MINUTES

Present:
Dr. Rakesh Sharma, Chair
Julie Zhu, Vice Chair
Dr. Jim Wright, Finance Chair
Dr. Brad Hatton, Secretary
Lou Willett, Legal Counsel
Desrie Campbell
Jill Duerig
Jennifer Toy Harrison
Shirley Sisk
Justin Sha
Alberto Huezo
Gloria Villasana Fuerniss

Ex-Officio Present:
Dr. Christopher Dela Rosa, Vice President, Administrative and Technology Services

Staff Present:
Binh Q. Nguyen, Executive Director of Foundation, Community Relations, Marketing
Farhad Sabit, Executive Director, Business Services
Desire Andjou, Accounting Manager
Bonnie Zhu, Interim Grant and Foundation Accountant
Brandon Stewart, Interim Community Education Specialist
Anjali Naicker, Interim Foundation Administrative Assistant
Cheryl Layug, Interim Foundation Administrative Assistant

Guests Present:
Robert Douglass
Bill Altavilla, Pacific Investments
James Jimenez, Fremont Bank
Sarah Trondsen, CPA, Gilbert Associates

Not Present:
Wing Lam
Anita Pirrone
Jean Louie Willett
Sam Sepah
Sylvia Jimenez
Stephanie Williams
Rich Watters, Trustee

A. CALL TO ORDER/ROLL CALL
A.1 Chair, Dr. Rakesh Sharma called the meeting to order at 11:32 AM.

B. APPROVAL OF MINUTES
B.1 Approval of the Full Board Meeting Minutes on Wednesday, September 23rd, 2020.
Shirley Sisk moved to approve the minutes. Jennifer Toy Harrison seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa) NOES: (0), ABSTAIN: (Fuerniss) motion passed.

C. NEW FOUNDATION BOARD OFFICERS
C.1 Confirmation of New Foundation Chair – Julie Zhu
Alberto Huezo moved to approve the new Foundation Chair. Gloria Villasana Fuerniss seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Fuerniss, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa) NOES: (0), ABSTAIN: (0) motion passed.
C.2 Confirmation of New Foundation Vice Chair – Jennifer Toy Harrison
Gloria Villasana Fuerniss moved to approve the new Foundation Vice Chair. Alberto Huezo seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Fuerniss, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa) NOES: (0), ABSTAIN: (0) motion passed.

D. NEW BOARD MEMBERS
D.1 Nomination to Board of Directors, Robert Douglass
Jill Duerig moved to approve the new Board of Director. Alberto Huezo seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Fuerniss, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa) NOES: (0), ABSTAIN: (0) motion passed.

E. AGENDA MODIFICATIONS
There were no agenda modifications.

F. COMMUNICATIONS FROM THE PUBLIC
There was no communication from the public.

G. FOUNDATION CHAIR REPORT
G.1 Chair, Dr. Rakesh Sharma reported that the Foundation is doing great and is in good hands with Binh Nguyen as Executive Director.

H. EXECUTIVE DIRECTOR REPORT
H.1 Binh Nguyen expressed his gratitude for Dr. Rakesh Sharma, who will be leaving the Foundation Board and stepping down as president. He shared how he is looking forward to working with Robert Douglass who is coming back to the Foundation and Julie and Jennifer for their willingness to take on the new role as chair and vice chair.
He reported that the audit went well and updated the board that programmatically we continue to serve our students with our COVID-19 emergency fund which was approved earlier this year in June. There is a $200 one-time emergency grant for our students who are impacted by the pandemic. An overwhelming number of students have been supported through this effort throughout the fall semester and we continue to receive requests from students who are being impacted financially by the pandemic. Along with that, we recognize that in order for students to be successful in a remote learning environment they needed some support with technology. We've partnered with Ohlone IT Services and purchased some Chromebook computers and Wi-Fi hotspots for students who don't have an internet connection at home. Wi-Fi hotspots comes with a one-year subscription of free internet for our students. Also, we are busy preparing for the new school year scholarship awards. We are on scheduled to launch our scholarship application on February 1, 2021 and will close on March 31st. Hopefully, depending on
the condition of the pandemic, we will have an in-person scholarship ceremony like we've had in the past, but that is to be determined.

I wanted to take an opportunity to thank the donors on the board. We were able to develop three new scholarships this year. The first scholarship is the Sheila and Meagan Tandy Scholarship. It's donated by our college superintendent president, Dr. Eric Bishop. For this scholarship, we're awarding $750 awards to support students from disadvantaged background. The next scholarship that we've developed was from alumna Miss Kawtar Mossadak. She was a former student and is now successful and working full time. She wanted to give back to Ohlone College and donated a $1,000 scholarship to support our students. Our third scholarship is from a local employer located in Newark named Air Solutions.

They are giving three $1,100 scholarship this upcoming year for our students within the tri-cities. I wanted to mention that we've been partnering with the Fremont Morning Rotary and they have been giving $1,000 scholarships to two students, one from Kennedy High School and one from Irvington High School. This year because of our partnership, the recognition of need and how we've been working with them, they have decided to increase the scholarship offerings to four $1,000 scholarships. My last update is that we recently set up a meet and greet for the president superintendent, Dr. Bishop to meet with the Frank DiMino Family Foundation. The Frank DiMino Family Foundation plans to contribute $200,000 to the Ohlone College Foundation in 2021. The plan is for $100,000 to continue with support for the Lincoln Center which is already set up right now. The second $100,000 is to support Dr. Bishop and his initiative for diversity, equity, and inclusion. We're also working with HR to find the permanent placement for Vanessa, the previous Foundation Administrative Assistant. By early January, we'll have a candidate to support myself and the Foundation.

I. GUEST PRESENTATION
   I.1 Pacific Investments - Bill Altavilla spoke about few things regarding the accounts in the market. November was an amazing month and the strongest month since January of 1987. We had some great things happen in November. We talked about vaccines which was really good and very encouraging. And now, of course, we have it rolling out, which is just incredible. This report is as of the end of November. We’re about $2.9 million of your allocation and we’ll go through that in a little more detail, but it’s about 50% stocks 50% fixed income. It’s very conservative, which served as well during the March timeframe, when the market was down 30%. We have a protected principle on the way down and on the way up you get quite the pop because you only have half and half. It certainly helps smooth out the riding with the endowment money. We want to make sure we have that money available for your distribution. The annualized return for the two accounts, the Smith Trust and the Ohlone College Foundation was up 4.31%. As of
yesterday, it's up 5.5%. The allocation is moderate growth and income, which is about 54% stocks and 46% fixed income, which is bonds and money in the market. We think that the markets are going to be up towards the end of next year. We think that in the short term when we get the stimulus checks there's going to be some benefits of the market. We may have an adjustment in the market, but the expectations going forward are pretty substantial. Goldman Sachs is coming out with an estimate of year of 4300 for the S&P which is about 16% higher than where we are. Wells Fargo is coming out with 4000 which is about 8%. The expectation is that things will open up and people will travel. We're certainly looking forward to getting out and traveling. All those things are going to be very positive for the market. There's a lot of money that could still come into the market, such as the stimulus bill, vaccine development and deployment, and the holiday season. It's not just the NASDAQ stocks that are a positive for the market. In the new year, the US dollar has weakened, which is beneficial to our international sales for a lot of our global companies that are in your portfolio. We won't have to worry about a tax increases and things like that, which would be good for the market but bad for us as voters. Third quarter earnings have been really good for all the stocks and it looks like next year they're going to probably be even better. They expect the earnings expansion next year. In the labor market, although it's not back to where it was, is moving a lot more quickly than we expected. The market will always have corrections and that's normal. Once that stimulus gets built in and once the vaccine rolls out and so forth, will be a little bit of a pocket. Hopefully the fourth quarter earnings will hold the market up but like I said expectations are next year that the market should be pretty good.

I.2 Fremont Bank Investments - James Jimenez spoke about how the S&P 500 was bolstered by tech stocks and is positive now, but all other major indices are sharply down. We are figuring out what is the stimulus program going to be for small business and what is the new administration's tax situation going to be with big business. Those are big questions that lead us to expect volatility for a while. Because we haven't taken the bigger losses of the last year, we feel pretty good about the fact that we feel we're in a good position to capture upside next year once this volatility comes down.

J. 2019/2020 OHLONE COLLEGE FOUNDATION AUDIT

J.1 Sarah Trondsen presented the 2019/2020 Audit Year End Financials - We've been performing the audit for the district and the Foundation for the past number of years. I am the manager on the Foundation side of the audit. We perform the Foundation audit in conjunction with the district on it. We completed the audit in September and we issued the Foundation report on December 1st. I'm going to go really high level on this report, of course, please let me know if you have any questions of the materials you're provided. We did issue with a modified opinion on the financial statements for the
Foundation this year. That is the best opinion that we can give and its otherwise known as a clean opinion. So that's wonderful that we weren't able to do that this year. We had notice agreements with management. We did request certain representations for management and we had no significant difficulties. Dealing with management or completing our audit and obtaining support. We are really appreciative of the Foundation staff in getting us what we need, answering our questions, being very well prepared and cooperative. We do appreciate that especially in this remote environment. If accounting doesn't have enough rules, we have new rules for how revenue is recognized. However, due to the nature of the Foundation's revenues, it was not significantly impacted by these rule changes. It ended up being additional disclosures on the report, some changed language, but no change to how revenue was being recognized or recorded. In the financials, it should be similar to what you've been receiving as reported all year long. It's definitely great there. We have other nonprofit organizations that had many, many jump hurdles to jump over for these new standards, but luckily the Foundation didn't have a significant impact, adjustments or admitted disclosures that were noted this year. The best practice is to make sure that the donations are being reconciled timely into the financials just to make sure that they match up and talk really well to each other for consistent reporting during the year, and especially at your end for the audit. That is the high level of everything that occurred this year in terms of the report. The language changed slightly for revenue recognition, but the only thing that I do want to point out in terms of the financial statements. Last year, as you all know, there was a very large DiMino contribution. We saw that run through the balance sheet and income statement. That was really driving a lot of the decreases in cash and investments. The assets were 15.7 million last year and 8.4 million this year for the completion of the academic core project, which I'm very sad I didn’t get to see the lovely building this year. On the income sheet is the decrease in revenues of about 10.7 million related to the academic core projects. There was an overall decrease and that assets over the year you see the change in that assets of $87,000. Again, just a function of the DiMino funds. Then we saw more revenues in terms of the special events and the cancellations of the golf tournament this here. The investment mix is described in the footnotes, along with the remainder charitable remainder trust assets comparative information from year to year.

Shirley Sisk moved to approve the 2019/2020 audit. Justin Sha seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Fuerniss, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa, Campbell) NOES: (0), ABSTAIN: (0) motion passed.

K. OHLONE COLLEGE FOUNDATION FINANCIAL REPORTS

K.1 1st Quarter 2020/2021 Financial Statements – Farhad Sabit presented the first quarter financial report the Foundation for fiscal year 2021 period of July 1st through
September 30th. The foundation has three funds, the general operating fund, the restricted fund and temporarily restricted fund. Today, we will be focusing on the total column which is on the left side that you see on the finance report. I'm going to share a few major highlights of the reports with you. Overall, it's a good report. Things are going in the right direction financially. I'm not going to repeat the information from the auditor but overall, this is a positive report. Despite the public health crisis emergency, the Foundation has continued to achieve its mission. To follow up on what Bill said earlier, the long-term assets are positive because the endowments gained about $236,000 in the first quarter. That's a 4.65% gain in one quarter since June 30th. If you remember back in March, we reported huge losses in our investment in June. We are reporting additional recovery is as of September 30th, so all good news there. The difference between total income in total expenditures a positive $74,000. That means you the Foundation is adding $74,000 to the fund balance as of September 30th so the new ending balance is $5.7 million. Total revenue or $140,000 includes $54,000 of tech support to the Foundation personnel costs total expenditures were $258,000. And if you look at that last line distribution in today's tech programs by $258,000 is included $186,000 of contributions distribution to the state program. This is from purchasing Chromebooks for our students and spots for Wi-Fi and a distribution to the Lytton center. Most of the $258,000 went to the college in terms of in the form of distribution to the programs. The unrealized gain loss number that you see there are $218,000. This is the increase gain in the endowment investment which is a positive review. All those numbers percentages that that you see are up compared to June 30th when we reported last from Fremont Bank. In our summary of all endowments for the fiscal year 2019-20 that ended June 30th so we present this to the board once a year. The total balance as of June 30th was $4.126 million all those documents that are listed up. The next line to the right is $2.4 million is out of the $4.1 million is non-spendable and it includes the corpus. The CPI increases every year. So 2.4 million is non spendable. However, the $1.4 million is available for spending. And with that, I conclude my report in please let me know if you have any questions.

Gloria Villasana Fuerniss moved to approve the 1st Quarter financial statements.

Jill Duerig seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Fuerniss, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa, Campbell) NOES: (0), ABSTAIN: (0) motion passed.

L. DISCUSSION ITEMS

L.1 Citizen Bond Oversight Committee (CBOC) Membership - Dr. Christopher Dela Rosa wanted to reach out to the Foundation Foard to ask if anybody would be interested to take over the role of Dr. Sharma, as a member of the Citizens Bond Oversight Committee. The district and the district residents passed a bond in 2010 for $249 million for capital expenditure for capital projects. As part of that approval by their district
residents of a bond, there has to be an oversight team, which we call the Citizens Bond Oversight Committee. As a part of the bylaws for the CBOC, a member from a support organization of learning community college will be one of the members for CBOC. We are very fortunate enough to have the Foundation support. We are looking for a member that take the role of Dr. Sharma starting in January for two years and the commitment is three meetings a year. Typically, these meetings land on a Monday afternoon or early evening. This is to review all the records required with documentation and provide updates on the different projects that we have related to Measure G. As I mentioned earlier, this was passed 2010 and we are in the final leg or the tail end of the spending for Measure G. The commitment for this position will be starting in 2021 and then we'll end in March 2023 because I think that's when we are required to spend all the funds under Measure G. This is in part because of the way we sold the bond. I hope somebody would be interested to represent the Ohlone Foundation Board. Jill Duerig volunteered for the position and Dr. Dela Rosa thanked her for her volunteer work and commitment to serve the community.

M. ACTION ITEMS

M.1 Acceptance of In-Kind Donations
Shirley Sisk moved to approve the In-Kind. Jennifer Toy Harrison seconded. AYES: (Sharma, Zhu, Hatton, Wright, Willett, Duerig, Fuerniss, Harrison, Sisk, Sha, Huezo, Nguyen, Dela Rosa, Campbell) NOES: (0), ABSTAIN: (0) motion passed.

N. NEW ITEMS
N.1 Foundation 2021 Calendar

O. ANNOUNCEMENTS

P. ADJOURN
P.1 Dr. Rakesh Sharma adjourned the meeting at 12:43PM.

Respectfully submitted,

Brad Hatton (Jun 22, 2021 22:21 PDT)

Dr. Brad Hatton, Secretary

All attached documents can be found online at:
https://www.ohlone.edu/foundation/about-us/board-meetings

Pursuant to Government Code 54957.5: Supplemental materials distributed less than 72 hours before this meeting, to a majority of the Foundation Board will be made available for public inspection at this meeting and at the Foundation’s Office located in Bldg. 20, Room 206, 43600 Mission Blvd., Fremont, CA 94539, during normal business hours. Materials prepared by Foundation staff and distributed during the meeting are available for public inspection at the meeting or after the meeting if prepared by some other person. Documents related to closed session items or are exempt from disclosure will not be made available for public inspection.