board of Directors shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation in Foundation. Each member shall disclose to the Foundation any personal interest which he or she, or any member of his or her family, may have in any matter pending before the organization and shall refrain from participation in any decision on such matter. Some examples include conflicts may include stock ownership, business ownership or interest, and personal financial interest in a Foundation vendor.

#### **Personal Gain Statement**

Any member of the Foundation’s Board of Directors shall refrain from obtaining any list of Foundation’s clients for personal or private solicitation purposes at any time during the term of their affiliation.

In addition to my service for the Foundation, I or a member of my immediate family are a Board member, owner, partner, employee, or own a financial interest in the following organizations:

Gig Talent, LLC. (50% ownership)  
High Performanceology, LLC. (50% ownership)  
Summa Strategies, LLC. (100% ownership)  
Clickvoyant (angel investment)

Hema Crockett

Print Name

12/1/2022

Date



FOUNDATION

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

### Statement of Adherence to Confidentiality

The MiraCosta College Foundation and (“Volunteer”) enter into this agreement regarding the protection and security of the information supplied to Volunteer from MiraCosta College’s database of alumni and friends (“data”).

The MiraCosta College Foundation grants Volunteer access to the data solely for the purpose of assisting the college in identifying, qualifying and cultivating potential donors to the college.

In performing the Volunteer Activity for the MiraCosta College Foundation, Volunteer agrees:

1. The data is proprietary information and the exclusive property of the MiraCosta College Foundation and MiraCosta College.
2. Volunteer will use the data solely for performance of the Volunteer Activity.
3. Volunteer will exercise all reasonable precautions to assure that the data is held in strict confidence.
4. Volunteer will not disclose the data to any third party (including other alumni volunteers) without prior written consent of the MiraCosta College Foundation unless the third party has also entered into an “Agreement for the Protection of Proprietary Information” with the MiraCosta College Foundation.
5. Volunteer will exercise all reasonable precautions to prevent loss, theft, compromise, or misuse of the data.
6. Immediately upon completion of performance of the Volunteer Activity, Volunteer will destroy the data.
7. Volunteer will not retain any copy or copies of the data once the Volunteer Activity has been performed or completed.
8. If Volunteer is required to disclose any data pursuant to legal process, Volunteer shall notify the MiraCosta College Foundation before disclosing the data in order to allow the College to seek an appropriate remedy to protect the data.

All requests for the MiraCosta College Foundation authorization, consent, or permission pursuant to this agreement should be addressed to MiraCosta College’s Vice President, Institutional Advancement at 760-795-6775 or [foundation@miracosta.edu](mailto:foundation@miracosta.edu). No such authorization, consent, or permission is valid unless signed by the executive director of the MiraCosta College Foundation.

Hema Crockett

Volunteer Name

12/1/2022

Date



**FOUNDATION**

1 Barnard Dr., Oceanside, CA 92056 760.757.2121

## Board Involvement Agreement

I understand as a MiraCosta College Foundation Board Member that I will fulfill the following commitments:

- **As Donors:** Members are expected to donate at least \$1,000 annually to the Foundation. Ideally, this should come from a personal donation by the member. Being able to state that all members are donors makes a powerful statement about commitment and credibility to individuals, companies, and institutions being asked to support MiraCosta College.
- **As Participants:** Members have a fiduciary responsibility to the Foundation. They will remain aware of fiscal management and other activities of the Foundation by attending the annual board retreat and at least two board meetings per year. They will also actively participate in at least two committees and attend at least two college events and one fundraising event per year. In addition, members will help review scholarships and innovative grant applications, as well as cultivate new board members.
- **As Advocates:** Members speak favorably about the college and the Foundation to friends and acquaintances that may have the ability to assist the college financially. Board members are ambassadors; they know the college story, tell it, and sell it.

Hema Crockett

Board Candidate Name

12/1/2022

Date

Foundation Office Only				
Nomination Approval Date	Nominator	Alumnus/ae:	Yes	No

## **Key Points of AB 2449**

- AB 2449 provides complex and restrictive alternative teleconference procedures:
  - At least a quorum of the members of the legislative body must participate in person from a singular physical location identified on the agenda, which location will be open to the public and within the boundaries of the local agency;
  - A member may only teleconference for publicly disclosed "just cause" or in "emergency circumstances" approved by the legislative body; and
  - A member may only teleconference for a limited number of meetings.
- The new provisions are in addition to those allowed by AB 361 (so long as there is a state of emergency) and those allowed by traditional teleconferencing rules.
- The new provisions are likely so onerous that they may not be a practical alternative for most local agency officials or for agencies that would like to meet virtually as a matter of practice.

## **Just Cause vs. Emergency Circumstances**

The bill defines "just cause" and "emergency circumstances" for the purposes of teleconferencing.

"Just cause" is limited to one or more of the following:

- (i) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely;
- (ii) a contagious illness that prevents a member from attending in person;
- (iii) a need related to a physical or mental disability as defined by statute; or
- (iv) travel while on official business of the legislative body or another state or local agency.

"Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

\*\*Source: [Governor Signs AB 2449: The Latest Development to the Brown Act in a Post-Pandemic World \(hansonbridgett.com\)](https://www.hansonbridgett.com)

## **General Brown Act Training Recommended for full board to review**

<https://www.sandiego.gov/insidesd/understanding-brown-act>

## **MiraCosta Land Acknowledgment**

We acknowledge the original caretakers of the land on which MiraCosta College is built. The Luiseno people are made up of seven bands: the La Jolla, Pala, Pauma, Pechanga, Rincon, San Luis Rey, and Soboba. We pay our respects to the Luiseno – past, present, and emerging, and are grateful to have the opportunity to be part of this community and to honor their history, culture, and spirit.

**CR ACC - Foundation Balance Sheet**

Repeat By

Period

FY2022-23 - 06-Dec

Worktags

Calculate Current Year Retained E: Yes

<i>MiraCosta College Foundation</i>	Unrestricted	Restricted	Restricted & Unrestricted	Restricted & Unrestricted
Period: FY2022-23 - 06-Dec			Total	Prior Year Total
Assets	2,328,295.91	18,353,484.80	20,681,780.71	20,753,415.53
Cash	1,405,157.12	529,457.95	1,934,615.07	1,898,763.34
Investments	428,625.18	16,212,123.12	16,640,748.30	16,466,754.74
Deferred Gifts - Assets	426,799.00	753,378.91	1,180,177.91	1,180,177.91
Accounts Receivable/Prepays	67,714.61	858,524.82	926,239.43	1,207,719.54
<b>Total Assets</b>	<b>2,328,295.91</b>	<b>18,353,484.80</b>	<b>20,681,780.71</b>	<b>20,753,415.53</b>
Liabilities	4,841.47	100,065.28	104,906.75	160,194.19
Accounts Payable	4,841.47	100,065.28	104,906.75	160,194.19
Due To Related Entities	0.00	0.00	0.00	0.00
Due From Related Entities	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>4,841.47</b>	<b>100,065.28</b>	<b>104,906.75</b>	<b>160,194.19</b>
<b>Net Position</b>	<b>2,323,454.44</b>	<b>18,253,419.52</b>	<b>20,576,873.96</b>	<b>20,593,221.34</b>
<b>Total Liability/Net Position</b>	<b>2,328,295.91</b>	<b>18,353,484.80</b>	<b>20,681,780.71</b>	<b>20,753,415.53</b>

**CR ACC - Foundation Income Statement**

Repeat By

Period

FY2022-23 - 06-Dec

Worktags

<i>MiraCosta College Foundation</i>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Restricted &amp; Unrestricted</b>	<b>Restricted &amp; Unrestricted</b>
<i>Period: FY2022-23 - 06-Dec</i>			<b>Total</b>	<b>Prior Year</b>
Revenues	125,787.04	572,980.01	698,767.05	(1,061,337.16)
Deferred Gifts- Revenue	0	0	0	466.73
Contributions	112,005.37	314,710.81	426,716.18	1,545,340.78
Investment Activity	13,781.67	243,419.37	257,201.04	(2,689,406.13)
Gifts In Kind- Revenue	0	14,849.83	14,849.83	82,261.46
<b>Total Revenue</b>	<b>125,787.04</b>	<b>572,980.01</b>	<b>698,767.05</b>	<b>(1,061,337.16)</b>
Transfers	172,977.29	(172,977.29)	0.00	0.00
Transfers In	534,927.35	525,795.19	1,060,722.54	814,430.20
Transfers Out	(361,950.06)	(698,772.48)	(1,060,722.54)	(814,430.20)
<b>Total Transfers</b>	<b>172,977.29</b>	<b>(172,977.29)</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Revenue and Transfers</b>	<b>298,764.33</b>	<b>400,002.72</b>	<b>698,767.05</b>	<b>(1,061,337.16)</b>
Expenditures	183,285.83	531,828.60	715,114.43	1,269,937.18
General And Administrative/Program	176,451.83	145,439.69	321,891.52	582,997.54
2800:Foundation Salary Expense (MCCF Use Only)	19,578.11	386.14	19,964.25	118,283.25
4500:Supplies	1,315.42	23,108.99	24,424.41	70,014.89
5100:Other Services	34,878.55	3,686.85	38,565.40	134,166.69
5200:Travel, Conferences, Training	15,202.55	76,478.22	91,680.77	25,090.54
5300:Dues and Memberships	0	5,279.50	5,279.50	12,491.19
5400:Insurance	0	0	0	13,411.00
5500:Utilites and Custodial Services	0	0	0	223.66
5600:Contract Services	99,445.95	30,208.41	129,654.36	149,951.33
5700:Audit, Election, Legal	0	0	0	12,000.00
5800:Advertising and Postage	6,031.25	6,291.58	12,322.83	47,364.99
7100:Debt Retirement	0.00	0	0.00	0
Direct Student Aid	2,334.00	54,150.83	56,484.83	85,920.30
Scholarships	4,500.00	317,388.25	321,888.25	527,993.88
Gifts In Kind- Expense	0.00	14,849.83	14,849.83	73,025.46
<b>Total Expenditures</b>	<b>183,285.83</b>	<b>531,828.60</b>	<b>715,114.43</b>	<b>1,269,937.18</b>
Net Fund Balance, Beginning of Year			20,593,221.34	22,924,495.68
Revenues Over (Under) Expenditures	2,207,975.94	18,385,245.40	(16,347.38)	(2,331,274.34)
	115,478.50	(131,825.88)		
<b>Net Fund Balance, End of Period</b>	<b>2,323,454.44</b>	<b>18,253,419.52</b>	<b>20,576,873.96</b>	<b>20,593,221.34</b>



<b>Gift Amount</b>	<b>Gift Date</b>	<b>Donor</b>	<b>Fund Description</b>
\$15,000.00	7/1/2022	U.S. Bank	SBDC
\$17,815.20	7/27/2022	Ben Hudnall Memorial Trust	Nursing Program
\$15,000.00	8/22/2022	Alec J. Babiarz	Annual
\$42,250.00	8/24/2022	Foundation for California Community Colleges - Osher	Osher Scholarship
\$20,000.00	8/27/2022	Julie Hatoff	Hatoff Tapestries Program
\$200,000.00	9/26/2022	Follett Higher Education Group	Follett Pledge Payment
\$25,000.00	9/29/2022	Foundation for California Community Colleges - Osher	Osher Scholarship
\$14,763.83	10/7/2022	Diane Bessell Trust	Annual
\$30,000.00	10/20/2022	Foundation for California Community Colleges - Osher	Osher Scholarship
\$20,000.00	12/2/2022	Seth Sprague Educational and Charitable Foundation	Former Foster Youth
\$12,500.00	12/12/2022	The San Diego Foundation	SBDC
\$20,000.00	12/16/2022	Genentech Foundation	Genentech Scholarship
Top 10 Donors			
Please note 3 gifts from Foundation for CA Community Colleges (Osher Scholarships)			

<b>As of 12.31.2022</b>		
<b>CASH &amp; ST OPERATING</b>		
<b>Union Bank</b>	972,740.10	<b>UB Statement balance; Cash in ledger may have a different balance due to outstanding checks or deposit in transit.</b>
<b>LAIF</b>	979,533.67	<b>LAIF Statement balance</b>
	<b>1,952,273.77</b>	
<b>INVESTMENTS</b>		
<b>Vanguard - Endowment Portfolio</b>	13,818,780.46	
<b>Vanguard - Excess Reserve Portfolio</b>	2,004,279.97	<b>2,250,000 invested, 245,720.30 Loss to date</b>
<b>Vanguard - Reserve Portfolio</b>	0.00	
<b>Vanguard - JAFFY</b>	54,938.04	
<b>Osher, as of June 30, 2022</b>	762,750.10	
	<b>16,640,748.57</b>	

<b>Beginning Balances</b>	<b>972,740.10</b>	<b>979,533.67</b>	<b>-</b>	<b>2,004,279.97</b>	<b>13,818,780.46</b>	<b>17,775,334.20</b>
<b>Recommendations:</b>						
Move from LAIF to UB	479,534.00	(479,534.00)				
Move from UB to Reserve	(1,000,000.00)		1,000,000.00			
Move from UB to Excess	(258,382.00)			258,382.00		
Move from UB to Endowment	(18,892.00)				18,892.00	
Move from Endowment to Excess - PY distributions and fees (approved by Finance committee; pending board approval)				1,231,117.26	(1,231,117.26)	
Move from Endowment to Excess - 12/31/2022 Distributions and fees				557,270.88	(557,270.88)	
<b>Ending balances</b>	<b>175,000.10</b>	<b>499,999.67</b>	<b>1,000,000.00</b>	<b>4,051,050.11</b>	<b>12,049,284.32</b>	<b>17,775,334.20</b>
<b>Worksheet to determine recommendations</b>						
	<b>UB</b>	<b>LAIF</b>	<b>VG - Reserve Portfolio</b>	<b>G - Excess Reserve Portfolio</b>	<b>VG - Endowment Portfolio</b>	<b>TOTAL</b>
<b>Target</b>	<b>\$ 175,000</b>	<b>\$ 500,000</b>	<b>\$ 1,000,000</b>	<b>No Max</b>		
<b>Move If...</b>	UB to LAIF if over 250k	LAIF to Resv if over 750k	Resv to ExResv if over \$1M			
<b>Beginning Balances</b>	<b>\$ 972,740</b>	<b>\$ 979,534</b>	<b>\$ -</b>	<b>\$ 2,004,280</b>	<b>\$ 13,818,780</b>	<b>\$ 17,775,334</b>
leave Target	\$ 175,000					
UB to VG Endwmt - Q2 endwmt gifts	\$ (18,892)					
move UB to LAIF	\$ (778,848)					
<b>New Balance</b>	<b>\$ 175,000</b>	<b>\$ 1,758,382</b>			<b>\$ 13,837,673</b>	
leave Target		\$ 500,000				
move LAIF to Reserve		\$ (1,258,382)				
<b>New Balance</b>	<b>\$ 175,000</b>	<b>\$ 500,000</b>	<b>\$ 1,258,382</b>			
leave Target			\$ 1,000,000			
Move to Reserve to Excess Reserve			\$ (258,382)			
<b>New Balance</b>	<b>\$ 175,000</b>	<b>\$ 500,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,262,662</b>	<b>\$ 13,837,673</b>	
C. Liquidate VG Endowment to UB - PY - already approved by the Finance committee; pending Board approval					\$ (1,231,117)	
<b>New Balance</b>	<b>\$ 1,406,117</b>	<b>\$ 500,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,262,662</b>	<b>\$ 12,606,555</b>	
D. Liquidate VG Endowment to UB - 12/31/2022 Distribution and fees (new)					\$ (557,271)	
<b>New Balance</b>	<b>\$ 1,963,388</b>	<b>\$ 500,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,262,662</b>	<b>\$ 12,049,285</b>	
leave Target	\$ 175,000					
move UB to LAIF	\$ (1,788,388)					
<b>New Balance</b>	<b>\$ 175,000</b>	<b>\$ 2,288,388</b>	<b>\$ 1,000,000</b>	<b>\$ 2,262,662</b>	<b>\$ 12,049,285</b>	
leave Target		\$ 500,000				
move LAIF to Reserve		\$ (1,788,388)				
<b>New Balance</b>	<b>\$ 175,000</b>	<b>\$ 500,000</b>	<b>\$ 2,788,388</b>	<b>\$ 2,262,662</b>	<b>\$ 12,049,285</b>	
leave Target			\$ 1,000,000			





## **FOUNDATION**

### **Investment and Spending Policy**

#### **Finance Committee Approval of the above policy Adopted by the Foundation Board on (date) DRAFT (1/19/22)**

#### **I. Background and Mission**

The Miracosta College Foundation (hereafter referred to as the “Foundation”) is an independent, 501(c)(3) nonprofit corporation created to support students by funding their pursuits toward a higher education and providing the resources to help guide them toward success.

For over 40 years, the vision of the Foundation has supported the vision that on one is denied access to education because of financial need and that resources are available to enrich the college experience for all students. In service to this vision, the Foundation’s mission is to promote the interests and welfare of the college and to secure resources that will transform student lives.

#### **II. Introduction**

This policy is intended as a basic guide for safeguarding and managing the Foundation’s assets including the development of spending goals, investment strategies (including asset allocation) and investment performance review and reporting. collectively comprise the “Portfolio”. The Portfolio’s assets will normally be held in one of three subordinate portfolios (or pools). These are (1) the “Reserve Portfolio” (2) Excess Reserve Portfolio (3) the “Endowment Portfolio”.

This investment Policy Statement sets forth the investment objectives, distribution policies, and investment guidelines that govern the activities of the Committee and any other parties to whom the Committee has delegated investment management responsibility for Portfolio assets.

The investment policies for the Foundation contained herein have been formulated consistent with the Foundation’s Mission, reflects its anticipated financial needs and its willingness to assume investment and financial risk, as reflected in the majority opinion of the Committee.

Policies contained in this statement are intended to provide guidelines, where necessary, for ensuring that the Portfolio’s investments are managed consistent with the short-term and long-term financial goals of the Foundation. At the same time, they are intended to provide for sufficient investment flexibility in the face of changes in capital market conditions and in the financial circumstances of the Institution.

### III. Role of the Finance Committee and the Foundation Board

The Foundation Board (the “Board”) has a fiduciary responsibility to comply with the restrictions imposed by the donors of endowment funds. The Board also has a legal responsibility to ensure that the management of endowment funds is in compliance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

The Finance Committee of the Foundation Board the “Committee”) acts in a fiduciary capacity with respect to the Foundation and is accountable to the College and the Board for overseeing the investment and safeguarding of all assets owned by or held in trust..

Foundation Management (“Management”) is defined as the Foundation’s Executive Director who oversees endowment accounting and makes recommendations to the Committee.

- A. The Committee will review this Investment Policy Statement at least once per year. Changes to this Investment Policy Statement can be made only by affirmation of a majority of the Committee, and final Board approval. Written confirmation of the changes will be provided to all Committee members and to any other parties hired on behalf of the Foundation as soon thereafter as is practicable.
- B. Standard of Fiduciary Care. The primary and constant standard for making investment and spending decisions for all Portfolio assets is the “Prudent Person Rule” which states that “the members of the governing board shall act with the care, skill, prudence, and diligence under the circumstances then prevailing a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the institution” in compliance with Uniform Prudent Management of Institutional Funds Act.

### IV. Manager Selection

Investment management of the Portfolio (including its constituent pools) shall be recommended by the Committee for approval by the Board based on a selection process as established by the Committee. The Committee may elect to appoint a single manager for the Reserve Portfolio, Excess Reserve Portfolio, and the Endowment Portfolio or separate managers for each. The Committee may also elect to manage the Reserve Portfolio itself. In addition to evaluating a manager’s historical performance compared to appropriate benchmarks, a manager’s ethical standards, financial viability, organizational structure, experience of key personnel, and investment philosophy will also be reviewed.

### V. Investment Objectives

- A. The Endowment Portfolio is to be invested with the objective of preserving the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of annual distributions in support of the institution. The attainment of this broad objective will provide a balance between current spending needs of the Foundation and the need to preserve the purchasing power of the endowment for future generations.

- B. The Reserve Portfolio. Assets apportioned to the Reserve Portfolio are intended for use “on demand” are to be invested with the objective of preservation of capital and short-term liquidity. Only high-quality short –term investment vehicles are appropriate for this portfolio.
- C. The Excess Reserve Portfolio is to be comprised of funds that are above an approved threshold to adequately fund the Reserve Portfolio. Assets in the Excess Reserve Portfolio are intended to preserve capital, provide a relatively predictable stream on income, and achieve moderate growth of principal. Assets are to be used as a supplemental source of funds for the Reserve Portfolio.

**NOTE:** Please reference the Investment and Spending Policy Flow Chart located within the appendix, page 9.

## **VI. Solicitation and Acceptance of Gifts Policy**

- A. A separate policy has been adopted and approved on by the Foundation to provide general information about the criteria and framework by which donations may be accepted or recommended to the Board for acceptance. This information should not be interpreted as legal advice, nor is the policy intended to override current IRS code and regulations. This policy includes:

- Special gifts acceptance
- Gifts of tangible property and equipment (gifts-in-kind)
- Gifts of real property
- Gifts of securities, limited partnerships and other tangible property
- Gifts of life insurance
- Charitable Remainder Trusts
- Digital currency

## **VII. Spending Policy**

- A. Foundation spending shall be funded from these sources:
- Current undesignated gifts (not designated as endowments),
  - An annual endowment management fee (presently 1.5%) assessed on total Endowment Portfolio assets), and
  - Partial distributions of net investment income (from interest or dividends) or net realized capital gains from the Endowment Portfolio
  - Short term deficiencies or excess of cash needs may be balanced by withdrawals from/deposits to the Reserve Portfolio. Cash accumulations from earnings and capital gains that exceed the approved spending budget for any year will be reinvested.
- B. Purpose of Spending. The Foundation exists to support the educational needs of the College. Consistent with prudent financial stewardship, the Foundation will spend its income each year for the purposes designated and/or approved by its Board. This will include a portion (1.5% endowment management fee) designated for the foundation’s

business operations, fundraising and other work of the Foundation and a percentage set by the Board (currently 3.5%) for charitable purposes. Thus, the current spending rate is 5%.

Endowment Portfolio earnings in excess of the Board established spending rate will be reinvested in the Endowment Portfolio to protect the endowment's purchasing power from one generation to the next.

- C. Limitations on Spending -- General Policy. In general, current spending will not be funded by accessing the principal corpus of the Endowment Portfolio. The distribution of Endowment Portfolio assets will be permitted to the extent that such distributions do not exceed a level that would erode the Foundation's real assets over time. The Committee will seek to reduce the variability of annual Foundation distributions by factoring past spending and Portfolio asset values into its current spending decisions. The Committee will review its spending assumptions annually for the purpose of deciding whether any changes therein necessitate amending the Foundation's spending policy, its target asset allocation, or both.

Establishing the Spending Rate. The Committee will review and recommend the annual spending rate to the Board within 60 days following the end of each calendar year. The Foundation presently seeks to maintain an annual spending rate of no more than 5.5% of the 3-year trailing average of the Endowment Portfolio (valued on December 31 of each year.) Any excess earnings will be re-invested into the Endowment Portfolio. An endowment management fee of 1.5% will be assessed first, then a maximum of 4% will be used for charitable purposes as designated by the donor or determined by the Board. (See Appendix 1 for related administrative procedures.)

- D. Adjusting the Endowment Management Fee. The Committee has the option of adjusting the endowment management fee up to the Uniform Prudent Management of Institutional Funds Act mandated maximum of 2%. The Committee also has the option of reducing the fee as long as the resulting fee income to the Foundation is adequate to fully fund operational and employee costs. (See Appendix 1 for related administrative procedures.)
- E. Maintaining an Operational Reserve. Recognizing that stability and continuity are important to good management and administration, the Management will seek to hold an operational reserve such that in down market years reductions in business operations and layoffs are unnecessary. In addition, Management will aim for a stable budget, and when necessary, plan for significant increases or cuts to the budget to meet extraordinary one-time costs.

## VIII. Portfolio investment policies

### A. Diversification – All Portfolios

Diversification across and within asset classes is the primary means by which the Committee expects the Portfolio to avoid undue risk of large losses over long time periods. To protect the Portfolio against unfavorable outcomes within an asset class



due to the assumption of large risks, the Committee will take reasonable precautions to avoid excessive investment concentrations. Specifically, the following guidelines will be in place:

1. With the exception of fixed income investments explicitly guaranteed by the U.S. Government, no single investment security shall represent more than 5% of total Portfolio assets.
2. With the exception of passively managed investment vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or investment company (mutual fund) shall comprise more than 20% of total Portfolio assets.
3. With respect to fixed income investments, for individual bonds, the minimum average credit quality of these investments shall be investment grade (Standard & Poor's BBB or Moody's Baa or higher).

Other Investment Policies. Unless expressly authorized by the Committee, the Portfolio and its investment managers are prohibited from:

1. Purchasing securities on margin or executing short sales.
2. Pledging or hypothecating securities, except for loans of securities that are fully collateralized.
3. Engaging investment managers who promise to engage in such practices.

#### B. Asset Allocation-General

1. The Committee recognizes that the careful allocation of Portfolio assets among financial asset and sub asset categories with varying degrees of risk, return, and risk-return correlation will be the most significant determinant of long-term investment returns and achievement of Portfolio objectives for each of the Foundation's Portfolios.
2. The Committee expects that actual returns and return volatility may vary from expectations and return objectives across short periods of time. While the Committee wishes to retain flexibility with respect to making periodic changes to the Portfolio's asset allocation, it expects to do so only in the event of material changes to the Foundation, to the assumptions underlying Foundation spending policies, and/or to the capital markets and asset classes in which the Portfolio invests.

#### C. Asset Allocation Policy-Specific to the Endowment Portfolio and Excess Reserve

## Portfolio

1. Foundation assets comprising the Endowment and Excess Reserve Portfolios will be managed as a balanced portfolio composed of two major components: an equity portion and a fixed income portion. The expected role of equity investments will be to maximize the long-term real growth of Endowment and Excess Reserve Portfolio assets, while the role of fixed income investments will be to generate current income, provide for more stable periodic returns, and provide some protection against a prolonged decline in the market value of the equity investments.
2. Cash investments will, under normal circumstances, only be considered as temporary holdings in the Portfolio, and will be used for Foundation liquidity needs or to facilitate a planned program of dollar cost averaging into investments in either or both of the equity and fixed income asset classes.
3. Exhibit A (below) presents the long-term strategic asset allocation guidelines, presently determined by the Committee to be the most appropriate for the Endowment, given the Foundation's long-term objectives and short-term constraints.

### D. Asset Allocation Policy-Specific to the Reserve Portfolio

Assets are to be invested in cash or cash/equivalents or as outlined in Exhibit B (below). Any fixed income investment duration should be aligned with the potential need for funds; resulting is a duration target not to exceed 3 years. All investments are required to exceed a minimum standard of investment-grade (BBB or Baa)

### E. Asset Allocation Policy-Specific to the Excess Reserve Portfolio

Exhibit C (below) reflects the asset allocation recommended by the Committee for the Excess Reserve Portfolio.

### F. Rebalancing

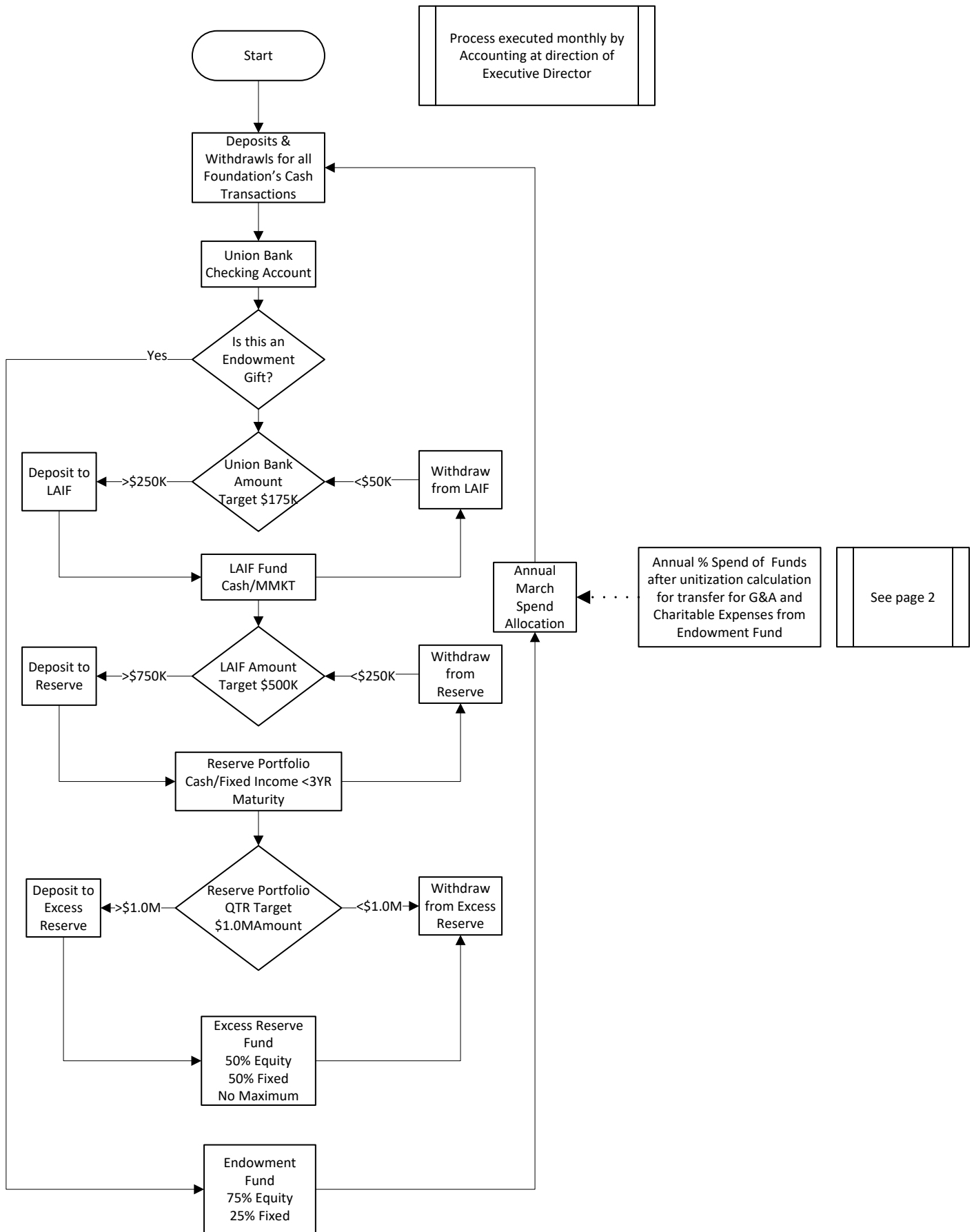
1. It is expected that the Endowment Portfolio's actual asset allocation will vary from its target asset allocation as a result of the varying periodic returns earned on its investments in different asset and sub asset classes. The Endowment and Excess Reserve Portfolio will be rebalanced to its target normal asset allocation under the following procedures:
2. The investment manager will use incoming cash flow (contributions) or outgoing money movements (disbursements) of the Portfolio or realign the current weightings closer to the target weightings for the Portfolio.

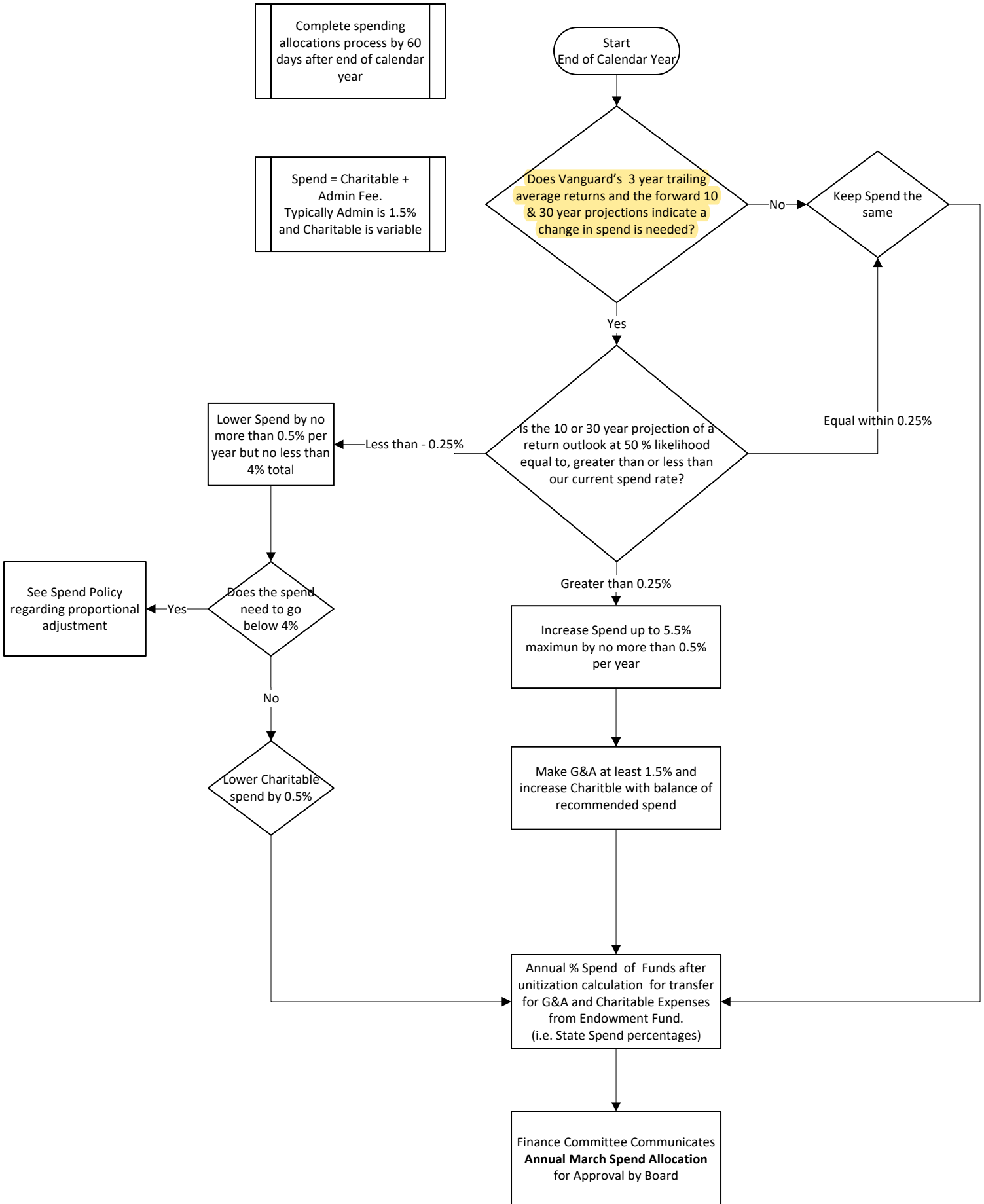
3. The investment manager will review the Portfolio quarterly to determine the deviation from target weightings. During each quarterly review, the following parameters will be applied:
  - i. If any asset class (equity or fixed income) within the Portfolio is +/-5 percentage points from its target weighting, the Portfolio will be rebalanced.
  - ii. If any fund within the Portfolio has increased or decreased by greater than 20% of its target weighting, the fund will be rebalanced.
  - iii. The investment manager may provide a rebalancing recommendation at any time.
4. Performance shall be measured on a total return, time-weighted basis and presented for the most recent quarter, year-to-date, and the trailing years, three years, and five years. Performance for periods greater than one year shall be expressed on an annualized basis. To facilitate performance comparisons, investment results should be expressed both gross and net of fees.
5. The specific performance objective is to attain, within acceptable risk levels, an average annual long-term total return that meets or exceeds the sum of the Foundation's spending rate plus inflation (as measured by the CPI, consumer price index) plus investment management and related fees. In cases where the Foundation is appointed trustee of a charitable trust, the investment objective is to achieve a return that satisfies the distribution rate while retaining as much corpus as possible.

#### G. Reporting

Investment reports shall be provided by the investment manager(s) on a (calendar) quarterly basis or more frequently if requested by the Committee. Each investment manager is expected to be available to review portfolio structure, strategy, and investment performance annually with the Investment Committee.

# APPENDIX





(EXHIBIT A)  
**Asset Allocation Guidelines for the “Endowment Portfolio”**

ASSET CLASS	Conservative Limit	Target Allocation	Aggressive Limit
Equities			
U. S. Equities	36%	45%	48%
International Equities	24%	30%	32%
<b>Total Equities</b>	<b>60%</b>	<b>75%</b>	<b>80%</b>
Fixed Income			
U.S. Fixed Income	28%	17.5%	14%
International Fixed Income	12%	7.5%	6%
<b>Total Fixed Income</b>	<b>40%</b>	<b>25%</b>	<b>20%</b>
Cash and Cash Equivalents	10%	0%	0%

Exhibit A approved by Finance Committee on 11/10/2016

Approved by the Foundation Board on 11/17/2016

## (EXHIBIT B)

**Asset Allocation Guidelines for the “Reserve Portfolio”**

<b>Asset Class</b>	<b>Sub-Asset Class</b>	<b>Target Allocation</b>
<b>Equities</b>		<b>0%</b>
	Domestic (U.S.) Equities	0%
	International (Non U.S.) Equities	0%
<b>Fixed Income*</b>		<b>100.00%</b>
	Domestic (U.S.) Investment Grade	100%
	International (Non U.S.) Bonds	0%
<b>Total</b>		<b>100.00%</b>

\* Any fixed income investment duration should be aligned with the potential need for funds; resulting is a duration target not to exceed 3 years. All investments are required to exceed a minimum standard of investment-grade (BBB or Baa)

Exhibit B approved by Finance Committee on: February 15, 2022

Approved by the Foundation Board on : February 22, 2022



## (EXHIBIT C)

**Asset Allocation Guidelines for the “Excess Reserve Portfolio”**

<b>Asset Class</b>	<b>Sub-Asset Class</b>	<b>Target Allocation</b>
<b>Equities</b>		<b>50.00%</b>
	Domestic (U.S.) Equities	30%
	International (Non U.S.) Equities	20%
<b>Fixed Income</b>		<b>50.00%</b>
	Domestic (U.S.) Investment Grade	35.00%
	International (Non U.S.) Bonds	15.00%
<b>Total</b>		<b>100.00%</b>

Exhibit C approved by Finance Committee on 11/10/2016

Approved by the Foundation Board on 11/17/2016

**Administrative Procedures for providing to the Committee the Information they  
Need to Establish the Spending Policy**

Established by Management: 11/10/2016

1. Within 60 days following the end of the calendar year, Management will provide to the Finance Committee the following information:
  - a. Rate of returns on the Endowment Fund for each of the three previous calendar years
  - b. Recommended spending rates based on the three-year trailing average value for the Endowment Fund and normal accounting procedures. The recommendations will include:
    - i. Endowment management fee, not to exceed to 2% (currently 1.5%)
    - ii. Recommended charitable purpose spending rate that is compliant with prudent management and industry best practices.
2. The process for allocating endowment earnings are as follows:
  - a. In accordance with Board policy, the endowment management fee (currently set at 1.5%) is allocated first to the operational fund for the Foundation.
  - b. Funds are secondly allocated for charitable purposes (currently set at 3.5%) as designated by the donor or for allocation by the Board.
  - c. The calculation that is currently used to establish the Foundation maximum spending is as follows: 1.5% (endowment management fee + 4% (charitable purpose allocations) = 5.5% (maximum spending limit as established by policy)
3. When earnings are below the Board's established spending limits:
  - a. If the three-year average growth rate of the Endowment Portfolio were to decline, and 5.2% was determined to be the prudent maximum spending rate, the calculation to derive charitable spending would be: 5.2% (earnings) – 1.5% (endowment management fee) = 3.7% for charitable purpose allocations.
4. Adjusting the endowment management fee: In the occurrence when endowment portfolio earnings drop below 5.5%, the Finance Committee may consider reducing the 1.5% endowment management fee, so long as the funding provided is adequate to fully fund the Foundation's business and operating costs, including essential and productive staff positions. If the management fee is to be reduced, the reduction should be proportional. Here is an example:
  - a. The 1.5% endowment management fee expressed as a percentage of the 5.5 distribution is 27.27% ( $1.5\%/5.5\% = 27.27\%$ ) Therefore, if the earnings were to decline to 4.9% and the Committee agreed to proportionally reduce the management fee, the calculation would be as follows,  $(4.9\% \times 27.27\%) / 100 = 1.34\%$ . This would provide a 1.34% spending rate for charitable purposes.

Campus	Priority	Building Type	Completion Date	Project Type	Naming Gift Level	15% of Constr Costs	Construction Cost	25% of Construction Costs
OCN	Named	<b>Allied Health</b>		New	<b>\$3M Complete</b>			
OCN	A	<b>Chem Biotech</b>	August, 2024	New	<b>\$4M</b>	\$ 3,750,000.0	\$ 25,000,000	\$ 6,250,000.00
OCN	A	Student Services	December, 2023	New	<b>\$5.5M - \$6M</b>	\$ 5,850,000.0	\$ 39,000,000	\$ 9,750,000.00
OCN	A	<b>Gym</b>	December, 2023	New	<b>\$4M</b>	\$ 4,050,000.0	\$ 27,000,000	\$ 6,750,000.00
OCN	A	<b>Art/Media</b>	August , 2024	New	<b>\$2M-\$3M</b>	\$ 2,100,000.0	\$ 14,000,000	\$ 3,500,000.00
OCN	B	<b>Art &amp; Theater Complex</b>	Delayed, no funding al	New/Reno	<b>\$1M - \$1.5</b>	\$ 1,050,000.0	\$ 7,000,000	\$ 1,750,000.00
OCN	A	Library	September, 2024	Reno	<b>\$2.5M</b>	\$ 2,400,000.0	\$ 16,000,000	\$ 4,000,000.00
OCN	A	Instructional Buildings		Reno	<b>\$500k - \$1M</b>			
OCN	A	Classrooms		Reno	<b>\$100k - \$250k</b>			
SAN	A	<b>Student Services and Admin</b>	Completed	New	<b>\$2M</b>	\$ 1,650,000.0	\$ 11,000,000	\$ 2,750,000.00
CLC	A	<b>Student Services Building</b>	Completed	New	<b>\$1.5M</b>	\$ 1,350,000.0	\$ 9,000,000	\$ 2,250,000.00