
Unadopted Minutes
Board of Directors
Thursday, November 18, 2021
Meeting 4:00 pm to 5:30 pm
Teleconference - Zoom Meeting ID: 939 3462 0528

Members: Steve Page – Chair, Teresa Norton – Vice-Chair, Frank Chong – Secretary, Kate Jolley – Treasurer, Maggie Fishman – Trustee, Scott Bartley, Jeff Bricker, Maggie Fishman, Doug Garrison, Suzy Marzalek, Kerry Rego, Kris Shear, Jorge Servin, Carolina Spence, Bill Traverso, Shirley Ward, Lori Enochs (Petaluma Campus Trust), Whitney Schultz

Absent: Brian Marvin (BCAT), Henry Beaumont (AgTrust), Jeff Bricker, Marion Walker

Staff: J Mullineaux, Sarah Laggos, Breanne Beseda

Guests: Tony Parmisano – Graystone Consulting
Todd Au – Graystone Consulting
Doug Pavese – Chair, SRJC Foundation Investment Committee

1) Call to order – Steve Page

The meeting was called to order at 4:00 p.m.

2) Approval of Minutes – Steve Page

Minutes of the 09/16/21 meeting were distributed in advance.
Kris Shear motion, Bill Traverso second, unanimous approval. M/S/P

3) Public Comment – Steve Page

There were no members of the public present.

4) Investment Presentation- Tony Parmisano & Todd Au

a. Graystone Consulting Annual Investment Update

The team first reviewed investment results relative to peer group for FY 2020. The NACUBO study showed that the SRJC Foundation had a net return of 5.6% as compared to our peer group that averaged 1.8%. Not only did we outpace our peer group, we outpaced groups of ALL sizes during the time period.

The team went on to discuss FY21 performance, beginning with a reminder of fee structure and review of asset allocation strategy. The year closed with a 29.91% net return, the best in the history of the organization. The incredible return exceeded all expectations. Early data indicates endowment returns for the time period were approximately 27%. The total portfolio closed out the fiscal year with \$67.8 million in assets under management, up from about \$53 million at the close of the previous year. At the time of the presentation, the portfolio was at \$71 million, realizing substantial growth.

The team warned that it's safe to temper expectations looking forward as they don't expect that we will ever see returns of nearly 30% again, but commended the Investment Committee and the Board and encouraged celebration of excellent results.

b. Revised Investment Policy

There was a reintroduction and review of ESG (Environmental Social Governance) or Impact Investing and how it may be applied to our portfolio management as recommended by the Board and Investment Committee. The team presented the text of proposed additions to the current investment policy statement to incorporate ESG investment factors in the overall evaluation of investment managers and framework of expectations.

There were some questions from the Board and discussion of specific examples of hot button topics that may influence ESG investment decisions; the group clarified that specific issues of concern should be brought to the Investment Committee for review and recommendation to Graystone. The group reinforced the importance of focus on established and defined core values to drive priority.

Steve entertained motion to adopt recommendation as Board policy. Suzy Marzalek motion, Scott Bartley second, unanimous approval. M/S/P

5) President's Update – Dr. Frank Chong

Dr. Chong shared that SRJC was selected to apply for the Aspen Prize for Community College Excellence at one of the top 150 colleges in the country. The award is \$1M. Only 29 of the 116 California community colleges qualified for the honor.

The JC is close to purchasing the property currently being leased for the Southwest Center – progress has been made to accept offer and the District has entered negotiations.

Accreditation review is upon us – "the single most important exercise of any college." The effort is being led by Jane Saldana-Talley.

District finances, under the leadership of Kate Jolley, have greatly improved; reserves have gone from 5% to 12%+ with the intentional reduction in schedule and workforce. We are hoping for additional funding from the state for housing project.

We currently have approximately 30% of our classes in-person; in the Spring, we are scheduling about 45% of classes in-person. About 75-80% of our students and employees are vaccinated as we prepare for enforcement of full vaccination mandate beginning January.

Athletics are underway, and theater/music productions will be opening back up this Spring and Summer.

Redistricting will be discussed at a special board meeting on November 30.

6) Governance – Teresa Norton

Unrestricted Fund Use Policy revision was recommended upon discovery it had not been revised since 2007. J recommends that, especially in light of recent crises, the reserve be increased from 50% to 100% of the annual operating budget. There was also an adjustment to specify that the auxiliary trusts would be included for expenditures. These changes were approved by the Executive Committee.

Teresa made motion for full Board approval, Kris Shear second, unanimous approval. M/S/P

7) Development & Community Engagement

a. YTD Philanthropy

J thanked Shirley Ward and Bill Traverso for recent assistance with procurement of gifts. \$115,000 was raised to launch the new Student Housing Endowment. The 707 Elliott building has gone out to bid and will be approved at the December 14th Board of Trustees meeting. J will send capital projects report with special feature. Event planning is underway – Petaluma (Building Futures), Shone Farm (50th Anniversary), and Foundation (President's Address) will be held in new outdoor, in-person formats. J congratulated Breanne on the successful recruitment of Rudy – he will be introduced to the Board at the January meeting.

b. Grant Recommendations Memorandum

Recommendation approved by the Executive Committee, now presented to full Board for approval. When we have a surplus, policy allows us the discretion to allocate up to 50% back into programs of the College. This year, the 50% of surplus amount is \$139,000; we put that total into the Opportunity Fund, from which we'd like to make grants of \$15,000 each to marginalized student groups – Black, Latinx, Indigenous, Asian, LGBTQ, and students with disabilities – for a total expenditure of \$90,000. Discussion was very positive, with multiple people remarking on how the recommendation reflects the intention of our strategic plan and our newly-defined core values.

Kris Shear made motion for full Board approval, Steve Page second, unanimous approval. M/S/P

c. Branding Presentation

Breanne shared a presentation detailing the rebranding process and development of new visual assets. She reminded the group of our current logo and starting point, and reviewed the process, direction, feedback, analysis, and revisions. The new final logo and lockup were revealed to the group, as well as the new tagline, colors, fonts, and complete set of comprehensive Identity Guidelines to serve as a framework for design.

The new brand will be presented to the Auxiliary Trusts on December 9th, will be incorporated into the new Foundation website (currently in development), and will be officially launched through our Annual Report to be released in January 2022.

Presentation was met by positive response and excitement from the Board; Breanne encouraged the group to be on the lookout for branded gifts to arrive the following week.

8) Trust Committee Reports

a. AgTrust – no report

b. BCAT – report from Kris Shear

BCAT held a golf tournament in October that raised \$20,000, meeting the net revenue goal. The tournament was sold out and considered a great success. Several board members and Foundation staff participated, contributed, and volunteered. Funds raised at the event have already been distributed by transfer out to the athletic teams. Due to campus Covid protocols, the Polenta Feed fundraiser event held annually in February has been cancelled.

c. FPCT – no report

9) Foundation Written Reports

- a. Financials and Budget to Actual Reports – no comments or questions
- b. Executive Director, Philanthropy Director, and Community Engagement Director Reports – no comments or questions

No other business

10)Adjournment

Meeting adjourned at 5:19 p.m.

Next Foundation Board Meeting: Thursday, January 20, 2022 4:00pm – 5:30pm (via Zoom)