

SAN BRUNO

Community Foundation

Board of Directors

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

AGENDA

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

September 6, 2017

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:** June 7, 2017, Regular Board Meeting
- 4. Presentation:** Introduction of New San Bruno Park School District Superintendent, Dr. Stella M. Kemp
- 5. Board Member Comments**
 - a. President
 - b. Others
- 6. Executive Director's Report**
- 7. Consent Calendar:** All items are considered routine or implement an earlier Board action and may be enacted by one motion; there will be no separate discussion unless requested by a Board Member or staff.
 - a. Adopt Resolution Canceling the October 4, 2017, Regular Board Meeting
 - b. Receive and Approve Treasurer's Report (May, June, and July 2017 Financial Statements)

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8. Conduct of Business

- a. Receive Report from Investment Committee and Presentation from Sand Hill Global Advisors, LLC, Regarding SBCF's Investment Portfolio
- b. Receive Report from Ad Hoc Committee on Program Strategy Development Regarding Strategic Initiatives in Partnership with the City of San Bruno
- c. Receive Report on Other Programs (Community Grants Fund, Crestmoor Neighborhood Memorial Scholarship, Music Education Strategic Initiative)
- d. Receive Report from Audit Committee Regarding Fiscal Year 2016-2017 Audit
- e. Discuss Board Meeting Schedule
- f. Discuss Upcoming Officer Elections for 2018 Term

- 9. 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.

10. Adjourn

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MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

June 7, 2017

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 7:01 p.m.
- 2. Roll Call:** Board Members Kraus, McGlothlin, Ross, Bohm, and Roberts, present; Board Members Hedley and Stanback Stroud, excused.
- 3. Presentation:** 2017 Crestmoor Neighborhood Memorial Scholarship Recipients: President Kraus acknowledged the leadership of the Foundation's Executive Director, Leslie Hatamiya, and Program Consultant, Stephanie Rutgers, in administering the second iteration of the Crestmoor Neighborhood Memorial Scholarship. She welcomed San Bruno Mayor Jim Ruane, Councilmember Ken Ibarra, and San Mateo County Supervisor Dave Pine. She also welcomed the 2016 Crestmoor Scholars in attendance: Giselle Hengst, Alejandra Andrade, Leitu Takapu, and Allie Stines.

She then gave a brief summary of the creation of the Crestmoor Scholarship, which honors the community members who most directly endured the destruction of the 2010 gas pipeline explosion and resulting fire in San Bruno's Crestmoor neighborhood, and thanked the review panel that dedicated many hours to selecting the 2017 Crestmoor Scholars. She addressed the seven scholarship recipients and expressed admiration for their success in school as well as their success as young adults in recognizing the importance of being positive contributors to society. She also acknowledged representatives from the Scholars' current schools, including Capuchino High School Principal Shamar Shanks and Career Counselor Joyce Lynn and Skyline College Financial Aid Officer Jenny Yang. Mayor Ruane then congratulated the Crestmoor Scholars and commended the Foundation on administering the program to invest in the City's youth.

President Kraus then introduced the eight Crestmoor Scholars – Harmonie Ahuna, Ryan Chapman, Zachary Fucini, Madeline Villanueva-Tovar, Lesley Bode, Alexandra Kennedy, Walter Manuofetoa, and Janah May Oclaman – and read short biographies about each.

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Secretary McGlothlin and Treasurer Ross presented each Crestmoor Scholar with a framed certificate.

Several Board Members, including Secretary McGlothlin, Ms. Roberts, Ms. Bohm, and Treasurer Ross – commended the Crestmoor Scholars and their commitment to the San Bruno community. Community members David Nigel and Maria Barr also congratulated the Crestmoor Scholars.

At 7:35 p.m., the Board took a 15-minute break and resumed the meeting at 7:50 p.m.

4. Approval of Minutes: May 3, 2017, Regular Board Meeting: Board Member Roberts moved to approve the minutes of the May 3, 2017, Regular Board Meeting, seconded by Board Member Bohm, approved unanimously.

5. Board Member Comments

a. **President:** President Kraus remarked to the Board that its work together for the past 3.5 years is truly making a difference for San Bruno and continues to memorialize those who suffered so much consequent to the events in 2010.

b. **Others:** Secretary McGlothlin said he attended Community Day and appreciated seeing so many people enjoying the park. He said he was impressed that one of the Foundation's Community Grants Fund grantees, Project Read, had its Learning Wheels program at Community Day.

6. Executive Director's Report: Executive Director Hatamiya gave a brief report on two items not covered in the business portion of the agenda. First, she reported that she bound coverage on a renewal of the Foundation's crime insurance policy with Travelers Casualty and Surety Company of America, effective May 27, 2017. She also reported that the reach of the Foundation's our e-newsletter and activity on the website both saw a slight uptick in May, with the announcements of the Music Education Strategic Initiative and the 2017 Crestmoor Scholars.

7. Consent Calendar

- a. Adopt Resolution Canceling the August 2, 2017, Regular Board Meeting
- b. Receive and Approve Treasurer's Report (April 2017 Financial Statements)

Secretary McGlothlin moved to accept the Consent Calendar as presented, seconded by Treasurer Ross, approved unanimously.

Executive Director Hatamiya mentioned that the July Board meeting may also be canceled.

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8. Conduct of Business

- a. Receive Report from Ad Hoc Committee on Program Strategy Development Regarding Strategic Initiatives in Partnership with the City of San Bruno and Adopt Resolution Increasing Grant Funding Allocation to Pedestrian Safety Improvement Efforts to \$263,952

Committee Chair Kraus gave updates on the Foundation's strategic projects with the City of San Bruno. She reported that the City's Community Day took place the previous Sunday, June 4, following the San Bruno Lions Club's Posy Parade and was well-attended and a huge success. She thanked the other event sponsors, Walmart, YouTube, and Skyline College.

Regarding the new park on Florida Avenue, she reported that demolition of the existing structures on the site has been completed, construction drawings are nearly complete, and the City will soon go out for bids on the construction contract. She said the City continues to project the end of 2017 for completion of the park.

Regarding the Community Facilities Vision Plan, she said she was pleased to report that total costs have come in under budget, so the grant payment to the City this past month was for \$181,047.30. She said this amount was in addition to the \$25,000 grant paid out for the pre-planning process leading up to the Vision Planning, for a total of \$206,047.30, which was \$93,952.70 less than the \$300,000 the board had originally budgeted for the entire project.

Moreover, President Kraus reminded the Board that it voted to allocate \$50 million toward a new recreation center and swimming pool complex for the City. She reported that the City plans to implement this project in three stages: conceptual design development, then design and development of construction drawings, followed by construction. The City anticipates having a request for proposal for the conceptual design work out this month.

President Kraus reported on great progress with the City on the pedestrian safety improvements project. She said that the Committee previously reported that the City had identified six sites for flashing beacons at unsignalized or mid-block crosswalks – three near schools and three on San Mateo Avenue in the downtown area. She reported that the City has determined that installation of the flashing beacons at one of the locations on San Mateo Avenue (at Angus) is not advisable due to an existing storm drain culvert underneath the sidewalk and that the City is considering other downtown locations for another set of flashing beacons. She reported that the total project cost is estimated at \$263,500 for the six flashing beacon sites. She said that although the Board originally approved \$170,000 for this project, since the Community Facilities Vision Planning process came in well under budget (by \$93,052), the Committee is recommending that the Board redirect that amount to the pedestrian safety project in the 2017-2018 budget for a total of \$263,952, slightly more than the estimated total cost for six new pedestrian safety installations. She also reported that the Committee continues to be in conversation with several potential partners on a pedestrian safety initiative which, if successful would offset the Foundation's contribution, freeing up those funds for other projects.

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Secretary McGlothlin said he intended to support the resolution to approve the increased pedestrian safety budget, but expressed concerns about the costs of the recreation center/pool project process and the need to leverage Foundation funds. He also expressed his belief in the success of the Community Grants and Crestmoor Scholarship programs and his desire to allocate more funds for them.

Board Member Roberts also said she intended to support the resolution but noted that the collision rate on San Mateo Avenue is quite low and asked whether the final set of flashing beacons could be located at a site where the collision rate is higher. She also asked whether the additional funding would help attract other community partners to participate. In response, President Kraus said that the downtown sites for the flashing beacons was responsive to what the Foundation heard in the Community Listening Campaign regarding community interest in rejuvenating the downtown area. Executive Director Hatamiya also responded by saying the broader initiative has helped attract other partners and the Committee is hopeful that additional funders will commit to the project soon.

Board Member Bohm moved to adopt the resolution increasing the grant funding allocation to the pedestrian safety improvement efforts to \$263,952, seconded by Treasurer Ross, approved unanimously.

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

President Kraus recused herself from discussion of this agenda item due to her professional association with the San Bruno Park School District. Secretary McGlothlin presided over this agenda item.

On behalf of the Ad Hoc Committee on Music Education Strategic Initiative, Chair Roberts reminded the Board of the celebratory moment at the last meeting when the Board approved a multi-year strategic grant to the San Bruno Education Foundation and the Capuchino High School Alumni Association to bolster music education in San Bruno's public schools. She reported that the grant agreements with the San Bruno Education Foundation and the Capuchino High School Alumni Association have been executed and that the Foundation will make the grant payments around June 15 each of the three years of the grant term. She reported that the grantees are required to submit reports to the Foundation by March 15. She introduced Bryan Vander Lugt, the San Bruno Education Foundation Board member who is handling the management of the music education grant, and reported that the Education Foundation is finalizing its contract with Music for Minors for the elementary school program and Mr. Vander Lugt is scheduled to meet with the Parkside music teachers about deploying the funds for the middle school. She also reported that the Capuchino Alumni Association plans to order new band uniforms this summer. She also said that, going forward, the Foundation has an expectation that the school instrumental groups will participate in community events such as Community Day.

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c. Receive Report on Community Grants Fund

Executive Director Hatamiya gave a brief update on the Community Grants Fund. She reported that Program Consultant Rutgers has taken over day-to-day administration and that the program will follow the same timeline as last year: the online application will be available at the beginning of July, the Foundation will hold three grant workshops (July 18, August 14, and September 11), and the application deadline is September 27. She reported that they have updated the program's two main marketing pieces – a one-page information sheet in English and Spanish and a poster in two sizes – which are being printed and will be distributed throughout San Bruno in early July.

d. Receive Report from Investment Committee and Adopt Resolution Authorizing Treasurer Tim Ross and Executive Director Leslie Hatamiya to Execute Amendment to the Investment Operating Plan with Sand Hill Global Advisors Amending the Quasi-Endowment Payout Provision

Investment Committee Chair Ross reported on the Committee's recent quarterly meeting on May 17, 2017. He reported that the Committee received an update from Sand Hill Global Advisors (SHGA), which he said characterized the market as Goldilocks ("not too hot, not too cold") and that the results of the Foundation's portfolio have been positive, with no guarantees that they will continue that way. He reported that the investment team had slightly decreased the Foundation's fixed income exposure in response to rising interest rates.

Chair Ross also reported on the Committee's review of the Foundation's Investment Policy Statement and Investment Operating Plan, which it is charged to review annually. He said that the Committee was not recommending any changes to the Investment Policy Statement. With regard to the Investment Operating Plan, he said that the Committee discussed two items. First, it considered whether any changes to the Strategic Pool's asset allocation were warranted in light of the Board's decision to support a \$50 million grant to the City for a recreation center/pool project, but it ultimately decided against recommending any changes because the timing of the flow of funds for the community facility project remains uncertain, the Liquidity Pool was set up to allow for a transfer of funds closer to the time the funds are needed to be disbursed, and the Investment Operating Plan provides SHGA with asset allocation ranges to make adjustments as necessary.

He then reported that the Committee is recommending that the Board decrease the Quasi-Endowment payout rate for 2017-2018 is 2.25%, which would cover the Foundation's cash needs for the Crestmoor Scholarship and Community Grants Fund programs, from 3% as well as delete any mention of the payout rate for fiscal year 2018-2019. He said that the first change would result in a smaller Quasi-Endowment payout, allowing the Quasi-Endowment the potential to grow and provide a larger base for the long-term funding of the Foundation. He said the Committee supported the second change because the 2018-2019 payout rate should be determined next year, when the Foundation likely has more information about the cash-flow needs for the recreation center/pool project. Finally, he said the Committee is recommending

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that the payout provision be amended to give more discretion to the Treasurer and the Executive Director to move funds from the Quasi-Endowment to the Liquidity Pool depending on cash-flow needs and a desire to keep funds in the Quasi-Endowment for as long as possible.

Secretary McGlothlin moved to adopt the resolution authorizing Treasurer Tim Ross and Executive Director Leslie Hatamiya to execute the amendment to the Investment Operating Plan with SHGA amending the Quasi-Endowment payout provision, seconded by Board Member Roberts, approved unanimously.

- e. Adopt Resolution Approving 2017-2018 Budget and Transfers from the Quasi-Endowment and Strategic Pool Investment Accounts to the Liquidity Pool Account

Executive Director Hatamiya presented the fiscal year 2017-2018 budget to the Board. She emphasized the importance of transparency and economy in creating the budget. She also explained that once the Board approves the budget, in accordance with the Bylaws it will then be presented to the City Council on June 27 for approval.

She explained that, unlike most nonprofit budgets, the Foundation's budget is expense-driven rather than income-driven, and then went through the three categories of expenses (direct program expenses - \$50,613,952, direct personnel expenses - \$203,719, and non-personnel support costs - \$175,123), for a total of \$50,992,794. She noted that the \$50 million grant for the recreation center/pool project will most likely be recorded in the coming fiscal year, when the grant agreement is executed, but only a small portion (no more than \$300,000, for the conceptual design phase) is likely to be paid out in 2017-2018. As a result, she noted that the Foundation's cash-flow requirements – which drive the transfers from net assets, the Foundation's primary source of "income" – will be much lower than its recorded expenses, resulting in a large deficit. Based on the Foundation's cash-flow needs, the Quasi-Endowment payout will be \$352,921, and the transfer from the Strategic Pool will be \$1,071,914.

Board Member Roberts moved to adopt the resolution approving the 2017-2018 budget and transfers from the Quasi-Endowment and Strategic Pool investment accounts to the Liquidity Pool account, seconded by Secretary McGlothlin, approved unanimously.

9. Public Comment: None.

President Kraus announced that at the June 27, 2017, meeting of the San Bruno City Council, Executive Director Hatamiya will give a report on the Foundation's activities and that the Council will consider the Foundation's 2017-2018 budget and Board appointments.

10. Adjourn: Board Member Bohm moved to adjourn the meeting at 8:39 p.m., seconded by Secretary McGlothlin, approved unanimously.

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Respectfully submitted for approval at the Regular Board Meeting of September 6, 2017, by
Secretary John McGlothlin and President Nancy Kraus.

John McGlothlin, Secretary

Nancy Kraus, President

BOARD OF TRUSTEES

Jennifer Blanco
Patrick J. Flynn
John P. Marinos
Kevin J. Martinez
Henry Sanchez, M.D.



ADMINISTRATION

Superintendent
Wendy Richard
Associate Superintendent
Business Services
Leigh Schwartz
Assistant Superintendent Special
Services & Human Resources

SAN BRUNO PARK SCHOOL DISTRICT APPOINTS NEW SUPERINTENDENT

San Bruno, CA. August 10, 2017. San Bruno Park School District has a new Superintendent! In action taken by the Board of Trustees on August 9, Stella Kemp, Ed.D., will succeed Cheryl Olson, who left the District at the end of June to preside over a larger district in the north. Dr. Kemp's appointment takes effect August 14th.

"Dr. Kemp's background advancing academic success with youth in diverse ethnic and socioeconomic communities is experience we found invaluable during the intense recruitment process the Board conducted this summer", commented Dr. Henry Sánchez, Board President.

A frequent presenter at state and local conferences and a recognized mentor and trainer of educators, Dr. Kemp's breadth of experience in improving student achievement and anticipating future needs of an organization has resulted in major initiatives she has led to take school districts to their next level. "As the Board evaluated her experience, her consistent message was clearly that students come first", Dr. Sánchez continued.

A strong proponent of ongoing change to address students' needs, Dr. Kemp has enlisted partnerships with universities and the business community to support transformation and redesign to motivate student success. "I am impressed with the direction San Bruno Park School District has taken in the past two years to better connect the community with the District's successes and its challenges", commented Dr. Kemp.

Dr. Kemp's Doctor of Education degree is in Education Administration and Applied Technology and Development. She has completed numerous academies of specialized administrative training through the Association of California School Administrators. She is a member of School Superintendents' Association, Association of California School Administrators, Phi Delta Kappa, Association for Supervision and Curriculum Development and the International Society of Technology in Education.

Her extensive commitment to community engagement is student centered and includes being current Board President of the Walden West Foundation whose mission is to empower children to develop a life-long passion for science, engineering and environmental stewardship through outdoor education. She is also a board member of The First Tee of Silicon Valley, focused on developing youth, transforming their lives and giving them a brighter future.

"I look forward to meeting San Bruno students and to working closely with teachers, staff, parents, community leaders and volunteers who are committed to the District's mission of empowering our students toward academic success and becoming positive contributors to society", Dr. Kemp concluded.

Contact:

Dr. Henry Sánchez, President of the Board

hsanchez@smuhdsd.k12.ca.us

650-678-0218

Stella Kemp, Ed.D.

stellamkemp@gmail.com

760-885-7517

SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

Since the June 7, 2017, Board meeting, most of my focus has been on topics covered in the September 6, 2017, Board meeting agenda, including program management and support of the strategic initiatives with the City, the Community Grants Fund, and the Crestmoor Neighborhood Memorial Scholarship, the Investment Committee, and the Audit Committee. In the Executive Director's Report, I will update the Board on several other matters of importance to the Foundation, including the following:

1. Annual Report

I am pleased to report that the Foundation's 2017 Annual Report will be mailed to all San Bruno addresses on September 5 and hard copies will be available at the Board meeting. Like last year's version, the Annual Report is an eight-page, full-color, letter-sized brochure that provides an update on the Foundation's strategic initiatives, profiles of the eight 2016 Crestmoor Scholars, information about the Community Grants Fund (the 2016-2017 grant awards and application information for the current cycle), and financial information. We will post the Annual Report on the Foundation website and make hard copies available at various locations around town, such as City Hall, the Library, the Senior Center, and the Recreation Center. Thank you to President Nancy Kraus and Program Consultant Stephanie Rutgers for their editing and proofreading assistance, Mikko Design for graphic design work, and Inner Workings for printing and mail house services.

2. Board Appointments

At its June 27, 2017, regular meeting, I gave a brief report to the San Bruno City Council on the Foundation's activities over the past year, highlighting the Crestmoor Neighborhood Memorial Scholarship, the Community Grants Fund, the Music Education Strategic Initiative, and the Foundation numerous strategic partnerships with the City. I also mentioned the two Foundation-related action items before the City Council that evening: approval of the Foundation's fiscal year 2017-2018 budget and Board appointments. Following my presentation, the City Council reappointed Nancy Kraus, John McGlothlin, Tim Ross, and Emily Roberts to new four-year terms on the Foundation's Board of Directors. Their current terms conclude at the end of this year, and under the Foundation's Bylaws, each are eligible to serve up to two consecutive

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terms. The four Board Members' new terms will commence on January 1, 2018, and end on December 31, 2021.

3. Fiscal Year 2017-2018 Budget

On June 27, the City Council also approved the Foundation's 2017-2018 fiscal year budget, which the Board had previously approved on June 7. The budget includes more than \$50.6 million in direct program disbursements for the new recreation center and all-season pool facility in San Bruno City Park that the City is planning to build, the Crestmoor Neighborhood Memorial Scholarship, the Community Grants Fund, pedestrian safety improvements, and other strategic grant initiatives.

4. Email Newsletter and Website Hits

Since the June 7 Board meeting, I sent out five email blasts to the Foundation's email distribution list. Three of these were substantive newsletters (the first highlighted the Crestmoor Scholars and Community Day and gave a summary of the June Board meeting; the second announced the impending launch of the Community Grants Fund application period and the cancellation of the July Board meeting; and the third provided information about applying for a Community Grant), while two were brief reminders of Community Grants Fund grant workshops. The reach of the e-newsletter blasts remained at a steady level compared to past blasts, with a substantial uptick in the number of views of the blast in early July providing information about the Community Grants Fund. For the e-newsletter that was sent on June 15 (Crestmoor Scholars and Community Day), of the 577 emails sent, 42% of the recipients opened the email, and the e-newsletter was viewed, either in email or as posted on the web, 688 times. For the e-newsletter that was sent on June 29 (impending Community Grants Fund launch), of the 576 emails sent, 38% of the recipients opened the email, and the email was viewed 521 times. For the e-newsletter that was sent on July 5 (providing application information for the Community Grants Fund), of the 576 emails sent, 43% of the recipients opened the email, and the e-newsletter was viewed 1,600 times.

According to Google Analytics, website activity has centered on the launch of the Community Grants Fund and access to the program guidelines and the online application. Since the June Board meeting, 472 users engaged in 680 sessions on the Foundation website, for a total of 1,672 page views. Not surprisingly, the most visited pages were the home page and the pages related to the Community Grants Fund.

5. SBCF Facebook Page

As mentioned at the June Board meeting, the Foundation's Facebook page is now live at <https://www.facebook.com/sanbrunocommunityfoundation/>. There is a link to the page on the Foundation's website (<https://www.sbcf.org/>). Program Consultant Stephanie Rutgers (who is managing the page) and I encourage Board members to

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“like” the page and send out the link to their networks with a suggestion that they also follow and like the page.

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Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Consent Calendar for the September 6, 2017, Regular Board Meeting

For the September 6, 2017, Regular Meeting of the Board of Directors of The San Bruno Community Foundation, the Consent Calendar includes two items related to administrative and operational functions of the Foundation:

1. Adopt Resolution Canceling the October 4, 2017, Regular Board Meeting

As we move forward, President Kraus and I anticipate that the Board will need to meet less frequently. A modified meeting schedule going forward will be discussed further by the Board in the “Conduct of Business” section of the meeting.

The Foundation Board is scheduled to have a regular monthly meeting on October 4, 2017 (the first Wednesday of the month). At this time, we do not anticipate the Foundation facing any pressing matters that would require Board attention or action. In consultation with the Board President, I recommend that the Board approve the resolution canceling the October Board meeting as part of the Consent Calendar.

2. Receive and Approve Treasurer’s Report (May, June, and July 2017 Financial Statements)

The May, June, and July 2017 financial statements each consist of a Budget Report and Balance Sheet. The Budget Narratives provide a thorough explanation of the financial statements. The May and June Budget Reports include the budget figures for the 2016-2017 fiscal year, and the Budget Report for July reflects the 2017-2018 fiscal year budget figures approved at the June 7, 2017, Board meeting.

I recommend that the Board approve the Treasurer’s Report as part of the Consent Calendar.

Attachments:

1. Resolution Canceling the October 4, 2017, Regular Board Meeting
2. May, June, and July 2017 Financial Statements

RESOLUTION NO. 2017-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
CANCELING THE OCTOBER 4, 2017, REGULAR BOARD MEETING**

WHEREAS, the October Regular Meeting of the San Bruno Community Foundation's Board of Directors is scheduled for October 4, 2017; and

WHEREAS, no business items requiring Board action are anticipated for this meeting.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors cancels the Regular Board Meeting of October 4, 2017.

Dated: September 6, 2017

ATTEST:

John McGlothlin, Secretary

I, John McGlothlin, Secretary, do hereby certify that the foregoing Resolution No. 2017-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 6th day of September, 2017, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

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Community Foundation

May 2017

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 eleven months of the year equal 91.7% of the fiscal year.

INCOME

Line 1 Transfers from Quasi Endowment – None planned for this fiscal year.

Line 2 Transfers from Strategic Pool – Entire budget amount, \$1,341,290 has been transferred to the Liquidity Pool to cover 2016-17 fiscal year expenses.

Line 3 Interest Income – \$8,714 is 217.9% of budget. High balance has been maintained in Liquidity Pool for most of the year. Final Expected Amount has been increased by \$5,006 based on a projection of \$292 for the final month.

Line 4 Restricted Donations - \$10,000 received; nothing budgeted. Additional \$5,000 expected. These donations are restricted to use in support of San Bruno Community Day and corresponding increases in Strategic Grants have also been accrued and projected.

EXPENSES

Line 6 Crestmoor Scholarships – \$120,000 is 120% of budget. Board approved \$20,000 increase/budget variance in January.

Line 7 Community Grants – \$198,500 is 99.3% of budget. \$148,500 has been paid out for eleven grants and two other grants totaling \$50,000 have been accrued based on execution of grant agreements. Final grant for \$1,500 is pending signature.

Line 8 Strategic Grants - \$421,047 is 62.4% of budget. Community Facilities Vision Plan (\$181,047) wound up \$13,453 less than amount awarded. Grants also accrued for: Florida Avenue Park (\$200,000); and 2017 Community Day (\$40,000). Final Expected Amount increased \$246,547 based on \$500,000 additional expense incurred in June (\$495,000 for Music Education) and expected in June (\$5,000 for Community Day based on restricted donation).

Line 10 Salaries & Wages – Expense is at 92.8% of budget. Final Expected Amount increased \$2,552 based on Board authorized adjustment effective February 1.

Line 11 Payroll Taxes & Benefits – \$28,539 is 114.1% of budget. Costs include retirement (\$16,873), Social Security/Medicare (\$8,925), accrued vacation (\$1,570), workers' compensation insurance (\$937), and Life Insurance (\$234). Final Expected Amount increased \$6,072.

Line 13 Occupancy – Only cost is office lease (\$12,005). Amount is 90.2% of budget. Final Expected Amount reduced \$148 based on new lease effective April 1.

Line 14 Insurance – \$15,031 is 90% of budget and includes Directors & Officers (\$11,542), crime (\$2,596), and commercial liability (\$893) policies. Final Expected Amount decreased \$182 based on policy renewals.

Line 15 Telecommunications – \$1,670 is 96.6% of budget and includes cellular (\$756), internet (\$594), and land line (\$320).

Line 16 Postage & Shipping – \$1,833 is 43.8% of budget. Most of the cost (\$1,349) incurred in August to distribute annual report to community. Final Expected Amount decreased \$2,310.

Line 17 Marketing & Communications - \$9,594 is 60% of budget. 72% of total is for graphic design and printing of annual report (\$6,865). Other costs include Community grants and scholarship flyers and posters (\$1,434); grant and scholarship on-line application software (\$945); and email communications/public relations service (\$252). Final Expected Amount reduced \$5,528.

Line 18 Office Supplies – \$1,296 is 45.8% of budget. Largest costs are toner (\$514) and accounting software (\$318). Final Expected Amount reduced \$1,269.

Line 19 Office Equipment & Furniture – \$198 is 19.8% of budget. No additional expenses projected this fiscal year so that Final Expected Amount reduced \$802.

Line 20 Legal Fees – \$23,906 is 72.9% of budget and is for San Bruno City Attorney (\$12,926) and advice regarding Grants (\$7,710) and administrative issues (\$3,270). Final Expected Amount decreased \$4,445.

Line 21 Auditor & Payroll Fees – \$10,098 is 92.3% of budget. Auditor fees (\$8,500) have been paid in full and represent 84% of the total. Final Expected Amount decreased \$700.

Line 22 Other Consultants - \$45,155 is 73.9% of budget and includes Program support (\$16,325), Accounting consultant (\$16,299), and Technology (\$12,415). Final Expected Amount reduced \$7,467.

Line 23 Travel, Meetings & Conferences – \$2,650 is 36.8% of budget. 94% of the total has been for Board meetings. Final Expected Amount reduced \$3,714.

Line 24 Miscellaneous – \$1,401 equals 56% of budget. Organizational memberships (\$925) and Attorney General filing fee (\$300) represent most of the cost. Final Expected Amount reduced \$1,097.

SUMMARY

Total expenses are at 78.5% of budget, which is well below 92% benchmark. Excluding Grants & Scholarships, expenses are at 85.3% of budget. In dollar terms, these non-Direct Program costs are \$23,599 below budget. Final expected expenses have been increased \$247,597 and final expected income is increased \$20,006. The expense increase is entirely explained by additional Strategic Grants of \$246,547. Non-Direct Program expenses are projected to be \$18,950 below budget (about 5.1%).

May investment gain or increase in market value was \$401,242 bringing year-to-date net investment gain to \$2,787,855. The May gain came from the Strategic Pool - \$280,828; and Quasi Endowment - \$120,414, resulting in year-to-date amounts of \$1,375,017 (Strategic) and \$1,412,838 (QE).

Total Net Assets, as of May 31, 2017 are \$71,948,805 with \$16,530,958 in Quasi Endowment and \$55,417,847 in general Unrestricted funds.

SAN BRUNO

Community Foundation

May 2017 2016-2017 Budget Report

	(a)	(b)	(c)	(d)	(e)
	Actual Year to	Budget	Actual as %	Final	Change in
	Date		of Budget	Expected	Budget (d - b)
			(a/b)	Amount	
INCOME & TRANSFERS					
1 Transfers from Quasi Endowment	\$ -	\$ -		\$ -	\$ -
2 Transfers from Strategic Pool	1,341,290	1,341,290	100.0%	1,341,290	-
3 Interest Income	8,714	4,000	217.9%	9,006	5,006
4 Restricted Donations	10,000	-		15,000	15,000
5 Total Available for Operations	1,360,004	1,345,290	101.1%	1,365,296	20,006
EXPENSES					
6 Crestmoor Scholarships	120,000	100,000	120.0%	120,000	20,000
7 Community Grants	198,500	200,000	99.3%	200,000	-
8 Strategic Grants	421,047	675,000	62.4%	921,547	246,547
9 Subtotal Direct Program Expenses	739,547	975,000	75.9%	1,241,547	266,547
10 Salaries & Wages	162,458	175,000	92.8%	177,552	2,552
11 Payroll Taxes & Benefits	28,539	25,022	114.1%	31,094	6,072
12 Subtotal Personnel Expenses	190,997	200,022	95.5%	208,646	8,624
13 Occupancy	12,005	13,314	90.2%	13,166	(148)
14 Insurance	15,031	16,698	90.0%	16,516	(182)
15 Telecommunications	1,670	1,728	96.6%	1,816	88
16 Postage & Shipping	1,833	4,187	43.8%	1,877	(2,310)
17 Marketing & Communications	9,594	15,978	60.0%	10,450	(5,528)
18 Office Supplies	1,296	2,832	45.8%	1,563	(1,269)
19 Office Equipment & Furniture	198	1,000	19.8%	198	(802)
20 Legal Fees	23,906	32,781	72.9%	28,336	(4,445)
21 Auditor & Payroll Fees	10,098	10,940	92.3%	10,240	(700)
22 Other Consultants	45,155	61,100	73.9%	53,633	(7,467)
23 Travel, Meetings & Conferences	2,650	7,210	36.8%	3,496	(3,714)
24 Miscellaneous	1,401	2,500	56.0%	1,403	(1,097)
25 Subtotal Non-Personnel	124,837	170,268	73.3%	142,694	(27,574)
26 Total Expenses	1,055,381	1,345,290	78.5%	1,592,887	247,597
27 Net Surplus/(Loss)	\$ 304,623	\$ -		\$ (227,591)	\$ (227,591)

SAN BRUNO

Community Foundation

Statement of Financial Position as of May 31, 2017

ASSETS

Cash, Wells Fargo General	\$ 76,801.16	
Cash, Wells Fargo Payroll	17,740.78	
Cash, Wells Fargo Savings	133,063.71	
Cash, Fidelity Liquidity Pool	467,740.87	
Total Cash		695,346.52
Investments, Fidelity Strategic Pool	55,169,604.53	54,097,690.53
Investments, Fidelity Quasi-Endowment	16,530,958.12	
Accrued Interest Receivable	41,826.71	
Total Investments		71,742,389.36
Prepaid Rent	1,161.00	
Prepaid Insurance	7,702.08	
Total Other Current Assets		8,863.08
Deposits	1,335.45	
Total Other Assets		1,335.45
TOTAL ASSETS		\$ 72,447,934.41

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	6,902.25	
Accrued Grants Payable	290,000.00	
Accrued Scholarships Payable	190,000.00	
Accrued Employee PTO	12,227.05	
Total Liabilities		499,129.30

NET ASSETS

Unrestricted, Non-QE 7/1/2016 Balance	55,079,496.41	
Year to Date Net Income from Operations	(1,036,666.40)	
Year to Date Strategic Investment Income	1,375,016.98	
Total Non-QE Net Assets		55,417,846.99
Quasi-Endowment 7/1/2016 Balance	15,118,119.77	
Year-to-date QE Investment Income	1,412,838.35	
Total Quasi-Endowment Net Assets		16,530,958.12
Total Unrestricted Net Assets		71,948,805.11
TOTAL LIABILITIES & NET ASSETS		\$ 72,447,934.41

SAN BRUNO

Community Foundation

June 2017

Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) of the monthly Budget Report. This is the final report for the 2016-2017 fiscal year.

INCOME

Line 1 Transfers from Quasi Endowment – None planned for the fiscal year.

Line 2 Transfers from Strategic Pool – Entire budget amount, \$1,341,290 has been transferred to the Liquidity Pool to cover 2016-17 fiscal year expenses.

Line 3 Interest Income – \$9,300 is 232.5% of budget (positive variance of \$5,300). High balance was maintained in Liquidity Pool for most of the year and income potential was unknown in first full year utilizing this account.

Line 4 Restricted Donations - \$15,999 received; nothing budgeted. \$15,000 received in support of San Bruno Community Day with corresponding increases in Strategic Grants. \$999 received from Associated Students of College of San Mateo in support of Scholarships.

EXPENSES

Line 6 Crestmoor Scholarships – \$120,000 is 120% of budget (negative variance of \$20,000). Board approved \$20,000 increase and budget variance in January.

Line 7 Community Grants – \$200,000 is 100% of budget. \$150,000 has been paid out for twelve grants and two other grants totaling \$50,000 have been accrued based on execution of grant agreements.

Line 8 Strategic Grants - \$921,047 is 136.5% of budget (negative variance of \$246,047). Community Facilities Vision Plan (\$181,047) wound up \$13,453 less than amount awarded. Grants also accrued for: Florida Avenue Park (\$200,000); and 2017 Community Day (\$45,000). \$495,000 for two, three-year Music Education grants awarded in June.

Line 10 Salaries & Wages – Expense is 101.5% of budget (negative variance of \$2,552). Board authorized salary adjustment effective February 1.

Line 11 Payroll Taxes & Benefits – \$31,095 is 124.3% of budget (negative variance of \$6,073). Costs include retirement (\$17,627), Social Security/Medicare (\$10,080), accrued vacation (\$2,115), workers' compensation insurance (\$1,039), and Life Insurance (\$234).

Line 13 Occupancy – Only cost is office lease (\$13,166). Amount is 98.9% of budget (positive variance of \$148).

Line 14 Insurance – \$16,510 is 98.9% of budget (positive variance of \$188) and includes Directors & Officers (\$12,663), crime (\$2,876), and commercial liability (\$971) policies.

Line 15 Telecommunications – \$1,816 is 105.1% of budget (negative variance of \$88) and includes cellular (\$819), internet (\$648), and land line (\$350).

Line 16 Postage & Shipping – \$1,899 is 45.4% of budget (positive variance of \$2,288). Most of the cost (\$1,349) incurred in August to distribute annual report to community.

Line 17 Marketing & Communications - \$9,904 is 62% of budget (positive variance of \$6,074). 69% of total is for graphic design and printing of annual report (\$6,865). Other costs include Community grants and scholarship flyers and posters (\$2,177); grant and scholarship on-line application software (\$973); and email communications/public relations service (\$252).

Line 18 Office Supplies – \$1,805 is 63.7% of budget (positive variance of \$1,027). Largest costs are toner (\$826) and accounting software (\$348).

Line 19 Office Equipment & Furniture – \$198 is 19.8% of budget (positive variance of \$802).

Line 20 Legal Fees – \$28,621 is 87.3% of budget (positive variance of \$4,160) and is for San Bruno City Attorney (\$17,221) and advice regarding Grants (\$8,060) and administrative issues (\$3,270).

Line 21 Auditor & Payroll Fees – \$10,239 is 93.6% of budget (positive variance of \$701). Auditor fees (\$8,500) represent 83% of the total. The remaining \$1,739 is for payroll service fees.

Line 22 Other Consultants - \$49,850 is 81.6% of budget (positive variance of \$11,250) and includes Program support (\$18,058), Accounting consultant (\$17,701), and Technology (\$13,975).

Line 23 Travel, Meetings & Conferences – \$3,163 is 43.9% of budget (positive variance of \$4,047). 91% of the total (\$2,876) has been for Board meetings.

Line 24 Miscellaneous – \$1,403 equals 56.1% of budget (positive variance of \$1,097). Organizational memberships (\$925) and Attorney General filing fee (\$300) represent most of the cost.

SUMMARY

Total expenses were 118.1% of budget, for a negative variance of \$242,978. Excluding Grants & Scholarships negative variance of \$266,047, however, leaves a positive budget variance of \$23,069 or 6.2%.

June investment gain or increase in market value was \$130,502 bringing year-to-date net investment gain to \$2,918,358. The June gain came from the Strategic Pool - \$47,049; and Quasi Endowment - \$83,453, resulting in year-to-date amounts of \$1,422,067 (Strategic) and \$1,496,291 (QE).

Increase in net assets for the year, as shown in the annual audit report, will be \$1,355,389. Total Net Assets, as of June 30, 2017 are \$71,553,005 with \$16,614,411 in Quasi Endowment and \$54,938,594 in general Unrestricted funds.

SAN BRUNO

Community Foundation

June 2017 2016-2017 Budget Report

	(a)	(b)	(c)	(d)
	Actual Year to	Budget	Actual as %	Budget
	Date		of Budget	Variance
			(a/b)	(a-b)
INCOME & TRANSFERS				
1 Transfers from Quasi Endowment	\$ -	\$ -		\$ -
2 Transfers from Strategic Pool	1,341,290	1,341,290	100.0%	-
3 Interest Income	9,300	4,000	232.5%	5,300
4 Restricted Donations	15,999	-		15,999
5 Total Available for Operations	1,366,589	1,345,290	101.6%	21,299
EXPENSES				
6 Crestmoor Scholarships	120,000	100,000	120.0%	20,000
7 Community Grants	200,000	200,000	100.0%	-
8 Strategic Grants	921,047	675,000	136.5%	246,047
9 Subtotal Direct Program Expenses	1,241,047	975,000	127.3%	266,047
10 Salaries & Wages	177,552	175,000	101.5%	2,552
11 Payroll Taxes & Benefits	31,095	25,022	124.3%	6,073
12 Subtotal Personnel Expenses	208,647	200,022	104.3%	8,625
13 Occupancy	13,166	13,314	98.9%	(148)
14 Insurance	16,510	16,698	98.9%	(188)
15 Telecommunications	1,816	1,728	105.1%	88
16 Postage & Shipping	1,899	4,187	45.4%	(2,288)
17 Marketing & Communications	9,904	15,978	62.0%	(6,074)
18 Office Supplies	1,805	2,832	63.7%	(1,027)
19 Office Equipment & Furniture	198	1,000	19.8%	(802)
20 Legal Fees	28,621	32,781	87.3%	(4,160)
21 Auditor & Payroll Fees	10,239	10,940	93.6%	(701)
22 Other Consultants	49,850	61,100	81.6%	(11,250)
23 Travel, Meetings & Conferences	3,163	7,210	43.9%	(4,047)
24 Miscellaneous	1,403	2,500	56.1%	(1,097)
25 Subtotal Non-Personnel	138,574	170,268	81.4%	(31,694)
26 Total Expenses	1,588,268	1,345,290	118.1%	242,978
27 Net Surplus/(Loss)	\$ (221,679)	\$ -		\$ (221,679)

SAN BRUNO

Community Foundation

Statement of Financial Position as of June 30, 2017

ASSETS

Cash, Wells Fargo General	\$	58,088.96	
Cash, Wells Fargo Payroll		51,596.66	
Cash, Wells Fargo Savings		133,066.99	
Cash, Fidelity Liquidity Pool		88,489.33	
Total Cash		331,241.94	
Investments, Fidelity Strategic Pool		55,215,683.41	
Investments, Fidelity Quasi-Endowment		16,614,410.94	
Accrued Interest Receivable		42,631.80	
Total Investments		71,872,726.15	
Prepaid Rent		1,161.00	
Prepaid Insurance		7,547.50	
Total Other Current Assets		8,708.50	
Deposits		1,335.45	
Total Other Assets		1,335.45	
TOTAL ASSETS			\$ 72,214,012.04

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable		10,673.76	
Accrued Grants Payable		497,562.00	
Accrued Scholarships Payable		140,000.00	
Accrued Employee PTO		12,771.73	
Total Liabilities		661,007.49	

NET ASSETS

Unrestricted, Non-QE 7/1/2016 Balance		55,079,496.41	
Year to Date Net Income from Operations		(1,562,969.34)	
Year to Date Strategic Investment Income		1,422,066.54	
Total Non-QE Net Assets		54,938,593.61	
Quasi-Endowment 7/1/2016 Balance		15,118,119.77	
Year-to-date QE Investment Income		1,496,291.17	
Total Quasi-Endowment Net Assets		16,614,410.94	
Total Unrestricted Net Assets		71,553,004.55	
TOTAL LIABILITIES & NET ASSETS			\$ 72,214,012.04

SAN BRUNO

Community Foundation

July 2017

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 month equals 8.3% of the fiscal year.

INCOME

Line 1 Transfers from Quasi Endowment – Transfers planned for later in the year.

Line 2 Transfers from Strategic Pool – Transfers planned for later in the year.

Line 3 Interest Income – \$297 is 3.7% of budget. Liquidity Pool is currently less than \$100,000.

EXPENSES

Line 8 Subtotal Direct Program Expenses – No Scholarships or Grants have been awarded in the first month of the year.

Line 9 Salaries & Wages – Expense is exactly on budget at 8.3%.

Line 10 Payroll Taxes & Benefits – Expense (\$2,012) is 8.9% of budget. Social Security/Medicare (\$1,155) is the largest cost and will be lower at the end of the calendar year. Other costs include retirement (\$755).

Line 12 Occupancy – Only cost is office lease (\$1,161). Amount is 8.2% of budget.

Line 13 Insurance – Total (\$1,488) is exactly on budget and includes Directors & Officers (D&O) coverage (\$1,120) and crime coverage (\$284).

Line 14 Telecommunications – Cost (\$147) is 8.2% of budget.

Line 15 Postage & Shipping – Cost (\$46) is 2.3% of budget. Significant cost (\$1,246) incurred in August to distribute annual report to community.

Line 16 Marketing & Communications - \$29 expense is 0.2% of budget.

Line 17 Office Supplies – Total (\$40) is 1.1% of budget.

Line 18 Legal Fees – No costs incurred in July.

Line 19 Auditor & Payroll Fees – Total (\$152) is 1.4% of budget as there have been no audit fees incurred this year.

Line 20 Other Consultants - Cost (\$2,874) is 4.4% of budget and is for Accounting (\$1,649) and Program Support (\$1,225) consultants.

Line 21 Travel, Meetings & Conferences – Total (\$195) is 4.1% of budget.

Line 22 Miscellaneous – Cost (\$352) equals 17.6% of budget with an organizational membership (\$350) representing most of the cost.

SUMMARY

Excluding the budget for Scholarships & Grants, total expenses are at 6.2% of budget, which is well below 8.3% benchmark for the first month of the year. In terms of dollars, the \$23,590 in first month expense is \$7,980 less than the one-month budget allocation.

July Investment net income is \$687,632. This came from the Strategic Pool (\$433,417) and Quasi Endowment (\$254,215).

Total Net Assets, as of July 31, 2017 grew to \$72,217,344 with \$16,868,626 in Quasi Endowment and \$55,348,718 in general Unrestricted funds.

SAN BRUNO

Community Foundation

July 2016 2016-2017 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 & TRANSFERS					
1 Transfers from Quasi Endowment	\$ -	\$ 352,921	0.0%	\$ 352,921	\$ -
2 Transfers from Strategic Pool	-	1,071,764	0.0%	1,071,764	-
3 Interest Income	297	8,000	3.7%	8,000	-
4 Total Available for Operations	297	1,432,685	0.0%	1,432,685	-
EXPENSES					
5 Crestmoor Scholarships	-	120,000	0.0%	120,000	-
6 Community Grants Fund	-	200,000	0.0%	200,000	-
7 Strategic Grants	-	50,293,952	0.0%	50,293,952	-
8 Subtotal Direct Program Expenses	-	50,613,952	0.0%	50,613,952	-
9 Salaries & Wages	15,094	181,125	8.3%	181,125	-
10 Payroll Taxes & Benefits	2,012	22,594	8.9%	22,594	-
11 Subtotal Personnel Expenses	17,106	203,719	8.4%	203,719	-
12 Occupancy	1,161	14,104	8.2%	14,104	-
13 Insurance	1,488	17,851	8.3%	17,851	-
14 Telecommunications	147	1,800	8.2%	1,800	-
15 Postage & Shipping	46	2,000	2.3%	2,000	-
16 Marketing & Communications	29	15,158	0.2%	15,158	-
17 Office Supplies & Equipment	40	3,490	1.1%	3,490	-
18 Legal Fees	-	37,917	0.0%	37,917	-
19 Auditor & Payroll Fees	152	10,733	1.4%	10,733	-
20 Other Consultants	2,874	65,350	4.4%	65,350	-
21 Travel, Meetings & Conferences	195	4,720	4.1%	4,720	-
22 Miscellaneous	352	2,000	17.6%	2,000	-
23 Subtotal Non-Personnel	6,484	175,123	3.7%	175,123	-
24 Total Expenses	23,590	50,992,794	0.0%	50,992,794	-
25 Net Surplus/(Loss)	\$ (23,293)	\$ (49,560,110)		\$ (49,560,110)	\$ -

SAN BRUNO

Community Foundation

Statement of Financial Position as of July 31, 2017

ASSETS

Cash, Wells Fargo General	\$ 25,336.87	
Cash, Wells Fargo Payroll	34,441.54	
Cash, Wells Fargo Savings	133,070.38	
Cash, Fidelity Liquidity Pool	88,710.97	
Total Cash		281,559.76
Investments, Fidelity Quasi-Endowment	16,868,626.11	
Investments, Fidelity Strategic Pool	55,648,883.62	
Accrued Interest Receivable	42,920.73	
Total Investments		72,560,430.46
Prepaid Rent	1,161.00	
Prepaid Insurance	7,077.33	
Total Other Current Assets		8,238.33
Deposits	1,335.45	
Total Other Assets		1,335.45
TOTAL ASSETS		\$ 72,851,564.00

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	3,886.68	
Accrued Grants Payable	497,562.00	
Accrued Scholarships Payable	120,000.00	
Accrued Employee PTO	12,771.73	
Total Liabilities		634,220.41

NET ASSETS

Unrestricted, Non-QE 7/1/2017 Balance	54,938,593.61	
Year to Date Net Income	(23,293.40)	
Investment Income	433,417.27	
Total Non-QE Net Assets		55,348,717.48
Quasi-Endowment 7/1/2017 Balance	16,614,410.94	
Year-to-date QE Net Investment Income	254,215.17	
Total Quasi-Endowment Net Assets		16,868,626.11
Total Unrestricted Net Assets		72,217,343.59
TOTAL LIABILITIES & NET ASSETS		\$ 72,851,564.00

SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from Investment Committee and Presentation from Sand Hill Global Advisors, LLC, Regarding SBCF's Investment Portfolio

The September 6, 2017, Board meeting will include a report from the Investment Committee regarding its recent quarterly meeting and a presentation from the Foundation's investment adviser, Sand Hill Global Advisors, LLC.

1. Investment Committee Report

Investment Committee Chair Tim Ross will give a brief report from the Investment Committee's most recent quarterly meeting, which took place on August 23, 2017.

At the meeting, Sand Hill Global Advisors CEO Brian Dombkowski and Senior Wealth Manager Kristin Sun gave an overview of the firm's investment outlook and economic forecast for the third quarter of 2017 and presented the second-quarter performance of the Foundation's investment portfolio. As of June 30, 2017, the Foundation's three investment accounts had the following balances: \$16,618,083 for the Quasi-Endowment, \$55,279,359 for the Strategic Pool, and \$88,489 for the Liquidity Pool. Mr. Dombkowski and Ms. Sun also reviewed performance data of the underlying funds in the Foundation's Quasi-Endowment, Strategic, and Liquidity pools.

2. Presentation from Sand Hill Global Advisors

On September 6, Mr. Dombkowski will give Sand Hill's annual presentation to the Board. Under the Investment Operating Plan, Sand Hill is obligated to present to the Board on an annual basis. This presentation typically takes place at the September Board meeting, following the Investment Committee's meeting in the quarter following the end of the fiscal year. This timing allows Sand Hill to cover the Foundation's investment portfolio performance for the previous fiscal year (which ends on June 30) as well as give its plans for the Foundation's portfolio and its perspective on the economic outlook for the current fiscal year.

The attached set of PowerPoint slides gives a preview of Sand Hill's presentation, which will cover (a) Sand Hill's investment outlook, (b) the structure of the Foundation's investment portfolio, (c) the performance of the Foundation's investment portfolio, and (d) an update on Sand Hill.

SAN BRUNO

Community Foundation

Memorandum

As you will recall, the Board authorized the creation of three pools of funds that Sand Hill manages for the Foundation:

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

Attachment:

1. Slides for Sand Hill Global Advisors 2017 Annual Report to the SBCF Board of Directors

SAN BRUNO
Community Foundation

2017 Annual Report to the Board of Directors

September 6, 2017



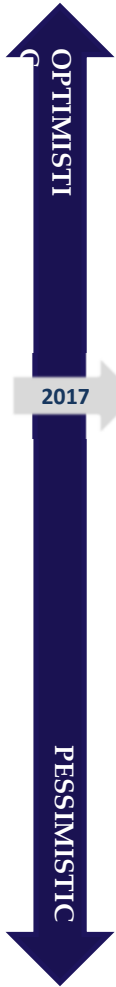
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SHGA Economic and Market Outlook



SCENARIO	POTENTIAL OUTCOME
<p>V-Shaped Economic Recovery: <i>The global economy dramatically accelerates as the private sector ignites. The economy snaps back to above average 3-4% growth rates, driven by a surge in investment spending, inventory build-up and a strong consumer. The slack in the economy dissipates and inflation pressures begin to build over time.</i></p>	<p>Equities and Risk Assets: <i>Stocks outperform significantly on the back of strong earnings, accommodative policy and reasonable valuations.</i></p> <p>Fixed Income: <i>Bonds struggle as deflationary assumptions do not play out and defensive fixed income assets become a source of capital.</i></p>
<p>Moderate Recovery: <i>The global economic recovery finds firmer footing as we distance ourselves from the inconsistent growth patterns over the last couple of years. Growth remains positive despite waning policy support. However, the recovery posts modest 2-3% growth as deleveraging pressures and global structural headwinds restrict economic potential.</i></p>	<p>Equities and Risk Assets: <i>Stocks post positive returns consistent with prior post-recessionary periods, interrupted by short-lived consolidations.</i></p> <p>Fixed Income: <i>Bond yields rise but not dramatically as modest growth outcomes, low inflationary pressures and low rates among the developed world's markets impact the yield curve.</i></p>
<p>Late Economic Cycle: <i>The global economy continues to expand but at a glacial pace as a widespread manufacturing slowdown is only partially offset by continued strength in the services sector. Corporate profit margin expansion tapers off, employment growth slows and slowing growth in the emerging markets impacts developed market growth. The result is a low, but positive, 1-2% growth environment.</i></p>	<p>Equities and Risk Assets: <i>Stocks post modest returns against a backdrop of higher than average volatility in a "muddle through" environment.</i></p> <p>Fixed Income: <i>Bond yields remain lower for longer as investors continue to seek stability and capital preservation in an uncertain environment.</i></p>
<p>Recession: <i>Economic growth contracts as an emerging markets slowdown spills over into the developed markets. Following years of low interest rates, central banks are left with few levers to stimulate the economy. Tighter credit conditions, deleveraging and deflationary forces take the upper hand. Consumer and investment demand falls and deflationary expectations rise, exacerbating the decline.</i></p>	<p>Equities and Risk Assets: <i>Stocks correct as economic growth slips into the negative column and corporate results are disappointing.</i></p> <p>Fixed Income: <i>Bond yields make new lows and provide positive, if anemic, returns to investors. Calls of a bond market bubble fade.</i></p>
<p>Stagflation: <i>Prior Federal Reserve stimulus efforts fail to result in sustainable economic growth and employment declines. A weakening dollar drives commodity prices and imports generally higher, setting an inflationary process in motion. Inflation expectations become entrenched resulting in policy tightening in the face of declining demand.</i></p>	<p>Equities and Risk Assets: <i>Stocks suffer as falling revenues, a lack of pricing power and rising input costs depress profitability.</i></p> <p>Fixed Income: <i>This scenario poses challenges to most financial assets, including bonds, which enter the period from vulnerable levels.</i></p>

LESS LIKELY

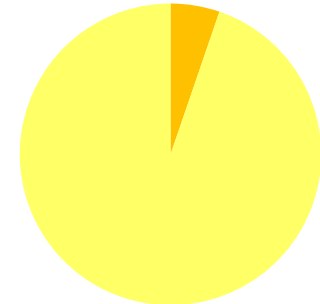
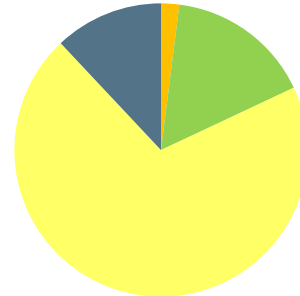
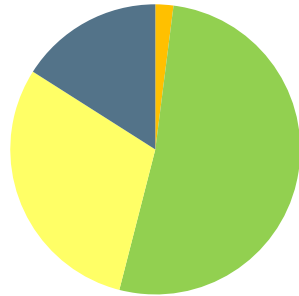
MORE LIKELY

LESS LIKELY





SBCF Asset Allocation



	Quasi-Endowment Custom Balanced	Strategic Pool Custom Conservative	Liquidity Pool Short-Term Cash & Fixed Income
<i>Initial Funding Value:</i>	\$15,000,000	~ \$53,600,000	\$1,345,290
<i>Risk Tolerance:</i>	Moderately Conservative	Conservative	Conservative
<i>Time Horizon:</i>	Long-Term	Mid-Term	Short-Term
<i>Cash Flows</i>	Up to 7% Per Year	100% in next 6-9 Years	100% within 24 months
<i>Objective(s):</i>	Capital Appreciation Capital Preservation	Capital Preservation Capital Appreciation	Capital Preservation





SBCF Portfolio Update

	<u>Quasi-Endowment</u>		<u>Strategic Pool</u>		<u>Liquidity Pool</u>	
<i>6/30/17 Balance</i> ¹	\$16,618,083		\$55,279,359		\$88,489	
<i>6/30 Asset Allocation:</i>	<u>Current</u>	<u>Target</u>	<u>Current</u>	<u>Target</u>	<u>Current</u>	<u>Target</u>
<i>Stocks</i>	55%	52%	17%	16%	0%	0%
<i>Bonds</i>	27%	30%	68%	70%	95.5%	95%
<i>Other Assets</i>	15%	16%	11%	12%	0%	0%
<i>Cash</i>	3%	2%	3%	2%	4.5%	5%
<i>Performance:</i>						
<i>5/31/16 – 6/30/17</i>	10.02%		2.99%		1.31%	
<i>7/1/17 – 8/15/17</i> ²	0.97%		0.61%		0.03%	
<i>Portfolio Within IPS & IOP Guidelines:</i>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

<u>Initial Combined Funding Value</u>	<u>Total Withdrawals</u>	<u>6/30/2017 Combined Value</u> ¹
~\$69,945,290	(\$1,268,000)	\$71,985,931



1 – The ending balances listed include late-posted dividends and trade date values. They may not directly reflect the custodian's statement value.
 2 – Estimated Performance
 Sand Hill Global Advisors. All rights reserved.



Sand Hill Global Advisors: Firm Update

Firm Updates Since Last Annual Report:

- Over \$1.9 billion in Assets Under Management (AUM) as of June 30, 2017.
- 22 employees, including 11 internal shareholders.
- No turnover of professional staff.
- Sand Hill remains committed to our role as an independent fiduciary.
- Sand Hill is actively pursuing a smart growth strategy, having doubled in size over the past 5 years.

We are honored to work on behalf of the Foundation and the San Bruno community.



SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

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 Strategic Initiatives in Partnership with the City of San Bruno

Since January 2016, the Ad Hoc Committee on Program Strategy Development has been working with a corresponding subcommittee of the San Bruno City Council (consisting of Mayor Jim Ruane and Councilmember Irene O'Connell) on a series of strategic grant opportunities in partnership with the City. At the September 6, 2017, Board meeting, President Nancy Kraus, as chair of the Ad Hoc Committee on Program Strategy Development (which also includes Vice President Frank Hedley and Board Member Regina Stanback Stroud), will provide the Board with an update on three of the projects.

1. Florida Avenue Park

The Foundation has committed \$200,000 to the City's plans to build a new neighborhood park on Florida Avenue on the east side of San Bruno. On August 22, the City Council approved execution of the construction contracts to build the park. The Council authorized the City Manager to execute a construction contract with Star Construction, Inc. and a contract for construction management services with Anchor Construction Management for the park project. Construction work is scheduled to begin in early October 2017 and is expected to be completed in February 2018.

2. Recreation Center/Pool Facility Project

On March 1, 2017, the Board approved a resolution supporting the concept of a \$50 million strategic grant to the City for the design and construction of a new recreation center-swimming pool joint facility and directing the Executive Director to proceed with negotiating such a grant arrangement with the City. As mentioned at previous meetings, the City's recreation center/pool project will be implemented in three stages: conceptual design development, design and development of construction drawings, and construction. According to City Manager Connie Jackson, the City is in the process of issuing its request for proposals for the conceptual design work on the recreation center/pool project. We are waiting to receive from the City a final draft of the project proposal, which will form the basis for the grant agreement for the project. In addition, I am working with outside nonprofit counsel to draft the template for the grant agreement,

SAN BRUNO

Community Foundation

Memorandum

in preparation for a mid-September meeting the Committee is scheduled to have with the City Council subcommittee to discuss key issues involving the grant arrangement.

3. Pedestrian Safety Improvements

The Committee continues to work with the City on a package of efforts to enhance pedestrian safety in San Bruno. On June 7, the Board authorized increasing the allocation for the pedestrian safety improvements to \$263,952 (from \$170,000), using the balance of funds left over from the Community Facilities Vision Plan project, to fund flashing beacons at up to six unsignalized or mid-block crosswalks in San Bruno and related planning studies.

The City originally identified three sites on San Mateo Avenue in the downtown area for the flashing beacons; however, as reported at the June meeting, the City has determined that one of the locations is not suitable for installation of the flashing due to an existing storm drain culvert underneath the sidewalk. On July 25, the City Council approved the contract for the sewer and water replacement project along San Mateo Avenue, which includes installation of the two flashing beacon sites on that street. The sewer and water project is expected to begin in November and be completed in the spring of 2018. The flashing beacon installation will take place at the end of the project, after the underground work has been completed. The City is also looking into an additional site in the downtown area to replace of the third San Mateo Avenue location.

The City is also planning to install the flashing beacons at three locations near schools: two near Parkside Intermediate School on Niles Avenue and one near Portola Elementary School on Amador Avenue. Over the summer, the City advertised for bids to install the flashing beacons at the three school sites. Likely due to the high demand for construction services currently on the peninsula, the City received only one bid, which was 144% higher than the City Engineer's estimate. On August 22, the City Council approved City staff's recommendation to reject the bid and authorize staff to seek contractor proposals and to negotiate with the selected contractor.

At the City Council meeting, Mayor Ruane acknowledged that the Foundation is disappointed at the delay in implementation of the pedestrian safety improvements, and City Manager Connie Jackson added that the Foundation remains committed to the pedestrian safety improvements and that City staff would be working to find a solution to cost-effectively install the flashing beacons at the school sites.

SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on Other Programs (Community Grants Fund, Crestmoor Neighborhood Memorial Scholarship, Music Education Strategic Initiative)

At the September 6, 2017, Board meeting, Program Consultant Stephanie Rutgers and I will give an update on three program areas: the Community Grants Fund, the Crestmoor Neighborhood Memorial Scholarship, and the Music Education Strategic Initiative. Ms. Rutgers handles the day-to-day administration of the Community Grants Fund and the Crestmoor Scholarship.

1. Community Grants Fund

The 2017 cycle of the Community Grants Fund launched at the beginning of July. The 2017 cycle is following the same timeline as last year – online application available at the beginning of July, a late September application deadline (Wednesday, September 27), and Board consideration of the review panel’s recommendations at the December Board meeting.

Program posters and flyers have been posted around town since early July. Thank you to Ms. Rutgers and Board Member Pat Bohm for distributing materials to local businesses and gathering places. We added one new supporting document for the program, “Community Grants Fund Program Guidelines and User Guide,” a 12-page document that sets forth the program and eligibility requirements and provides question-by-question explanations of the grant application. We believe this document will be very helpful for applicants completing the application, which is available online at <https://www.sbcf.org/grant-application>.

Thus far we have conducted two grant workshops, the first on July 18 and the second on July 14. A third grant workshop will be held on September 11 in Room 115 at San Bruno City Hall, from 6:00 to 7:00 p.m. Attendance at the grant workshops has been modest, and Ms. Rutgers and I continue to do outreach to ensure that a sufficient number of applications are received by the deadline. We have compiled questions asked at the grant workshops and answered them in an “FAQs” document posted on the website.

SAN BRUNO

Community Foundation

Memorandum

Ms. Rutgers and I have been assembling the volunteer Community Grant Review Panel, which will evaluate the completed grant applications and make a recommendation on grant awards to the Board for consideration in December. We expect to have a panel of 12 people consisting of community members and individuals with nonprofit grantmaking experience.

As you will recall, in January the Board approved a \$200,000 program disbursement budget for the 2017 Community Grants Fund.

2. Crestmoor Neighborhood Memorial Scholarship

Over the summer, upon receipt of the proper documentation from each student, we distributed this year's annual payment to the 2016 and 2017 Crestmoor Scholars. All seven of the 2016 Crestmoor Scholars were eligible for a second year of funding. Each recipient provided a brief summary of their academics and activities over the past school year. To receive continued funding, students were required to provide a certificate of good standing from their college and proof of enrollment for the fall term. The 2017 Crestmoor Scholarship had to provide proof of enrollment for the fall term to receive their first scholarship payments.

A brief update on the 2016 Crestmoor Scholars is included in the Foundation's 2017 Annual Report, along with brief biographies and photos of the 2017 Crestmoor Scholars.

3. Music Education Strategic Initiative

In May, the Board approved strategic grants to the San Bruno Education Foundation and the Capuchino High School Alumni Association totaling \$495,000 to support implementation of the Music Education Strategic Initiative, with the goal of making music education a hallmark of San Bruno's public schools. In June, per the terms of the two grant agreements, the Foundation made the first year installments of the strategic grants to the San Bruno Education Foundation (\$201,618) and the Capuchino High School Alumni Association (\$90,820). Implementation of the initiative appears to be proceeding on schedule.

In accordance with the strategic initiative, the San Bruno Park School District is now offering the Music for Minors program to all TK to 5th grade students at all six elementary schools. Classes receive one-half hour of music instruction each week through the program, and instruction will begin in September. Music for Minors has expressed an interest in working collaboratively with the district to develop a new performance component for their program.

SAN BRUNO

Community Foundation

Memorandum

The music teachers at Parkside Intermediate School are busy refurbishing and purchasing instruments and other sorely needed equipment with the grant funding. They are also utilizing grant funds to organize a new jazz ensemble and potentially other specialty music groups.

The Capuchino High School music program is in the process of ordering new band uniforms to be funded by the grant funds. Additional grant funds are being deployed to support other equipment and supply needs.

With the start of the new school year, SBEF is also in the process of organizing the steering committee that will oversee implementation of the initiative. SBEF is also in discussions with a fundraising consultant to be funded by the grant.

Attachments:

1. 2017 Community Grants Fund Poster
2. 2017 Community Grants Fund Information Sheet (in English and Spanish)

**Attend an optional
Grant Workshop:**

**Tuesday, July 18
Monday, Aug. 14
Monday, Sept. 11**

All Grant Workshops
will be held from
6:00 to 7:00 p.m.

San Bruno City Hall, Room 115
567 El Camino Real
San Bruno

Questions? Email grants@sbcf.org



SBCF grant check presentation to Parca, one of last year's grant recipients.

*Is your community organization working to
enhance the quality of life in San Bruno?
If so, you could be eligible for up to \$25,000!*

Community Grants Fund

Community groups may apply for grants of up to \$25,000
to support new or existing programs and projects that
benefit the San Bruno community

To learn about the Community Grants Fund,
eligibility requirements, full program guidelines,
and the application process, visit www.sbcf.org

**Grant Application
Deadline:**

**Wednesday
September 27, 2017**

SAN BRUNO
Community Foundation

SAN BRUNO

Community Foundation

COMMUNITY GRANTS FUND

APPLICATION DEADLINE: SEPTEMBER 27, 2017
APPLY ONLINE AT www.sbcf.org

The San Bruno Community Foundation has created the Community Grants Fund to support San Bruno community organizations. This responsive grantmaking program allows local community groups to apply for grant funding of up to \$25,000 for new or existing programs that **benefit the San Bruno community**. The Community Grants Fund operates annually.

ELIGIBLE ORGANIZATIONS

The Community Grants Fund is generally open to the following types of organizations that engage in activities that **benefit the San Bruno community**:

- 501(c)(3)* public charities
- 501(c)(4), 501(c)(5), and 501(c)(6) organizations that meet the public support tests described in 509(a)(2)
- Governmental units that are described in 170(b)(1)(A)

*All numerical references are to specific sections of the Internal Revenue Code.

The Foundation recommends that any organization with questions about eligibility for a grant in connection with the Community Grants Fund, particularly 501(c)(4), 501(c)(5), and 501(c)(6) organizations, contact Foundation staff prior to completing an application.

GRANT AWARDS

For the 2017-2018 grant cycle, the Foundation intends to award, in connection with the Community Grants Fund, multiple grants totaling \$200,000 that benefit a diverse cross-section of the San Bruno community. The number of grants provided will depend on a number of factors, including the number and quality of applications received. Grants to an organization will not exceed \$25,000 in a grant cycle.

Grant awards are to be used within a one-year period (the 2018 calendar year for this grant cycle).

ACTIVITIES ELIGIBLE FOR FUNDING

The Foundation will fund three categories of activity:

- Projects or programs
- Capital projects
- Capacity-building efforts

FUNDING PRIORITIES

Applications must be for programs or projects that (1) **benefit the San Bruno community** and (2) fall within one of the Foundation's focus areas:

- Publicly owned community facilities
- Community health and safety
- Sports and recreation
- Education
- Youth activities
- Public spaces, parks, and open space
- Community-building
- Human and social services for all
- Economic vitality
- Intra-San Bruno transit
- Healthy, stable, and affordable housing

CRITERIA

Grant Applications will be evaluated on a variety of factors, including but not limited to:

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

APPLICATION CHECKLIST

- ✓ **Executive Summary:** Complete form with information about the Applicant Organization and the Community Grant Proposal
- ✓ **Narrative:** Respond to questions regarding:
 - Organizational Information
 - Purpose of Grant
- ✓ **Supporting Documentation:**
 - Annual Report
 - Organization's Financial Statements from most recent fiscal year
 - Organization's Budget
 - Program/Project Budget
 - Signature Page
 - For 501(c)(3) public charities and 501(c)(4), 501(c)(5), and 501(c)(6) organizations: Proof of federal tax-exempt status
 - For 501(c)(4), 501(c)(5), and 501(c)(6) organizations: Completed IRS Form 990, Schedule A, Part III and related documentation

GRANT WORKSHOPS

To learn about the Community Grants Fund application process, attend an optional workshop to be held at

**San Bruno City Hall, Room 115,
567 El Camino Real
6:00-7:00 p.m.**

Tuesday, July 18

Monday, August 14

Monday, September 11

Questions? Email grants@sbcf.org or call (650) 763-0775
For full program guidelines, please visit www.sbcf.org

SAN BRUNO

Community Foundation

EL FONDO DE SUBVENCIONES DE LA COMUNIDAD

PLAZO PARA APLICAR: SEPTIEMBRE 27, 2017
APLIQUE EN LÍNEA: www.sbcf.org

La Fundación de la Comunidad de San Bruno ha creado el Fondo de Subvenciones de la Comunidad para apoyar a las organizaciones de la comunidad de San Bruno. Este programa de subvenciones receptivo permite a los grupos de la comunidad local para solicitar fondos de subvenciones de hasta \$25,000 para programas nuevos o existentes que **benefician a la comunidad de San Bruno**. El Fondo de Subvenciones de la Comunidad opera anualmente.

ORGANIZACIONES ELEGIBLES

El Fondo de Subvenciones de la Comunidad está generalmente abierto a los siguientes tipos de organizaciones que se dedican a actividades en **beneficio de la comunidad de San Bruno**:

- 501(c)(3)* caridad pública
- 501(c)(4), 501(c)(5), y 501(c)(6) organizaciones que cumplan con las pruebas públicas de apoyo discritos en 509(a)(2)
- Las unidades Gubernamentales que se describen en 170(b)(1)(A)

* Todas las referencias numéricas son para secciones específicas del Código de Impuestos Internos.

La Fundación recomienda que cualquier organización con preguntas de derecho a una beca de conexión con el Fondo de Subvenciones de la Comunidad, en particular 501(c)(4), 501(c)(5), y 501(c)(6) organizaciones, se pongan en contacto con personal de la Fundación antes de completar una aplicación.

SUBVENCIÓN

Para el 2017-2018 ciclo de subsidios, la Fundación propone adjudicar, en relación con el Fondo de Subvenciones de la Comunidad, múltiples subvenciones por un total \$200,000 que se benefician de un grupo diverso de la comunidad de San Bruno. El número de subvenciones concedidas dependerá de varios factores, incluyendo el número y la calidad de las solicitudes recibidas. Subvenciones a una organización no excederán de \$25,000 en un ciclo de subsidios.

La concesión de subvenciones se van a utilizar dentro de un período de un año (para el año 2018 del calendario para este ciclo de subsidios).

ACTIVIDADES ELEGIBLES

La Fundación financiará tres categorías de actividades:

- Proyectos o programas
- Proyectos de Capital
- Los esfuerzos de creación de capacidad

LAS PRIORIDADES DE FONDOS

Las aplicaciones deben ser para programas o proyectos que (1) **beneficiará a la comunidad de San Bruno** y (2) dentro de una de las áreas de enfoque de la Fundación:

- Propiedad pública equipamientos comunitarios
- La salud y la seguridad de la comunidad
- Deportes y recreación
- Educación
- Actividades de los jóvenes
- Espacios públicos, parques y espacios abiertos
- Construir una comunidad
- Servicios humanos y sociales para todos
- Vitalidad económica
- Intra-San Bruno tránsito
- Vivienda económica, sana y estable

CRITERIOS

Las aplicaciones de subvención se evaluarán en una variedad de factores, incluyendo pero no limitado a:

- Beneficios del proyecto o programa propuesto para la comunidad de San Bruno
- La alineación de la propuesta con una de las áreas de enfoque de la Fundación
- Metodología del proyecto/programa
- Importe de la subvención solicitada en relación con el beneficio colectivo previsto
- Historia de la organización, la estabilidad y la salud financiera

LISTA DE REQUISITOS

- ✓ **Sumario Ejecutivo:** Completar el formulario con la información sobre la organización solicitante y de la comunidad propuesta subvención.
- ✓ **Narrativa:** Responder a las preguntas con respecto:
 - Información de la organización
 - Propósito de la subvención
- ✓ **Documentos de soporte:**
 - Reporte Anual
 - Los estados financieros de la organización de año fiscal más reciente
 - Presupuesto de la organización
 - Presupuesto del proyecto/programa
 - Hoja de firma
 - **Para 501(c)(3) caridades públicas y 501(c)(4), 501(c)(5), y 501(c)(6) organizaciones:** Prueba de exenta de impuestos federales
 - **Para 501(c)(4), 501(c)(5), y 501(c)(6) organizaciones:** Forma completa IRS 990, Planificar A, Parte III y documentación relacionada

TALLERES DE SUBVENCIÓN

Para obtener información sobre el proceso de solicitud del Fondo de Subvenciones de la Comunidad, asistir a un taller opcional que tendrá lugar en el

**Palacio Municipal de San Bruno,
la habitación, 115
567 El Camino Real
6:00-7:00 p.m.**

**Martes, Julio 18
Lunes, Agosto 14
Lunes, Septiembre 11**

**Preguntas? Email grants@sbcf.org o llame al (650) 763-0775
Para guía del programa completa, por favor visite www.sbcf.org**

SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from the Audit Committee on FY 2016-2017 Audit

At the September 6, 2017, Board meeting, Audit Committee Chair John McGlothlin will provide an update on this year's audit and tax preparation process. Board Member Pat Bohm also serves on the Audit Committee.

Article XIII, Section 4, of the San Bruno Community Foundation's Bylaws states that the Foundation "shall retain an[] independent auditor and conduct annual independent audits (commencing with Section 12586(d) of the California Government Code)." As authorized by the Board on May 3, 2017, the Foundation is using, for the third consecutive year, Novogradac & Company LLP, a national certified public accounting firm, to conduct the audit of the Foundation's financial statements for the year ended June 30, 2017, and to prepare the Foundation's annual federal and state tax returns. Engagement partner Lance Smith is again heading up the Novogradac team assigned to the Foundation.

In July, Accounting Consultant Frank Bittner and I began preparing the financial reports and documentation Novogradac requested to begin work on the audit. We submitted all of the requested materials on August 25, well ahead of the original September 5 deadline. The Novogradac team is in the process of examining the Foundation's financial records, accounts, business transactions, accounting practices, and internal controls. I have a phone call with Selina Tam of the Novogradac team scheduled for mid-September; last year, this conversation focused on the topic of fraud and the steps the Foundation has taken to prevent fraud. We expect to receive a list of follow-up items from the Novogradac team in September, and Mr. Bittner and I will respond to those requests.

The Novogradac team has agreed to provide a draft of the audited financials by October 16. After Mr. Bittner and I review the draft financials, I will forward them to the Audit Committee. The Audit Committee has scheduled a meeting for 4:00 p.m. October 23 (location TBA), during which Novogradac will review the audited financials with the Committee. The Committee's expectation is that Mr. Smith will present the FY 2016-2017 audited financials to the Board at its November 1 meeting.

SAN BRUNO

Community Foundation

Memorandum

The Novogradac team is also preparing the Foundation's federal and state informational tax returns for submission by the November 15 deadline, and we expect to receive a draft of the tax returns by the beginning of November. We will circulate the tax returns to the Board before final submission.

SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Discussion of Board Meeting Schedule

The September 6, 2017, Board meeting will include a discussion of the Board's meeting schedule going forward.

Under Article VI, Section I of the Foundation's Bylaws, "Regular meetings of the Board shall be held at any place in the City of San Bruno. At least four (4) meetings of the Board shall be held each year...." On August 24, 2015, the Board approved a resolution establishing that regular meetings of the Board occur on the first Wednesday of each month at 7:00 p.m. at the San Bruno Senior Center.

As we move forward, President Kraus and I anticipate that the Board will need to meet less frequently. The Foundation has emerged from its "start-up" phase, adopting necessary policies and establishing two ongoing programs (Crestmoor Neighborhood Memorial Scholarship and Community Grants Fund), and especially now that it has launched several larger strategic initiatives, matters requiring Board action arise with less frequency.

I have mapped out the key action items and reports that need to take place over the next year. It is likely that we will not need to have our regular monthly Board meeting in October (the Board is considering a resolution to cancel this meeting in the Consent Calendar on September 6), January, February, April, May, July, and August, resulting in the following schedule of six meetings for the fiscal year (with key annual items noted in parentheses):

- September (Investment adviser report)
- November (Presentation of audited financial statements, Board elections)
- December (Approval of Community Grants Fund awards)
- March (Approval of insurance policy renewals, office lease renewals, and contract with auditor, as necessary)
- June (Presentation to Crestmoor Scholars, approval of next fiscal year's budget, transfers from the Quasi-Endowment and Strategic accounts to the Liquidity account, and amendments to the Investment Policy Statement and/or Investment Operating Plan, as necessary)

SAN BRUNO

Community Foundation

Memorandum

In addition, the Board will need to hold a special meeting with a closed session in January for its annual evaluation of the Executive Director. This meeting will likely be set in the second half of the month, as the first Monday in January may conflict with Board members' holiday travel schedules. Moreover, as always, we are able to schedule additional special meetings as needed to handle business that arises unexpectedly or needs immediate attention.

We are not asking for the Board to formally amend the meeting schedule at this time, as we would like to confirm, over this year, that this new schedule sufficiently addresses the Board's business needs. If it does, in 2018 the Board can consider formally amending the meeting schedule. Until then, we will individually cancel monthly meetings as appropriate. We will also make sure to properly notify the public that the Board will not likely meet on a monthly basis going forward and advertise the dates when we expect to hold Board meetings.

SAN BRUNO

Community Foundation

Memorandum

DATE: September 1, 2017

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Discussion Regarding Upcoming Officer Elections for 2018 Term

The Foundation's Bylaws provide limited guidance related to the election of officers. Article VIII, Section 2, of the Bylaws states:

The officers of the Corporation, except the Executive Director and those appointed under Section 3 of this Article [meaning those other than the President, Vice President, Secretary, and Treasurer], shall be chosen annually by the Board for one-year terms starting on January 1 and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment, and subject to the approval of the City Council.

At its September 7, 2016, meeting, the Foundation Board adopted two documents – (1) San Bruno Community Foundation General Principles Regarding Election of Officers, and (2) San Bruno Community Foundation Process for Electing Officers – which now govern the Foundation's election of officers. Under the Process for Electing Officers:

Officer elections are held no later than the Board's regular November meeting, so that, per the Bylaws, the San Bruno City Council can consider and approve the officers by December 31. Prior to the making of nominations, the subject of elections will be agendized to give Board members the opportunity to comment.

The Board will elect its 2018 officers, including President, Vice President, Secretary, and Treasurer, at its regular meeting on November 1, 2017. Per the Process for Electing Officers, the subject of these elections has been agendized for the September 6, 2017, Board meeting (as the October 4, 2017, Board meeting is being canceled), giving Board members the opportunity to comment on the elections prior to the November 1 election. Board members will be able to ask questions and make comments on September 6 related to the 2018 officer elections in November.