

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • Emily Roberts, *Secretary* • Ben Cohn, *Treasurer*
Patricia Bohm • John P. McGlothlin • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

AGENDA

SAN BRUNO COMMUNITY FOUNDATION

Special Meeting of the Board of Directors

February 3, 2016

6:00 p.m.

Meeting Location:

San Bruno Senior Center Library, 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. 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 agendaized pursuant to State Law.

- 4. Closed Session:** Public Employee Performance Evaluation Pursuant to Government Code section 54957: Executive Director

5. Adjourn

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Leslie Hatamiya, *Executive Director*

AGENDA

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

February 3, 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: January 6, 2016, Special Board Meeting, and the January 6, 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. Receive and Approve Treasurer's Report (December 2015 Financial Statements)

7. Conduct of Business

- a. Receive Report of Ad Hoc Committee on Investment Management Strategy Regarding Request for Proposals for Investment Management Services

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- b. Receive Report from Ad Hoc Committee on Foundation Program Development and Adopt Resolution Creating Crestmoor Neighborhood Memorial Scholarship Program and Approving 2016 Program Budget
 - c. Receive Report from the Ad Hoc Committee on Program Strategy Development Regarding Proposals to the San Bruno City Council Related to (1) San Bruno's Community Facilities Vision Plan, (2) Community Day Sponsorship, (3) Lighted Crosswalks and Other Pedestrian Safety Measures in the Bayhill and Downtown Areas, and (4) Development of a New Community Park at 324 Florida Avenue
- 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 agendaized pursuant to State Law.
- 9. Adjourn**

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Special Meeting of the Board of Directors

January 6, 2016

6:00 p.m.

Meeting Location:

San Bruno Senior Center Library, 1555 Crystal Springs Road, San Bruno

1. **Call to Order/Welcome:** President Kraus called the meeting to order at 6:07 p.m.
2. **Roll Call:** Board Members Kraus, Hedley, Cohn, Roberts, Bohm, McGlothlin, and Stanback Stroud present.
3. **Public Comment:** None.
4. **Closed Session:** Public Employee Performance Evaluation Pursuant to Government Code section 54957: Executive Director

There was no reportable action.

5. **Adjourn:** Board Member McGlothlin moved to adjourn the meeting at 6:56 p.m., seconded by Vice President Hedley, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of February 3, 2016, by Secretary Emily Roberts and President Nancy Kraus.

Emily Roberts, Secretary

Nancy Kraus, President

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

January 6, 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 7:03 p.m.
2. **Roll Call:** Board Members Kraus, Hedley, Cohn, Roberts, Bohm, McGlothlin, and Stanback Stroud present.
3. **Approval of Minutes:** November 18, 2015, Special Board Meeting: Secretary Roberts thanked Tracey Gilfether for her assistance in preparing the minutes in 2015. Board Member McGlothlin moved to approve the minutes of the November 18, 2016, Special Board Meeting, seconded by Board Member Bohm.
4. **Board Member Comments**
 - a. **President:** President Kraus welcomed Board Member Hedley to his first meeting as the Board's new Vice President and thanked Board Members Roberts and Cohn for continuing in their roles as Secretary and Treasurer, respectively. She also reported that at the Board's last meeting of 2015, she reviewed for the Board and the public the progress the Foundation made in 2015. She said the Board begins 2016 holding firm to the goal of putting some of the restitution funds to work this year to benefit all sectors of San Bruno, as was the intent of the settlement pursued by our City leaders.
 - b. **Others:** None.
5. **Executive Director's Report:** Executive Director Hatamiya shared that the San Bruno Community Foundation joined Thrive, the alliance of nonprofits in San Mateo County, as a nonprofit member. She said she represented the Foundation at the December 8 City Council meeting at which Mayor Ruane, Councilmember Irene O'Connell, and Councilmember Marty Medina were sworn in; she also thanked Treasurer Cohn and Board Member Bohm for attending. She reported on her participation in the San Mateo County Oral Health Strategy Planning Retreat and thanked Secretary Emily Roberts for the

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invitation. She told the Board that she had Wells Fargo downgrade the Foundation's platinum payroll account to a general business account in order to avoid higher fees associated with the platinum account. Finally, Hatamiya reported that she is looking into information technology services that would provide needed bandwidth in a variety of areas, including online scholarship and grant applications, cloud storage, backups, and migration to the Foundation's own website and email system.

6. Consent Calendar

- a. Adopt Resolution Ratifying Officers for 2016
- b. Receive and Approve Treasurer's Report (November 2015 Financial Statements)

Board Member Stanback Stroud moved to accept the Consent Calendar as presented, seconded by Board Member McGlothlin, approved unanimously.

President Kraus allowed San Bruno resident Sandra Decker, who was unable to stay at the meeting until Public Comment, to speak at this time. Ms. Decker asked where the restitution funds are currently being held, and Executive Director Hatamiya explained that the City is currently holding the funds in custodial accounts following the City's investment policy and that most of the funds are held in a Wells Fargo Advisors account.

7. Conduct of Business

- a. Adopt Resolution Creating and Appointing Members to Ad Hoc Committee on Bylaws and Corporate Governance Policy Revisions

Executive Director Hatamiya presented a resolution creating an Ad Hoc Committee on Bylaws and Corporate Governance Policy Revisions and appointing President Kraus and Board Member Stanback Stroud to it. She explained the need to review the Foundation's Bylaws and corporate governance policies, including the conflict of interest, document retention, and whistleblower policies, as a result of significant changes in the Foundation's operations – becoming a fully functioning nonprofit with its own staff, office, and bank accounts – since the San Bruno City Council adopted the Bylaws in 2013 and the Board approved various corporate governance policies in 2014. In addition to developing its program strategy, the Foundation amended, with the approval of the City Council, the Foundation's Articles of Incorporation in 2015 to ensure they are in compliance with nonprofit tax law. She said that the Bylaws and policies should be revised to reflect the technical changes in the Articles of Incorporation and the current operations of the Foundation.

Secretary Roberts moved to adopt the resolution creating and appointing members to Ad Hoc Committee on Bylaws and Corporate Governance Policy Revisions, seconded by Vice President Hedley, approved unanimously.

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- b. Receive Report from Ad Hoc Committee on Financial Internal Controls and Adopt Resolution Adopting Revised Fiscal Policies and Procedures

As committee chair, Board Member Bohm reported on the activities of the Ad Hoc Committee on Financial Internal Controls and presented a resolution to adopt the revised Fiscal Policies and Procedures. She explained that the Committee reviewed the existing Fiscal Policies and Procedures, which were adopted in March 2015, in light of discussions with the CPA firm that conducted the Foundation's first audit about strengthening internal controls and a desire to make sure that the policies and procedures reflect the current state of the Foundation's operations. She reported that the revisions include several changes to increase the oversight role of the Treasurer, on behalf of the Board, given the small size of the Foundation staff, updates that reflect current operations, and stylistic changes that improve the document's flow and format.

Vice President Frank Hedley moved to adopt the resolution adopting the Revised Fiscal Policies and Procedures, seconded by Board Member McGlothlin, approved unanimously.

- c. Receive Report of the Ad Hoc Committee on Investment Strategy, Including Review of Request for Proposals for Investment Management Services

Treasurer Cohn, as committee chair, reported on the activities of the Ad Hoc Committee on Investment Strategy. He explained that in November the Board established an initial quasi-endowment target of \$15 million to be invested utilizing a long-term investment strategy, with the balance of the restitution funds (approximately \$54 million) to be spent on strategic priorities, including several major capital projects for community facilities, and operating expenses over the next seven to ten years. In light of that decision, he reported that the Committee met in early December, agreeing on a timeline for hiring an investment firm to manage the Foundation's investment portfolio and beginning work on a Request for Proposals (RFP) for investment management services. He then presented to the Board the Committee's draft RFP and asked for any comments or questions regarding the draft.

Commenting from the public, John Marty questioned whether the deadline set for the RFP is too soon to get good feedback from many investment firms and suggested that the Board discuss investment policy guidelines before sending out the RFP in order to solicit better information from prospective investment firms.

- d. Receive Report from Ad Hoc Committee on Foundation Program Development, Including Creation of Crestmoor Neighborhood Memorial Scholarship Program

Executive Director Hatamiya provided background to the next two program committee reports. She explained that the Board had approved researching six near-term project concepts to be implemented in 2016. She said that two of those projects are to be administered by the Foundation (a scholarship program and a community grants program) and have been assigned to the Ad Hoc Committee on Foundation Program Development, on which Board Member Bohm and Secretary Roberts sit. She then explained that the other four projects involve City of San Bruno programs and facilities and require a partnership with the City, and that the Program

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Strategy Committee, which consists of President Kraus, Vice President Hedley, and Board Member Stanback Stroud, is charged with working with the City and creating proposals for these projects.

Board Member Bohm, as committee chair, reported on the Ad Hoc Committee on Foundation Program Development's progress in developing proposals for a scholarship program and a community grants program. She said that the Committee is recommending that the Foundation create, as one of its first program initiatives, the Crestmoor Neighborhood Memorial Scholarship in honor of the community members who most directly endured the destruction of the devastating 2010 explosion and resulting fire. She reported on the highlights of the proposal that the Committee is developing and plans to bring before the Board for approval in February: The scholarship will be open to San Bruno high school seniors headed to college (with separate awards, with different dollar amounts and renewable for a specific number of years, for students headed to community college vs. a four-year institution) and to San Bruno community college students transferring to a four-year college, and the criteria will include demonstrated commitment to the San Bruno community; financial need; leadership, teamwork, and collaboration; extracurricular activities, and academic record. She said the budget for the 2016 scholarship awards will be \$100,000, and the program will launch in February for this school year.

Several Board members made comments or asked questions about the program. Board Member McGlothlin said it was a good idea to have legal counsel review the proposal to ensure compliance with tax law. Treasurer Cohn asked how scholarships will be renewed and the breakdown of scholarships for those going to community college vs. those going to four-year colleges. Board Member Stanback Stroud pointed out that community college students often have significant expenses other than tuition and fees.

Several members of the public also commented on the scholarship program. David Nigel and Maria Barr both expressed great excitement for the proposal. John Marty suggested that it would be helpful to give investment firms responding to the investment RFP information about the program's budget and expenses.

Committee Chair Bohm also reported that the Committee is anticipating a \$200,000 budget for the community grants program, through which San Bruno community organizations would be able to apply for small grants, in 2016. She said the Committee is focusing on launching the scholarship program next month and hopes to launch the grants program by the summer.

- e. Receive Report from the Ad Hoc Committee on Program Strategy Development and Adopt Resolution Approving Proposals to the San Bruno City Council Related to (1) San Bruno's Community Facilities Vision Plan, (2) Community Day Sponsorship, (3) Lighted Crosswalks and Other Pedestrian Safety Measures in the Bayhill and Downtown Areas, and (4) Development of a New Community Park at 324 Florida Avenue

On behalf of the Ad Hoc Committee on Program Strategy Development, President Kraus reported on four near-term projects involving City programs and facilities: (1) Community Facilities Vision Plan, (2) Community Day sponsorship, (3) lighted crosswalks and other

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pedestrian safety measures in the Bayhill and downtown areas, and (4) development of a new community park at 324 Florida Avenue. She said that the Committee has taken into account feedback from the Board and City Council and conversations she and the Executive Director have had with City staff and determined that, in the interest of expediting implementation of these projects in 2016, the Board should communicate by letter to the City Council specific proposals for each of the four projects. As she explained, the proposals provide a description of each project as envisioned by the Foundation, the Foundation's expectations of the City, and the grant award the Foundation is offering the City for each project. The letter asks the City Council to consider the proposals by the Council's January 26 meeting and respond to the Foundation with suggested next steps to bring the proposals to fruition in 2016. President Kraus briefly summarized each proposal as follows:

- *Community Facilities Vision Plan*: \$300,000 for a planning process focused on the capital projects that the Foundation has identified as strategic priorities: library and recreation facilities including pool, rec center, athletic fields, parks and playgrounds. The Foundation recommends the City conduct a pre-planning process to determine the scope of the vision plan and to hire Anderson Brule Architects to do it.
- *Community Day Sponsorship*: \$30,000 to hold the event in 2016, possibly in conjunction with the annual Posy Parade celebration; \$20,000 if the City next holds the event in 2017.
- *Pedestrian Safety Measures*: \$170,000 for lighted crosswalks and other pedestrian safety efforts in the Bayhill and downtown areas, possibly in partnership with Bayhill corporations and the Traffic Safety and Parking Committee.
- *New Community Park at 324 Florida Avenue*: \$200,000 to develop a park on the east side of San Bruno, where no other park currently exists, in partnership with the Parks and Recreation Commission. The Foundation urges the City to look for funding partnership opportunities.

Executive Director Hatamiya then summarized the budget for all six near-term projects, totaling \$1 million.

Several Board members commented on the proposals. Board Member Bohm expressed her excitement for the community park project. Secretary Roberts said she is hopeful about opportunities to leverage and maximize the projects. Treasurer Cohn expressed concern about the \$300,000 budget for the Community Facilities Vision Plan and questioned whether such a plan is necessary. Board Member McGlothlin said he appreciated Treasurer Cohn's comments but believes the City needs such a community facilities plan. Treasurer Cohn asked what assumptions were made in developing the park proposal and shared his agreement that combining Community Day with the Posy Parade is a good idea. Board Member McGlothlin said he would want assurance that the City will take the lead in finding other funders for Community Day.

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Several members of the public also commented on the proposals. David Nigel shared his delight with all four projects. Barry Marquardt expressed his support for the Community Facilities Vision Plan as an important step to ensure that the City and the community thoughtfully considers the facilities. Tim O'Brien and Reyna Burgos said they welcome a new park at 324 Florida, as they live in the neighborhood, but expressed concern about the dumping of garbage and the gathering of youth at the site that is currently taking place. They asked whether the City can address these concerns and suggested that a fence might be needed around the park once it is developed and that speed bumps on Florida Avenue might be warranted.

Vice President Hedley moved to adopt the resolution approving proposals to the San Bruno City Council related to (1) San Bruno's Community Facilities Vision Plan, (2) Community Day sponsorship, (3) lighted crosswalks and other pedestrian safety measures in the Bayhill and downtown areas, and (4) development of a new community park at 324 Florida Avenue, seconded by Board Member Stanback Stroud, approved by a vote of 6-1 (Cohn opposed).

8. Public Comment: None.

9. Adjourn: Board Member John McGlothlin moved to adjourn the meeting at 8:50 pm, seconded by Board Member Stanback Stroud, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of February 3, 2016, by Secretary Emily Roberts and President Nancy Kraus.

Emily Roberts, Secretary

Nancy Kraus, President

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Community Foundation

Memorandum

DATE: January 28, 2016

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

Since the January 6, 2016, special Board meeting, I have continued to focus on supporting the committees charged with selecting the investment adviser, partnering with the City on near-term projects, and developing the scholarship program, all of which will be covered during the business portion of the February 3, 2016, regular Board meeting.

As an offshoot of this work, particularly the creation of the scholarship program, I have been working on various IT-related projects to support our operations. They include:

1) Landline Office Phone

As the Foundation prepares to launch its first initiative, the Crestmoor Neighborhood Memorial Scholarship, it may begin to receive a higher volume of phone inquiries. In addition, with the development of a new website (see below), it would be helpful to have an office phone number to post. As a result, the time has come for the Foundation to have an office phone, and San Bruno Cable installed a landline in our office on Wednesday. The new phone number is (650) 763-0775.

2) IT Consultant

Because our technology needs have been fairly simple and I am comfortable handling basic IT tasks, the Foundation has not needed the services of an IT consultant until recently. As we move forward in 2016, however, I believe that the time has come to enlist the help of an IT professional who can help us leverage technology to run our programs and support our administrative functions. As a result, I have hired Shake Technologies, a San Francisco-based IT consulting firm that works primarily with social justice and other nonprofit organizations, to assist with three initial projects:

- Create the online application for the Scholarship Program
- Help transition a new website to the www.sbcf.org domain name
- Set up Google Apps to transition the Foundation email to Gmail using @sbcf.org.

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Community Foundation

Memorandum

ShakeTech and its founder, Amro Radwan, came highly recommended to me by another nonprofit organization whose scholarship application ShakeTechthe consulting firm created. The contract, which I executed under the Executive Director's contract authority, runs through February 19, 2016, with fees not to exceed \$5,070.

Assuming this initial engagement goes well, I envision continuing a relationship with ShakeTech to help the Foundation set up cloud storage for our master electronic files (which evolves, in part, from the revised Fiscal Policies and Procedures), developing an online grant application for our soon-to-be-launched community grants program, and building a Salesforce database back-end for both sets of online applications that will help streamline the application review process and allow us to better manipulate the data we receive in the applications.

3) FormAssembly

The software tool the Foundation will be using to build its online scholarship and grant applications is FormAssembly. I have signed the Foundation up for a subscription to FormAssembly's professional package, which costs about \$510 per year (or \$43 per month).

4) Salesforce.org Power of Us Program

ShakeTech will be using Salesforce.com software as the back-end database to capture our scholarship and grant applications. I successfully applied for Salesforce.org's Power of Us Program for nonprofits and educational institutions, and as a result, the Foundation is receiving 10 free Salesforce licenses.

5) Website

While the City's website has been a satisfactory home for the Foundation's webpage until now and I have greatly appreciated the City IT staff's assistance in updating it for us, one of the Foundation's goals has been to create its own website, which Foundation staff can manage and update. We are about to launch the scholarship program and later this year will be launching a community grants program, both with online applications, and our own website will play a critical role in the management of those programs and our ability to communicate and engage with the community.

I am in the process of creating a website using a website builder. ShakeTech will help transition the site to the www.sbcf.org domain name, which the Foundation purchased in 2014. Because we want to get the site online by the time the scholarship program launches, the initial version will be fairly simple, but I will be able to add content and make the site more robust in the coming months.

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Memorandum

6) Google Apps

As the Foundation transitions to the new website and new URL, I am also working with ShakeTech to set up email accounts for the Foundation staff, Board, and programs with the @sbcf.org domain name. ShakeTech has recommended the use of Gmail as the Foundation's email host. I have successfully signed up for the Google for Nonprofits, and through that program the Foundation's application for Google Apps for Nonprofits has been approved. With Google Apps for Nonprofits, the Foundation can now use the full suite of Google Apps, including its small business email product, for free. The goal is to migrate all Foundation email accounts, including Board accounts, to Gmail by the end of February.

7) Fax

To ensure that the Foundation can be reached through all main modes of modern business communications, I am also planning to establish fax service for the Foundation. I am researching online fax options, which are fairly inexpensive and have the added benefit of providing all faxed material in electronic format.

SAN BRUNO

Community Foundation

Memorandum

DATE: January 28, 2015
TO: Board of Directors, San Bruno Community Foundation
FROM: Leslie Hatamiya, Executive Director
SUBJECT: Consent Calendar for the February 3, 2016, Regular Board Meeting

For the February 3, 2016, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes one item related to administrative and operational functions of the Foundation:

1. Receive and Approve Treasurer's Report (December 2015 Financial Statements)

The December 2015 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 revised budget figures approved at the October 7, 2015, Board meeting.

I recommend that the Board receive and approve the Treasurer's Report as part of the Consent Calendar.

Attachments:

1. December 2015 Financial Statements

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Community Foundation

December 2015

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 six months equal 50% of the fiscal year.

INCOME

Line 1 Restitution Funds – \$206,000 received in December. Transfer of approximately \$69.5 million expected in spring 2016.

Line 2 Interest & Investment Income – Minimal earnings (\$15) from Wells Fargo accounts.

EXPENSES

Line 4 Salaries & Wages – Executive Director continues as only employee. Revised budget anticipated additional employee as of November 1.

Line 5 Payroll Taxes & Benefits – Year to date costs (\$11,185) include: Social Security/Medicare (\$4,095); Workers' Compensation Insurance (\$918); accrued Paid Time Off (\$1,680); Retirement (\$4,375); and life insurance (\$117).

Line 7 Grants & Assistance – No grants & assistance have been awarded. Revised budget includes \$1 million to be awarded by June 30, 2016.

Line 8 Occupancy – Only cost is office lease (\$909 per month).

Line 9 Insurance – Year to date actual (\$8,271) is for: Directors & Officers (D&O) coverage (\$6,423); crime coverage (\$1,362); and package non-profit liability coverage (\$486). These are monthly amounts that will be recorded every month regardless of when premiums are paid. A fiduciary liability rider related to retirement plan coverage will be needed when the D&O policy is renewed.

Line 10 Telecommunications – Year to date cost (\$649) includes cell phone account (\$381), and internet access (\$268). Cost is well below budget because budget includes projected cost for land line and new website.

Line 11 Postage & Shipping – \$155 year to date cost is only 3.7% of budget. The budget includes cost for one city-wide mailing.

Line 12 Marketing & Communications – Only \$7 spent on this line item. Costs more likely when programs become more specifically planned.

Line 13 Office Supplies – Total (\$587) includes: four toner cartridges (\$328); Accounting software fees (\$146); and miscellaneous supplies (\$113).

Line 14 Office Equipment & Furniture – Total cost (\$1,788) includes: file cabinet (\$817); projector (\$436); stackable chairs (\$246); and table (\$202).

Line 15 Legal Fees – Total cost of \$16,726 for: a) internal policies regarding programs and investments (\$4,860); b) IRS classification issues and amendment to Articles of Incorporation (\$7,927); and c) reimbursements to City of San Bruno (\$3,939).

Line 16 Auditor & Payroll Fees – Total cost (\$6,805) includes audit (\$6,000) and payroll (\$805) fees. Audit fees, paid in full for the year, are \$300 less than amount budgeted.

Line 17 Investment Consultant – No expense incurred.

Line 18 Other Consultants - Total costs (\$26,627) include \$15,224 for sample project cost modeling, \$9,688 for Accounting consultant, and \$1,715 for creation of retirement plan.

Line 19 Travel, Meetings & Conferences – Total cost (\$3,068) is almost entirely for Board meetings, including \$1,481 for audio recording, \$809 for Senior Center facility rent, and \$713 for City of San Bruno support staff.

Line 20 Miscellaneous – Cost (\$522) is for organizational membership (\$350) and various governmental filing and bank fees (\$172).

SUMMARY

Three expense line items (Legal Fees; Auditor & Payroll Fees; and Other Consultants) are over the 50% benchmark for the first half of the year. This report incorporates the revised budget as approved by the Board and City Council.

- Legal Fees are over budget by 5.8%. These costs are not incurred evenly throughout the year and the specific matters are not on going in nature. There is still 44.2% of the budget remaining.
- Auditor & Payroll Fees are over budget by 37.5%. This variance exists only because audit fees have been paid in full for the year. Costs should be within budget by year-end.
- The Other Consultant variance (8.2%) is caused by \$15,224 expense for cost modeling. That represents nearly half the amount that was budgeted for costs other than Accounting consultant. Accounting consultant cost is also over budget as first half of the year included budget revision, audit preparation, audit and tax return review activities, and Fiscal Policies & Procedures manual updating. This variance has declined every month since July and should continue to decline.

Because the revised budget includes \$1 million for estimated amount of SBCF's initial Grants & Assistance, first six month expenses are only 11.8% of budget. After removing the \$1 million, year to date costs are 39.2% of budget, which is 10.8% less than the benchmark for first half of the year and mostly reflects the as yet unused budget allocation for a second employee.

Since inception, the organization has received \$697,031 in restitution funds from City of San Bruno. The remaining funds (approximately \$69.5 million) are being held by the City of San Bruno in custodial accounts at Wells Fargo Advisors and First National Bank in accordance with the City's investment policies, pending the Foundation's establishment of investment policies, hiring of an investment management firm, and opening of investment account(s).

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December 2015 2015-2016 Budget Report

	(a)	(b)	(c)	(d)	(e)
	Actual Year to Date	Budget	Actual as % of Budget (a/b)	Final Expected Amount	Change in Budget (d - b)
INCOME					
1 Restitution Funds	\$ 206,000	\$ 69,678,944	0.3%	\$ 69,678,944	\$ -
2 Interest & Investment Income	15	200	7.5%	200	-
3 Total Income	206,015	69,679,144	0.3%	69,679,144	-
EXPENSES					
4 Salaries & Wages	87,500	225,000	38.9%	225,000	-
5 Payroll Taxes & Benefits	11,185	38,556	29.0%	38,556	-
6 Subtotal Personnel	98,685	263,556	37.4%	263,556	-
7 Grants & Assistance	-	1,000,000		1,000,000	-
8 Occupancy	5,457	11,050	49.4%	11,050	-
9 Insurance	8,271	16,799	49.2%	16,799	-
10 Telecommunications	649	2,856	22.7%	2,856	-
11 Postage & Shipping	155	4,187	3.7%	4,187	-
12 Marketing & Communications	7	15,500	0.0%	15,500	-
13 Office Supplies	587	2,760	21.3%	2,760	-
14 Office Equipment & Furniture	1,788	4,300	41.6%	4,300	-
15 Legal Fees	16,726	30,000	55.8%	30,000	-
16 Auditor & Payroll Fees	6,805	7,781	87.5%	7,781	-
17 Investment Consultant	-	15,000		15,000	-
18 Other Consultants	26,627	45,750	58.2%	45,750	-
19 Travel, Meetings & Conferences	3,068	10,000	30.7%	10,000	-
20 Miscellaneous	522	3,000	17.4%	3,000	-
21 Subtotal Non-Personnel	70,662	1,168,983	6.0%	1,168,983	-
22 Total Expenses	169,347	1,432,539	11.8%	1,432,539	-
23 Net Surplus/(Loss)	\$ 36,668	\$ 68,246,605	0.1%	\$ 68,246,605	\$ -

SAN BRUNO

Community Foundation

Statement of Financial Position as of December 31, 2015

ASSETS

Cash, Wells Fargo General	\$ 18,881.52	
Cash, Wells Fargo Payroll	42,958.75	
Cash, Wells Fargo Savings	160,024.34	
Total Cash		221,864.61
Prepaid Rent	909.45	
Prepaid Insurance	4,616.36	
Total Other Current Assets		5,525.81
Deposits	1,520.45	
Total Other Assets		1,520.45
TOTAL ASSETS		<u>\$ 228,910.87</u>

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	7,717.90	
Accrued Employee PTO	7,287.25	
Total Liabilities		15,005.15

NET ASSETS

Unrestricted, 7/1/2015 Balance	177,237.78	
Year to Date Net Income	36,667.94	
Total Net Assets		213,905.72
TOTAL LIABILITIES & NET ASSETS		<u>\$ 228,910.87</u>

SAN BRUNO

Community Foundation

Memorandum

DATE: January 28, 2016

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from the Ad Hoc Committee on Investment Strategy, Including Update on Request for Proposals for Investment Management Services

At the Board's January 6, 2016, meeting, the Ad Hoc Committee on Investment Management Strategy presented a report on its progress in developing a Request for Proposals (RFP) for Investment Management Services, with the goal of hiring an investment management firm to manage two pools of the Foundation's investment portfolio (\$15 million quasi-endowment and approximately \$54 million in non-endowment strategic funds) and assist in the development of the Foundation's Investment Policy Statement.

The Committee is proceeding along the schedule presented in January. Starting on January 7, at the Committee's direction, I began distributing the RFP to about 15 investment firms we had identified as possible candidates and to other firms that requested it. The RFP was also posted on the Foundation's webpage.

The RFP deadline was Thursday, January 28, and as of that afternoon we had received proposals from 17 investment firms. By the February 3 Board meeting, the Committee will have begun reviewing the proposals. The Committee will meet on February 11 to discuss the proposals and select a small number of finalists to interview on February 23. The Committee expects to make a decision on a recommendation to the Board shortly after the interviews, so that the Board can take action on the Committee's recommendation at its March 2, 2016, regular meeting. Dr. Mark Hayes will be assisting the Committee during the review process.

Once the investment firm is selected, the Committee will work expeditiously with the firm to develop the Foundation's Investment Policy Statement. The Committee's goal is to bring the Investment Policy Statement to the Board, and then the City Council, for approval by May, so that the Foundation is able to take possession of the balance of the restitution funds by the end of May. This is an aggressive timetable, and if the RFP review process or the development of the Investment Policy Statement takes longer than anticipated, the schedule may be delayed accordingly. The Committee's – and the Board's – priority is to successfully accomplish both tasks with deliberation and diligence.

SAN BRUNO

Community Foundation

Memorandum

DATE: January 28, 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: Resolution Creating Crestmoor Neighborhood Memorial Scholarship
and Approving 2016 Program Budget

At the direction of the Board, the Ad Hoc Committee on Foundation Program Development has been working since last November to develop a proposal for a scholarship program as one of the Foundation's initial initiatives. On January 6, 2016, the Committee reported on its progress in creating the scholarship program and received feedback from the Board and the public. At the February 3, 2016 Board meeting, the Committee will present for approval its proposal for the creation of the Crestmoor Neighborhood Memorial Scholarship, to be launched the following week in order to distribute the first set of scholarship awards by the end of the current school year. The two Board members who sit on the Committee are Patricia Bohm, who serves as chair, and Secretary Emily Roberts.

Scholarship Program Proposal

The Committee is recommending that the Foundation create the Crestmoor Neighborhood Memorial Scholarship. The primary goal of the Program will be to assist outstanding San Bruno students who have demonstrated a strong commitment to the San Bruno community in obtaining a college degree. In doing so, the Program will honor the community members who most directly endured the destruction of the devastating 2010 explosion and resulting fire and especially the memory of the eight San Bruno residents who lost their lives in the disaster. The dual purposes of the Program are directly responsive to two themes the Foundation heard in last year's community listening campaign – a desire to invest in the education of San Bruno's youth and a desire to ensure that the 2010 explosion and fire, which led to the Foundation's creation, would not be forgotten.

The attached Scholarship Program Description summarizes the scholarship awards, eligibility requirements, criteria, application, selection process, conditions, and 2016 timeline. The Program Description is similar to the draft proposal that was presented at the January 6, 2016, Board meeting, with a few additional features and tweaks noted below.

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Memorandum

Nonprofit counsel has reviewed the proposal and advised staff on issues to consider in the creation of the program to ensure compliance with federal nonprofit tax law. The NEO Law Group shared the guidance the IRS has provided as to how it would review a scholarship program to ensure that it is consistent with the Section 501(c)(3) rules and that no prohibited private benefit is provided. For example, the IRS will look to eligibility requirements, selection criteria, methods of publicizing the program, and procedures for supervising the program, among other things, to ensure that recipients meet the stated conditions of the award. Private foundations are required to get prior approval from the IRS before initiating a scholarship program, but this requirement does not apply to public charities like the San Bruno Community Foundation. The Foundation will report scholarship awards to the IRS each year on the Form 990. Staff has reviewed the guidance provided by nonprofit counsel and feels confident that the Scholarship Program as proposed is consistent with 501(c)(3) rules.

Scholarship Awards

For 2016, the Committee is proposing a total program award budget of \$100,000, to be distributed as follows:

- *For graduating high school seniors who will enroll at a four-year college or university:* \$5,000 scholarship, renewable annually for three additional years (total possible award of \$20,000) – 3 awards, total budget \$60,000
- *For graduating high school seniors who will enroll at a community college:* \$2,500 scholarship, renewable for one additional year (total possible award of \$5,000) – 4 awards, total budget \$20,000
- *For community college students transferring to a four-year degree institution:* \$5,000 scholarship, renewable for one additional year (total possible award of \$10,000) – 2 awards, total budget \$20,000

As mentioned in January, these awards are significant – particularly the multi-year nature of the awards and the per-year award amounts for each category of students.

It is worth noting that six of the nine awards and 40% of the award funding will be given to students planning to attend or transferring from a community college. This emphasis on community college students is responsive to San Bruno's student demographics. Over the last two years, 50 percent of the graduating classes at Capuchino High School (San Bruno's main public high school) attended community college upon graduation (vs. 42 percent headed to four-year institutions). Moreover, San Bruno is the home of Skyline College, one of three well-regarded community colleges in San Mateo County.

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As outlined in January, under the proposed program, recipients will be able to use the scholarship awards to cover the cost of tuition, fees, books, required supplies, room and board, and transportation, and awards will be made directly to the student rather than college or university. The Committee debated whether to restrict use of the scholarship awards to tuition, fees, and required books and supplies because, as the NEO Law Group clarified, under the federal tax code, a scholarship is tax-free to the recipient and excludable from gross income only if it is used for tuition and fees or course-related expenses such as books, supplies, and equipment. Scholarship funding that is used for room and board, travel, or non-required equipment is not tax-free. The Committee decided that recipients, especially those attending community college, would best be served if they have the flexibility to use scholarship funds for room, board, and transportation as well as tuition, fees, and required books and supplies. For community college students, the costs of tuition, fees, and required books and supplies are relatively low, while the costs of housing and transportation can be substantially higher. Moreover, many other scholarships programs limit the use of funds to tuition, fees, and required books and supplies, leaving students struggling to find aid that can be used for other school-related expenses like transportation and housing.

Counsel said that under its reading of the relevant tax regulations, the Foundation will need to report scholarship awards on the annual federal nonprofit tax return (Form 990), but will not be required to issue Form 1099-MISCs to scholarship recipients.

Eligibility Requirements

Under the Committee's proposal, students who currently live in San Bruno or attend a high school or community college located in San Bruno are eligible to apply for a scholarship. The Committee seriously debated this eligibility requirement and initially considered drawing a narrower line – allowing only those who live in San Bruno to apply. However, the Committee reflected on the Board's thoughtful 2014 mission and vision statement discussions, during which it struggled with the best way to define the San Bruno community. It reflected on the community spirit that came to represent San Bruno in the aftermath of the 2010 explosion and fire, when caring individuals from around the Bay Area – not just San Bruno – came together to support the victims and help them rebuild their lives and the neighborhood. Since then, the Board has embraced an inclusive view of what community is in San Bruno, a view that includes those who work as well as those who live in the city. This view defines community not strictly by residency and sees those who come to San Bruno on a regular basis – to work, to study, and to utilize the city's many community and commercial resources – as part of the community. This view is also reflective of the City Council's direction when it created the Foundation and did not restrict membership on the Board of Directors to San Bruno residents only, ultimately appointing one Board member who does not live in San Bruno but has spent a substantial portion of her career working in San Bruno.

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Community Foundation

Memorandum

Consistent with that inclusive vision of community, the Committee concluded that the scholarship program should be open to members of the San Bruno community and that the definition of San Bruno community members should include students who are regularly situated in San Bruno to attend high school or college, but who may not live within San Bruno's borders. This Scholarship is about supporting those young adults who have had deep and significant engagement in San Bruno's civic life. The Committee was concerned about not excluding from applying, for example, a Capuchino High School student who lives a few blocks from the school in Millbrae but does volunteer work for her church, which is located in San Bruno, has played San Bruno AYSO soccer, and as a member of the Interact Club has supported the San Bruno Rotary Club in numerous volunteer activities, or a Skyline College student who grew up in San Bruno, attended Capuchino, and continues to be involved in various San Bruno volunteer efforts, but whose parents recently moved to the South Bay and who is currently living in Daly City where he was able to find a more affordable apartment. This eligibility requirement gives those students the opportunity to apply for the scholarship.

The Committee recognizes that this requirement also allows a student who commutes to Skyline from San Carlos and a Capuchino student who lives in San Mateo – neither of whom has much community involvement in San Bruno – to apply. It is important to note that while these students can apply, it does not mean they will be selected to receive a Crestmoor Scholarship. The Scholarship is specifically for students who have demonstrated a strong commitment to the San Bruno community, as supported by the criteria outlined below, and the level of community engagement will go toward an applicant's competitiveness. A student who lives in Millbrae and attends Capuchino but has almost no other involvement in the San Bruno community would not be a particularly competitive applicant.

To be eligible for the Scholarship, students must also have plans to enroll in a community college or four-year college or university this fall and complete either the Free Application for Federal Student Aid (FAFSA) or, for AB 540 students, the California Dream Act Application, which will provide the Foundation with information necessary to evaluate financial need.

Criteria

As stated above, the Scholarship's goal is to assist outstanding San Bruno students who have demonstrated a strong commitment to the San Bruno community in obtaining a college degree. As such, Scholarship Recipients must demonstrate deep engagement and involvement in the San Bruno community as well as exemplify leadership, teamwork, and collaboration – important qualities that were displayed throughout the San Bruno community in the aftermath of the 2010 explosion and fire.

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The full set of criteria – demonstrated commitment to the San Bruno community; financial need; leadership, teamwork, and collaboration; extracurricular activities; and academic record – remains the same as it was presented in January.

Application

The Scholarship Program will utilize an online application created using FormAssembly. An online platform will decrease the administrative burden on staff in collecting and organizing submitted applications. It will also enable the Foundation to easily maintain historical program data over time. Staff has enlisted the assistance of the Foundation's new IT consultant, Shake Technologies (ShakeTech), to build the online form, and ShakeTech, which has built similar application platforms for other nonprofits, is confident that it can do so by the February 8 launch date. Subscription to the FormAssembly software is about \$510 per year (or roughly \$43 per month).

It is unlikely that there is sufficient time to link the FormAssembly online application to a Salesforce database, but ShakeTech will be able to build the Salesforce back-end for use in the community grants program that is anticipated to be launched later in 2016 and for the Scholarship Program in future years. The Salesforce database will allow for greater manipulation of the information received in the applications and streamline the collection of data through the online application. Staff has successfully applied for Salesforce.org's Power of Us program, through which the Foundation, as a nonprofit organization, will receive free licenses for the Salesforce software.

The Scholarship Program will have separate, slightly different application packets for high school applicants and community college applicants. The main difference between the two packets is that a high school student will ask his/her counseling office to complete an online academic record form and upload his/her official transcript, while a community college student will be responsible for requesting hard copies of those items from his/her college's admissions and records office, scanning, and uploading the documents into the online Application. This difference is necessitated by the differing capacities of the administrative staff in the high school and community college contexts to assist with the submission of application materials.

The main components of the application include:

- Applicant information, including contact information, high school/community college information, and enrollment plans for the fall of 2016
- List of extracurricular activities
- Two mandatory essays, one about the applicant's educational career goals and one about the applicant's demonstrated commitment to the San Bruno community (applicants can also submit an optional third essay to explain any challenges or obstacles they may have faced)

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- Financial need documentation
- Proof of residency for those applicants who do not attend a high school or college located in San Bruno (for applicants who attend a San Bruno high school or community college, their transcript will serve to satisfy that they have met the eligibility requirement)
- SAT/ACT score reports
- Official community college transcript (for community college applicants only)
- Certifications and authorizations form
- Two letters of recommendation.
- Academic record form (for high school applicants only), to be completed by a high school applicant's counselor and submitted with an applicant's official high school transcript

Staff has run the application by the counseling offices at several local high schools and by staff at Skyline College.

Selection Process

The Committee's proposal is to have the Board authorize creation of the Scholarship Program, approve the 2016 budget, and delegate selection of the 2016 recipients to the Executive Director. The Executive Director will then appoint a Selection Panel, consisting of Board members, San Bruno community members, and individuals with experience in college counseling, college admissions, and high school or college/university administration, which will review the applications and be responsible for selecting the recipients.

Staff will eliminate any incomplete applications from the applications pool. Selection Panel members will independently review and provide a rating for each application, based on the articulated criteria. Staff will tally the ratings and calculate an average rating for each application. The Panel will then meet to discuss the applicants and their ratings and come to a consensus on a final slate of recipients.

If there is a large number of submitted applications, the Selection Panel may be divided up into two or three groups, each of which will be responsible for evaluating and recommending a slate of recipients for a specific category of applicants (e.g., high school applicants or community college transfer applicants).

Conditions

The Program Description outlines several conditions that each recipient will be required to meet upon selection as a Crestmoor Scholarship winner, including keeping the Foundation informed of his/her contact information, providing a photograph of him/herself for use in Foundation marketing materials, attending the Foundation's June

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Board meeting at which Scholarship recipients will be acknowledged, providing proof of enrollment at the recipient's college or university for the fall 2016 term, and submitting a report at the conclusion of each award year updating the Foundation on recipient's academic progress, activities, and community involvement.

To renew the Scholarship for a subsequent year, a recipient must provide by June 1 of each year proof of enrollment at the recipient's college or university for the following fall and certification of recipient's status as a student in good standing.

Timeline

The goal is to distribute the first set of Scholarship awards this school year. Assuming the Board approves creation of the Scholarship Program and its 2016 budget on February 3, staff will quickly finalize the application and begin publicizing the Program the following week. The application deadline will be March 18, after which the Selection Panel will review applications and select the recipients. The Foundation will notify recipients by April 29 and send representatives to school awards ceremonies, as applicable, in May. Recipients will attend the Foundation's June 1 Board meeting, where they will be recognized. Upon proof of enrollment, the Foundation will begin distributing scholarship checks in June.

Staffing

As the Executive Director, I will manage the administration of the Scholarship Program in this inaugural year. I will likely enlist the assistance of a graphic designer in creating a simple marketing piece for the Program as well as assemble a small committee of interested Board members and community members to assist with outreach and publicity efforts. Use of the online application and the IT consultant's services should streamline organization of the submitted applications, but if necessary, I will seek temporary administrative assistance to help with program logistics. There is ample room in the current marketing and communications and consulting budgets to support these efforts.

Recommendation

I recommend that the Board approve the attached resolution creating the Crestmoor Neighborhood Memorial Scholarship Program, with a 2016 budget of \$100,000 for scholarship disbursements.

I would like to thank Committee Chair Pat Bohm and Committee Member Emily Roberts for the significant amount of thought and time they put into the creation of this program proposal over the past three months.

SAN BRUNO

Community Foundation

Memorandum

Attachments:

1. Resolution Creating Crestmoor Neighborhood Memorial Scholarship Program and Approving 2016 Program Budget
2. Crestmoor Neighborhood Memorial Scholarship Program Description

RESOLUTION NO. 2016-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
CREATING CRESTMOOR NEIGHBORHOOD MEMORIAL SCHOLARSHIP
PROGRAM AND APPROVING 2016 PROGRAM BUDGET**

WHEREAS, the Board of Directors seeks to begin using the restitution funds to benefit the San Bruno community in 2016;

WHEREAS, last spring's Community Listening Campaign revealed a community-wide desire for the Foundation to invest in the education of San Bruno's youth as well as a wish to commemorate the 2010 explosion and fire in the Crestmoor Neighborhood that led to the restitution funds under the Foundation's management;

WHEREAS, on November 4, 2015, the Board created the Ad Hoc Committee on Foundation Program Development and directed it to research and prepare a proposal for the creation of a memorial scholarship program;

WHEREAS, the Committee, with the assistance of staff, has consulted with various community education-related resources and developed a proposal for the creation of the Crestmoor Neighborhood Memorial Scholarship Program, which is outlined in the Program Description attached as Exhibit A; and

WHEREAS, the proposal calls for the program to be launched immediately so that the first set of scholarships can be awarded by the end of the current school year.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the creation of the Crestmoor Neighborhood Memorial Scholarship Program as outlined in the Program Description attached as Exhibit A.

RESOLVED FURTHER that the Board of Directors approves a program disbursement budget of \$100,000 in scholarship awards in 2016.

Dated: February 3, 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 3rd day of February, 2016, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

SAN BRUNO

Community Foundation

Crestmoor Neighborhood Memorial Scholarship Program Description

January 28, 2016

Background

On September 9, 2010, a high-pressure natural gas pipeline owned and operated by Pacific Gas and Electric Company (PG&E) exploded in San Bruno's Crestmoor neighborhood, resulting in a major fire and ultimately destroying 38 homes, killing eight people, and injuring 66 more. In the aftermath of the disaster, the City of San Bruno pursued a restitution settlement from PG&E, successfully obtaining a settlement of \$70 million to benefit all of San Bruno. The City created the San Bruno Community Foundation to administer the restitution funds for the long-term benefit of the San Bruno community.

As one of its first program initiatives, the Foundation is creating the Crestmoor Neighborhood Memorial Scholarship in honor of the community members who most directly endured the destruction of the explosion and resulting fire and especially in memory of the eight San Bruno residents who lost their lives in the disaster. With the Scholarship Program, the Foundation creates a living tribute to the Crestmoor neighborhood through an investment in San Bruno's next generation of leaders. As the neighborhood is reconstructed and the survivors rebuild their lives, the Scholarship Program will ensure that the tragedy of September 9, 2010, is not forgotten and that the resiliency, teamwork, leadership, and commitment to community displayed throughout San Bruno in the aftermath of the explosion and fire will be honored in the annual recipients of the Scholarship.

Scholarship Program Awards

The Crestmoor Neighborhood Memorial Scholarship aims to assist outstanding San Bruno students who have demonstrated a strong commitment to the San Bruno community in obtaining a college degree. Scholarships are available on a competitive basis to:

- Graduating high school seniors who will enroll full-time at a four-year college or university or a community college
- Community college students transferring to a four-year college (full-time enrollment)

In 2016, the first year of the Scholarship, the Foundation plans to offer the following awards:

- *For graduating high school seniors who will enroll at a four-year college or university: \$5,000 scholarship, renewable annually for three additional years (total possible award of \$20,000)*
- *For graduating high school seniors who will enroll at a community college: \$2,500 scholarship, renewable for one additional year (total possible award of \$5,000)*
- *For community college students transferring to a four-year degree institution: \$5,000 scholarship, renewable for one additional year (total possible award of \$10,000)*

The Foundation plans to award scholarships totaling \$100,000 in 2016.

Scholarship awards may be used for tuition, fees, books, required supplies, room and board, and transportation. Scholarship renewals will be contingent upon proof of enrollment for the following academic year and proof of status as a student in good standing at the college.

Eligibility Requirements

Applicants must:

- Live in San Bruno or attend a high school or community college located in San Bruno at the time of application
- Plan to enroll, during the fall of the scholarship cycle year, as a first-year student at an accredited four-year college or university, a first-year student at an accredited community college, or a transfer student (from a community college) at an accredited four-year college or university
- Complete the Free Application for Federal Student Aid (FAFSA) or, for AB 540 students, the California Dream Act Application

Criteria

As stated above, the Scholarship's goal is to assist outstanding San Bruno students who have demonstrated a strong commitment to the San Bruno community in obtaining a college degree. As such, Scholarship Recipients must demonstrate deep engagement and involvement in the San Bruno community as well as exemplify leadership, teamwork, and collaboration – important qualities that were displayed throughout the San Bruno community in the aftermath of the 2010 explosion and fire.

The full set of criteria for selection of the Scholarship Recipients include:

- Demonstrated commitment to the San Bruno community
- Financial need
- Leadership, teamwork, and collaboration
- Extracurricular activities
- Academic record

The Selection Panel will also take into consideration whether an Applicant has overcome significant challenges or obstacles and how those circumstances may have affected the Applicant's school activities, other community involvement, or achievement in school.

Application

The Scholarship Program will have separate, slightly different Application Packets for high school Applicants and community college Applicants. The main difference between the two Application Packets is that a high school student will ask his/her counseling office to complete an online Academic Record Form and upload his/her official transcript, while a community college student will be

responsible for requesting hard copies of those items from his/her college's admissions and records office, scanning, and uploading the documents into the online Application.

Failure to provide a complete Application Packet will result in the Application not receiving consideration. A complete Application Packet includes (differences for high school Applicants and community college Applicants are noted as appropriate):

- Online Application Form

The Online Application includes basic information about the Applicant, a list of the Applicant's activities over the past four years, and two mandatory essays on (a) the Applicant's academic and career goals (250 words maximum) and (b) the Applicant's commitment to the San Bruno community (500 words maximum). An optional essay on challenges the Applicant may have faced (250 words maximum) is also permitted.

The Application also includes a Certifications and Authorizations page with the following: Certification of Non-Relationship, Authorization to Use Information, Name, and Likeness, Consent and Authorization to Verify Information, and Certification of Truthfulness of Application. Applicants who are minors (under age 18) at the time of submission must also have a parent or guardian sign the form.

- Supporting Documentation

The Applicant must upload electronic copies of the following documents:

- ✓ Financial Need Documentation (copy of the Applicant's FAFSA Student Aid Report (SAR) or, for AB 540 students, the Applicant's California Dream Act Application Student Aid Report (CADA SAR)
- ✓ For those Applicants who do not attend a high school or college located in San Bruno only: proof of San Bruno Residency (current lease agreement, property tax bill, homeowner's or renter's insurance policy, voter registration card, or landline utility bill in Applicant or parent's name and with San Bruno address)
- ✓ SAT/ACT Score Reports (Applicants who plan to attend community college and have not taken either test will not be penalized)
- ✓ Official Community College Transcript (for community college students only)

- Two Letters of Recommendation

Letters of recommendation are required from two individuals who know the Applicant well:

- ✓ A teacher, instructor, or professor who can speak to the Applicant's ability to reach his/her academic and career goals
- ✓ An adult who can directly speak to the Applicant's demonstrated commitment to the San Bruno community (for example, a club adviser, coach, faith community leader, or teacher)

- Academic Record Form and Official High School Transcript (for high school applicants only)

The high school Applicant must request his/her high school counselor or other appropriate school official to complete an online form certifying the Applicant's grade point average and that the Applicant is a student in good standing, and upload the Applicant's transcript.

All Applications, including all supporting documentation, are due to the Foundation no later than 5:00 p.m. on Friday, March 18, 2016. Applications must be submitted through the Foundation's online portal, which will be accessed from the Foundation's website.

Selection Process

The Board of Directors will authorize the creation of the Scholarship Program, approve the 2016 budget, and delegate the selection of the 2016 Scholarship Recipients to the Executive Director.

The Executive Director will appoint a 2016 Selection Panel that will select this year's Scholarship awards. The Selection Panel will be made up of at least six individuals, including 1-2 Foundation Board Members; 2-4 additional San Bruno community members, including residents of the Crestmoor neighborhood; and at least three individuals familiar with college counseling, college admissions, high school administration, and college/university administration.

Members of the Selection Panel will be required to sign a Conflict of Interest Statement, consistent with the Foundation's Conflict of Policy. The statement will require them to disclose any Applicants they may personally know, and they will be recused from reviewing those Applications.

Members of the Selection Panel will also be required to sign a Confidentiality Statement, requiring that they keep Panel deliberations confidential and prohibiting them from publicly disclosing any Applicant's private information such as academic record and financial information.

The first step in the review process will consist of Foundation staff eliminating any incomplete Applications from the Application pool.

The review process will depend on the number of Applications received in order to keep the workload reasonable for Selection Panel members. If a small number of Applications is received (*e.g.*, no more than 30), all Selection Panel members will read all applications, and the Panel as a whole will recommend a full slate of Recipients. If there is a large number of Applications, the Selection Panel may be divided into two or three groups, each of which take a category of Applicants (*e.g.*, high school students and community college students for two groups, or high school students headed to four-year college, high school students headed to community college, and community college students transferring to four-year college for three groups). Each group will read all applications in a particular category and recommend the slate of Recipients for that category.

Each Panel member will independently review the Applications and give each Applicant a rating of 5 (highest) to 1 (lowest). The five criteria should be weighed roughly equally towards the score. Because of an Applicant's life circumstance, Panel members may decide to give one category more weight. The rating is a Panel member's overall assessment taking into consideration the entire Application.

Staff will tally up the overall ratings and calculate an average overall rating for each Applicant. The Panel will then meet to discuss the Applicants and their ratings and come to consensus on a final slate of Recipients. The discussion will allow Panelists to explain their ratings and articulate the compelling features of a particular Applicant. The discussion will also allow the Selection Panel to examine the list of Receipts as a whole.

Conditions

Each Crestmoor Neighborhood Memorial Scholarship Recipient must:

- Provide the Foundation with current contact information from submission of the Application through the conclusion of the final year of award.
- Provide a recent digital photograph of him/herself upon receiving notification of his/her award.
- Attend and be recognized at the June 1, 2016, San Bruno Community Foundation Board meeting, which will be held at 7:00 p.m. at the San Bruno Senior Center, 1555 Crystal Springs Road.
- Submit proof of full-time enrollment at the Recipient's college or university for the fall 2016 term.
- Submit a report at the conclusion of each award year updating the Foundation on Recipient's academic progress, activities, and community involvement.

To renew the Scholarship for a subsequent year, the Recipient must submit by June 1 of each year:

- Proof of full-time enrollment at the Recipient's college or university for the following fall.
- Certification from Recipient's college or university of Recipient's status as a student in good standing.

The Foundation reserves the right to use non-private information from the Application as part of its publicity of the Crestmoor Neighborhood Memorial Scholarship and for general marketing efforts.

2016 Timeline

- February 2016: Application Packets available
- March 18, 2016: Application deadline
- Late March-mid April: Selection Panel reviews Applications and selects Recipients
- By April 29, 2016: Notification of Scholarship Recipients
- Beginning June 2016: Payment of awards upon proof of enrollment

SAN BRUNO

Community Foundation

Memorandum

DATE: January 28, 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 (1) San Bruno's Community Facilities Vision Plan, (2) Community Day Sponsorship, (3) Lighted Crosswalks and Other Pedestrian Safety Measures in the Bayhill and Downtown Areas, and (4) Development of a New Community Park at 324 Florida Avenue

At its January 6, 2016, regular meeting, the Ad Hoc Committee on Program Strategy Development presented to the Board strategic grant proposals totaling \$700,000 for four projects that involve facilities and programs of the City of San Bruno and require a close partnership with the City of San Bruno, as follows:

- 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 – the firm that created a capital project cost-modeling tool last summer and, as a result, is familiar with many of the City facilities that would be involved in the Vision Plan – to develop the scope of work and work plan;
- Grant of up to \$30,000 to the City to underwrite the costs of holding the third annual Community Day in 2016;
- Grant of up to \$170,000 to the City to improve pedestrian safety along Cherry Avenue in the Bayhill area and along San Mateo Avenue in the downtown area by installing lighted crosswalks, lighted signage, or other similarly high-visibility pedestrian safety features; and
- Grant of up to \$200,000 to develop the City-owned lot at 324 Florida Avenue into a community park.

The Board approved the four proposals and directed the Board President and Executive Director to send the City Council a letter presenting those proposals. As outlined in the letter, the proposals provide a description of each project as envisioned by the Foundation, the Foundation's expectations of the City, and the grant award the

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Foundation is offering the City for each project. The letter also included a brief summary of the development of the Foundation's Program Strategy Framework and the Foundation's strategic grantmaking priorities under that Framework. The letter, which was sent to the Mayor and all four City Councilmembers on January 7, asked the City Council to consider the proposals by the Council's January 26 meeting and respond with suggested next steps to bring the proposals to fruition in 2016.

The City Council considered the Foundation's proposals at its regular meeting on January 26. On behalf of the Foundation, I gave a brief presentation summarizing the past year, the four proposals, and the Foundation Board's excitement at the prospect of partnering with the City to implement the four projects. City Manager Connie Jackson gave a brief report and outlined the three action items that staff was recommending: establishing a subcommittee of the City Council to develop thorough responses to the proposals and participate in the Community Facilities Vision Plan pre-planning process and giving specific direction on two of the projects with time sensitivity – moving forward with Community Day, possibly in partnership with the Posy Parade, and with the Community Facilities Vision Plan pre-planning process.

The Councilmembers engaged in a relatively brief discussion and asked several questions, primarily directed to the City Manager. Overall, the Mayor and Councilmembers expressed great excitement about this initial set of projects and in seeing the community begin to benefit from the restitution funds. One Councilmember raised the issue of ensuring that the City is planning for any ongoing costs associated with the projects, such as maintenance costs for the new Florida Avenue park, while another expressed support for holding Community Day in conjunction with the Posy Parade. Others asked for clarification of the subcommittee's charge, the projected costs for a 2016 Community Day event, and the scope of the Community Facilities Vision Plan. The City Manager said that, with certain changes to the event, City staff expects the budget for the event to fall within the \$30,000 grant amount the Foundation has proposed, a decrease from event costs in 2015.

The Council took the following action:

1. Mayor Jim Ruane appointed a subcommittee of himself and Councilmember Irene O'Connell that is charged with developing comprehensive responses to the Foundation's proposals and participating in the Community Facilities Vision Plan pre-planning process.
2. In support of the Foundation's Community Day grant proposal, the Council gave direction to City staff to begin preparations for a Community Day event this spring, in conjunction with the Posy Parade if a partnership with the Lions Club can be worked out.

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3. The Council approved moving forward with the pre-planning process with Anderson Brule Architects for the Community Facilities Vision Plan.

Since the City Council meeting, President Kraus and I have spoken with the City Manager, who confirmed that City staff has contacted Anderson Brule Architects with the intent of beginning the pre-planning process in the near future.