



BUDGET & FINANCE COMMITTEE MINUTES

November 6, 2023

Members Present: Brenda Alcala, Xavier Arinez, Jennifer Babcock, Bianca Ebreo, Don Gurnard, Ron Lodge, Lyle Markhart

Members Absent: Bárbara Guzmán, Barry Leahy, Steve Wilkinson

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

CALL TO ORDER 4:01pm

1) CONSENT AGENDA

- A. October 2023 Minutes approved by consent without changes.

2) FINANCIAL REPORTS – *Brenda Magana-Galvan*

- A. Quarterly Expenditure Report- little activity due to first quarter activity being low. Renewal for Financial Edge was one of the major expenses, as well as some memberships. Sponsorships, payroll, office supplies, etc. as well as scholarship programming and expenses related to food truck knight. All in all, 1st quarter expenses total \$136K. Fees for investments and management fees were included to reconcile with the unrestricted income statement.
- B. Unrestricted Project Activity Report- only activity of note is the ending balance decreasing by \$37K from the previous month mainly due to investment activity.
- C. Operating Income Statement- shows overall revenue is under budget by ~\$6K. Expenses are under budget by roughly \$74K. Variance of roughly \$68K. Overall operating deficit of \$7.4k. Discussion regarding Gifts, Grants & Awards. Line is not related to operations but is funded by unrestricted. It is mostly needs-based by WVC requests, besides the amount for the Presidents' discretionary fund. Everything else is either consistent year-to-year or approved by the board when something unusual comes up. The list of items supported is discussed with the college cabinet each year to review and prioritize. This amount remains on the operating budget to continue giving the board oversight. Question regarding President's Discretionary fund- whether we want to continue giving the same amount at the beginning of the year, give the difference of what's been spent to bring it whole back to \$30K, or if there can be a middle ground where there is some investment of those funds to grow interest or other income to give back to the foundation unrestricted fund.
- D. Income Statement per Restrictions- We have received many contributions already, typically around this time of year they are slow but that has changed in recent years. Two automobile gifts received already this year, noted in temp restricted in-kind. Those vehicles are typically used for the auto-tech program, and then either salvaged or sold. Funds from those sales go back in the restricted fund for that program. Foundation records the donations in our name, along with in-kind donation records, and the title is held by the foundation as well.

- E. Balance sheet- Assets have decreased by \$606K from the previous month due to investment market activity. Per discussion at last month's meeting, we will have the breakdown of the checking account balance available at next month's meeting.
- F. Monthly Gift Report (October)- no questions or changes.

3) OLD BUSINESS

- A. Audit Update- still in process. The presentation is anticipated to be done at the December 4th B&F meeting, with the full board invited. Drafts of findings will be given at the committee meeting and will be approved at the full board meeting.

4) NEW BUSINESS

- A. Estate of Pixieann Kalcic Zacher- Rachel Evey has been in communication with an estate attorney at JDSA notifying us that we are the beneficiary of two different trusts from the estate of Pixieann Kalcic Zacher, who is the daughter of Ted Zacher, a previous donor of the foundation. The trusts are currently with Numerica Credit Union, which will not charge us transfer fees if we have an account open with them prior to transfer. Discussion regarding diversifying our banking portfolio has taken place before, but no action will be taken without full board approval. Rachel requested approval to open an account with Numerica Credit Union to receive the funds from the estate gift. The signatories on the new account will follow the fiscal procedures manual (i.e.- Executive Director, Executive Assistant, President, Vice President, and/or Treasurer of the board). Currently the estate is in probate and being finalized.

Motion from Ron Lodge to approve opening an account at Numerica Credit Union to accept the estate gift from Pixieann Kalcic-Zacher. Second from Don Gurnard. Motion passed and will be presented to the full board as a recommendation from this committee.

- B. Banking Services- Rachel Evey and Mireya Sanchez met with a representative from Numerica Credit Union last week to discuss business banking services (related to the previous point). The type of account that is offered would be highly beneficial; they offer specific services for non-profits, as they are a not-for-profit organization themselves. They also offer additional insurance through NCUA, which eliminates the 3rd party or shadow-account reconciliation that would be required through the product offered at Cashmere Valley Bank where our funds currently are. Foundation staff will continue to explore banking options with other institutions and present to committee in January.

5) OTHER BUSINESS

- A. Report to the Full Board- Recommendation for the Numerica Credit Union account opening, audit update were the only proposed items to run through with the board.

ADJOURNMENT 4:47pm
Minutes taken by Mireya Sanchez