



## BUDGET & FINANCE COMMITTEE MINUTES

April 4, 2022

**Members Present:** Brenda Alcala, Xavier Arinez, Bianca Ebreo, Bárbara Guzmán, Barry Leahy, Ron Lodge, Lyle Markhart, Steven Wilkinson

**Members Absent:** Jose González, Don Gurnard,

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

### CALL TO ORDER 4:02pm

#### 1) FINANCIAL REPORTS

- A. Project Activity Report (Unrestricted Funds)- total ending balance down by \$19,400 from prior month. Transfer from endowment to general support reflected.
- B. Income Statement
  - i. Unrestricted Overview and Detailed- Employee payroll contributions and program assessments are over budget, overall revenue under by \$12K. Expenses are in-line with budget, under by roughly \$54K. Net unrestricted at deficit of \$36K, compared to budgeted deficit of \$77K.
  - ii. Per Restrictions- Large contributions in temporarily/permanently restricted. Multiple scholarships and pledges have been received resulting in higher numbers. Combination of individual gifts, estate gifts and corporations, and a change in management of endowments. Discussion regarding Foundation of Caring and whether that will be a recurring donor, currently unknown by staff.
- C. Balance Sheet- little activity, checking account for unrestricted is healthy.
- D. Monthly Gift Report- unrestricted down from 2020 to 2021. Donor-restricted up by \$66K in 2021 than 2020, Due to Tod Jones estate gift and AZ Wells Foundation fund.

#### 2) OLD BUSINESS

- A. **Fiscal Procedures Manual Update-** Memo included detailing recommended changes: additional documentation for endowment allocation and financial statements. After a couple of months of using the general support income statement, it was agreed that the report is more efficient for board use. Second change was the suggestion for two signatures for distributions or transfers from CFNCW, including the annual endowment allocation. Suggestion was to have a board officer and the executive director sign and/or double approve with emails that the transfer take place, rather than only using committee meeting minutes.

**Motion by Barry Leahy to approve changes to fiscal procedures manual. Second by Lyle Markhart. Motion passed without dissent or abstention.**

- B. **Endowment Updates-** the 3 endowments which were under beyond board authority to modify have been updated through court action. They now follow the foundation's endowment spending policy. One of endowment with a living donor has adopted an amendment to follow the endowment policy. There are now two remaining endowments

that do not follow the policy, both of which have living donors. One has requested no contact due to end of life, the other is in contact with Rachel regarding the update. Question regarding board authority in these situations- there is language in the agreements that give the board authority to make certain changes if necessary. The second part of the update project is to have all of the WVC scholarship accounts transferred to the Foundation for management. That is currently in the works, and hoping to be complete by June 30, 2022 to begin with the new fiscal year.

### 3) NEW BUSINESS

- A. **Discuss: WVC Department Fundraising**- Theater department and Music department have both approached the Foundation regarding fundraising events to be held on campus. The Music Department has requested Foundation to front funds to bring in musicians, and recoup costs through ticket sales. The Theater department has requested assistance running ticket sales with proceeds going towards the theater department fund. Proposal for the foundation to charge 5% fee for management of that partnership. Discussion regarding potential for loss if these departments are unable to reimburse the Foundation, and if there will be any kind of penalty for failure to repay those costs. Consideration for creating procedures to set a precedent for these types of requests going forward, as they are likely to continue coming from departments in the future. Question regarding what type of events this will be. In essence, the Foundation will be the fiscal sponsor, whereas the requesting department will be fully in charge of the event planning and execution. General consensus to move forward with these requests. Rachel Evey will work on the procedures for this type of partnership.

### 4) OTHER BUSINESS

- A. **New Fund: Lake Chelan Realtor Council Scholarship**- Barry Leahy originated the relationship that resulted in this scholarship. This resulted in a commitment from the Realtor Council to give a \$2000 annual scholarship.
- B. **CVB Functionality**- CVB recently changed online banking systems which has resulted in the inability to connect Financial Edge to online banking. This has created additional concerns regarding functionality with Cashmere Valley Bank's operations. Proposal to consider changing banks in the future, starting at least with the Foundation's credit cards in order to maintain efficiency on the staff's time, as well as convenience of operations. Discussion to present a Request for Proposal to some local banks and/or credit unions in order to present our needs and ensure we are receiving the best functionality. Question to committee whether a hand-pick process or an RFP is preferable. Consensus to conduct an RFP and issue a public notice with press release. There would be a deadline for the application, and the staff would review those responses, make recommendations to the B&F committee and push that forward to the full board for approval. B&F committee will review the RFP before it is released to potential organizations.

**ADJOURNMENT at 5:02pm**

**Minutes taken by Mireya Sanchez**