

Foundation Meeting, JCS Library
June 6, 2017 @5:36 pm

Present: Katrina Knox, Hanh Trieu, Jeff Coontz, Maddie Ramos, Nancy Kinziger, Lori Varaich, Catherine Girard, Melanie Nannizzi, Heidi Walsh, Elizabeth Fogg

Meeting Attendance: Hanh expressed concerns that voting members are not attending meetings and not contacting prior to let the Foundation know. A discussion was held about how to deal with this. Is it okay for people to vote by proxy or send in votes electronically? There have been several meetings where there was not a quorum.

- Lori expressed that she is concerned that she will not be able to commit fully as a voting member. She would prefer to come to the meetings but without the expectation that she be consistently present for voting.
- The board discussed that if members do not attend meetings, and do not let the president know prior to the meeting, it will be considered an unexcused absence. After two absences without notification, the board member will be asked to step down as a voting member in order to allow for a voting member that will be able to attend more frequently.

Maddie made the motion

Jeff seconded

6 Yes-Elizabeth, Hanh, Jeff, Maddie, Nancy, Lori

1 No- John

- If members let the president know that they will not be able to attend, the president will have the ability to cancel the meeting so that non-voting members are not attending meeting where no action can be taken. Also, if that member could then vote by proxy or digitally.

Panther Pentathlon

An additional \$1000 dollars has been found that needs to be spent this year. This will be brought to the staff at the June Staff Meeting to get recommendations.

The school administration provides recommendations for allocations of revenue. JCCEF recommendation that the administration spend it on the five programs.

Lori asked if the 5 programs recommended will always be the same. Catherine suggested that this be an annual discussion. Melanie shared that administration would need the recommendations as early as possible for staffing purposes. The committee determined that April would be a good month to annually have this discussion.

Auction

The auction funds block grants. The operating costs for the Foundation are \$3,89.71-most of this is liability insurance. Hahn shared a spreadsheet of the operating costs.

Endowment Philosophy

Hanh shared that her perspective is that we should have a long term plan for the endowment and let it grow.

Lori asked for an explanation of the endowment. Hanh explained that this money was built by donations that were saved during an economic time when less money was needed to run programs at JCS when the Foundation paid for frills.

In recent history, the endowment has only been used to pay for solar panels and the gym floor.

The Foundation has been spending to what they have raised in recent years since the school is in need.

John asked if hypothetically the Foundation did not raise enough money to fund the target goal for Pentathlon, would the Foundation use endowment money to make up the difference? This is why a criteria for spending the endowment needs to be developed.

John suggested splitting the endowment. One part for accessible money and the rest in a savings that is a bit more aggressive to save. Hanh suggested three accounts: Spending account, savings account, and endowment account. Jeff suggested that we can have the same goal with our current model as long as we have a clear philosophy.

Currently the endowment money is at Morgan Stanley and it will be moved to Vanguard once we have the criteria developed.

There are also two accounts at Umpqua.

John moved to take \$150,000 of the money that is at Morgan Stanley, and move it to a Vanguard 70/30 passive managed account. The intent of this is that is a long term investment that will not be touched.

This would leave \$28,000 for a separate account at Vanguard that the Foundation can draw on when needed.

Jeff shared that having two accounts will create complexity. He recommended that we keep it all in one fund so that it can be easier to manage.

Regarding the actual investment process, Jeff added that the asset allocation between stocks (70%) and bonds (30%) use valid passive investment strategies for the stocks and a preference for valid passive investment strategies for the bonds. If a valid passive investment strategy is not available for the bonds or money market then an active strategy can be used only when government debt securities issued by the U.S. government and its agencies and instrumentalities are utilized.

John moved that:

- The members agreed that the current philosophy is that the purpose of the endowment is to grow.
- \$150,000 will be put into the endowment. This money will be passively (indexing) managed rather than actively managed and the intent of the board is that it will not be touched.
- A separate account will be created (\$28,000) that will be managed with the intent of being used as a discretionary account.

Hanh Seconded

All member voted in favor

A separate committee will be formed to make a recommendation regarding the investment plan. John and Jeff will have this discussion and make a recommendation to the Board.

Block Grants

The philosophy of the block grants also needs to be discussed. Should unused funds be reallocated to cover deficits, should it roll over, should it be reimbursed to the Foundation?

The Board agreed that the bylaws need to be revised to read:

Unused block grant funds may be reallocated at the discretion of the staff and the administration.

A motion to change the bylaws was made by Elizabeth

John Second

Passed unanimously

Next meeting is a Pentathlon Committee meeting on August 15 at 4:30 at Baywood

We need an AUCTION CHAIR

A subcommittee model will be utilized next year. What committees will be needed?