



## **Shasta College Foundation**

Executive Committee Meeting Agenda

11555 Old Oregon Trail, Board Room

Friday, June 23<sup>rd</sup>, 2023 at 12:00 p.m.

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### **1. Open Session**

1.1 Call to Order & Roll Call

1.2 Call for Request to Speak on an Agenda Item from the Audience

### **2. Approval/Review of Minutes**

2.1 Approval of Minutes from the March 30, 2023 Executive Committee Meeting (attached)

### **3. Reports & Updates**

3.1 Special Report: Shasta College Attainment and Innovation Lab for Equity (SCAILE)

- Speaker: Dr. Kate Mahar, Associate Vice President of Innovation & Strategic Initiatives/Executive Director of SCAILE

3.2 Adhoc Policy Review Subcommittee Update

3.3 Foundation Sponsored Events Report

3.4 Finish Line Scholars Report

3.5 Scholarship Report

3.6 Foundation Investments Report

### **4. Discussion/Action Items**

4.1 Approval of the Strategic Plan (attached)

4.2 Approval of Policy#100 – Endowments, Distributions, & Fees Policy (attached)

4.3 Discussion of the technology road map

4.4 Approval of the 2023-2024 Budget

### **5. Executive Committee Member Updates**

### **6. Setting of Future Meeting Date**

### **7. Public Comments from the Audience**

### **8. Adjournment**

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## Shasta College Foundation

Minutes of the Executive Meeting  
11555 Old Oregon Trail, Board Room

Thursday, March 30<sup>th</sup>, 2023 at 12:00 p.m.

**DRAFT**

### 1. OPEN SESSION

#### ***1.1 Call to Order & Roll Call***

The meeting was called to order at 12:02 p.m.

#### **Executive Committee Members Present**

- Mr. Joe Gibson, President
- Ms. Star Alfaro, Vice President
- Ms. Jennifer Finnegan, Secretary/Treasurer
- Ms. Rhonda Nehr, Representative for the Shasta College Board of Trustees
- Ms. Tiffany Blasingame
- Mr. Hiram Oilar
- Dr. Joe Wyse (Ex-Officio Non-Voting Member)
- Ms. Andree Blanchier, Executive Director (Ex-Officio Non-Voting Member)

#### **Executive Committee Members Absent**

- Mr. Mike Mari

#### ***1.2 Call for Request to Speak on an Agenda Item from the Audience***

There were no requests.

### 2. APPROVAL/REVIEW OF MINUTES FROM THE JANUARY 24, 2023 EXECUTIVE COMMITTEE RETREAT

#### ***2.1 Approval of the Minutes from the January 24, 2023 Executive Committee Retreat (attached)***

The minutes from the January 24, 2023 retreat were approved unanimously.

***Approve the Minutes from the January 24, 2023 Executive Committee Meeting Motion by Jennifer Finnegan/Star Alfaro,***

***Final Resolution: Motion Carries***

***Yea: Star Alfaro, Tiffany Blasingame, Jennifer Finnegan, Joe Gibson, Rhonda Nehr, Hiram Oilar***

### 3. REPORTS & UPDATES

#### ***3.1 Special Report: Shasta College Economic & Workforce Development***

Ms. Blanchier welcomed and introduced special guest Ms. Ioanna Iatridis, Associate Vice President of Economic and Workforce Development (EWD), who provided a special report about the services and work in EWD.

Overall, the mission of EWD is to support the economic prosperity of our community and our nation. In 1996, the Education Code was amended with language making it part of the statutory mission of community colleges to support the needs of industry and the economic growth and global competitiveness of California. This includes education for reskilling or upskilling to close skill gaps, and connecting our students who will be entering the workforce with job creators. Programs within EWD include: apprenticeships and pre-apprenticeships, adult education, non-credit education, community education, contract education, the Career Café, employer partnerships, marketing and outreach, and the Center of Excellence. This is significant as Shasta College is the only California Community College to put all of the programs in one, cohesive division.



## Shasta College Foundation

Minutes of the Executive Meeting  
11555 Old Oregon Trail, Board Room

Thursday, March 30<sup>th</sup>, 2023 at 12:00 p.m.

**DRAFT**

The focus on Career Technical Education (CTE), then known as vocational education, started in 1963 when Congress passed the Vocational Education Act of 1963. The Carl D. Perkins Vocational and Technical Education Act (simply known as “Perkins”) was first authorized by Congress in 1984 to increase the quality of technical education within the United States to support the economy, and was reauthorized by Congress in 1990, 1998, and 2006. In 2018, Congress reauthorized the act again, now titled The Strengthening Career and Technical Education for the 21<sup>st</sup> Century Act, and included nearly \$1.4 billion in annual funding to states. The current focus of Perkins is to improve career-technical education programs, integrate academic and career-technical instruction, serve special populations, and meet gender equity needs.

Congress appropriates funding to states based on population. California receives the majority of the federal funds, about \$139 million, and distributes it to community colleges through the Department of Education and the Chancellor’s Office. Shasta College receives \$400,000 annually.

Additionally, EWD receives \$3.7 million for the Strong Workforce Program, an initiative to expand CTE programs in California Community Colleges and to encourage cross sector collaboration, employer engagement, and regional partnerships. These funds support strong workforce locally and regionally. One of the requirements is that all of the colleges have to be in a consortium, and Shasta College belongs to the North Far North consortium.

The California Adult Education Program provides \$500 million from the state budget, of which the Shasta-Tehama-Trinity Adult Education Consortium receives approximately \$1.2M. Shasta College serves as the fiscal agent for the Adult Education Consortium for the North Far North region. EWD collects an administrative fee for serving as the fiscal agent and approximately \$219,000 for our programs and the rest is pushed to our partners. We have 1 pre-apprenticeship and 2 registered apprenticeships. Setting up apprenticeship programs can be challenging. We work with the Department of Apprenticeship Standards to stay in compliance and have been able to setup two apprenticeships and one pre-apprenticeship with another in the works in a short amount of time. The pre-apprenticeship program currently offered is the Heavy Equipment Logging Operations and Maintenance (HELO) and we are in the process of establishing a Customer Service Certificate. The apprenticeship programs currently offered are the California Registered Apprenticeship Forest Training (CRAFT) and the Accounting Services Employment Training (A\$ET). Students who complete apprenticeships will earn a certificate for their hands-on experience, and we work with employers to ensure the students find employment. Students may also be paid as part of the apprenticeship program; the pay depends on the industry but is generally \$20 - \$40 per hour.

Adult Education falls under the umbrella of continuing education, and needs to be aligned with certain criteria outlined in Education Code section 84913. The focus in our region is on GED attainment. The Chancellor’s Office approved apportionment for zero credit courses focused on skill attainment rather than grade point average (GPA), and Shasta College has development many classes to support underserved students who aren’t ready for full-credit courses or those who need the flexibility to refresh critical basic skills. We are developing classes for health care career exploration in an effort to support the health care industry and encourage more students to work in those fields. We have a student success class for our Career Café as well. Some of the



## Shasta College Foundation

Minutes of the Executive Meeting  
11555 Old Oregon Trail, Board Room

Thursday, March 30<sup>th</sup>, 2023 at 12:00 p.m.

**DRAFT**

noncredit courses are linked to credit courses, and serve as the ramp to get students prepared for credit courses in their area of study.

Community Education offers many courses including enrichment courses, some of which have been requested by employers in town. Examples include computer literacy courses or courses for new managers. We do this as contract education. These classes are fee based, not funded by apportionment. The Career Café is a resource for both job-seeking students and employers seeking skilled workers and interns. They offer resume preparation and interviewing skills, and can help connect students to internships, job shadowing experiences, and employers currently hiring. We were able to purchase software called Jobspeaker which allows students and employers to put their information in and serves as a database.

Employer Partnerships are designed to respond to regional workforce demands. Shasta College has nine Assistant Directors of Employer Partnership who are employees of the college but stationed at other California community colleges in the North Far North region, such as College of the Siskiyous and College of the Redwoods. These managers serve as the connection between the college and the industry employers. They are generalist in the far north and sector specific—for example, we have one responsible for public safety, one for construction and one for automation. Their objectives are to expand work-based learning for students, student employment outcomes and to increase the responsiveness to training needs of employers. The team meets once a week to check-in, collaborate and share information.

The Center of Excellence (COE) provides all of the research and data to tell us where to invest resources to develop programs for industries and what makes sense for our region. We're not going to make an investment in a program if we can't get more jobs for students who graduate from the program, so this data is essential to our operations. There are nine COE across the state to study California's regional economies.

Finally, the Marketing and Outreach department that serves all Shasta College departments is part of EWD as well. Their work is critical to our recruitment efforts.

### **3.2 Adhoc Policy Review Subcommittee Update**

Ms. Finnegan provided the report.

The Adhoc Policy Review Subcommittee met right before the meeting. Three policies were reviewed; we will revise them some, and then we will be bringing them to the Executive Committee in June for review and approval.

Topics addressed in the policies include the overall endowment process, how we are distributing funds, and the rules for fees. This is to codify what we have already been doing. The policies were very well put together.

Ms. Blanchier added that several more will need to be done after these three. We will keep working with the Adhoc subcommittee to prepare those.



## Shasta College Foundation

Minutes of the Executive Meeting  
11555 Old Oregon Trail, Board Room

Thursday, March 30<sup>th</sup>, 2023 at 12:00 p.m.

**DRAFT**

### **3.3 Pay-it-Forward (PIF) Report**

The (PIF) selection committee met in December. The budget, based on funds raised the previous year, was about \$8,000. The committee selected three different projects to fund.

- ***Thanks-A-Latte!***

Thanks-a-Latte! is an employee recognition program. The program was launched in the beginning of March. Throughout each month, employees are able to nominate colleagues for being helpful or for acts of kindness. At the end of the month, two names from the classified, faculty, and administrative groups are randomly selected to receive a \$10 Starbucks gift card. So far, the program has been very successful—in the first month alone we received over 70 nominations.

- ***Shasta College Promotional Items***

This project was selected to help promote Shasta College, especially with youth in the area. Hats for children and adults were purchased, as well as mini-frisbees and mini-footballs. Mr. Craig Thompson, Head Football Coach, is managing the items and distributing them on a first-come, first-served basis. They have received over 20 requests already. Encouraging youth from an early age to start thinking about college is so important, and these items help get Shasta College's name out there. State funding dollars cannot be used to purchase promotional items as it's considered a gift of taxpayer funds, so this was a good fit for the PIF program.

- ***High School Graduates***

This project was selected to create community excitement about local high school seniors who will be starting at Shasta College in the Fall. Instead of saying, "I am 'only' going to community college," let's focus more on communication that says, "I am excited to become a Shasta College knight!". These signs will be distributed to graduating high school seniors who enroll full-time at Shasta College for the Fall 2023 semester. Ms. Desiree Gunderman, Executive Assistant to the Superintendent/President and Public Information Officer, is leading this project. Ms. Gunderman is working with Shasta College's Enrollment Services department to coordinate with high school counselors in Shasta, Tehama and Trinity counties to distribute the signs. Hopefully you'll see these out and about in the community soon.

### **3.4 Donations Update**

At the end of the third quarter, we've already raised over \$12,000 in funds for the 2023-24 PIF projects budget.

The Executive Director has started looking at information technology systems to better support the fundraising and the donations process. In the meantime, we have been busy researching funds and organizing the accounts to make it easier to track donations and spending. We can see that this year the Foundation has received quite a few donations. In the first three quarters, the Foundation has received over \$150,000 – and this does not include the athletics fundraiser which will not be held this year.

The majority of these funds were donated to the Athletics program. Mr. Mari, Dean of Development, Athletics, Physical Education & Safety/Athletic Director, and the teams are very successful in crowd-funding donations for their teams using the Hour-a-Thon platform. The platform does charge a service fee of 5% but the fundraising is very targeted for each team and only requires an hour of outreach to be very successful.



## Shasta College Foundation

Minutes of the Executive Meeting  
11555 Old Oregon Trail, Board Room

Thursday, March 30<sup>th</sup>, 2023 at 12:00 p.m.

**DRAFT**

Other notable donations received this year include \$10,000 for the Nursing Program donated by a local foundation that was closing their operations, and \$15,000 from a private donor based in San Jose to be used to support student basic needs.

#### 4. DISCUSSION/ACTION ITEMS

##### 4.1 Approval of the Foundation's Core Values that were presented at the Foundation Board Retreat

The Foundation's Core Values that were presented at the January Board Retreat were reviewed and presented for approval.

The Core Values were approved unanimously.

##### ***Approve the Foundation's Core Values:***

- ***Student Success:*** Offer financial support to keep students in school and on the path to a better life.
- ***Educational Excellence:*** Provide resources to Shasta College's programs that are not otherwise available.
- ***Cultivating Communities:*** Encourage and inspire lifelong growth and learning in our students, alumni, employees, and community members.
- ***Inspire Innovation:*** Foster creativity by responding to the ever-evolving needs of our communities.

***Motion by Star Alfaro/Hiram Oilar,***

***Final Resolution: Motion Carries***

***Yea: Star Alfaro, Tiffany Blasingame, Jennifer Finnegan, Joe Gibson, Rhonda Nehr, Hiram Oilar***

##### 4.2 Discussion of the Strategic Plan

The draft Strategic Plan is a culmination of the comments and ideas discussed at the retreat in January. This plan includes short-term, mid-term and long-term goals. There are five overarching goal categories—board development, fundraising, operations and finances, outreach and marketing, and scholarships—and three objectives for each goal. Most of the objectives include the supporting tasks needed to accomplish the objective, but these will continue to be developed.

Shasta College's upcoming 75<sup>th</sup> Anniversary will be a great opportunity for the Foundation to develop more communication and outreach. The district's marketing department has been given \$20,000 to start preparing for the 75<sup>th</sup> anniversary, so the Foundation will have campus support too. It was suggested to establish a 75<sup>th</sup> Anniversary Planning Adhoc Subcommittee.

The Executive Director requested that any comments, suggestions or questions about the Strategic Plan from the Executive Committee be submitted before the next meeting in June so the edits can be incorporated into the updated plan.

#### 5. CLOSED SESSION

##### 5.1 Public Employee Performance Evaluation: Executive Director (California Government Code Section 54957)

The Executive Committee recessed to Closed Session at 12:54 p.m.



## **Shasta College Foundation**

Minutes of the Executive Meeting  
11555 Old Oregon Trail, Board Room

Thursday, March 30<sup>th</sup>, 2023 at 12:00 p.m.

**DRAFT**

### **6. EXECUTIVE COMMITTEE MEMBER UPDATES**

The Executive Committee reconvened to Open Session at 1:01 p.m. There was nothing to report.

Ms. Alfaro congratulated the Executive Director on the Foundation's recent accomplishments, commending the efforts to make ACH donations available and reinvigorating the Pay-it-Forward Program.

### **7. SETTING OF FUTURE MEETING DATE**

The next meeting will be held on Friday, June 23<sup>rd</sup>, 2023 at 12:00 p.m. at the Shasta College main campus in the 100 building Board room.

### **8. PUBLIC COMMENTS FROM THE AUDIENCE**

There were no comments.

### **9. ADJOURNMENT**

The meeting was adjourned at 1:07 p.m.

***Approve the Motion to Adjourn the Executive Committee meeting***

***Motion by Hiran Oilar, second by Jennifer Finnegan***

***Final Resolution: Motion Carries***

***Yea: Star Alfaro, Tiffany Blasingame, Joe Gibson, Jennifer Finnegan, Rhonda Nehr, Hiram Oilar***

#	Classification (Objective, Task)	Term (Short, Mid, Long)	Description
<b>1. Board Development Goal    Develop Board Roles &amp; Responsibilities</b>			
<b>1.1</b>	<b>Objective</b>	<b>Short</b>	<b>Provide education to Board members about Shasta College Programs</b>
1.1.1	Task	Short	Establish a standing agenda item to provide informational/education presentation & tours at each meeting
1.1.2	Task	Mid	Prioritize College needs and potential donor sponsored projects
<b>1.2</b>	<b>Objective</b>	<b>Mid</b>	<b>Establish clear options for Board member contributions and/or participation</b>
1.2.1	Task	Mid	Track board member commitments and contributions annually
1.2.2	Task	Mid	Increase the number of board members on the Foundation Board (+ 2 or 3 members)
<b>1.3</b>	<b>Objective</b>	<b>Mid</b>	<b>Redefine the role of the Regent</b>
1.3.1	Task	Mid	Establish processes/procedures for Regent groups (project-based, region-based, interest based)
<b>2. Fundraising Goal    Establish fundraising activities</b>			
<b>2.1</b>	<b>Objective</b>	<b>Mid</b>	<b>Establish an annual fund</b>
<b>2.2</b>	<b>Objective</b>	<b>Mid</b>	<b>Generate &amp; adopt ideas for fundraising (President's Circle, Alumni Outreach, Giving Clubs)</b>
2.2.1	Task	Short	Continue to support departmental fundraising events
2.2.2	Task	Mid	Establish small donor cultivation events/activities
2.2.3	Task	Mid	Expand participation in PIF
<b>2.3</b>	<b>Objective</b>	<b>Long</b>	<b>Begin cultivation of major gifts</b>
2.3.1	Task	Mid	Establish pathways for bequests & legacy gifts
2.3.2	Task	Long	Identify local donors (higher income)
<b>3. Operations/Finance Goal    Establish operating infrastructure</b>			
<b>3.1</b>	<b>Objective</b>	<b>Short</b>	<b>Improve and enhance Foundation's Operations</b>
3.1.1	Task	Short	Draft, review, & adopt Policies & Procedures
3.1.2	Task	Short	Review and update by-laws
3.1.3	Task	Short	Confirm existing account organization and documentation
3.1.4	Task	Short	Identify infrastructure needs & evaluate software solutions
3.1.5	Task	Short	Evaluate and optimize accounting system
3.1.6	Task	Short	Establish detailed financial and budget reporting
3.1.7	Task	Mid	Establish a donor relations management system
<b>3.2</b>	<b>Objective</b>	<b>Mid</b>	<b>Research potential state, federal, and private grants</b>
<b>3.3</b>	<b>Objective</b>	<b>Long</b>	<b>Develop a staffing plan for future Foundation personnel</b>



#	Classification (Objective, Task)	Term (Short, Mid, Long)	Description
<b>4. Outreach/Marketing Goal    Develop communication tools &amp; increase awareness of the Shasta College Foundation</b>			
<b>4.1</b>	<b>Objective</b>	<b>Mid</b>	<b>Establish communication/marketing materials &amp; methods</b>
4.1.1	Task	Short	Capitalize on opportunities & existing successes to promote the Foundation
4.1.2	Task	Short	Update and refresh the Foundation's website
4.1.3	Task	Short	Prioritization of the contributions to other community organizations
4.1.4	Task	Mid	Produce an annual report
4.1.5	Task	Mid	Develop a toolkit for Board members to use
4.1.6	Task	Mid	Develop outreach materials (newsletters, emails, reports) to share successes
4.1.7	Task	Mid	Establish regular communications out to targeted groups
<b>4.2</b>	<b>Objective</b>	<b>Mid</b>	<b>Capitalize on the 75th anniversary of the college in 2024-2025</b>
<b>4.3</b>	<b>Objective</b>	<b>Long</b>	<b>Establish communication/connection with Alumni</b>
4.3.1	Task	Mid	Collect graduates contact information at graduation
4.3.2	Task	Long	Establish an alumni database
<b>5. Scholarships Goal    Maximize the cultivation and award of scholarships</b>			
<b>5.1</b>	<b>Objective</b>	<b>Short</b>	<b>Integrate Scholarship program into Foundation Operations</b>
5.1.1	Task	Short	Evaluate & review existing scholarship accounts
5.1.2	Task	Short	Review scholarship policies & procedures
<b>5.2</b>	<b>Objective</b>	<b>Mid</b>	<b>Maximize the annual award of scholarships to students</b>
5.2.1	Task	Short	Evaluate and optimize/integrate scholarship award system
5.2.2	Task	Mid	Develop and enhance scholarship process
<b>5.3</b>	<b>Objective</b>	<b>Mid</b>	<b>Enhance Donor Relations &amp; Recognition</b>
5.3.1	Task	Short	Revamp scholarship recognition event
5.3.2	Task	Mid	Establish regular donor communications



**POLICY#100**  
**ENDOWMENTS, DISTRIBUTIONS, & FEES POLICY**  
**ADOPTED:**



## SHASTA COLLEGE FOUNDATION

### POLICY#100: ENDOWMENTS, DISTRIBUTIONS, & FEES Policy

ADOPTED:

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The Shasta College Foundation (“Foundation”) is an educational 501(c)(3) non-profit auxiliary organization of the Shasta-Tehama-Trinity Joint Community College District (“District”). The Foundation raises funds to support the programs, facilities, activities, and students of Shasta College.

## ENDOWED FUNDS

The objective of endowed funds is to maintain such funds for perpetual duration according to the donor’s stated purpose of the fund. This is achieved by investing the funds for the purpose of producing present and future income and by not expending the funds wholly on a current basis. Charitable distributions will be made from these funds in accordance with this policy and the investments will be made in accordance with Policy #105 – Investment Policy.

All endowed funds will have a written and signed gift instrument on file that specifies the donor’s intent to create a fund for perpetual duration. Endowed funds with unique requirements must be approved by the Foundation’s Board of Directors (“Board”), prior to acceptance of the endowment.

Historically-created funds that do not have written language signed by the donor stating an intent to preserve perpetual duration will not fall under the definition as endowed funds. As a result, such funds may have the principal distributed in accordance with the donor’s intent.

The minimum investment level required for establishing an endowed fund has been set by the Board at \$25,000. The endowed fund must be funded at the appropriate level so that the annual distribution is sufficient to support the intended wish of the donor. Endowments previously approved at lower levels will be grandfathered into this policy, but an endowment must have a minimum principal of \$10,000 to allow distributions to be made.

With approval of the Board, an endowed fund may be established with less than the minimum investment level. This endowed fund will have five years to reach the minimum investment level, during this time no distributions will be made, however the Stewardship Fee will be assessed. If the minimum investment level is not reached after five years, the fund will be considered a non-endowed restricted gift and will be distributed accordingly.

## BOARD-DIRECTED ENDOWED FUNDS

Board-directed endowments are those funds that have been turned into endowments at the approval of the Board. These endowments are invested and managed with other endowed funds; however, Board-directed endowments may spend principal in accordance with the terms of the particular Board endowment agreement. In these cases, spending of principal will be permitted only when it is documented that the Board has discretion over the funds and/or has specifically approved requests to spend the principal.



## SHASTA COLLEGE FOUNDATION

POLICY#100: ENDOWMENTS, DISTRIBUTIONS, & FEES Policy

ADOPTED:

### MANAGEMENT OF ENDOWED FUNDS

Endowed funds may be invested with a merged pool, however, each endowed fund is accounted for separately and distributed in accordance with the gift instrument. Distributions are based on earned income and a portion of the funds' appreciation. Additional appreciation is reinvested with the funds' principal where it becomes part of the funds' market value. Up to 2.0% of the endowment portfolio's fair market value is assessed each year to offset the associated administrative expenses incurred by the Foundation. In exceptional circumstances the assessment amount may be modified at the recommendation of the Executive Director and approval of the Board.

Over time, conditions may occur where the original restrictions contained in a gift instrument on the management, investment, or purpose of an endowed fund becomes unlawful, impracticable, impossible to achieve, or wasteful. In accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) the Foundation may modify the purpose of the fund or the restriction on the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument.

### CLASSIFICATION OF FOUNDATION ASSETS

In accordance with Generally Accepted Accounting Practices (GAAP), net assets of a not-for-profit organization must be split into three classifications:

- 1) Unrestricted Assets
- 2) Temporarily Restricted Assets
- 3) Permanently Restricted Assets

Both temporarily and permanently restricted net assets arise because of donor restrictions.

Note: only donors may impose restrictions on donations, though unrestricted donations may be designated for either a particular purpose or time restriction by the Board. For accounting purposes, however, these funds would remain unrestricted.

#### ***Unrestricted Assets***

In the absence of restrictions placed on the use of the funds by the donor, unrestricted donations may be used by the Foundation in any way that meets the mission, vision, articles of incorporation, or bylaws of the Foundation. Thus, unrestricted donations to the Foundation may be used for any purpose related to support Shasta College and the Shasta College Foundation.

#### ***Temporarily Restricted Assets***

Temporarily restricted donations are limited by either a donor-imposed time restriction and/or a donor-imposed purpose restriction. All interest and earnings on temporarily restricted assets will be retained as unrestricted funds for the Foundation unless the investment income is designated as temporarily restricted. If the investment income is designated as temporarily restricted, then it will be distributed in accordance with the donor's wishes.



## SHASTA COLLEGE FOUNDATION

POLICY#100: ENDOWMENTS, DISTRIBUTIONS, & FEES Policy

ADOPTED:

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### ***Permanently Restricted Assets***

Permanently restricted donations, also referred to as endowed funds, are to be maintained in perpetuity according to the donors' stated purpose of the fund.

The income may be considered temporarily restricted or unrestricted, depending on the terms of the gift instrument. Appreciation of the fund value resulting from investments made may also be permanently restricted by the donor.

It shall be the responsibility of the Foundation's Executive Director to place all new funds into one or more of the designated categories in accordance with the gift instrument.

## SPENDING LIMITS

### ***Unrestricted Assets***

At its discretion, the Board shall distribute monies from these funds to carry out the mission, vision, articles of incorporation, or bylaws of the Foundation. All distributions will be made in accordance with the annual budget that shall be approved by the Board no later than September 30.

All unbudgeted expenditures equal to or exceeding \$5,000 from unrestricted funds shall be approved/ratified by the Board.

Programs receiving distributions from the Foundation, including those receiving grants from the Foundation, may be required to provide timely reports on how the funds were used and results/outcomes as a result of the grant. These reports will be presented to the Board, upon request.

### ***Temporarily Restricted Assets***

Distributions will be made in accordance with the written gift instrument.

Funds created by or whose spending authority includes Shasta College faculty, staff, or administrators whose purpose is to support a division or department of the college, or educational or professional development of a Shasta College employee, must include signature authorization of the Dean and the Vice President of the division or department.

### ***Restricted Assets***

UPMIFA sets forth rules regulating how an endowment fund is spent. In making a determination to appropriate or accumulate, the Board must act in good faith, apply the prudent person standard, and must consider, if relevant:

- The duration and preservation of the endowment fund
- The purpose of the institution and the endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- The expected total return from income and the appreciation of investments
- Other resources of the institution
- The investment policy of the institution



## **SHASTA COLLEGE FOUNDATION**

### **POLICY#100: ENDOWMENTS, DISTRIBUTIONS, & FEES Policy**

**ADOPTED:**

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## **CALCULATION OF DISTRIBUTIONS**

The calculation for distributions for the upcoming fiscal year will be based on the endowment fund's fair market value as of June 30th calculated using the market values determined at least quarterly and averaged over a period of the previous twelve months. For an endowment fund in existence for fewer than twelve months, the fair market value of the endowment fund will be calculated for the period the endowment fund has been in existence.

The Foundation has established an annual spending rate of no more than 5.0% of the calculated fair market value of the endowment, comprising up to 3.0% in annual distributions for charitable purposes and up to 2.0% to be used for the management and administration of the funds, including annual charges for fundraising. In accordance with UPMIFA, this may be done regardless of the actual earnings or losses for the fund during the preceding twelve months. However, at no time shall the original principal of the endowed gift be reduced to a lower amount as a result of annual spending. If adequate funds are not available for the annual spending rate, the management fees shall take priority over the distributions for charitable purposes. If a donor states a specific spending percentage that is different from what is prescribed in this policy, the donor's percentage will prevail.

The Board will review the spending rate annually at its June quarterly meeting and determine if any change is deemed prudent. Any such spending limit change will be effective July 1 of that fiscal year.

## **FOUNDATION FEES**

In order to ensure that the Foundation is able to support its operating expenses, sustain fund management, and promote fundraising activities, it is necessary to collect fees on assets, donations, and management of contracts/grants. Stewardship Fees are applied to assets managed by the Foundation and moved into the General Fund on an annual basis. Administrative Fees are assessed when a donation is accepted, or a contract/grant is managed by the Foundation.

## **STEWARDSHIP FEES**

- Restricted funds will be assessed up to a 2.0% fee annually in accordance with the calculation of distributions defined above.
- For unrestricted and temporarily restricted funds, excluding those funds that have restrictions on earnings, 100% of the interest and earnings will be retained as unrestricted funds for the Foundation.

## **ADMINISTRATIVE FEES**

- Whenever possible, a 5.0% Administrative Fee will be built into Foundation Sponsored contracts to support Foundation administrative costs.



## SHASTA COLLEGE FOUNDATION

### POLICY#100: ENDOWMENTS, DISTRIBUTIONS, & FEES Policy

#### ADOPTED:

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- All bequests received by the Foundation will be subject to a one-time 5.0% fee. Any legal, accounting, or other fees incurred by the Foundation in relation to the bequest will be deducted upon distribution of the estate, in addition to the one-time 5.0% fee.
- District Grant funds, that must utilize 501(c)(3) status to accept the award, will be deposited and held in the Foundation bank accounts until needed for transfer into District accounts. All realized and unrealized interest and income on the funds will be retained as unrestricted funds for the Foundation.
- When the Foundation serves as either the Fiscal Sponsor or Fiscal Agent for another organization, an Administrative Fee of up to 12% of annual expenditures of the sponsored organization will be assessed as unrestricted funds for the Foundation. All interest and income on funds held by the Foundation for a sponsored organization will be retained as unrestricted funds for the Foundation.
- A separate fee is charged for acceptance, sale and/or ownership or management of real property. The amount of fee is based on the circumstances of each property gift and is approved by the Board based on the recommendation of the Executive Director. Supplemental fees may be assessed when the Foundation is involved in toxic waste matters, repair/improvement supervision, prolonged negotiations, litigation, condemnation proceedings and/or any other consulting services. Actual costs for required outside professional services are assessed directly from the gift funds.
- Gifts other than cash or securities, which require extraordinary services, will be analyzed on a case-by-case basis and may be subject to supplemental fees to recover the cost of acceptance, sale, and/or management of such gifts. The Board reserves the right to refuse any gift or donation that does not contribute toward the goals of the Foundation, or the ownership of which would have the potential to deplete resources of the Foundation.

## EXCLUSIONS

This policy does not apply to grant and contract accounts or internal transfers from accounts that have already met other administrative fees or overhead recovery requirements. In extraordinary circumstances, the Executive Director may recommend to the Board to make an exception to this policy. The Board retains the right to adjust fees as necessary.