

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

AGENDA

SAN BRUNO COMMUNITY FOUNDATION

Special Meeting of the Board of Directors

January 4, 2017

6:30 p.m.

Meeting Location:

San Bruno Senior Center Library, 1555 Crystal Springs Road, San Bruno

In compliance with the Americans with Disabilities Act, individuals requiring reasonable accommodations or appropriate alternative formats for notices, agendas, and records for this meeting should notify us 48 hours prior to meeting. Please call the City Clerk's Office at 650-616-7058.

1. Call to Order/Welcome

2. Roll Call

- 3. Public Comment:** Individuals are allowed three minutes, groups in attendance, five minutes. If you are unable to remain at the meeting, contact the President to request that the Board consider your comments earlier. It is the Board's policy to refer matters raised in this forum to staff for research and/or action where appropriate. The Brown Act prohibits the Board from discussing or acting upon any matter not agendaized pursuant to State Law.

- 4. Closed Session:** Public Employee Performance Evaluation Pursuant to Government Code section 54957: Executive Director

5. Adjourn

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AGENDA

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

January 4, 2017

7:00 p.m.

Meeting Location:

San Bruno Senior Center, 1555 Crystal Springs Road, San Bruno

In compliance with the Americans with Disabilities Act, individuals requiring reasonable accommodations or appropriate alternative formats for notices, agendas, and records for this meeting should notify us 48 hours prior to meeting. Please call the City Clerk's Office at 650-616-7058.

1. Call to Order/Welcome

2. Roll Call

3. Approval of Minutes: December 7, 2016, Regular Board Meeting

4. Board Member Comments

- a. President
- b. Others

5. Executive Director's Report

6. Consent Calendar: All items are considered routine or implement an earlier Board action and may be enacted by one motion; there will be no separate discussion unless requested by a Board Member or staff.

- a. Receive and Approve Treasurer's Report (November 2016 Financial Statements)

7. Conduct of Business

- a. Receive Report from Ad Hoc Committee on Foundation Program Development and Approve Resolution Establishing 2017 Program Budgets for Crestmoor Neighborhood Memorial Scholarship Program and Community Grants Fund

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b. Receive Report from Ad Hoc Committee on Program Strategy Development
Regarding Strategic Initiatives in Partnership with the City of San Bruno

8. Public Comment: Individuals are allowed three minutes, groups in attendance, five minutes. If you are unable to remain at the meeting, contact the President to request that the Board consider your comments earlier. It is the Board's policy to refer matters raised in this forum to staff for research and/or action where appropriate. The Brown Act prohibits the Board from discussing or acting upon any matter not agendaized pursuant to State Law.

9. Adjourn

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

December 7, 2016

7:00 p.m.

Meeting Location:

San Bruno Senior Center, 1555 Crystal Springs Road, San Bruno

1. Call to Order/Welcome: President Nancy Kraus called the meeting to order at 7:00 p.m. She then asked for a moment of silence in memory of two victims of the recent Oakland Ghost Ship warehouse fire – Alex Vega, a San Bruno resident, and Michela Gregory, who grew up in San Bruno – and in honor of veterans on Pearl Harbor Day. She also thanked Secretary Roberts for service as an officer for the past three years.

2. Roll Call: Board Members Kraus, Hedley, Ross, Roberts, Bohm, McGlothlin, and Stanback Stroud, present.

3. Approval of Minutes: November 2, 2016, Regular Board Meeting: Vice President Hedley moved to approve the minutes of the November 2, 2016, Regular Board Meeting, seconded by Board Member McGlothlin, approved unanimously.

4. Board Member Comments

a. President: President Kraus summarized the Foundation's accomplishments on behalf of San Bruno in 2016: a proposal to the City Council for Foundation grant funding for Community Day, pedestrian safety measures, a new park on the east side of San Bruno, and a facilities vision plan for the City; establishing the Crestmoor Memorial Scholarship and providing \$100,000 in scholarships to students who have made significant contributions in San Bruno; establishing the Community Grants Fund, which, pending action Board action this evening, will provide \$200,000 to local organizations seeking to improve the quality of life for a cross-section of the community. She also acknowledged the steps the Foundation took to position itself to take possession of the \$70 million in restitution funds in 2016 and thanked Board members and the Executive Director for all their contributions to these accomplishments.

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b. Others: Secretary Roberts said that on the recommendation of a speaker at last month's Board meeting, she and her family attended the Capuchino High School concert the following evening and encouraged others to attend such community performances.

5. Executive Director's Report: Executive Director Hatamiya reported on several items related to the administrative operations of the Foundation. She introduced Stephanie Rutgers as the program consultant who is handling the day-to-day management of the Crestmoor Scholarship program; announced that she has executed a new one-year contract with accounting consultant Frank Bittner, who has ably supported the Foundation's finance functions; thanked the San Bruno City Council for approving the Foundation's 2017 officers at its November 22 meeting; informed the Board that Treasurer Ross has been added as a signatory to and former Treasurer Ben Cohn has been removed from the Foundation's Wells Fargo bank accounts; and reported that the reach of the Foundation's e-newsletter and traffic on sbcf.org remain fairly consistent with previous months.

6. Consent Calendar

- a. Adopt Resolution Ratifying Election of 2017 Officers
- b. Receive and Approve Treasurer's Report (October 2016 Financial Statements)

The Board considered item b in a single motion without discussion. Board Member McGlothlin moved to approve the Treasurer's Report, seconded by Secretary Roberts, approved unanimously.

7. Conduct of Business

Vice President Hedley asked for discussion of resolution a of the Consent Calendar. He said that he asked to remove this resolution from the Consent Calendar in order to acknowledge with appreciation that Nancy Kraus has again accepted the presidency of the Foundation, the tremendous amount of time she dedicates to the Foundation, and her engaged working relationship with the Executive Director.

Vice President Hedley moved to accept the resolution ratifying election of 2017 officers, seconded by Board Member McGlothlin, approved unanimously.

- a. Receive Recommendation from Community Grants Fund Review Panel and Adopt Resolutions Awarding 2016-2017 Community Grants Totaling \$200,000

President Kraus called on San Bruno Mayor Jim Ruane, who made brief remarks about the Community Grants Fund awards that the Board would consider and approve at this meeting. He said that the restitution funds from PG&E were intended to go out into the community, and he commended the Foundation for doing that with the Community Grants Fund and congratulated those organizations that would receive funding during the meeting.

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President Kraus thanked Board Member Bohm and Secretary Roberts for their work on the Ad Hoc Committee on Foundation Program Development to create the Community Grants Fund; she also thanked the members of the Review Panel who volunteered their time to review the Community Grants Fund grant applications.

Executive Director Hatamiya presented to the Board the recommendations of the Community Grants Fund Review Panel. She explained the application and review process and said that the Review Panel evaluated the applications based on five established program criteria: benefits of the proposed project to the San Bruno community; proposal's alignment with one of the Foundation's focus areas; project methodology and budget; requested grant amount in related to anticipated community benefit; and organization's track record, stability, and financial health. She reported that the Panel has recommended that the Board approve grant awards totaling the approved budget amount of \$200,000 for 14 projects that it concluded sufficiently satisfied the five criteria. She said these projects serve a broad cross-section of the San Bruno community, including students, people with disabilities, low-income and marginalized families, children, teenagers, young adults, and veterans. She reported that the Panel has also recommended that certain awards be subject to certain conditions, which are articulated in the written materials. She also said that the Panel declined to recommend grant awards for eight proposals, which generally fell within two categories – proposals that did not make a strong enough case for the need in and/or benefit to the San Bruno community, and proposals that failed to provide sufficient details and clearly explain how the funds would be used.

The Board considered the grant awards in three groups, as two Board members recused themselves from one or more of the grant recommendations.

Executive Director Hatamiya presented the first group of grants, which included 10 projects totaling \$154,820:

- \$12,074 to the Center for Independence of Individuals with Disabilities to fund emergency preparedness efforts for the disabled and elderly community in San Bruno;
- \$6,246 to the Edgewood Center for Children and Families to provide arts education and programming to at-risk young adults at Edgewood's San Bruno Drop-In Center;
- \$1,500 to Parent Boosters of 72 to provide financial assistance to Boy Scouts in Troop 72 working on Eagle Scout projects that benefit the San Bruno community;
- \$10,000 to Peninsula Association for Retarded Children and Adults (Parca) to support program operating costs for REACH, an inclusive, licensed day- and after-school program for children with and without developmental disabilities;
- \$25,000 to Project Read/City of South San Francisco to continue and expand literacy services to low-income San Bruno parents and children with Learning Wheels, Project Read's literacy van;
- \$10,000 to Prospects Basketball Academy to fund uniforms and scholarships for low-income participants in Prospects' San Bruno girls basketball program;
- \$25,000 to the San Bruno Lions Foundation to support rehabilitation and improvements to the City-owned Belle Air Community Building in east San Bruno;
- \$25,000 to Social Good Fund, Inc., as fiscal sponsor for American Legion Post 409, to support community building rehabilitation and renovations;

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- \$25,000 to The Society of St. Vincent de Paul, Particular County of San Mateo, Inc. to provide services to San Bruno families facing homelessness and other human services to San Bruno families through the organization's Peninsula Family Resource Center and San Bruno Store; and
- \$15,000 to Via Heart Project to provide hands-on CPR and AED training for San Bruno middle and high school students.

Representatives of the organizations being recommended to receive grant funding briefly spoke about their organizations and the projects to be funded and thanked the Board for considering their grant applications. These speakers included Diana Conti, Executive Director of Parca; Laura Bowen, an Independent Living Generalist with the Center for Independence of Individuals with Disabilities; Mark Eschen, President of Parent Boosters of 72; Karla Bourdon and Pat Jarvis of Project Read; Erica Lyons of Via Heart Project; Krissy Lagomarsino representing St. Vincent de Paul of San Mateo County; Steve Hoff of Prospects Basketball Academy; Kathryn Marinos, President of the San Bruno Lions Foundation; and Richard Pierce representing Social Good Fund and American Legion Post 409.

Board Member Stanback Stroud moved to approve the resolution awarding 2016-2017 Community Grants totaling \$154,820, seconded by Board Member McGlothlin, approved unanimously.

In light of her professional association with the San Bruno Park School District and her past volunteer involvement with the Capuchino High School Alumni Association, President Kraus recused herself from consideration of the second set of grants and departed from the room, turning over presiding officer duties to Vice President Hedley.

Executive Director Hatamiya presented the second group of grants, which included three projects totaling \$44,180:

- \$19,180 to the Capuchino High School Alumni Association to support the revitalization of music education and community performance at Capuchino High School and kick start Capuchino Music Boosters;
- \$14,000 to the San Bruno Education Foundation to improve Parkside Intermediate School's music program through the purchase of musical instruments and the creation of specialty performance groups; and
- \$11,000 to the San Bruno Education Foundation to provide music programs to second and third graders at the three Title I elementary schools in the San Bruno Park School District that do not currently offer any music programs (Allen, Belle Air, and Rollingwood).

Scott Curtner, President of the San Bruno Education Foundation, Paul Linden, a Board member of the San Bruno Education Foundation and the parent of a Capuchino High School student, and Shannon Jacobs representing the Capuchino High School Alumni Association thanked the Board for its consideration.

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Board Member Stanback Stroud moved to approve the resolution awarding 2016-2017 Community Grants to the Capuchino High School Alumni Association and the San Bruno Education Foundation totaling \$44,180, seconded by Board Member Bohm, approved unanimously (President Kraus recused).

President Kraus rejoined the meeting and re-assumed presiding officer duties. In light of his daughter's active involvement with the American Cancer Society's Relay for Life, Vice President Hedley recused himself from consideration of the third set of grants and departed from the room.

Executive Director Hatamiya presented the final grant of \$1,000 to the American Cancer Society/Relay for Life to provide services to San Bruno cancer patients and caregivers.

Pam Riechel, a Relay for Life event leader, thanked the Board for its consideration.

Secretary Roberts moved to approve the resolution awarding 2016-2017 Community Grant to the American Cancer Society/Relay for Life in the amount of \$1,000, seconded by Board Member Stanback Stroud, approved unanimously (Vice President Hedley recused).

- b. Receive Report from Ad Hoc Committee on Foundation Program Development Regarding Crestmoor Neighborhood Memorial Scholarship Program

Representing the Ad Hoc Committee on Foundation Program Development, Chair Bohm gave a brief report on the Crestmoor Neighborhood Memorial Scholarship. She reported that the 2017 program will launch in December, when the online application will be accessible and updated marketing materials will be distributed to local schools and throughout the community. She reported that the Foundation would be offering scholarships in the same three categories as last year: (1) high school to four-year college, \$20,000; (2) high school to community college, \$5,000; and (3) community college to four-year, \$10,000. She said that the application deadline is March 15, 2017, and that the Board may consider changes to the program budget allocation at the January Board meeting.

- c. Receive Report from Ad Hoc Committee on Program Strategy Development Regarding Proposals to the San Bruno City Council Related to Near-Term Projects

Committee Chair Kraus reported on three of the Foundation's strategic projects with the City of San Bruno and mentioned that the Committee meets monthly with a subcommittee of the City Council comprised of Mayor Ruane and Councilmember Irene O'Connell to discuss progress of the four projects. First, she reported on the Foundation's sponsorship of Community Day 2017. She said that, as previously reported, the Committee had secured \$5,000 sponsorships from Skyline College and YouTube; she also reported that the two committees discussed benefits to be offered to sponsors, including logo recognition in event marketing materials.

Second, she reported on the Foundation's grant to the City for completion of a community facilities vision plan focused on the Foundation's capital project strategic priorities and related facilities. She reported that the first round of community outreach conducted by Anderson Brule

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Architects attracted more than 400 community participants. She said that the second community forum took place last week, with more than 100 people in attendance to provide feedback on prioritizing four community facility projects (library, recreation center, community center, and pool). She encouraged community members to take the online survey posted on the City's website and to participate in the pop-up events

In conclusion, President Kraus reported on the Foundation's partnership with the City for pedestrian safety improvements. She said that the Committee discussed with the Council subcommittee the idea of a pedestrian safety initiative, including corporate partners, to install flashing beacons at certain crosswalks near schools, in the downtown area, and in other designated locations. She reported that the City is in the process of reviewing analysis by a traffic engineering consultant to recommend locations for, and determining the cost of, the flashing beacon installations.

d. Receive Report from Ad Hoc Committee on Music Education Strategic Initiative

President Kraus recused herself from discussion of this agenda item due to her professional association with the San Bruno Park School District and her past volunteer involvement with the Capuchino High School Alumni Association. Vice President Hedley presided over this agenda item.

Committee Chair Roberts reminded the Board that it approved the creation of the Ad Hoc Committee on Music Education Strategic Initiative at the November Board meeting, charged with developing a realistic and sustainable plan to bolster music education in San Bruno's public schools to bring to the Board for consideration. She reported that the Committee convened a working group of representatives from Capuchino High School, Capuchino High School Alumni Association, San Bruno Park School District, and San Bruno Education Foundation, which met earlier in the week. She reported that the meeting included background on the Foundation, a summary of the school's current music education offerings, a visioning exercise on the goals and outcomes for music education in San Bruno, and a discussion of next steps. She said the group will meet again in January, with the goal of bringing a proposal for the Board to consider in April.

e. Receive Report from Investment Committee

Treasurer Ross, who serves as Chair of the Investment Committee, reported on the Committee's recent quarterly meeting, which was held on November 16. He complimented the Foundation's investment team at Sand Hill Global Advisors for their attentiveness and responsiveness. He reviewed the role of the Investment Committee, including providing guidance to the Board on all aspects of the investment management process. He reported that at the Committee meeting, the Sand Hill team provided an overview of the market. He reviewed the growth in the Foundation's investment portfolio since taking possession of the restitution funds in late May and also reminded the Board that minor fluctuations in the value of the portfolio is reasonable and to be expected. He announced that the next Investment Committee meeting will be on February 15, 2017, 4:30 p.m., at San Bruno City Hall, Room 101.

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Community member David Nigel acknowledged President Kraus and the Board for their leadership, welcomed Treasurer Ross to the Board and complimented the Board on its creation of the Crestmoor Neighborhood Memorial Scholarship, its support for Community Day, and its development of a music education initiative.

8. Public Comment: Carolyn Livengood thanked the Board for awarding a community grant to help fund renovations of the American Legion Post 409 building.

9. Adjourn: Vice President Hedley moved to adjourn the meeting at 8:17 p.m., seconded by Board Member McGlothlin, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of January 4, 2016, by 2016 Secretary Emily Roberts and President Nancy Kraus.

Emily Roberts, 2016 Secretary

Nancy Kraus, President

SAN BRUNO

Community Foundation

Memorandum

DATE: December 28, 2016

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

Since the December 7, 2016, Board meeting, I have continued to focus on supporting the committees charged with administering the Community Grants Fund and Crestmoor Scholarship Program and partnering with the City on strategic projects, which will be covered during the business portion of the January 4, 2017, regular Board meeting.

In addition, I have handled a variety of other matters, including the following:

1. Music Education Strategic Initiative

The Ad Hoc Committee on Music Education Strategic Initiative has scheduled a second meeting for its working group, which consists of representatives of Capuchino High School, the San Bruno Park School District, the Capuchino High School Alumni Association, and the San Bruno Education Foundation, in mid-January. The Committee plans to report on its progress at the February Board meeting.

2. Community Grants Fund

With the assistance of the Foundation's nonprofit counsel, I developed a standard grant agreement that will document all grant awards made through the Community Grants Fund. I have been in contact with all of the organizations awarded grants at the December Board meeting to execute the grant agreements and to arrange for in-person grant check presentations, as appropriate. President Nancy Kraus is scheduled to present a grant check to Prospects Basketball Academy on December 30. As grant check presentation opportunities are established, I will schedule Board members to serve as presenters.

3. Crestmoor Neighborhood Scholarship

The Crestmoor Scholarship launched on December 9. Marketing materials have been distributed to area high schools, community colleges, and local businesses. The online application is available on the Foundation website, sbcf.org, and a small number of students has already registered to complete the application. The application deadline is March 15, 2017.

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Community Foundation

Memorandum

I want to thank Program Consultant Stephanie Roberts and our IT team at Shake Technologies for ensuring the on-schedule launch of the program. The online application now feeds into our Salesforce database, which will streamline the review process. Ms. Rutgers and I will be holding a scholarship application workshop at Capuchino High School in mid-January. Ms. Rutgers is also reaching out to the 2016 Crestmoor Scholars to document their stories and how the scholarship has benefited them.

4. Email Newsletter and Website Hits

The reach of our e-newsletter increased slightly in December. For the e-newsletter that was sent on December 12 and featured information on Community Grants Fund awards and the December 7 Board meeting, of the 560 emails sent, 46% of the recipients opened the email (compared with 40% for the November e-newsletter), and the e-newsletter was viewed, either in email or as posted on the web, 779 times (increase of 34%).

According to Google Analytics, activity on the sbcf.org website also saw an increase in December, likely as a result of the Community Grants announcement. In the past month, 299 users (an increase of 50% over the past month) engaged in 513 sessions (also an increase of more than 50%) on the Foundation website, for a total of 1,137 page views (55% increase).

SAN BRUNO

Community Foundation

Memorandum

DATE: December 28, 2016

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Consent Calendar for the January 4, 2017, Regular Board Meeting

For the January 4, 2017, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes one item related to administrative and operational functions of the Foundation:

1. Receive and Approve Treasurer's Report (November 2016 Financial Statements)

The November 2016 financial statements consist of a Budget Report and Balance Sheet. The attached Budget Narrative provides a thorough explanation of the financial statements. The Budget Report includes the budget figures approved at the June 1, 2016, Board meeting.

I recommend that the Board approve the Treasurer's Report as part of the Consent Calendar.

Attachments:

1. November 2016 Financial Statements

SAN BRUNO

Community Foundation

November 2016

Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) of the monthly Budget Report. When projections vary from Budget (column b), the changes will be reflected in columns d (Final Expected Amount) and e (Change in Budget), and also be explained. First five months equal 41.7% of the fiscal year.

INCOME

Line 1 Transfers from Quasi Endowment – None planned for this fiscal year.

Line 2 Transfers from Strategic Pool – Entire budget amount, \$1,341,290 has been transferred to the Liquidity Pool to cover 2016-17 fiscal year expenses.

Line 3 Interest Income – \$3,051 is 76.3% of budget. High balance has been maintained in Liquidity Pool as year to date expenses are less than 10% of budget.

EXPENSES

Line 8 Subtotal Direct Program Expenses – No Scholarships or Grants have been recorded this year through November. In December, Board approved Community Grants totaling \$200,000, and the Foundation executed a Grant Agreement for \$30,000 to the City to support Community Day 2017.

Line 9 Salaries & Wages – Expense is exactly on budget at 41.7%.

Line 10 Payroll Taxes & Benefits – \$8,621 is 34.5% of budget. Social Security/Medicare (\$2,979) will be the largest cost, but is lower at the end of the calendar year. Other costs include retirement (\$3,646), accrued vacation (\$1,170), and workers' compensation insurance (\$709).

Line 12 Occupancy – Only cost is office lease (\$5,379). Amount is 40.4% of budget.

Line 13 Insurance – \$6,950 is 41.6% of budget and includes Directors & Officers (\$5,366), crime (\$1,180), and commercial liability (\$404) policies.

Line 14 Telecommunications – \$789 is 45.7% of budget and includes cellular (\$374), internet (\$271), and land line.

Line 15 Postage & Shipping – \$1,547 is 36.9% of budget. Most of the cost (\$1,349) incurred in August to distribute annual report to community.

Line 16 Marketing & Communications - \$7,639 is 47.8% of budget and 90% was for graphic design and printing of annual report (\$6,865).

Line 17 Office Supplies – \$709 is 25% of budget. Largest cost is for toner (\$345).

Line 19 Legal Fees – \$6,600 is 20.1% of budget and is for advice regarding Grants (\$3,330) and administrative issues (\$3,270). Budget includes a portion of San Bruno City Attorney cost, which has not been billed nor accrued pending City approval of the agreement.

Line 20 Auditor & Payroll Fees – \$9,214 is 84.2% of budget. Auditor fees (\$8,500) have been paid in full and represent 92% of the total.

Line 21 Other Consultants - \$8,152 is 13.3% of budget and includes Accounting consultant (\$7,144) and Program support (\$1,008).

Line 22 Travel, Meetings & Conferences – \$1,380 is 19.1% of budget. 93% of the total has been for Board meetings.

Line 23 Miscellaneous – \$744 equals 29.8% of budget with an organizational membership (\$350) and Attorney General filing fee (\$300) representing most of the cost.

SUMMARY

After adjusting for \$975,000 budgeted for Scholarships & Grants, total expenses are at 35.3% of budget, which is well below 41.7% benchmark for the first five months of the year. In terms of dollars, the \$130,641 in expenses is \$23,647 less than the 41.7% budget allocation. The only two line items significantly over budget, Marketing & Communications and Auditor & Payroll Fees are that way due to the timing of annual report production and the audit early in the fiscal year.

November investment net loss was <\$369,144>, bringing year-to-date net investment loss to <\$13,376>. The November loss came from the Strategic Pool <\$509,044> less Quasi Endowment gain of \$139,900 resulting in year-to-date amounts of <\$436,639> (Strategic) and \$423,263 (QE).

Total Net Assets, as of November 30, 2016 are \$70,056,650 with \$15,541,382 in Quasi Endowment and \$54,515,268 in general Unrestricted funds.

SAN BRUNO

Community Foundation

November 2016 2016-2017 Budget Report

| | (a) | (b) | (c) | (d) | (e) |
|---|------------------------|------------------|-----------------------------------|-----------------------------|-----------------------------|
| | Actual Year to Date | Budget | Actual as % of Budget (a/b) | Final Expected Amount | Change in Budget (d - b) |
| INCOME & TRANSFERS | | | | | |
| 1 Transfers from Quasi Endowment | \$ - | \$ - | | \$ - | \$ - |
| 2 Transfers from Strategic Pool | 1,341,290 | 1,341,290 | 100.0% | 1,341,290 | - |
| 3 Interest Income | 3,051 | 4,000 | 76.3% | 4,000 | - |
| 4 Total Available for Operations | 1,344,341 | 1,345,290 | 99.9% | 1,345,290 | - |
| EXPENSES | | | | | |
| 5 Crestmoor Scholarships | | 100,000 | | 100,000 | - |
| 6 Community Grants Fund | | 200,000 | | 200,000 | - |
| 7 Strategic Grants | | 675,000 | | 675,000 | - |
| 8 Subtotal Direct Program Expenses | - | 975,000 | 0.0% | 975,000 | - |
| 9 Salaries & Wages | 72,917 | 175,000 | 41.7% | 175,000 | - |
| 10 Payroll Taxes & Benefits | 8,621 | 25,022 | 34.5% | 25,022 | - |
| 11 Subtotal Personnel Expenses | 81,538 | 200,022 | 40.8% | 200,022 | - |
| 12 Occupancy | 5,379 | 13,314 | 40.4% | 13,314 | - |
| 13 Insurance | 6,950 | 16,698 | 41.6% | 16,698 | - |
| 14 Telecommunications | 789 | 1,728 | 45.7% | 1,728 | - |
| 15 Postage & Shipping | 1,547 | 4,187 | 36.9% | 4,187 | - |
| 16 Marketing & Communications | 7,639 | 15,978 | 47.8% | 15,978 | - |
| 17 Office Supplies | 709 | 2,832 | 25.0% | 2,832 | - |
| 18 Office Equipment & Furniture | - | 1,000 | 0.0% | 1,000 | - |
| 19 Legal Fees | 6,600 | 32,781 | 20.1% | 32,781 | - |
| 20 Auditor & Payroll Fees | 9,214 | 10,940 | 84.2% | 10,940 | - |
| 21 Other Consultants | 8,152 | 61,100 | 13.3% | 61,100 | - |
| 22 Travel, Meetings & Conferences | 1,380 | 7,210 | 19.1% | 7,210 | - |
| 23 Miscellaneous | 744 | 2,500 | 29.8% | 2,500 | - |
| 24 Subtotal Non-Personnel | 49,103 | 170,268 | 28.8% | 170,268 | - |
| 25 Total Expenses | 130,641 | 1,345,290 | 9.7% | 1,345,290 | - |
| 26 Net Surplus/(Loss) | \$ 1,213,700 | \$ - | | \$ - | \$ - |

SAN BRUNO

Community Foundation

Statement of Financial Position as of November 30, 2016

ASSETS

| | | |
|---------------------------------------|---------------|-------------------------|
| Cash, Wells Fargo General | \$ 10,806.60 | |
| Cash, Wells Fargo Payroll | 25,338.39 | |
| Cash, Wells Fargo Savings | 23,052.75 | |
| Cash, Fidelity Liquidity Pool | 1,139,544.66 | |
| Total Cash | | 1,198,742.40 |
| Investments, Fidelity Quasi-Endowment | 15,541,382.50 | |
| Investments, Fidelity Strategic Pool | 53,352,190.56 | |
| Accrued Interest Receivable | 48,128.40 | |
| Total Investments | | 68,941,701.46 |
| Prepaid Rent | 1,075.86 | |
| Prepaid Insurance | 4,751.68 | |
| Total Other Current Assets | | 5,827.54 |
| Deposits | 1,335.45 | |
| Total Other Assets | | 1,335.45 |
| TOTAL ASSETS | | <u>\$ 70,147,606.85</u> |

LIABILITIES & NET ASSETS

LIABILITIES

| | | |
|------------------------------|-----------|-----------|
| Accounts Payable | 9,129.57 | |
| Accrued Scholarships Payable | 70,000.00 | |
| Accrued Employee PTO | 11,827.05 | |
| Total Liabilities | | 90,956.62 |

NET ASSETS

| | | |
|--|---------------|--|
| Unrestricted, Non-QE 7/1/2016 Balance | 55,079,496.41 | |
| Year to Date Net Income from Operations | (127,589.70) | |
| Year to Date Strategic Investment Income | (436,638.98) | |
| Total Non-QE Net Assets | 54,515,267.73 | |
| Quasi-Endowment 7/1/2016 Balance | 15,118,119.77 | |
| Year-to-date QE Investment Income | 423,262.73 | |
| Total Quasi-Endowment Net Assets | 15,541,382.50 | |

| | | |
|---|---------------|-------------------------|
| Total Unrestricted Net Assets | 70,056,650.23 | |
| TOTAL LIABILITIES & NET ASSETS | | <u>\$ 70,147,606.85</u> |

SAN BRUNO

Community Foundation

Memorandum

DATE: December 28, 2016

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from the Ad Hoc Committee on Foundation Program Development
Re: 2017 Program Budgets for Crestmoor Neighborhood Memorial
Scholarship Program and Community Grants Fund

At the January 4, 2017, Board meeting, the Ad Hoc Committee on Foundation Program Development will give its final report and make a recommendation on the 2017 program budgets for the Crestmoor Neighborhood Memorial Scholarship and the Community Grants Fund. The two Board members who serve on the Committee are Patricia Bohm, who serves as chair, and Secretary Emily Roberts.

In 2016, the Foundation offered both the Crestmoor Scholarship and the Community Grants Fund for the first time. The Foundation distributed \$100,000 in Crestmoor Scholarships in the spring of 2016. In December, the Board approved the first set of Community Grants totaling \$200,000.

The 2016-2017 fiscal year budget that the Board approved in June 2016 allocated \$100,000 for the Crestmoor Scholarship, mirroring the 2016 allotment (the next Community Grants Fund allocation will be included in the 2017-2018 budget). At that time, I recommended that the Board have a discussion in January 2017, after the first Community Grants Fund cycle concluded, to consider making any adjustments to the program disbursement budget for both programs in 2017. Having the discussion at this time – after both programs have concluded their first complete cycle – allows the Board to better evaluate the community demand and support for the programs.

In December, the Committee met to discuss the level of program disbursements for the second iteration of the Crestmoor Scholarship and the Community Grants Fund. Based on the experience of the first year of running both programs, the Committee is recommending to the Board that the Foundation increase scholarship funding in 2017 to \$120,000 and maintain Community Grants Fund awards at the 2016 level (\$200,000).

1. Crestmoor Neighborhood Memorial Scholarship

The purpose of the Crestmoor Scholarship is to help outstanding San Bruno students, who have demonstrated a strong commitment to the San Bruno community, obtain a college degree and to honor the community members who most directly endured the

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destruction of the 2010 gas pipeline explosion in the Crestmoor neighborhood. In 2016, the Foundation awarded seven Crestmoor Scholarships totaling \$100,000:

- Four scholarships, each worth \$20,000 (\$5,000 per year for four years), to high school seniors headed to four-year colleges, for a total of \$80,000
- Two scholarships, each worth \$5,000 (\$2,500 per year for two years), to high school seniors headed to community college, for a total of \$10,000
- One scholarship, worth \$10,000 (\$5,000 per year for two years), to a community college student transferring to a four-year college

In 2016, the Foundation received 45 applications (40 from high school seniors planning to enroll in a four-year college or community college, and five from community college students planning to transfer to a four-year institution). The applicant pool was competitive, and selecting the small number of recipients presented a challenge for the Selection Panel, with many well-qualified applicants not receiving awards. The application pool resulted from an abbreviated application period, where the Foundation launched the program in early February six weeks before the mid-March deadline. With the publicity the program attracted in its first year, a longer application period (three months), and increased marketing efforts, particularly in partnership with local high schools and community colleges, we anticipate that the Foundation will receive a larger, and possibly more competitive, applicant pool in 2017, particularly in the high school to community college and community college to four year categories. We believe we will be able to award more scholarships in 2017 without a decline in the quality of the recipients.

As a result, the Committee would like to increase the number of scholarships awarded, particularly to allow for additional scholarships to high school seniors attending community college and community college students transferring to a four-year college. At the same time, the Committee is cautious about a significant increase in the program budget in just the second year of the program. The Committee is cognizant of other budget pressures and uncertainties, including the likelihood of the Board soon making a significant commitment to the City to help fund one or more community facilities, consideration of the music education initiative and other potential strategic initiatives, and future quasi-endowment payout scenarios. The Committee is reluctant to recommend more than a \$20,000 increase at this time.

The distribution of an additional \$20,000 would depend on the strength of the applicant pool for each category to support additional scholarships in those categories, and the \$20,000 figure allows for the most flexibility given the award amounts for each category. Possible scenarios include:

- One additional community college to four year (\$10,000) and two additional high school to community college (\$5,000 x 2 = \$10,000)

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- Four additional high school to community college (\$5,000 x 4 = \$20,000)
- Two additional community college to four year (\$10,000 x 2 = \$20,000)
- One additional high school to four year (\$20,000)

Thus, the additional \$20,000 would allow for one to four additional scholarship awards. The Committee believes this relatively modest increase would balance both a desire to provide more scholarships to what is anticipated to be a deserving applicant pool and a concern for other financial demands and the ability to sustain this level of funding over the long term.

2. Community Grants Fund

The purpose of the Community Grants Fund is to invest in the many local organizations that form the lifeblood of San Bruno by offering grants of up to \$25,000 to fund new and existing programs and projects that benefit the San Bruno community. In late 2016, the Board approved grants for 14 projects totaling \$200,000. The grants range in size from \$1,000 to \$25,000.

In the Committee's view, the \$200,000 available in 2016 was appropriate for the applicant pool and allowed grants to be awarded to a diverse set of projects that serve a broad cross-section of the community. The Foundation received 23 applications requesting more than \$400,000. Many applications requested the maximum \$25,000; only four of the grants awarded were ultimately for \$25,000. The Review Panel was able to come to consensus on the award recommendations without significant debate.

Given the experience of the first year's application review process and the budget pressures and uncertainties mentioned above, the Committee is recommending that the grant allocation for the 2017-2018 Community Grants Fund cycle to remain at \$200,000. It is possible that the Foundation will see an increase in applications in its second year, as more organizations learn about the opportunity and are in a better position to apply. However, unlike with the Crestmoor Scholarship, the Foundation was not rushed in launching the program, and there was a three-month application period with substantial marketing throughout town and three well-attended grant workshops, so a bump in the number of applications is less of a given as it is with the scholarship program.

With regard to both programs, the Committee believes that future budget adjustments may be appropriate, especially once the programs have been running for a longer time period. The Board will have the opportunity to evaluate the appropriate budget levels for both the Crestmoor Scholarship and the Community Grants Fund each year during the annual budget process. The Board's action on January 4 will affect only the 2017 allocations for both programs.

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I recommend that the Board support the Committee's recommendation and approve the resolution establishing 2017 program budgets for Crestmoor Neighborhood Memorial Scholarship Program and Community Grants Fund. Passage of this resolution would result in an increase of \$20,000 in the allocation for the Crestmoor Scholarship as passed in the 2016-2017 budget last June.

Finally, I note that with the conclusion of the first cycle for both the Crestmoor Scholarship and Community Grants Fund, the recommendation on 2017 budget levels based on the first cycle is the Committee's final task under its original charge, and, thus, the Committee's work has concluded. I want to thank Chair Bohm and Committee Member Roberts for their service on this Committee; their leadership spearheaded the successful vision for and launch of these two important programs.

Attachment:

- Resolution Establishing 2017 Program Budgets for Crestmoor Neighborhood Memorial Scholarship Program and Community Grants Fund

RESOLUTION NO. 2017-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
ESTABLISHING 2017 PROGRAM BUDGETS FOR CRESTMOOR NEIGHBORHOOD
MEMORIAL SCHOLARSHIP PROGRAM AND COMMUNITY GRANTS FUND**

WHEREAS, the San Bruno Community Foundation launched the Crestmoor Neighborhood Memorial Scholarship in 2016, awarding \$100,000 to seven outstanding San Bruno high school seniors and community college students in a competitive application process;

WHEREAS, the Foundation awarded 14 grants totaling \$200,000 to local organizations for projects benefiting the San Bruno community through the Community Grants Fund in late 2016;

WHEREAS, the Ad Hoc Committee on Foundation Program Development reviewed the applicant pool, review process, and operations of both programs in 2016;

WHEREAS, the Committee also weighed other budget pressures and uncertainties, including possible upcoming strategic grant allocations and projected quasi-endowment payout levels;

WHEREAS, after such review, the Committee recommends a modest increase in the amount of Crestmoor Scholarship funds available for disbursement in 2017 and the same level of grant funding through the Community Grants Fund in 2017;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves a program disbursement budget of \$120,000 in scholarship awards through the Crestmoor Neighborhood Memorial Scholarship in the 2016-2017 fiscal year, an increase of \$20,000 from the budget allocation the Board originally approved on June 1, 2016.

RESOLVED FURTHER that the Board of Directors approves a program disbursement budget of \$200,000 in grant awards through the Community Grants Fund in the 2017-2018 fiscal year.

Dated: January 4, 2017

ATTEST:

John McGlothlin, Secretary

I, John McGlothlin, Secretary, do hereby certify that the foregoing Resolution No. 2017-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 4th day of January, 2017, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

SAN BRUNO

Community Foundation

Memorandum

DATE: December 28, 2016

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from the Ad Hoc Committee on Program Strategy Development Regarding Strategic Initiatives in Partnership with the City of San Bruno

Since January 2016, the Ad Hoc Committee on Program Strategy Development has been working with a corresponding subcommittee of the San Bruno City Council (consisting of Mayor Jim Ruane and Councilmember Irene O'Connell) on four strategic grant opportunities in partnership with the City:

- Community Facilities Vision Plan (grant of up to \$300,000)
- Community Day (grants of \$30,000 each for both 2016 and 2017)
- New Park Development at 324 Florida Avenue (grant of up to \$200,000 for park design and construction)
- Pedestrian Safety Improvements (grant of up to \$170,000)

At the January 4, 2017, Board meeting, President Nancy Kraus, as chair of the Ad Hoc Committee on Program Strategy Development (which also includes Vice President Frank Hedley and Board Member Regina Stanback Stroud), will provide the Board with an update on two of the projects.

1. Community Facilities Vision Plan

As previously mentioned, the City has engaged with Anderson Brule Architects (ABA) to lead a Community Facilities Vision Planning Process that will allow for significant community input. To ensure that the process is completed by early 2017, the process is focusing on four possible community facility improvements – library, recreation center, community center, and pool. The process is meant to allow the community to provide input for these goals for these facilities and prioritize them.

ABA completed its second round of outreach in mid-December (Community Forum in late November, online survey, and “pop-up” events at the Parkside Intermediate School Winter Concert and the Shops at Tanforan).

In mid-December, the project Core Team, which includes the Committee, myself, the City Council subcommittee, and City senior staff members, met with the ABA consultants. The ABA team was pleased with the level of community participation

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throughout the process and is in the process of compiling the results and preparing them for presentation to the City leadership.

The City has scheduled a joint meeting of City commissions and committee for 7:00 p.m. on Monday, January 23, 2017, at the San Bruno Senior Center, at which the ABA team will make a thorough presentation of its findings. The ABA team will then appear before the City Council at its regular February 14, 2017, meeting with an abbreviated presentation of its findings, along with its conclusions and recommendations. The Committee encourages all Board members, as well as members of the public, to attend both meetings, as the ABA reports will likely lead to the City Council making decisions about the community facility projects and approaching the Foundation for financial support.

2. Community Day 2017

As you will recall, in November the Board approved a \$30,000 strategic grant to support the City's annual Community Day in June 2017 and agreed to accept donations earmarked for Community Day that will be granted to the City. In December the City Manager and I executed the grant agreement documenting this grant. City staff also provided a list of marketing and other benefits Community Day event sponsors will receive at various sponsorship levels, which I have shared with other committed and potential sponsors, including YouTube and Skyline College.