



# RIVERSIDE COUNTY OFFICE OF EDUCATION FOUNDATION

## REGULAR MEETING MINUTES

Thursday, January 18, 2024, 2:30 p.m.

Riverside County Office of Education

Virtual – Online

The meeting was conducted via Zoom and displayed on YouTube. Only authenticated users will have access to participate in the Zoom proceedings. Live Streaming Link via YouTube: [https://youtube.com/live/xQkCdkmE\\_RQ](https://youtube.com/live/xQkCdkmE_RQ)

### REASONABLE ACCOMMODATION FOR ANY INDIVIDUAL WITH A DISABILITY

With at least 48-hours' notice, any individual with a disability who requires reasonable accommodation to participate in a Board meeting may request assistance by contacting the Administrative Assistant to the Foundation Board at (951) 826-6478 or email at [dsmith@rcoe.us](mailto:dsmith@rcoe.us)

#### **Riverside County Office of Education Foundation Board of Directors**

Mr. Jack Clarke

Dr. Ruth Pérez

Mr. Eric Eckstrom

Mr. Lucio Perez Jr.

Mrs. Ana Farfan

Mr. Kevin Sherrell, Secretary

Mr. Keith Figgins, Vice Chair

Mr. Brian Smith

Dr. Edwin Gomez

Mr. Andrew Thompson

Mr. Scott Hammond

Mrs. Suzanne Trowbridge, Chair

Ms. Diana Kot

Mr. Fred Wolf

Mr. Lou Monville

#### **Foundation Treasurer**

Mr. Eugene Villa

#### **Foundation Director**

Mr. Ed Lewis

### **1.0 PROCEDURAL**

#### **1.1 Call to Order**

Director Figgins called the meeting to order at 2:31 p.m.

#### **1.2 Pledge of Allegiance**

#### **1.3 Establishment of a Quorum**

Directors Eric Eckstrom, Keith Figgins, Diana Kot, Lou Monville, Ruth Pérez, Brian Smith, Andrew Thompson, and Fred Wolf were present.

A quorum was established for this meeting.

#### **1.4 Action: Approval of the Agenda**

**Subject:** Request approval of the January 18, 2024, meeting agenda.

**Document(s):** None

**Motion:** It was moved by Director Figgins and seconded by Director Monville that the agenda be approved as presented.

**Vote:** 8 ayes, 6 absent. Motion passed.

#### **1.5 Public Comments**

There were no public comments.

### **2.0 CONSENT**

#### **2.1 Action: Approval of Minutes**

**Subject:** Request approval of the draft minutes of the meeting of the Riverside County Office of Education Foundation (RCOEF) Board held on November 16, 2023.

**Document(s):** Draft minutes from the November 16, 2023, meeting.

Director Thompson found a typo in section 3.2 in the second to last paragraph, “due” diligence is misspelled. Foundation Director Lewis thanked Director Thompson for catching that and noted that we will fix it.

**Motion:** It was moved by Director Figgins and seconded by Director Kot that the minutes be approved with the noted change.

**Vote:** 8 ayes, 6 absent. Motion passed.

### **3.0 ACTION**

#### **3.1 Action: Approval of new board member Scott Hammond**

**Subject:** Request acceptance and approval of Scott Hammond as newly appointed member to the RCOE Foundation Board to replace Paul Jessup.

**Document(s):** None

Director Figgins turned the meeting over to Director Kot as the Chair of the Nominating Committee. Director Kot said thank you to Director Eckstrom, Director Monville, and Director Clarke who make up the committee. We have reviewed and recommend Scott Hammond to our board. His bio was sent out to the entire board so hopefully everyone got a chance to review it. Scott comes to us from Erickson-Hall Construction Company and serves as their Vice President of Business Development and Government Affairs. Additionally, Erickson-Hall has been a great supporter of the Foundation’s golf tournament as well as a consistent member of our Business Partners Program. Director Kot requested a motion to approve Scott Hammond to the RCOE Foundation Board.

**Motion:** It was moved by Director Pérez and seconded by Director Eckstrom that Scott Hammond’s appointment as a new board member is approved and accepted as presented.

**Vote:** 8 ayes, 6 absent. Motion passed.

Director Figgins and the rest of the Board welcomed Scott to the Board. Scott thanked the Board for the appointment. Director Lewis stated now with Scott approved as a new Board member, this makes 9 Board Members present.

**3.2 Action: Approval to pursue Directors’ and Officers’ Insurance Policy**

**Subject:** Request to pursue Directors’ and Officers’ Insurance Policy for the Foundation Board of Directors, not to exceed the cost of \$2,500.00 and the authorization to sign on behalf of the Foundation Board of Directors.

**Document(s):** None

Director Figgins asked if there were any questions about this item.

Director Monville stated he thought at one point the Foundation had officers’ and directors’ insurance and was surprised that we don’t, but it is a good practice for a non-profit to have this insurance. So, I would move to approve with a caveat to let’s get the most competitive bid and getting the right coverage is more important than just getting cheap coverage. So, I want to give the Foundation Director Lewis the ability to bring back the most competitive bids.

Director Thompson asked what types of claims this insurance policy is supposed to cover. Foundation Director Lewis stated that the liability is at \$1 million, and deductible is \$2,500 or \$5,000. Director Monville to your point, it looks like after doing some investigation the cost for a policy would be around \$1,600 to \$2,000 and I think the \$2,500 would be okay. It looks like the cost should come in under the \$2,500. Director Monville said it is good non-profit governance to have that type of coverage and just make sure we have the right coverage. A little chagrined that the Foundation didn’t, and recalled that the Foundation did at one point, maybe before Foundation Director Lewis. Director Eckstrom thought the Foundation had this insurance as well. The greatest exposure comes from the misuse of funds, which we have quite a bit of oversight, so our exposure is low. Director Eckstrom stated he completely agrees with Director Monville.

Director Figgins asked if there were any other questions. Hearing none.

**Motion:** It was moved by Director Thompson and seconded by Director Monville to approve.

**Vote:** 9 ayes, 6 absent. Motion passed.

Director Figgins told Foundation Director Lewis that he could proceed with the insurance policy.

**3.3 Action: Approval to implement a Conflict of Interest Policy**

**Subject:** Request to implement the attached Conflict of Interest Policy.

**Document(s):** Conflict of Interest Policy

Director Figgins asked if there was any questions or comments on the Conflict of Interest Policy.

Director Monville asked if the Conflict of Interest Policy has been reviewed by legal counsel. Foundation Director Lewis shared that in consultation with Director Trowbridge, we got it out to the Board first. It’s a policy Director Trowbridge had used at another non-profit, where she was comfortable with, and we inserted our RCOE Foundation name. Foundation Director Lewis

has sent the policy to Brian Smith with Atkinson, Andelson, Loya, Ruud & Romo (AALRR) to review and is waiting to hear back.

Director Monville said it is a good practice and should have a policy, but a little uncomfortable approving before legal counsel approves it. Foundation Director Lewis said the Board could approve the policy upon legal counsel approving it. This way the policy would be adopted based on legal counsel's reply approving it.

Director Monville shared he doesn't have a problem doing that if everyone else agrees. There are a number of check marks right now that they expect non-profits to meet, so we need to make sure it is current, as Sacramento keeps changing the goal posts each year.

Director Figgins stated we should amend this action item to be approval of Conflict of Interest policy pending review and approval by legal counsel.

Director Kot asked if the Board would be signing the policy each year. Foundation Director Lewis stated he doesn't see why not. We can send out the Policy to get new signatures annually. Director Monville stated that would be good to do with the election of officers the policy is signed.

Director Eckstrom reminded the Board that when we do vote on something we have to have a roll call vote per California law for the minutes. The process should be first a motion to approve, then a second and then roll call vote.

**Motion:** It was moved by Director Monville and seconded by Director Eckstrom to approve pending legal counsel's approval of this policy.

**Vote:** 9 ayes, 6 absent. Motion passed.

#### **4.0 INFORMATION/DISCUSSION ITEMS**

##### **4.1 Foundation Director's Report**

Foundation Director Lewis shared he is excited about a few items that came in the last few days. Foundation Director Lewis worked with Director Sherrell at Altura Credit Union to create the Foundation's first Cause-Related Marketing program. This appeal for donations will be on 70 Altura ATM machines throughout Riverside County for 2024. I am not sure how many donations we will get but this marketing exposure will reinforce awareness of the RCOE Foundation Student Scholarship Programs. Foundation Director Lewis said he wished Director Sherrell was here so he could thank him personally, but he has emailed him.

Also found out today that we got the Golf Tournament grant from Morongo Band of Mission Indians, and they increased the grant to cover 160 golfers, which is worth \$9,360 to offset the expense of the Golf Tournament. That is a little over \$1,000 more than they have typically granted the Foundation. The Golf Tournament is scheduled on Monday, October 7, 2024, at Morongo Golf Club.

- **Partner Sponsorship Program Update**

To date we have received \$37,500 in revenue. The approved budget this year for Partner Sponsorships is \$90,000. We have been actively approaching potential sponsors. As I mentioned previously this unique program gives companies marketing and promotion opportunities associated with RCOE programs and events.

- **Business Partners Program Update**

We have 72 current members in the program that are producing \$74,500 in annual membership dues. We have received \$32,000 thus far and the revenue budget for this year is \$70,000. We are still trying to get to 100 members. Any assistance board members can give me in pursuing qualified leads is welcome.

- **Grants/Sponsorships Update**

We have received \$52,000 in grant funds thus far. The budget for this year is \$90,000. We have some upcoming major grants to pursue. San Manuel for \$25,000 in February and Edison for \$15,000 as well. I am pleased that Monica Killen the new RCOE grants administrator who replaced Theresa Fowler has been active in discussions with me on pursuing new grant opportunities to help us reach or exceed our approved budget. In addition, received the link from Tammy who represents the Stater Bros Charities to apply for a new grant. Thank you to Director Figgins for getting us connected with Tammy.

- **Sponsor Recognition Event Update**

Our overall turnout was reasonably good with about 80 to 90 in attendance. We had about 10 student scholars that attended. The three students that gave their testimonials regarding the importance of receiving the scholarship did a very nice job and was very well received. We did a group photo and then were swarmed by the parents to get photos. Our first in-person event in three years. I hope all board members will attend this important Foundation event in 2024. Usually, it is the first Tuesday in December that we have the event, please calendar it. The proof is in the pudding, when you see this event and the scholars that are excited about attending college and thanking the Foundation. The \$1500 to \$2500 seems to be a good scholarship and the students are very happy with that amount.

- **Foundation Budget Update**

To date we have received \$237,645 in revenue. Our overall revenue budget for 2023-2024 is \$419,500. Our total net cash assets are now \$748,787. As a footnote, a couple of meetings ago we got the approval to open a \$250K account at Wells Fargo. But when we were presented in the budget to reimburse \$253K in the administrative expenses, Foundation Director Lewis spoke with Eugene and Dr. Pérez, and we agreed to put that off since we will be reimbursing that amount in June to RCOE. This gave us 12 months to raise additional funds. Also, our balance is high enough that we receive interest that covers any fees.

Director Figgins thanked Foundation Director Lewis and asked if there are any comments.

- Upcoming Events:
  - Board Meeting March 21, 2024

#### **4.2 Board of Directors' Comments**

Director Thompson had a question pertaining to the last meeting agenda regarding the budget presentation and the issue surrounding the non-profit status. Is that an item we want to keep on the agenda actively until we get a resolution?

Foundation Director Lewis responded that he could report that we are actively working on the cost ratio and excessive executive compensation. We are about to be in a position to present it to the board for review. We have been in constant contact with the attorney. There will be some cost involved and have asked the attorney to track these expenses. The attorney's firm that has been helping us since the inception of the Foundation also does business with RCOE. The attorney has been sending invoices to Dr. Pérez and the Foundation has a line item on those invoices. Foundation Director Lewis asked them to provide a report of these three categories/charges to be able to clearly see the details. The three areas are, one was some transition in the county accounting department, and we hadn't facilitated our raffle application. This has been all straightened out now and it looked like it was a \$500- or \$600-dollar expense to have the attorney tell us exactly what we needed to do, so we were not in discord with the Attorney General's Office. The accounting department just submitted the raffle application for this year and has it set-up on an annual basis.

The attorney also did work on the cost ratio, and the excessive executive compensation, so these are the three areas they've been asked to break out the charges, so we can see what the Foundation's reimbursement to RCOE will be for these expenses. We should have all this pretty soon and Foundation Director Lewis will be chatting with Director Trowbridge. Foundation Director Lewis stated he is not sure if we'll call a special board meeting or how we will handle it, but I do want you to know that we are working on it and just about to resolve how we will be moving forward.

Director Figgins thanked Foundation Director Lewis for the update and asked if there were any further comments. Hearing none the meeting was adjourned.

#### **ADJOURNMENT – 3:00 p.m.**

The meeting was adjourned at 3:00 p.m.