

RANCHO CUCAMONGA
COMMUNITY & ARTS FOUNDATION
MINUTES OF THE JANUARY 28, 2015, REGULAR MEETING

A. CALL TO ORDER

The regular meeting of the Rancho Cucamonga Community & Arts Foundation was held on Wednesday, January 28, 2015, in the Tri-Communities Room, at the Rancho Cucamonga Civic Center, located at 10500 Civic Center Drive, Rancho Cucamonga, California. The meeting was called to order at 5:07 p.m. by Chair Snyder followed by the Pledge of Allegiance.

Present were: Board Members: Alexander, Baker, Barag, Chen, Galindo, Haddon, LeMond, Pachon, Rivera and Snyder. Absent: Arguello, Brown, Bryan and Harrington. Staff: Nettie Nielsen, Community Services Director; Marie Macias, Interim City Clerk; Susan Sluka-Kelly, Cultural Arts Manager; Karen Silhanek, Management Analyst I and Melissa Morales, Senior Administrative Secretary.

B. ANNOUNCEMENTS/PRESENTATIONS

1. Oaths of Office were administered by Interim City Clerk Macias to newly appointed Board Member Scott Haddon and re-appointed Board Member Taro Barag.

B3. Presentation of the Library Services 2015 Calendar and Annual Report was provided by Rancho Cucamonga Library Foundation Vice President Teresa Akahoshi and Board Member Rebecca Davies. They reviewed the calendar and report providing statistics in areas such as participant levels, grants received, items checked out, etc. Highlights were also given in areas including special events and programs scheduled to take place in 2015. They were thanked by the Board for their presentation.

2. Newly appointed Board Members Kimberly Alexander, Nick Baker and Scott Haddon were welcomed to the Foundation. The meeting was recessed to allow an opportunity to meet the new Members and enjoy a light dinner.

The meeting recessed at 5:20 p.m. and reconvened at 5:40 p.m. with all Members present except Arguello, Brown, Bryan and Harrington.

3. Presentation of the Library's Annual Calendar was held prior to the recess.

C. COMMUNICATIONS FROM THE PUBLIC

There were no communications from the Public.

D. CONSENT CALENDAR

1. To approve the Minutes of the Regular Community & Arts Foundation Meeting held September 24, 2014.
2. To receive and file Treasurer's Reconciliation Summary Reports for the LAIF and PAL Accounts through December 2014.

MOTION: Moved by Member Galindo, seconded by Member LeMond, to approve the Consent Calendar, as submitted. Motion carried: 10-0-4 (Absent: Arguello, Brown, Bryan and Harrington)

The Treasurer's Reports (Item D.2.) were referenced and staff was asked to clarify the "CFPA" and "BloodHound Deputies" affiliates. Staff responded regarding the status of the "Cucamonga Foothill Preservation Alliance" which has had minimal activity and "BloodHound Deputies" which has a current balance of \$4,000.

Treasurer/Secretary Pachon left the meeting at 5:45 p.m. and returned at 5:52 p.m.

E. FOUNDATION BUSINESS

1. Consideration and discussion regarding the 2015 Golf Tournament Proposal and Budget was opened. Committee Chair Rivera provided the Board with the event's proposed budget with expenses to include the hiring of an event planner – Michelle Adams. He stated that the goal would be for the event to realize an additional \$7,500 in revenue this year to offset the costs for her services. Based on the estimated revenues and expenses, Chair Rivera estimated a net profit of nearly \$40,000 for this year's tournament. He went into more detail concerning Planner Adams' scope of services which involves some of the responsibilities handled last year by former Specialist Gautschi and Supervisor Schneider. He offered to email the scope of services to the Board if they were interested. Committee Member Pachon noted that Mrs. Adams is a former City employee and is currently employed elsewhere. She indicated that some concern had been expressed with her being allowed to work on Foundation business during her work week and that an addendum is being added to her contract giving her employer's approval. Additional discussion concerning the proposal followed and Chair Rivera expressed his confidence that Mrs. Adams would carry out her roles and responsibilities appropriately. It was noted that her fee was half of what the former consultant was paid. The Board was also reminded that regardless of Mrs. Adams' services, the entire Board is expected to assist in making the event a success. Director Nielsen confirmed the tournament's date of October 26th and clarified that the item was placed on the agenda due to the need to expend monies in the current fiscal year. The Board then took action as follows:

MOTION: Moved by Member Galindo, seconded by Treasurer Pachon, to approve the proposed budget submitted for the 2015 Community & Arts Foundation Golf Tournament including entering into an agreement with Michelle Adams for Event Planner services. Motion carried: 10-0-4 (Absent: Arguello, Brown, Bryan and Harrington).

2. Investment Committee Chair LeMond was called upon to initiate the Board's discussion and consideration regarding the request for approval of an Amended Investment Policy and the 2015 Investment Strategy. He referenced the proposed amended policy, contained in the agenda packet with proposed changes in red. He brought their attention to Page 7 of the policy and the section concerning an Independent Review and asked if annual reviews have been conducted. He was told that this had not been the case and he stressed the importance of the audit/reviews. Chair LeMond also commended Member Harrington for all of his hard work on the policy. Director Nielsen distributed a document entitled "*Total Available to Invest*". Chair LeMond then commented on the need for specific Board action to invest beyond five years and that it becomes cumbersome if certain investment decisions are brought only to full Board meetings. He asked that an alternate approval process be considered by the Board and recommended that the Board this evening adopt the amended policy and give authority for a certain group to execute the transactions.

The Board discussion included their questions regarding whether the Executive/Finance Committee could be given investment approval authority. Director Nielsen indicated that once it is determined who can make the investment decisions, the City's finance staff could be contacted to research what investments are available to the Foundation. A question was asked if the "liquid" funds (two years' worth) would remain in LAIF and Director Nielsen affirmed that they would be. She also explained what amendments the City made to their recently amended Investment Policy. In addition, it was noted that the proposed policy was in need of correction in a few instances where the City was referred to rather than the Foundation. In conclusion, additional changes to the amended policy included Page 7 from "*Independent Review*" to "*Investment Performance Review to include a recommendation from the Investment Committee to the Executive/Finance Committee*"; Page 8 from "*Reporting*" to "*Report and Performance Review*" deleting the sixth bullet point regarding the statement of ability to meet pooled expenditure requirements and adding a bullet point regarding performance review and Page 9 from "*Finance Subcommittee*" to "*Executive/Finance Subcommittee to be responsible for reviewing and modifying the investment guidelines.*" Following their discussion, the Board took action as follows:

MOTION: Moved by Member Chen, seconded by Member Galindo, to approve the amended Investment Policy and 2015 Investment Strategy as presented and with the revisions indicated and to include approving the Investment Committee's authority to make recommendations to the Executive/Finance Committee. Motion carried: 10-0-4 (Absent: Arguello, Brown, Bryan and Harrington.)

3. Chair Snyder opened discussion of Executive and Finance Committee Membership and appointments to the other Standing Committees. The chart of appointments was reviewed and additions/changes to the appointments were as follows: *Golf Tournament* – Baker, Galindo and Haddon added; *Monte Carlo Night* – Baker and Snyder added; *Major Gift* – Alexander added, Pachon deleted; *Giving* – Alexander added, Member Chen to serve as Chair and *Marketing/Outreach* – Haddon added. Discussion ensued concerning the Board Development Committee which currently has no chair and has been inactive. Director Nielsen commented that the recruitment of new members is being done “organically” rather than by Committee and she suggested that it could be folded into the Executive/Finance Committee with the Vice Chair possibly serving as the lead.

Member LeMond left the meeting at 7:00 p.m. and did not return.

Brief discussion was also held concerning the separation of the Monte Carlo Night Fundraising Event from the Party/Train Event Committee and the consensus was for each to have their own committees. Following their discussion, their action followed:

MOTION: Moved by Member Galindo, seconded by Member Rivera, to approve the various Committee appointments as indicated above. Motion carried: 9-0-5 (Absent: Arguello, Brown, Bryan, Harrington and LeMond)

4. Director Nielsen led the discussion of proposed special topics and training for the Extended Board Meeting scheduled for April 22, 2015. The January 28th staff report was referenced listing the potential items the Board could discuss which included in-depth training/discussion with a major gift committee focus, guest speaker and potential new policies and by-law review. She recommended the special meeting take place from 2-5:00 p.m. with the regularly scheduled Board meeting to follow. A suggestion was also given to consider providing the Members with training on writing grant proposals. Members expressed concurrence with staff’s suggestions concerning major gift focus and guest speaker and the Foundation then took the following action:

MOTION: Moved by Member Rivera, seconded by Member Alexander, to approve the tentative calendar for the April 22nd Special and Regular Board Meeting. Motion carried: 9-0-5 (Absent: Arguello, Brown, Bryan, Harrington and LeMond).

5. Consideration of Marketing & Outreach Committee’s recommendation of Vision Statements to accompany the Foundation’s Mission Statement was opened. Committee Chair Pachon distributed a handout of eight proposed vision statements and noted concerns expressed by Member Brown during review of the taxes regarding the current mission statement of “*Enriching Lives Through Support of the Arts at the Victoria Gardens Cultural Center*” which is a different mission than that filed with the Articles of Incorporation. Director Nielsen noted that the original statement referenced a community-wide mission. Brief discussion ensued and the Board concurred with bringing the matter back to include incorporating a broader mission statement.

6. Analyst Silhanek was called upon to provide an update on the Foundation's taxes. She informed the Board that a filing extension had already been submitted and that the taxes were due now on February 15th. She spoke of the November 18th Executive/Finance Committee meeting which included a thorough review of the taxes and suggested revisions by Member Brown. She was asked if any of the suggested changes had been made and Analyst Silhanek responded that after consulting with the Board's CPA, no amendments had been incorporated in the 2014 taxes. A suggestion was given to submit another extension until May 15th to allow time for further review and possible refinement and the Board then took the following action:

MOTION: Moved by Member Galindo, seconded by Member Chen, to approve filing an extension for the 2014 taxes until May 15th. Motion carried: 9-0-5 (Absent: Arguello, Brown, Bryan, Harrington and LeMond).

7. Discussion of development of required policies was presented to the Board by Chair Snyder. He referenced staff's report which explained that at the last Executive Committee meeting, when the taxes were thoroughly reviewed, Member Brown had made some recommendations on the policies the Foundation should adopt as a non-profit organization. These policies include conflict of interest, whistleblower and records retention/destruction related matters. He indicated that policies are to be drafted and will be reviewed and approved by the Board at a future meeting. No other discussion was held or action taken.
8. Chair Snyder called upon staff regarding an update on the status of Foundation affiliates. Analyst Silhanek provided staff's report and reviewed the seven affiliates currently associated with the Foundation. She indicated the Animal Center is continuing to pursue filing for their own 501(c)3 non-profit status and that the Friends of the Pacific Trail affiliation should be ending soon as they are now their own non-profit entity. In terms of the newest affiliates – Cucamonga Foothills Preservation Alliance (CFPA) and Bloodhound Deputies, she indicated that CFPA has not been very active and still needs to have their affiliation agreement finalized and the Bloodhound Deputies has had a very modest start. Director Nielsen also clarified that the benchmark for affiliates is that their scope would need to be of benefit to either the City or community-at-large. Staff was asked regarding checks and balances and for clarification on the use of the funds. Director Nielsen clarified that the funds are restricted for use by the affiliates only and aren't available for general Foundation use. Staff was also asked to supply a copy of the affiliate agreements. No other action was taken or discussion held.
9. The Foundation's By-Laws were distributed and Treasurer Pachon suggested they be reviewed instead at a future Executive/Finance Committee meeting with final approval of any amended by-laws by the full Board. No other discussion took place.

10. Director Nielsen was called upon regarding an update on Community Services Staff's Support for Foundation Committees. She reminded the Board of recent changes of Community Services Department staff including the promotions of Manager Palmer to Communications Manager and Supervisor Schneider to Superintendent. She commented that as the Committee's grow, so do the demands of staff. The January 28th staff report was referenced which listed the committees, staff assignments and changes to the staffing support. In addition, Analyst Silhanek updated the Committee on the recruitment for the part-time administrative staff person and informed them that interviews are scheduled for February 4th. It has been decided that Manager Sluka-Kelly will sit on the interview panel and the Board Members were asked if any were interested in being an interviewer as well. Treasurer Pachon and Members Barag and Rivera expressed their interest. Staff indicated they would get in contact with the Members regarding interview details.

11. Consideration of recommendation by the Foundation's Giving Committee's recommendation for Foundation support for Playhouse Programs for the 2015/16 Season was presented by Manager Sluka-Kelly. She distributed and reviewed the "Arts Giving History and 2015/16 Recommendations" sheet. Noted changes on the chart were *Presenting Sponsor – Mid Season Headliner* from \$8,000 to \$10,000 and RCCAF Scholarship Program from \$2,500 to \$3,500. Committee Chair Snyder added that the Committee met today and were in support of the staff's proposed financial support. No other discussion was held and the Board took action as follows:

MOTION: Moved by Chair Snyder, seconded by Member Barag, to approve the Community & Arts Foundation's support of the Victoria Gardens Cultural Center and Community Arts Programming for Fiscal Year 2015/16. Motion carried: 9-0-5 (Absent: Arguello, Brown, Bryan, Harrington and LeMond)

F. COMMITTEE UPDATES

1. *Golf Tournament* – Update given earlier
2. *Spring Events/Party Train* - No update given
3. *Monte Carlo Night Fundraiser* – Committee Co-Chair Chen informed the Board that the event had been moved to May 2nd and will be held at the Cultural Center. She indicated an email will be sent out regarding raffle items and sponsorships and she estimated the ticket price will be approximately \$80 each. The Board congratulated her and Member Barag on last year's successful event.
4. *Executive/Finance* - No update given
5. *Board Development* - No update given

6. *Arts Giving* – Brief discussion was held regarding the student scholarships which are currently open for high seniors to apply. Manager Sluka-Kelly indicated that staff would post the scholarship information on the Board's web-site.
7. *Major Gift* – No update given
8. *Marketing and Outreach* – Manager Sluka-Kelly informed the Board that the Foundation was featured in the Spring 2015 issue of "*The Grapevine*."

G. FOUNDATION BUSINESS

1. Manager Sluka-Kelly was called upon for Staff's Update on Foundation Sponsored Programs. She informed Members that the January 31st *Travis Tritt* show was selling well and that the MainStreet Theatre Company's production of *Mark Twain's "The Prince and the Pauper"* scheduled to run from February 28th through March 15th will include Foundation Family Flex Packs and Foundation Family Saturday on February 28th. Lastly she informed them that the Rancho Cucamonga Community Theatre will present "*The Taming of the Shrew*" which will take place at the Lewis Family Playhouse on April 18th through April 26th.
2. A brief review of the Board's Subcommittee and Board Meeting Schedules was led by Director Nielsen. She referenced the schedule contained in the agenda packet. No changes were made.

H. IDENTIFICATION OF ITEMS FOR FUTURE MEETINGS

There were no new items identified for the future meeting. Newly appointed Members Alexander, Baker and Haddon then provided brief backgrounds of themselves and why they decided to join the Board. A comment was also made that the Board meetings should be kept to two hours in length.

I. ADJOURNMENT

The Regular Rancho Cucamonga Community & Arts Foundation Meeting was officially adjourned at 8:12 p.m. with all Members present except Arguello, Brown, Bryan, LeMond and Harrington. Meeting adjourned at 8:12 p.m.

Respectfully submitted,

Melissa Morales
Senior Administrative Secretary

Approved by the Rancho Cucamonga Community & Arts Foundation: April 22, 2015
Motion carried: 8-0-6 (Absent: Alexander, Baker, Brown, Bryan, Chen and Rivera)