

**Orange Coast College Foundation  
Board of Directors Meeting Minutes  
Monday, June 24, 5:30 pm  
OCC Captain's Table, 2nd Floor College Center**

**Attendees:** Jeff Hyder, Chris Amaral, Doug Bennett, Mark Denny, Dave Grant, Patrick Munoz, Shana Jenkins, Blade Gillissen, Kat Carroll, Savannah Garcia, Kevin Ballinger, Rich Pagel, Angelica Suarez, Bill Wood, Rena Quinonez, TJ Nguyen, and Sean Wellengard

1. **Welcome & Introductions:** Doug Bennett introduced TJ Nguyen, OCC Scholarship Coordinator, who provides the staff leadership for our growing scholarship program.
2. **Approval of The April 1st, 2024 Meeting as emailed:** Minutes were approved.
3. **Pirate Moment – OCC Commencement 2024:** Rena Quinonez presented a video of OCC's 76th Commencement Ceremony on May 24th, 2024 in the Pacific Amphitheater with Sylvia Mendez as the OCC Alumni Hall of Fame inductee. Sylvia Mendez played an instrumental role in the groundbreaking Mendez v. Westminster case, a triumph against racial segregation in California schools and a pivotal moment in the fight for civil rights. Mendez earned an associate degree in nursing from Orange Coast College in 1964 and a Bachelor of Science in nursing from California State University, Los Angeles. The video of the entire commencement ceremony can be seen at:  
<https://youtu.be/Zg1olvcidUQ?si=p4Nppuc2GjGVm-KR>.
4. **College Report:** Angelica Suarez delivered the College Report and introduced the new incoming ASOCC President, Savannah Garcia. The Foundation Board welcomed Savannah with flowers as she expressed her excitement with being included on the Board. Dr. Suarez commented that adding to the recognition of Sylvia Mendez, she would also be submitted to the State Chancellor's Office for Distinguished Alumni. Angelica commended Dr. Tara Giblin for building a robust summer schedule at OCC and thus enrollment is up 14%. This Summer, OCC will again host the Girls, Inc. Eureka STEM Academy. There are study abroad programs during the coming summer with one in Scotland, one in Florence, and two in Madrid. This 76th Commencement awarded a record number of over 5,500 degrees and certificates with nearly 800 students participating in the ceremony that ran seamlessly. In the previous meeting, Dr. Suarez had mentioned that the State was recommending that colleges build into their budget a deficit factor of \$7 million at the District level, however, the Governor's May revise did not include the 7% cut/deficit factor to community colleges as an abundance of caution OCC as built in a .5% deficit factor. The last item was VP Rich Pagel's update on the Recycling Center as he stated that a proposal for the company – OC Recycle - to reopen the facility went to the District Board last Wednesday. It does take 90 days for an application with Cal Recycle to progress and after that, the Recycling Center is looking to reopen with the new operator in late September/early October, which would relieve ASOCC from its annual quarter of a million-dollar operating cost. The operator will be OC Recycling, Inc. out of Santa Ana. At the next meeting in August, Angelica and Rich

hope to present preliminary plans for beautification of the campus for the Board to assist with.

6. **Honors Night & Endorsement of Honors Night Awards:** The Honors Night Scholarship Awards were motioned and approved with this year's awards totaling almost \$800,000 in OCC Scholarships.
7. **Executive Committee Report:** Jeff Hyder stated the Executive Committee Report.
  - a. **Changes to Foundation Management Fees:** An offsite committee meeting and numerous meetings and email exchanges resulted in the Executive Committee's recommendation on Changes to Foundation Management Fees presented to the Board. Jeff stated that this change is just to make the OCC Foundation level with other community colleges' foundations and even some 4-year institutions. The recommendations were as follows:
    - i. Increase of Management fees from .75% to 1% and keep the target program at 5% creating a new endowment and quasi-endowment fund target of 6% vs the previous target of 5.75%.
    - ii. Adopt a new fee on Sales & Charters of donated property and equipment of 2%.
    - iii. 5% incoming management fee on gifts, via wills, trusts, and bequests.
    - iv. Earnings from Foundation Management Fees are to be authorized by the Foundation Board on an annual basis.
    - v. Current earnings of approximately \$60,000 on unrestricted endowment funds of about \$1.2 million will be allocated for campus programs through a grant process to be developed.
    - vi. No fees or management fees on incoming scholarship gifts and restricted funds or for scholarship and restricted funds held by the Foundation.
    - vii.

The motion to approve the changes as submitted were approved and passed.

8. **Nominating Committee Report:** Jeff Hyder proceeded with the Nominating Committee Report.
  - a. **Nominees for New three-year terms:** Christina Amaral McDonald, Kat Carroll, Lori Ginex-Orinion, Rush Hill, Patrick Munoz, and Bill Wood were motioned, seconded, and approved for new three-year terms.
9. **One-year term as Officers:** Jeff Hyder as Chair, Lori Ginex-Orinion as Vice Chair, Mark Denny as Treasurer, and Bill Wood as Secretary were motioned, seconded, and approved for one-year terms as officers.
  - a. **Recommendation for New Member:** Raymond Tu submitted a letter to the Board and was motioned, seconded, and approved to be a new member of the OCC Foundation Board.

10. **Finance Report:** Mark Denny covered the Finance Report.

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  - a. **Endowment Performance as of 4/30/2024:** Drawing attention to the report and how the one-month, three-year, and ten-year marks have exceeded the Foundation policy since inception, the OCC Foundation finances are in great shape.
  
- 11. Orange County Children's Book Festival:** Rena Quinonez spoke on the OC Children's Book Festival slated for September 22nd with the headliner being Gene Luen Yang, Cartoonist and Teacher having written American Born Chinese (adapted into a series on Disney+), Boxers & Saints, and Avatar: The Last Airbender (Animated series). The 2024 OC Children's Book Festival will also feature #1 New York Times Bestselling Author Jasmine Warga, Newbery Medal Winning Author Cynthia Kadohata, and Author and Actress Austin Highsmith Garces. There are 80 paid exhibitors so far with the goal being 110. There will be 2 bookstores, 4 food trucks, and 3 sponsors including OCC Friends of the Library and San Diego Wildlife Association. Rena requested assistance with finding sponsorship and presented the Board with a Sponsorship Benefits Package flyer. Jeff Hyder generously put Simple Green as a Captain Level sponsor for \$5,000 and Patrick Munoz offered a \$500 sponsorship for the OC Children's Book Festival.
  
- 12. Marine Program Update:** Patrick Munoz gave the Marine Programs Update as the search continues for a Director of the Waterfront Campus with the applications being taken until the 12th of July. Both the OCC boats in Seattle were sold, netting about half a million dollars. The OCC Crew Team is in England to compete in the Royal Henley Regatta through the support of fundraising through the Foundation's E-Teams, where they raised \$40,000. Doug stated that he would send out the link for the Royal Henley Regatta YouTube telecast.
  
- 13. Friends of the Library Report:** Kevin Ballinger communicated the Friends of the Library having their last meeting in May. The Friends of the Library awarded 2=two scholarships for Honors Night. The FOTL Book Sale raised over their goal of \$1,000 by coming in at around \$1,200 and change. \$116 was given to the Travel Program who assist with the Book Sale. The next BANFF Film Festival will be on September 25th. The Friends of the Library passed their revision of their bylaws which has been on the docket for months. This week the FOTL will send out letters to members giving an update and letting non-lifetime members know to re-up their membership. Kevin was excited to announce that the first 20 years of The Log, OCC's Yearbook, have been posted in the Archives online along with the first 20 years of the OCC's Catalogs. Kevin also commented that the Academic Senate wanted to celebrate Sylvia Mendez as well so they decided to honor her at the Pinning Ceremony as the Nursing Program was the first program at OCC to have a Pinning Ceremony and Sylvia Mendez was in one of the last classes to graduate from Nursing before the program moved to Golden West College. The Academic Senate wants to create a special plaque for Sylvia Mendez to be placed in the lobby of the Allied Health Building.
  
- 14. ASOCC Report:** Savannah Garcia will give an ASOCC report at the next Board Meeting.
  
- 15. Executive Director's Report:** Doug Bennett closed the meeting by delivering the Executive Director's Report.

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- a. **Andy Warhol Print Insurance Payment:** Doug had emailed the Board that we received an insurance payment on the Andy Warhol print totaling \$49,000 as the Painting was appraised at \$50,000 and the District Insurance has a deductible of \$1,000. The Andy Warhol Print was given anonymously, but Doug communicated with the donor during the whole process and the donor decided that he wanted to be recognized afterward for making the gift so Ralph Lewis, a retired OCC Economics Instructor at OCC for 30 years, asked \$20,000 of the payment go to an Economics Scholarship in memory of Miles Eaton, a founding OCC faculty member and \$9,000 to go to a scholarship in memory of founding Art Pavilion Director Doree Dunlap. Ralph, also asked that \$20,000 go to a Men's Basketball Scholarship and in memory of Miles Eaton. The whole experience has resulted in increased security of the vault and having artwork fully inventoried.

**Meeting adjourned at 6:45 pm.**

**Future Meetings & Events:**

- **Foundation Board Meeting, Tuesday, August 6, Location TBA**
- **Foundation Board Meeting, Thursday, September 26, Location TBA**
- **Foundation Board Meeting, Thursday, November 14, Location TBA**

# Orange Coast College Foundation

## Management Fees Summary & Recommendation

June 24, 2024

**Overview** – The Orange Coast College Foundation is a 501(C)3 non-profit corporation of the Coast Community College District and while a non-profit corporation it is bound to the college district by a Master Agreement that expires in 2026. The Master Agreement has been regularly renewed since the Foundation was established in 1985.

One of the key aspects of the Management Agreement is that the salaries and benefits for the college employees that support the Foundation are paid through the college's General Fund. 25% of The salary and benefits of the Foundation Development Coordinator

The Foundation's operating expenses for items such as software, postage, D&O Liability Insurance, printing, promotion, and other day-to-day expenses are paid from management fees and are generated through the .75% management fees on endowed accounts and a \$10,000 annual fee on sailing program income.

A combined meeting of the Foundation's Executive, Mariner, and Finance Committee was held on May 13 and provided recommendations to the Executive Committee. The Executive Committee met on June 11 and are making the recommendations summarized below followed by details on the recommendation.

- **Increase of Management fees on endowment and quasi-endowment funds from 5.75% to 6%.**
- **New fee on Sales & Charters o donated property and equipment of 2%**
- **5% incoming management fee on gifts, via wills, trusts and bequests**
- **Earnings from Foundation Management Fees to be authorized by Foundation Board on an annual basis.**
- **Current earnings of approximately \$60,00 on unrestricted endowment funds of about \$1.2 million to be allocated for campus program through a grant process to be developed.**
- **No fees or management fees on incoming scholarship gifts and restricted funds, or for scholarship and restricted funds held by the Foundation.**

## Additional Detail on Recommend Foundation Fee Changes

June 24, 2024

### **Funds Held in Endowments**

Increase management fee from .75% to 1%, maintain annual maximum payout from endowment at 5%. Total target return increases from 5.75% to 6%. Total income from management fees on restricted endowments of approximately \$30 million will be \$300,000.

### **Sales and Charters of Donated Boats, and Other Property**

New Management Fee of 2% on the sale and charters of donated boats and other personal property. Over the last five fiscal years total boat sales and charters were in excess of \$11 million and on this average the fee would have provided \$44,000 in management fees per year  
**Wills & Bequests** - 5% management/sustainability/initiation fee on bequests, wills, and trusts to be placed in an unrestricted quasi-endowment fund.

### **Earnings from Money Market Sweep Account**

Allocate on an annual basis to Foundation priorities as established by the Board of Directors. As of May 31, over \$71,000 has been earned from Money Market funds.

### **Current Unrestricted Endowment Funds**

Use unrestricted funds in the General Endowment (\$759,248) and Matt Miller Fund (\$492,000) for an annual grant fund for campus programs & organizations – approximately \$60,000 per year. The program will help formalize requests to the Foundation for funds and increase the foundation's visibility on campus.

### **Incoming Gifts & Funds Held for Restricted Gifts and Scholarships**

No sustainability funds or incoming fees at this time on funds held for annual scholarships and restricted funds by the Foundation.