SAN BRUNO
Community Foundation

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

AGENDA

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

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:** November 2, 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. Adopt Resolution Ratifying Election of 2017 Officers

   b. Receive and Approve Treasurer's Report (October 2016 Financial Statements)

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7. Conduct of Business

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

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

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

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

e. Receive Report from Investment Committee

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 agendized pursuant to State Law.

9. Adjourn

Board of Directors
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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

November 2, 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.

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

3. Approval of Minutes: October 5, 2016, Regular Board Meeting: Board Member McGlothlin moved to approve the minutes of the October 5, 2016, 2016, Regular Board Meeting, seconded by Board Member Stanback Stroud, approved unanimously**.** Vice President Hedley abstained from voting because he did not attend the meeting.

4. Board Member Comments

a. President: President Kraus mentioned that she attended the City of San Bruno's Community Forum last week to discuss the City's facilities visioning process, during which she was reminded of why she applied to serve on the Foundation Board and how the spirit of community permeated the Foundation's Listening Campaign last year and continues to permeate the City's facility visioning process. In the spirit of Thanksgiving, she also thanked Board members for their service and commitment to the San Bruno community.

b. Others: Board Member McGlothlin said that he also enjoyed attending the Community Forum but wished that more community members had attended. He said he appreciated the Executive Director's explanation at the Forum about the Foundation's funding available to support community facility improvements.

5. Executive Director's Report: Executive Director Hatamiya reported on several items related to the administrative operations of the Foundation. First, she reported that she has been working to ensure a smooth transition for Tim Ross, the Foundation's new Board Member, Treasurer, and Investment Committee Chair. She said she and Treasurer Ross met with the

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Foundation's team at Sand Hill Global Advisors and that the next Investment Committee meeting is November 16, 2016, 4:30 p.m., at City Hall. Second, she reported that she plans to search for and hire a program consultant to handle the day-to-day administration of the Crestmoor Neighborhood Memorial Scholarship and Community Grants Fund. Finally, she reported that the reach of the Foundation's e-newsletter and traffic on sbcf.org remain fairly consistent with previous months.

Following her report, President Kraus reiterated the Board's support for the Executive Director acquiring consulting assistance.

6. Consent Calendar

a. Adopt Resolution Designating Authorized Signatories on SBCF Wells Fargo Bank Accounts

b. Receive and Approve Treasurer's Report (September 2016 Financial Statements)

Secretary Roberts moved to accept the Consent Calendar as presented, seconded by Board Member Bohm, approved unanimously.

7. Conduct of Business

a. Receive Report from Novogradac & Company LLP Regarding the San Bruno Community Foundation's Audited Financial Statements for the Year Ended June 30, 2016, and Adopt Resolution Approving the Audited Financial Statements for the Year Ended June 30, 2016

Audit Committee Chair McGlothlin introduced Lance Smith, the Novogradac partner in charge of the Foundation's audit. Mr. Smith thanked Executive Director Hatamiya and Accounting Consultant Frank Bittner for their assistance with the audit. He said he was pleased to issue an unqualified, or clean, opinion of the Foundation's financial statements for the year ended June 30, 2016. He explained that since this is the second year of his firm conducting the Foundation's audit, the audited financials are comparative statements of last year and this year. He gave an overview of the audited financial statements, noting that the significant financial event that took place this year was the receipt of the restitution funds and creation of a $15 million Board-restricted quasi-endowment. He said that the auditor letter accompanying the audited financials is a standard communication. He said the Foundation's financial records were very clean and that Mr. Bittner and Ms. Hatamiya have been attentive to ensure that the Foundation's financial controls are followed.

Chair McGlothlin stated that to receive a clean audit, it is important to close the year's accounting books promptly, which is not easy because staff is relying on outside entities to provide all necessary information and documentation. He complimented Mr. Bittner and Ms. Hatamiya on accomplishing that. He also reported that the Foundation's tax returns will soon be ready for the Board to review.

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Community member Robert Riechel asked if the auditor provided any suggestions to change any accounting practices. Mr. Smith replied that the Foundation had implemented the minor recommendations from last year and that the firm was making no new recommendations.

Board Member McGlothlin moved to adopt the resolution approving the audited financial statements for the year ended June 30, 2016, seconded by Treasurer Ross, approved unanimously.

b. Receive Report from Ad Hoc Committee on Foundation Program Development Regarding Community Grants Fund and Crestmoor Neighborhood Memorial Scholarship Program

Representing the Ad Hoc Committee on Foundation Program Development, Chair Bohm gave a brief report on the Community Grants Fund. She reported that the Foundation received 23 grant applications, 22 of which were forwarded to the review panel to evaluate. She listed the five criteria for the program – the benefits of the proposed project or program to the San Bruno community; the proposal's alignment with one of the Foundation's focus areas; project/program methodology and budget; requested grant amount in relation to the anticipated community benefit; and organizational track record, stability, and financial health – and the application review process.

With regard to the Crestmoor Neighborhood Memorial Scholarship, Chair Bohm 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 said the program will be structured similar to this past year's program, with the following minor changes intended to help attract more applicants: marketing materials will clearly state that the most important criteria is demonstrated commitment to the San Bruno community, with extracurricular activities, leadership/teamwork/collaboration, academic record, and financial need also considered; only one letter of recommendation will be required, although a second letter will be optional; and the Foundation will no longer ask for SAT/ACT scores. She reported that staff will offer workshops on the Scholarship and the application process at Capuchino High School in January and that the application deadline will be March 15, 2017.

Secretary Roberts, who also serves on the Committee, said she is excited about the number of grant applications received.

c. Discuss Framework for Considering Strategic Grant Initiatives, Discuss Proposal to Consider Development for K-12 Music Education Initiative in San Bruno Public Schools, and Adopt Resolution Creating 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. Vice President Hedley presided over this agenda item.

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Executive Director Hatamiya reviewed the Foundation's Program Strategy Framework, which was adopted in October 2015 and outlines three categories, or buckets, of activity: (1) Strategic Grantmaking, (2) Responsive Grantmaking, and (3) Foundation Programs. She also reviewed the Foundation's establishment of programs in all three buckets over the past year. She particularly focused on the long-term strategic priorities (capital and other) that the Board identified in November 2015. She outlined the framework for identifying strategic initiatives: identification of a community need, creation of an ad hoc committee for a particular strategic initiative idea, and the committee's strategic initiative recommendation to the full Board.

In light of that framework, Executive Director Hatamiya said she was proposing to the Board the creation of a music education strategic initiative. She recalled that one of the strategic grantmaking priorities is education and outlined the research-supported benefits of music education for participating students, including boosting academic achievement, personal growth, and community engagement. She also reviewed the past tradition of music excellence in San Bruno's public schools, a tradition that has suffered in the past decade in the face of public education budget cuts. She presented the current dilemma facing San Bruno's public schools: strong student and community interest in, as well as school leadership support for, music education, but limited school district funds available and a significant need for outside funding. She also highlighted the broad community benefit of a significant investment in music education, including community performances by student musicians, a sense of pride in accomplished musical groups, and a strengthening of San Bruno's public schools that could help attract families to the city and to send their children to San Bruno schools. Finally, she outlined the parameters of a strategic initiative to significantly bolster music education in San Bruno's public schools, with the goal of laying the foundation for music education to become a hallmark of San Bruno's public schools. She explained that such an initiative could include a meaningful capital investment in necessary equipment and infrastructure to put the programs on solid footing, multi-year commitment to on-going program costs, outsourced music instruction at the elementary schools, and the development of a long-term plan to make the programs sustainable once SBCF funding sunsets. She recommended that the Board create an ad hoc committee to lead this effort, with Secretary Roberts as chair and Board Member Bohm as committee member.

Speaking individually, Board members universally supported the idea. Board Member Stanback Stroud emphasized the significant benefits to both the participating students and the broader community. Board Member McGlothlin recalled San Bruno's history of supporting the arts generally and music specifically. As a creative arts major, Board Member Bohm said she was excited about the initiative and the importance of exposing children to the arts at an early age. Secretary Roberts remarked that one of the aspects that most excites her is the opportunity to increase equity in the arts – that is, to extend the opportunity of music education to children who might not have otherwise had such an opportunity. Treasurer Ross echoed his colleagues' support for the initiative. Vice President Hedley said that he has been a strong supporter of music in the schools and that he is very excited about the prospect of revitalizing San Bruno's school music programs to past levels of renown.

Two members of the public also supported the proposal. Representing the San Bruno Education Foundation, Renee Callantine said she was pleased to hear the Board members'

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support for the initiative and echoed many of their points. In particular, she emphasized the importance of educational equity and providing music education to all San Bruno's public school students. She said she would be pleased to work with the committee and share research she has found on the benefits of music education.

Representing the Capuchino High School Alumni Association, Judy Puccini highlighted the dream of many community members to see the Capuchino music program return to its former glory. She explained that Capuchino High School has an energetic and talented new music director who is dismayed at the limited budget he has been given to run the program (about $6,000, compared with the nearly $60,000 annual budget he had at his previous school). She invited Board and community members to attend the music concert at Capuchino the next evening.

Board Member Stanback Stroud moved to adopt the resolution creating Ad Hoc Committee on Music Education Strategic Initiative, seconded by Board Member McGlothlin, approved unanimously (Kraus recused).

d. Receive Report from the Ad Hoc Committee on Program Strategy Development Regarding Proposals to the San Bruno City Council Related to Near-Term Projects and Adopt Resolution Approving Grant to the City of San Bruno to Support Community Day 2017 and Authorizing Receipt of Donations in Support of Community Day

Committee Chair Kraus reported on three strategic projects with the City of San Bruno. First, she reported on progress of the City's community facilities visioning process. She said that the City's first of two forums to engage the community in conversation occurred last week, facilitated by Anderson Brule Architects (ABA). She said the format was very similar to the Foundation's Listening Campaign conducted last year, with opening remarks from the Mayor, the Foundation Executive Director giving the audience an overview of the Foundation's role up to this point including how the Foundation has allocated the $70 million in restitution funds, and then ABA conducting smaller group discussions with representatives reporting to the larger group. She reported that it was made clear that the visioning process is focusing on four possible city improvements: library, recreation center, community center and pool, with the end result a prioritization of facilities. She reported that the second and last forum is scheduled for November 30, 2016, at 6:30-9:00 p.m. at the Senior Center, at which ABA will present key project features, costs, and budgets and community members will be able to voice their thoughts on prioritizing the facilities. She said the Foundation has supported the City's efforts to publicize the community forums through email blasts and providing feedback on the marketing materials; she also thanked the San Bruno Patch for helping publicizing the forums.

Second, she reported that the development of the Florida Avenue Park is progressing. She said that Vice President Hedley represented the Committee at neighborhood meetings and at the recent Parks and Recreation Commission meeting, where the draft master plan for the new park was approved, and that she represented the Committee at the City Council meeting last week when the Council approved the master plan. Sher reported that Councilmembers expressed some concerns about design elements related to safety and about the timeline which projects completion of the park late next year.

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Finally, she presented a strategic grant proposal for Community Day 2017. She reminded the Board that in 2016 the Foundation supported Community Day with a grant of $30,000 and budgeted $30,000 again for 2017, although the Board had expressed to the Council in its proposal last January a desire to reduce funding in 2017. She noted that the Foundation based its suggested reduction on the City's original 2016 event budget, which ultimately was considerably lower than the actual costs. She reported that the Committee met with the City Council subcommittee early in October to discuss the new budget and soliciting sponsorships to help cover the cost of 2017 Community Day. She said she was delighted to report that our Committee has been able to secure two sponsorships in the amount of $5,000 each from Skyline College and Google. She reported that City staff presented this information to the City Council at the Council meeting on October 25, at which she represented the Committee. She said the Council expressed deep appreciation to the Foundation for its procurement of the sponsorships and asked that she bring back to the committee and the Board a request for $30,000 toward funding the 2017 Community Day, based on an overall event budget of $59,000. The Council approved up to $10,000 in City funds if necessary to make up any difference in the cost. She said the Committee now recommends that the Board adopt a resolution approving a strategic grant up to $30,000 to the City to sponsor Community Day 2017.

She also reported that the Committee also recommends that the Foundation be willing to receive donations earmarked for Community Day from corporate and other donors. The Foundation would receive the restricted gifts and then grant the funds to the City for Community Day. She said that organizations the Committee has approached have, for the most part, indicated a preference for this approach, and that the Executive Director has confirmed with the City Manager that organizations who prefer to provide financial support directly to the City would have that option as well.

Several Board members asked questions about Community Day. Secretary Roberts asked whether there is an event committee and could the Foundation have representation on it. President Kraus replied that the event is organized by the Community Services Department of the City. Treasurer Ross asked about the timing of the grant payment, and Executive Director Hatamiya explained that the grant payment would be made after the event and after the City has provided an accounting of the costs. Both Treasurer Ross and Vice President Hedley emphasized the importance of recognition of the Foundation's support at the event. There were no comments from the Board or the public regarding the Foundation receiving donations for Community Day.

Vice President Hedley moved to adopt the resolution approving a $30,000 grant to the City of San Bruno to support Community Day 2017 and authorizing receipt of donations in support of Community Day, seconded by Secretary Roberts, approved unanimously.

e. Elect Officers for 2017

President Kraus opened up officer nominations for 2017.

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Vice President Hedley nominated Nancy Kraus for President, which Ms. Kraus accepted, seconded by Board Member Stanback Stroud, approved unanimously.

Board Member Stanback Stroud nominated Frank Hedley for Vice President, which Mr. Hedley accepted, seconded by Secretary Roberts, approved unanimously.

Secretary Roberts nominated John McGlothlin for Secretary, which Mr. McGlothlin accepted, noting that he was also the incoming president of another organization and had consulted with Secretary Roberts about the role's duties, seconded by Vice President Hedley, approved unanimously.

Board Member Bohm nominated Tim Ross for Treasurer, which Mr. Ross accepted, seconded by Secretary Roberts, approved unanimously.

President Kraus thanked Secretary Roberts for her service as Secretary the past three years. She said that the newly elected slate of officers would be presented to the San Bruno City Council, per the Foundation's Bylaws, on November 22.

8. Public Comment: None.

9. Adjourn: Vice President Hedley moved to adjourn the meeting at 8:09 p.m., seconded by Board Member McGlothlin, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of December 7, 2016, by Secretary Emily Roberts and President Nancy Kraus.

_____
Emily Roberts, Secretary

_____
Nancy Kraus, President

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 2016**

TO: **Board of Directors, San Bruno Community Foundation**

FROM: **Leslie Hatamiya, Executive Director**

SUBJECT: **Executive Director's Report**

Since the November 2, 2016, Board meeting, I have continued to focus on supporting the committees charged with administering the Community Grants Fund and Crestmoor Scholarship Program, partnering with the City on near-term projects, developing a music education initiative, and overseeing the Foundation's investment activities, all of which will be covered during the business portion of the December 7, 2016, regular Board meeting.

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

1. City Council Approval of 2017 Officers

Under Article XVI(e) of the Foundation's Bylaws, the election of the Foundation's officers requires approval by the San Bruno City Council. Following the Board's election of 2017 officers at the November 2, 2016, Board meeting, the City Council at its regular meeting on November 22, 2016, considered and approved the slate of 2017 officers as part of the Consent Calendar.

2. Wells Fargo Bank Accounts

At the November Board meeting, the Board approved a resolution naming Treasurer Tim Ross, President Nancy Kraus, and me as authorized signatories on the Foundation's Wells Fargo bank accounts. Subsequent to that action, Treasurer Ross, President Kraus, and I made a trip to the San Bruno branch of Wells Fargo and completed the necessary paperwork, adding Treasurer Ross as a signatory and removing former Treasurer Ben Cohn from the Foundation's accounts.

3. Accounting Consultant

Frank Bittner has served as the Foundation's accounting consultant and full charge bookkeeper since March 1, 2015. Mr. Bittner has served the Foundation extremely well for nearly two years. He played a critical role in the development and updating of the Foundation's Fiscal Policies and Procedures manual, worked with the auditors to prepare for our first and second successful independent audits, handles routine bookkeeping functions including payroll and other payments, prepares the Foundation's

monthly financial reports, and has been a valuable sounding board and knowledgeable resource as we work to ensure that we properly safeguard the funds with which the Foundation has been entrusted. With the addition of three investment accounts this year, he also makes sure that the Foundation's investment portfolio is properly accounted for in the Foundation's accounting books. Various Board members as well as the auditors have complimented his work. I am confident that Mr. Bittner will continue to be an asset to the Foundation as the accounting consultant/full charge bookkeeper.

Mr. Bittner's last contract expired on November 30, 2016. Under my authority as executive director, in November I signed a new one-year contract with Mr. Bittner that commenced on December 1, 2016, and will terminate on November 30, 2017. He had not had a rate increase in the nearly two years he has been working with the Foundation. Given his strong work, I agreed to a small rate increase (from $80 to $85 per hour), capped at capped at $21,000 for the one-year term.

4. Program Consultant

As I mentioned last month, I planned to hire a program consultant to handle the administration of the Crestmoor Neighborhood Memorial Scholarship and Community Grants Fund. Stephanie Rutgers, the San Bruno resident who provided some administrative support in processing Community Grants Fund applications, agreed to take on this larger role. Under my authority as executive director, I signed a contract with Ms. Rutgers that commenced on November 16, 2016, and will terminate on June 30, 2017 ($70 hourly rate, capped at $21,000, for roughly 40 hours per month). Under the terms of the contract, Ms. Rutgers will be responsible for the day-to-day management of the Crestmoor Neighborhood Memorial Scholarship, including administering the application and selection processes, preparing marketing materials, doing outreach to local high schools and community colleges to solicit applications, organizing a reception to honor the winners at the June Board meeting, overseeing receipt of annual reports from prior scholarship winners, and handling administration of payments to new and prior winners. A graduate of the University of Vermont, Ms. Rutgers has professional experience as an associate director of admissions at an independent private school, in human resources for a major hotel chain, and as a graphic designer.

Assuming that her management of the Crestmoor Scholarship program goes well, my intent is to extend her engagement with the Foundation starting in the spring, so that she would add the day-to-day administration of the Community Grants Fund to her list of contracted responsibilities.

5. Email Newsletter

The reach of our e-newsletter remains fairly consistent with previous months. For the e-newsletter that was sent on November 11 and featured information on the City's Community Forum regarding the vision for community facilities and the November 2 Board meeting, of the 550 emails sent, 40% of the recipients opened the email, and the e-newsletter was viewed, either in email or as posted on the web, 580 times. Two extra email reminders – one on November 28 for the City's second Community Forum on November 30 and one on November 2 for the first community facility survey – had even greater reach, with about 44% of the recipients opening the emails and more than 850 views.

6. Website Hits

The sbcf.org website has been subscribed to Google Analytics since the end of March, and activity has remained at a steady pace. In the past month, 198 users engaged in 329 sessions on the Foundation website, for a total of 731 page views.

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 2016**

TO: **Board of Directors, San Bruno Community Foundation**

FROM: **Leslie Hatamiya, Executive Director**

SUBJECT: **Consent Calendar for the December 7, 2016, Regular Board Meeting**

For the December 7, 2016, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes two items related to administrative and operational functions of the Foundation:

1. Adopt Resolution Ratifying Election of 2017 Officers

As documented in the minutes, on November 2, 20152 the Board discussed the election process and took nominations for each office individually.

With separate votes for each office, the Board elected the Foundation's officers for 2017, as follows:

President: Nancy Kraus
Vice President: Frank Hedley
Secretary: John McGlothlin
Treasurer: Tim Ross

The attached resolution would ratify the election results for the 2017 officers.

2. Receive and Approve Treasurer's Report (October 2016 Financial Statements)

The October 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 ratify by resolution the election results for the 2017 officers and receive and approve the Treasurer's Report as part of the Consent Calendar.

Attachments:
1. Resolution Ratifying Election of 2017 Officers
2. October 2016 Financial Statements

RESOLUTION NO. 2016-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION RATIFYING ELECTION OF 2017 OFFICERS

WHEREAS, the Bylaws of the San Bruno Community Foundation provide that officers should be elected annually;

WHEREAS, at a Regular Meeting on November 2, 2016, nominations were taken for the offices of President, Vice President, Treasurer, and Secretary;

WHEREAS, the Foundation Board of Directors voted unanimously to appoint the following officers for 2017:

President: Nancy Kraus
Vice President: Frank Hedley
Secretary: John McGlothlin
Treasurer: Tim Ross

WHEREAS, the San Bruno City Council, pursuant to Article XVI(e) of the Foundation's Bylaws approved the election of 2017 officers on November 22, 2016.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors ratifies the results of the Board election of 2017 officers held on November 2, 2016, as follows:

President: Nancy Kraus
Vice President: Frank Hedley
Secretary: John McGlothlin
Treasurer: Tim Ross

Dated: December 7, 2016

ATTEST:

_____
Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2016-__ was duly and regularly passed and adopted by the Board of

Directors of the San Bruno Community Foundation on this 7th day of December, 2016, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

SAN BRUNO
Community Foundation

October 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 four months equal 33.3% 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 – $2,215 is 55.4% of budget. Most (99.5%) is from Liquidity Pool.

EXPENSES

Line 8 Subtotal Direct Program Expenses – No Scholarships or Grants have been awarded this year.

Line 9 Salaries & Wages – Expense is exactly on budget at 33.3%.

Line 10 Payroll Taxes & Benefits – $7,235 is 28.9% of budget. Social Security/Medicare ($2,768) is the largest cost, but is lower at the end of the calendar year. Other costs include retirement ($2,917), accrued vacation ($936), and workers' compensation insurance ($556).

Line 12 Occupancy – Only cost is office lease ($4,303). Amount is 32.3% of budget.

Line 13 Insurance – $5,560 is exactly on budget at 33.3% and includes Directors & Officers ($4,293), crime ($944), and commercial liability ($323) policies.

Line 14 Telecommunications – $643 is 37.2% of budget and includes cellular, land line, and internet.

Line 15 Postage & Shipping – $1,491 is 35.6% of budget. Most of the cost ($1,349) incurred in August to distribute annual report to community.

Line 16 Marketing & Communications - $6,894 is 43.1% of budget and 99.6% is for graphic design and printing of annual report ($6,865).

Line 17 Office Supplies – $679 is 24% of budget. Largest cost is for toner ($345).

Line 19 Legal Fees – $5,070 is 15.5% of budget and is for advice regarding Grants ($1,800) 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 – $5,094 is 46.6% of budget. Initial auditor payment ($4,500) represents 88% of the total.

Line 21 Other Consultants - $6,070 is 9.9% of budget and 97.5% has been for Accounting consultant ($5,920).

Line 22 Travel, Meetings & Conferences – $990 is 13.7% of budget and is entirely for cost Board meetings.

Line 23 Miscellaneous – $442 equals 17.7% of budget with an organizational membership ($350) representing most of the cost.

SUMMARY

After adjusting for $975,000 budgeted for Scholarships & Grants, total expenses are at 27.8% of budget, which is well below 33.3% benchmark for the first four months of the year. In terms of dollars, the $102,804 in expenses is $20,614 less than the 33.3% 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.

October investment net loss was **<$700,013>**, bringing year-to-date net investment income to $355,768. The October loss came from the Strategic Pool **<$482,299>** and Quasi Endowment **<$217,714>** resulting in year-to-date amounts of $72,405 (Strategic) and $283,363 (QE).

Total Net Assets, as of October 31, 2016 are $70,452,795 with $15,401,483 in Quasi Endowment and $55,051,312 in general Unrestricted funds.

SAN BRUNO
Community Foundation

October 2016

2016-2017 Budget Report

		(a) Actual Year to Date	(b) Budget	(c) Actual as % of Budget (a/b)	(d) Final Expected Amount	(e) 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	2,215	4,000	55.4%	4,000	-
4	**Total Available for Operations**	1,343,505	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	58,333	175,000	33.3%	175,000	-
10	Payroll Taxes & Benefits	7,235	25,022	28.9%	25,022	-
11	**Subtotal Personnel Expenses**	65,568	200,022	32.8%	200,022	-
12	Occupancy	4,303	13,314	32.3%	13,314	-
13	Insurance	5,560	16,698	33.3%	16,698	-
14	Telecommunications	643	1,728	37.2%	1,728	-
15	Postage & Shipping	1,491	4,187	35.6%	4,187	-
16	Marketing & Communications	6,894	15,978	43.1%	15,978	-
17	Office Supplies	679	2,832	24.0%	2,832	-
18	Office Equipment & Furniture	-	1,000	0.0%	1,000	-
19	Legal Fees	5,070	32,781	15.5%	32,781	-
20	Auditor & Payroll Fees	5,094	10,940	46.6%	10,940	-
21	Other Consultants	6,070	61,100	9.9%	61,100	-
22	Travel, Meetings & Conferences	990	7,210	13.7%	7,210	-
23	Miscellaneous	442	2,500	17.7%	2,500	-
24	**Subtotal Non-Personnel**	37,236	170,268	21.9%	170,268	-
25	**Total Expenses**	102,804	1,345,290	7.6%	1,345,290	-
26	**Net Surplus/(Loss)**	$ 1,240,701	$ -		$ -	$ -

Prepared by: F. Bittner, 11/20/2016

SAN BRUNO
Community Foundation

Statement of Financial Position
as of October 31, 2016

ASSETS			
Cash, Wells Fargo General	$ 21,690.58		
Cash, Wells Fargo Payroll	8,983.05		
Cash, Wells Fargo Savings	55,051.44		
Cash, Fidelity Liquidity Pool	1,138,723.86		
Total Cash		1,224,448.93	
Investments, Fidelity Quasi-Endowment	15,401,482.86		
Investments, Fidelity Strategic Pool	53,852,673.62		
Accrued Interest Receivable	56,675.09		
Total Investments		69,310,831.57	
Prepaid Rent	1,075.86		
Prepaid Insurance	5,220.93		
Total Other Current Assets		6,296.79	
Deposits	1,335.45		
Total Other Assets		1,335.45	
TOTAL ASSETS			$ 70,542,912.74
LIABILITIES & NET ASSETS			
LIABILITIES			
Accounts Payable	8,524.38		
Accrued Scholarships Payable	70,000.00		
Accrued Employee PTO	11,593.05		
Total Liabilities		90,117.43	
NET ASSETS			
Unrestricted, Non-QE 7/1/2016 Balance	55,079,496.41		
Year to Date Net Income	(100,589.04)		
Year to Date Strategic Investment Income	72,405.08		
Total Non-QE Net Assets	55,051,312.45		
Quasi-Endowment 7/1/2016 Balance	15,118,119.77		
Year-to-date QE Investment Income	283,363.09		
Total Quasi-Endowment Net Assets	15,401,482.86		
Total Unrestricted Net Assets		70,452,795.31	
TOTAL LIABLITIES & NET ASSETS			$ 70,542,912.74

-

Prepared by: F. Bittner, 11/20/2016

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 2016**

TO: **Board of Directors, San Bruno Community Foundation**

FROM: **Leslie Hatamiya, Executive Director**

SUBJECT: **Recommendation from Community Grants Fund Review Panel and Adopt Resolutions Awarding 2016-2017 Community Grants Totaling $200,000**

On June 1, 2016, the Foundation Board of Directors approved the creation of the Community Grants Fund and the 2016-2017 program budget ($200,000). The purpose of this responsive grantmaking program is to allow local community groups the opportunity to apply for grant funding of up to $25,000 to support new or existing programs that benefit the San Bruno community. We launched the program on July 1, 2016, when we began distributing marketing materials about the grant opportunity throughout the San Bruno community and made the grant application available on the Foundation website. Over the summer, we held three well-attended grant workshops at City Hall, at which we explained the program's eligibility requirements and application process. I also fielded numerous email and phone inquiries from prospective applicants.

By the September 30, 2016, deadline, the Foundation received 23 applications. After an initial review for completeness and eligibility, 22 applications were passed on to a volunteer Review Panel made up of eight community members and individuals with grantmaking and nonprofit experience. The Review Panel evaluated the applications based on the five established program criteria:

- The benefits of the proposed project or program to the San Bruno community
- The proposal's alignment with one of the Foundation's focus areas
- Project/program methodology and budget
- Requested grant amount in relation to the anticipated community benefit
- Organizational track record, stability, and financial health

Based on its evaluation and deliberations, the Review Panel is recommending that the Board approve grant awards totaling $200,000 to 14 organizations, as listed in Exhibits A, B, and C. The Review Panel concluded that the applications for these projects sufficiently satisfied the five criteria. The 14 projects serve a broad cross-section of the San Bruno community, including students (elementary, middle, and high school), people with disabilities, low-income and marginalized families, children, teenagers, young adults, and veterans. Recommended grant awards range from $1,000 to $25,000;

seven of the grants are for at least $15,000. Several of the recommended grant awards are for less than the amount requested by the applying organization, and for some, the Review Panel recommends that the award be subject to certain conditions, which are also articulated in Exhibits A, B, and C.

Upon review, the Review Panel declined to recommend grant awards for eight applications. Those applications generally fell within two categories: proposal did not make strong enough case for need in and/or benefit to San Bruno, or proposal failed to provide sufficient details and/or clearly explain how the funds would be used. These applications came from Community Gatepath, Jefferson Union High School District/Daly City Youth Health Center, Latino Commision on Alcohol and Drug Abuse Services of San Mateo County, Mills Peninsula Hospital Foundation, Mission Graduates, San Francisco International New Concept Film Festival, Society of Western Artists, and Think Round Inc.

At the time the packet for the December 7 Board meeting is posted, I will notify all grant applicants of the Review Panel's recommendation with respect to their specific application and refer them to this memo, including Exhibits A, B, and C. For those applications where the Review Panel recommended partial funding or declined to recommend any funding, I will offer a phone call to explain the Review Panel's reasoning and provide feedback that could be helpful should the organization choose to apply for funding in the future.

Attached to this memorandum are three resolutions endorsing the Review Panel's recommendations. The first resolution awards 10 Community Grants totaling $154,820. The second resolution awards three Community Grants totaling $44,180 – one to the Capuchino High School Alumni Association in support of Capuchino High School's music program and two to the San Bruno Education Foundation supporting music education programs at schools in the San Bruno Park School District (President Nancy Kraus will recuse herself from consideration of this resolution due to her past association with the Capuchino High School Alumni Association and her professional association with the San Bruno Park School District). The third resolution awards one Community Grant to the American Cancer Society/Relay for Life in the amount of $1,000 (Vice President Frank Hedley will recuse himself from consideration of this resolution due to a family member's association with the American Cancer Society/Relay for Life). I recommend that the Board approve all three resolutions.

The Ad Hoc Committee on Foundation Program Development, on which Pat Bohm and Emily Roberts serve, and I want to commend and thank the members of the Review Panel for their dedication and hard work. They each spent countless hours reading the applications, and at the Panel's in-person meeting, it was clear that they took their duties very seriously and deliberated thoughtfully to come to agreement on the recommended grant awards.

At the end of the Review Panel's meeting, we had a "post mortem" discussion, during which I received valuable feedback from the Panelists about what worked well in the review process this year and what we could improve in the future. Staff will consider this feedback as it begins plans for the second iteration of the program in 2017-2018.

Attachments:

- Resolution Awarding 2016-2017 Community Grants Totaling $154,820
- Exhibit A: List of Grant Awards Recommended by Community Grants Fund Review Panel
- Resolution Awarding 2016-2017 Community Grants to the Capuchino High School Alumni Association and the San Bruno Education Foundation Totaling $44,180
- Exhibit B: List of Grant Awards to the San Bruno Education Foundation and the Capuchino High School Alumni Association Recommended by Community Grants Fund Review Panel
- Resolution Awarding 2016-2017 Community Grant to the American Cancer Society/Relay for Life in the Amount of $1,000
- Exhibit C: List of Grant Award to the American Cancer Society/Relay for Life Recommended by Community Grants Fund Review Panel

RESOLUTION NO. 2016-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION AWARDING 2016-2017 COMMUNITY GRANTS TOTALING $154,820

WHEREAS, Board of Directors of the San Bruno Community Foundation approved the creation of the Community Grants Fund on June 1, 2016;

WHEREAS, the Community Grants Fund is a responsive grantmaking program allowing local community groups to apply for grant funding of up to $25,000 to support new and existing programs that benefit the San Bruno community;

WHEREAS, the Foundation received 23 grant applications by the September 30, 2016, application deadline;

WHEREAS, the Community Grants Fund Review Panel, a volunteer body of community members and individuals with grantmaking and nonprofit experience appointed by the Executive Director, evaluated the applications based on five established criteria for the program: (a) the benefits of the proposed project or program to the San Bruno community, (b) the proposal's alignment with one of the Foundation's focus areas; (c) project/program methodology and budget, (d), requested grant amount in relation to the anticipated community benefit, and (e) organizational track record, stability, and financial health;

WHEREAS, the Review Panel recommends that the Board approve grant awards totaling $154,820, as listed in Exhibit A, to ten projects whose applications, it concluded, satisfy the five program criteria; and

WHEREAS, the ten 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.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves ten Community Grants totaling $154,820 for projects to be completed in 2017, in the amounts and with the conditions recommended by the Community Grants Fund Review Panel, as listed in Exhibit A.

Dated: December 7, 2016

ATTEST:

_____
Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2016-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 7th day of December, 2016, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

DRAFT

Exhibit A: Community Grants Fund, Grant Awards Recommended by the CGF Review Panel
December 2, 2016

Organization	Project Title	Project Description	Amount Recommended	Conditions Recommended
Center for Independence of Individuals with Disabilities	San Bruno Emergency Preparedness Project	To support emergency preparedness efforts for the disabled and elderly community in San Bruno.	$12,074	
Edgewood Center for Children and Families	Drop Into Art	To provide arts education and programming to at-risk young adults at Edgewood's San Bruno Drop-In Center.	$6,246	
Parent Boosters of 72	Eagle Scout Project Fund	To provide financial assistance to Boy Scouts in Troop 72 working on Eagle Scout projects that benefit the San Bruno community.	$1,500	No single Eagle Scout project is to be fully funded by the grant.
Peninsula Association for Retarded Children and Adults (Parca)	REACH (Recreational Experiences for All Children)	To support program operating costs for Parca's REACH program, an inclusive, licensed day- and after-school program for children with and without developmental disabilities, located at John Muir Elementary School.	$10,000	
Project Read/City of South San Francisco	Learning Wheels/On the Road to Reading	To continue and expand literacy services to low-income San Bruno parents and children with Learning Wheels, Project Read's literacy van.	$25,000	
Prospects Basketball Academy	Prospects Basketball Academy	To support program operating costs for San Bruno girls basketball program.	$10,000	Grant restricted to $5,000 for uniforms and $5,000 for scholarships for low-income participants.
San Bruno Lions Foundation	Belle Air Community Building Rehabilitation	To support rehabilitation and improvements to City-owned Belle Air Community Building.	$25,000	Grant restricted to renovations only (not to be used for planning). Funds transmitted only once all necessary approvals (including San Bruno City Council) have been received and renovations have begun.
Social Good Fund, Inc., as fiscal sponsor for American Legion Post 409, Dept. of California	Post 409 Building Update	To support remedial repairs and structural upgrades to American Legion Post 409 Hall (rear portion of the foundation behind the stage).	$25,000	Grant restricted to construction only (not to be used for planning). Funds transmitted only once all necessary approvals have been received and construction has begun.
The Society of St. Vincent de Paul, Particular County of San Mateo, Inc.	SVdP's Peninsula Family Resource Center	To provide services to San Bruno families facing homelessness and other human services to poor San Bruno families through SVdP's Peninsula Family Resource Center and San Bruno Store.	$25,000	
Via Heart Project	CPR in Schools	To provide hands-on CPR and AED training for San Bruno middle and high school students.	$15,000	
		TOTAL	**$154,820**	

RESOLUTION NO. 2016-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION AWARDING 2016-2017 COMMUNITY GRANTS TO THE CAPUCHINO HIGH SCHOOL ALUMNI ASSOCIATION AND THE SAN BRUNO EDUCATION FOUNDATION TOTALING $44,180

WHEREAS, Board of Directors of the San Bruno Community Foundation approved the creation of the Community Grants Fund on June 1, 2016;

WHEREAS, the Community Grants Fund is a responsive grantmaking program allowing local community groups to apply for grant funding of up to $25,000 to support new and existing programs that benefit the San Bruno community;

WHEREAS, the Foundation received 23 grant applications by the September 30, 2016, application deadline;

WHEREAS, the Community Grants Fund Review Panel, a volunteer body of community members and individuals with grantmaking and nonprofit experience appointed by the Executive Director, evaluated the applications based on five established criteria for the program: (a) the benefits of the proposed project or program to the San Bruno community, (b) the proposal's alignment with one of the Foundation's focus areas; (c) project/program methodology and budget, (d), requested grant amount in relation to the anticipated community benefit, and (e) organizational track record, stability, and financial health; and

WHEREAS, the Review Panel recommends that the Board approve grant awards to the Capuchino High School Alumni Association and the San Bruno Education Foundation totaling $44,180, as listed in Exhibit B, for projects whose applications, it concluded, satisfy the five program criteria.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves three Community Grants totaling $44,180 – one to the Capuchino High School Alumni Association and two to the San Bruno Education Foundation – for projects to be completed in 2017, in the amounts recommended by the Community Grants Fund Review Panel, as listed in Exhibit B.

Dated: December 7, 2016

ATTEST:

_____

Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2016-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 7th day of December, 2016, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

RECUSED: Board members:

DRAFT

Exhibit B: Community Grants Fund, Grant Awards to the Capuchino High School Alumni Association and the San Bruno Education Foundation Recommended by the CGF Review Panel
December 2, 2016

Organization	Project Title	Project Description	Amount Recommended	Conditions Recommended
Capuchino High School Alumni Association	Cap Music Boost	To support revitalization of music education and community performance at Capuchino High School and kick start Capuchino Music Boosters.	$19,180	
San Bruno Education Foundation	Parkside Intermediate Music Program	To improve Parkside Intermediate School's music program through the purchase of musical instruments and the creation of specialty performance groups such as choir and jazz band.	$14,000	
San Bruno Education Foundation	San Bruno Park Second/Third Grade Music Program	To provide music programs to 2nd and 3rd graders at the three Title I elementary schools in the San Bruno Park School District that do not currently offer any music programs.	$11,000	
		TOTAL	**$44,180**	

RESOLUTION NO. 2016-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION AWARDING 2016-2017 COMMUNITY GRANT TO THE AMERICAN CANCER SOCIETY/RELAY FOR LIFE IN THE AMOUNT OF $1,000

WHEREAS, Board of Directors of the San Bruno Community Foundation approved the creation of the Community Grants Fund on June 1, 2016;

WHEREAS, the Community Grants Fund is a responsive grantmaking program allowing local community groups to apply for grant funding of up to $25,000 to support new and existing programs that benefit the San Bruno community;

WHEREAS, the Foundation received 23 grant applications by the September 30, 2016, application deadline;

WHEREAS, the Community Grants Fund Review Panel, a volunteer body of community members and individuals with grantmaking and nonprofit experience appointed by the Executive Director, evaluated the applications based on five established criteria for the program: (a) the benefits of the proposed project or program to the San Bruno community, (b) the proposal's alignment with one of the Foundation's focus areas; (c) project/program methodology and budget, (d), requested grant amount in relation to the anticipated community benefit, and (e) organizational track record, stability, and financial health; and

WHEREAS, the Review Panel recommends that the Board approve one grant award to the American Cancer Society/Relay for Life in the amount of $1,000, as listed in Exhibit C, for a project whose application, it concluded, satisfies the five program criteria.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves one Community Grant in the amount of $1,000 to the American Cancer Society/Relay for Life for a project to be completed in 2017, with the conditions recommended by the Community Grants Fund Review Panel as listed in Exhibit C.

Dated: December 7, 2016

ATTEST:

_____

Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2016-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 7th day of December, 2016, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

RECUSED: Board members:

DRAFT

Exhibit C: Community Grants Fund, Grant Awards to the American Cancer Society/Relay for Life Recommended by the CGF Review Panel

December 2, 2016

Organization	Project Title	Project Description	Amount Recommended	Conditions Recommended
American Cancer Society, Inc./Relay for Life	Community Services & Education	To provide services to San Bruno cancer patients and caregivers	$1,000	Event sponsorship only.
		TOTAL	**$1,000**	

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 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: Crestmoor Neighborhood Memorial Scholarship Program

At the December 7, 2016, Board meeting, the Ad Hoc Committee on Foundation Program Development will give an update on the Crestmoor Neighborhood Memorial Scholarship. The two Board members who serve on the Committee are Patricia Bohm, who serves as chair, and Secretary Emily Roberts.

Staff expects the 2017 Crestmoor Neighborhood Memorial Scholarship to launch no later than December 9, 2016, when the online application will be accessible and updated marketing materials will be distributed to local schools and throughout the community. I am transitioning the day-to-day management of the program to Program Consultant Stephanie Rutgers. Updated marketing materials are at the printer, and Ms. Rutgers is working with our IT consultants at Shake Technologies to update the online application. Last year, in our rush to launch the program, we were unable to link the online application to Salesforce. This year, the online application will feed directly into our Salesforce database, streamlining the review process, our tracking of program winners, and the overall management of the program.

The program will be structured similar to this past year's program, with the following minor changes, which are intended to help attract more applicants:

- Marketing materials will clearly state that the most important criteria is demonstrated commitment to the San Bruno community, with extracurricular activities, leadership/teamwork/collaboration, academic record, and financial need also considered.
- Only one letter of recommendation will be required; a second letter of recommendation will be optional.
- We will not ask for SAT/ACT scores (this past year they were optional).

We will also be increasing our outreach efforts to attract more applicants in two categories: high school seniors planning to attend community college and community college students transferring to four-year institutions.

SAN BRUNO
Community Foundation

Memorandum

In the budget approved by the Board in June, the 2017 Crestmoor Scholarship is currently budgeted at $100,000. However, at the time of budget consideration, the Board said that it would reconsider the budgets for the second iterations of both the Crestmoor Scholarship and the Community Grants Fund after both programs had completed one full cycle. As a result, the Committee plans to reconsider 2017 funding levels for both programs later in December and may bring a recommendation for increased funding to the Board at its January regular meeting.

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 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 Proposals to the San Bruno City Council Related to Near-Term Projects

As you know, in early January, the Foundation proposed to the City of San Bruno a partnership on four strategic projects for 2016:

- Grant of up to $300,000 to the City for the completion of a Community Facilities Vision Plan focused on the Foundation's capital project strategic priorities and related facilities, including a pre-planning process with Anderson Brule Architects (ABA) to develop the scope of work and work plan;

- Grant of up to $200,000 to develop the City-owned lot at 324 Florida Avenue into a new community park.

- Grant of up to $30,000 to the City to underwrite the costs of holding the third annual Community Day in 2016 and encouraging the City to merge the event with the annual Posy Parade in early June (this grant has been executed, and the Board has also approved a $30,000 grant to support Community Day in 2017);

- Grant of up to $170,000 to the City for pedestrian safety improvements, including installation of lighted crosswalks, lighted signage, or other similarly high-visibility pedestrian safety features; and

At the December 7, 2016, 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 three 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 will allow the community to provide input for these goals for these facilities and prioritize them.

More than 400 community members participated in the first round of outreach (Community Forum in late October, survey, and "pop-up" events at the San Bruno Public Library and the Shops at Tanforan).

The City held its second Community Forum to solicit community input on November 30. An engaged group of about 100 community members participated in the meeting at the Senior Center. This Community Forum focused on prioritizing the community facilities in question. After an opening presentation in which the Mayor gave opening remarks, I gave an overview of SBCF's Community Listening Campaign and strategy, and ABA staff educated community members on trends in community facilities and services and introduced the concept of project opportunities, attendees participated in a small-group facility prioritization exercise, followed by reports to the full group. All of the small group discussions appeared to include engaged and robust participation by the attendees. Board Members Nancy Kraus, Tim Ross, Pat Bohm, and John McGlothlin attended the Community Forum.

To build on the feedback received at the second Community Forum, the City will offer an online survey December 3-11. Links to the survey and the Community Forum materials will be posted on the SBCF website. Additional "pop-ups" will take place at the Parkside Winter Concert and Tanforan. The ABA team will then make presentations of its findings at relevant City commission meetings in January, followed by a presentation to the City Council.

The Foundation has helped the City publicize the Community Forums and surveys through email blasts to the Foundation's 550+ email list and suggested ideas for the postcard mailing and PowerPoint presentation.

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. On November 21, the Committee met with the corresponding City Council subcommittee. President Kraus and I emphasized the importance of giving event sponsors proper recognition on the marketing materials and at the event and asked the City to provide a list of benefits (including opportunities for recognition in marketing materials) sponsors will receive by early December, so that the Foundation can pass along the information to the other sponsors with which it has been speaking.

3. Pedestrian Safety Improvements

Also at the November 21 meeting the Committee and City Council subcommittee discussed the idea of a pedestrian safety initiative, in which the Foundation and possibly corporate partners fund the installation of flashing beacons at certain crosswalks near schools, in the downtown area, and other designated locations in town. The City is in the process of reviewing analysis by a traffic engineering consultant, recommending several locations for the flashing beacon installations, and determining per-crosswalk cost estimates for the flashing beacons.

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 2016**

TO: **Board of Directors, San Bruno Community Foundation**

FROM: **Leslie Hatamiya, Executive Director**

SUBJECT: Report from Ad Hoc Committee on Music Education Strategic Initiative

At the December 7, 2016, Board meeting, the Ad Hoc Committee on Music Education Strategic Initiative will give a report on its activities. The two Board members who serve on the Committee are Secretary Emily Roberts, who serves as chair, and Patricia Bohm.

On November 2, 2016, emphasizing the importance of music education, San Bruno schools' past tradition of music excellence, and the broad community benefits of having strong arts programs in the schools, the Board approved the creation of the Committee and charged it with convening the relevant community partners to develop a realistic and sustainable plan to solidify music education in San Bruno's public schools and to develop a proposal, for Board consideration next spring, for a Foundation-funded Music Education Strategic Initiative.

To assist its work, the Committee has organized a working group that includes representatives from Capuchino High School, the Capuchino High School Alumni Association, the San Bruno Park School District, and the San Bruno Education Foundation. The working group will have its first meeting on Monday, December 5, 2016. The purpose of the meeting is to establish the goals and vision for music education in the San Bruno Park School District and at Capuchino High School and to begin to outline ways in which the Foundation can help the schools achieve that vision. The Committee also hopes that the group will establish a timeline for the development of the Music Education Strategic Initiative proposal and to identify next steps for the Committee.

Chair Roberts will report on the working group meeting at the December 7 Board meeting.

SAN BRUNO
Community Foundation

Memorandum

DATE: **December 2, 2016**

TO: **Board of Directors, San Bruno Community Foundation**

FROM: **Leslie Hatamiya, Executive Director**

SUBJECT: Report from Investment Committee

The December 7, 2016, Board meeting will include a report from the Investment Committee regarding its recent quarterly meeting, which was held on November 16, 2016. Treasurer Tim Ross chairs the Committee, on which Vice President Frank Hedley and community members Tony Clifford, Mark Hayes, and Georganne Perkins also serve.

On November 16, a team representing Sand Hill Global Advisors LLC (SHGA), the Foundation's investment adviser – including Chief Executive Officer Brian Dombkowski, Co-Chief Investment Officer Brenda Vingiello, and Wealth Manager Kristin Sun – made its quarterly presentation to the Committee. The first part of the presentation focused on SHGA's economic and market outlook, which Mr. Dombkowski described as 1-2% growth environment in the eighth year of an economic recovery. He commented on the impact of the presidential election, the interest rate environment, employment market, domestic and international markets, and inflation, among other topics.

Ms. Vingiello then reviewed the Foundation's portfolio and SHGA's actions with respect to the portfolio in the third quarter of the year. As you will recall, the Board authorized the creation of three pools of funds that Sand Hill manages for the Foundation:

- Quasi-Endowment, to follow a long-term investment strategy, with starting balance of $15 million
- Strategic Pool, to be used to fund major strategic projects and operations over the next 7-10 years, with starting balance of approximately $53.6 million
- Liquidity Pool, to be used to fund programs and operations for the current fiscal year, with starting balance of $1,345,290 (equal to the FY 2016-2017 operating budget)

The Fidelity accounts for the three pools were funded in late May, after the Foundation received the transfer of restitution funds from the City of San Bruno's custodial accounts (with small residual payments that arrived in June and July). As of September 30, 2016, the Quasi-Endowment was at $15.6 million, the Strategic Pool at $54.4 million, and the Liquidity Pool at $1.1 million, for a total portfolio of $71.2 million.

Ms. Sun responded to several requests from the Committee regarding a modified benchmark for the Strategic Pool and additional information regarding fees and underlying investments. Ms. Vingiello also gave an overview of the small number of active managers SHGA currently uses on the SBCF portfolio. As a reminder, in managing the Foundation's portfolio, SHGA has a strong preference for the use of low-cost index funds and exchange-traded funds and, as a result, uses only a handful of active managers where the academic research supports the use of active management.

The Committee's next quarterly meeting will be held on Wednesday, February 15, 2017, at 4:30 p.m., at San Bruno City Hall, Room 101.