



BUDGET & FINANCE MINUTES

Monday, February 7, 2022

Members Present: Brenda Alcala, Bianca Ebreo, Jose Gonzalez, Don Gurnard, Bárbara Guzmán, Barry Leahy, Ron Lodge, Lyle Markhart

Members Absent: Xavier Arinez, Steven Wilkinson

Staff Present: Rachel Evey, Brenda Magaña-Galvan, Mireya Sanchez

CALL TO ORDER at 4:02 pm

1) CONSENT AGENDA

- A. January 2022 minutes approved without dissent.

2) FINANCIAL REPORTS – Brenda Magaña-Galvan

- A. Project Activity Report (Unrestricted funds)- Total ending balance increased by ~\$7,800 from prior month.
- B. Income Statement
 - i. Unrestricted Overview and Detailed- Management Fees, Program Assessment, & Dividends over budget. Overall revenue is under budget by ~\$12,000. All expenses are in line with budget. Expenses are under budget by ~\$46,000. Note that Jill Leonard, Foundation’s Communications Specialist, has reduced her hours down to 30/week, which will reduce the Foundation’s monthly payroll expenses. Net at \$51,000 deficit.
 - ii. Per Restrictions- Temporarily restricted- scholarship donations & building futures campaign pledge. Building Futures Campaign pledges are being recorded as we receive them.
- C. Balance Sheet- Temporarily Restricted annual scholarship commitments being received.
- D. Quarterly Expenditure Report- Expenses are in line with budget.
- E. Monthly Gift Report – *Handout*- Unrestricted- received ~\$2,200 less in 2022 than in 2021. Temporarily and permanently restricted we received ~\$39,000 more in 2022 than in 2021. Overall we received ~\$37,000 more in 2022 than in 2021. Part of this is due to the Richard Lapo Memorial Scholarship endowment establishment (previously an annual scholarship).

3) OLD BUSINESS

- A. Endowment Update- establishment of new spending policy in November 2021. Currently the six endowments that do not follow the policy are under review. Request to update agreement for three endowments has been submitted to the county, with support from the state AG.

4) NEW BUSINESS

- A. **Action:** Fiscal Procedures Manual
 - i. General Operations Income Statement (Sample)- Discussion on what “General Operations” would include and if there is a more efficient way to display those categories within the reports shared with board members. Program expenses vs. operating expenses proposed as possible division of funds descriptions. Proposal to

provide "Operations Income Statement" every month, instead of the Unrestricted Income Statement, in order to reduce confusion of program support funds vs. actual operations funds. Proposal to postpone decision and present report options to budget and finance committee before taking to the full board for manual change. All present members agreed to postpone decision.

- ii. Allocation spreadsheet: dual-signature for annual endowment allocation proposed to create better documentation of transfers from CFNCW, in alignment with Auditor's recommendation. Agreement from all committee members that this would be sufficient. Approval postponed to update manual until decision reached for reporting.

5) OTHER BUSINESS

- A. Report to the Full Board

Adjournment at 4:35pm

Minutes by Mireya Sanchez