



APPROVED MINUTES
ANNUAL MEETING OF THE BOARD
FRIENDS of LACOE: A FOUNDATION for LEARNING
A California Nonprofit Public Benefit Corporation
9300 Imperial Highway, EC 107, Downey, California 90242

Thursday, August 29, 2019

The annual meeting of the Board of Directors of the Friends of LACOE: A Foundation for Learning was held on Friday, August 29, 2019 in EC 107 at the Los Angeles County Office of Education, 9300 Imperial Highway, Downey, California 90242-2890.

Present: Debra Duardo, Monte Perez, Gloria Rogers and Patricia Smith
Absent: Michael Escalante
Others Present: John Garcia (Friends of LACOE), Ellen Rosenberg (County Board of Education Member), Patrick Saldana, Daisy Esqueda, Jessi Uranga, Matthew Jaffke, Michele Biagioni (LACOE staff),

CALL TO ORDER

Dr. Duardo called the meeting to order at 9:32 a.m. She acknowledged staff and Ms. Rosenberg. Dr. Duardo introduced John Garcia, selected as Friends of LACOE President and Chief Deputy of Strategic Partnerships and Innovation, noting Dr. Garcia's work at the California Community Foundation (CCF) as well as his background in and knowledge of philanthropy, non-profits, and education. Dr. Garcia shared his experience in education as a counselor and then working towards systems change and equity issues.

COMMUNICATIONS (PUBLIC COMMENTS)

None.

APPROVAL OF MINUTES

The Board reviewed the meeting minutes for the meeting of June 19, 2019.

It was MOVED to approve by Gloria Rogers; SECONDED by Monte Perez. Four approved; none opposed.

APPOINTMENT, NOMINATION, AND ELECTION OF BOARD MEMBERS AND OFFICERS

Dr. Duardo reminded the Board of Marsha Watkins resignation as a Friends of LACOE Director in June 2019 and mentioned the need to replace her.

Dr. Duardo then noted that one Board member term expires this year; Dr. Michael Escalante is willing to seek reelection to a three-year Board term.

Dr. Escalante was nominated by Monte Perez; the nomination was seconded by Gloria Rogers. All four Directors in attendance voted in favor. None opposed.

Dr. Duardo explained that Gloria Rogers was in her first year of her current three-year term. Dr. Duardo then explained that her two-year term as Board President was expiring. She opened the floor for nominations.

Dr. Perez nominated Dr. Duardo to a subsequent two-year term as Board President; Gloria Rogers seconded the nomination. There were no other nominations. The Directors voted Dr. Duardo as Board President for 2019-21.

PHILANTHROPY PLANNING INITIATIVE UPDATE

Dr. Duardo reviewed the work, funded through Mountain Philanthropies' support, for CCS Fundraising and SpencerStuart executive search for FOL restructuring and hiring of an executive to lead the effort and undertake major fundraising initiatives. She cited the work of Mercury for initial strategic positioning efforts. Dr. Perez cited the meetings CCS held with many focus groups to inform recommendations.

Dr. Duardo explained to the Board that the executive search identified Dr. John Garcia, who has agreed to accept the position of Friends of LACOE President and Chief Deputy of Strategic Partnerships and Innovation. She noted that FOL will receive funding from a two-year grant to the California Community Foundation (CCF) to pay FOL salaries, benefits, and other expenses related to strengthening FOL's engagement with the philanthropic community.

Dr. Duardo then asked the Board to ratify the hiring of Dr. Garcia. Dr. Perez asked about the funding; if the money is going to CCF how would FOL staff be paid? Dr. Garcia explained that CCF has made a two-year commitment; the grant is going through CCF as not all organizations are willing to fund a "Supporting Organization." The FOL staff would be paid through FOL account with FOL receiving payments for associated expenses from grant funds at CCF.

Dr. Garcia also noted that because FOL is a "Supporting Organization" a funder may prefer to give the funds to CCF due to the latter's strength. Dr. Garcia explained that the final two-year agreement with CCF is being finalized and will be part of a larger effort to staff FOL to approximately six positions. He explained that not all the funding received will go to support current FOL, but largely dedicated to new strategic initiatives. Dr. Garcia has asked that he have budgetary oversight, but looking to make it privy to the Board. Dr. Garcia also explained that the renaming and repositioning of Friends of LACOE are important for large strategic initiatives.

Dr. Duardo shared with the Board updates on the Community Schools effort underway through a county-wide collaboration under the Board of Supervisors commitment of \$16 million. Friends of LACOE, through grant funds, is able to provide fifty percent of the project director's salary for three years. The program allows for selected districts to have additional support to address poverty, trauma-informed care, and provide a needs assessment. Through leveraged funds (CCF, Mt. Philanthropies, California Endowment, and others), the Community Schools initiative can offer a more comprehensive plan to look at the whole community.

Dr. Duardo explained that this example is how FOL can be aligned with LACOE's key initiatives to help our districts and students successfully move toward equity and away from poverty without the bureaucratic funding difficulties that can otherwise exist.

Gloria Rogers moved to approve the hiring of Dr. Garcia; Dr. Perez seconded. All voted in favor. None opposed.

The Board reviewed the CCS proposal for FOL name change. The Directors agreed that this important topic would need additional discussion at a future Board meeting.

PROPOSED REVISED BYLAWS

Patrick Saldana noted that the proposed revisions to the Friends of LACOE bylaws were based on meetings held over the past year. He explained that concerns relating to staffing, restructuring, and concerns of CCS in make FOL a stronger entity have been considered. The revised bylaws strengthen the committee structure, modify the Board "President" to "Chair" to avoid conflict with new organizational title of president, and revise the quorum requirement for Board votes to be aligned with Brown Act requirements. The revised Bylaws maintain that FOL remains a supporting organization to LACOE.

Mr. Saldana also noted that the revised Bylaws still read that the number of directors do not exceed nine (9). Dr. Perez asked if the Board would have enough Directors; Dr. Duardo and Gloria Rogers mentioned earlier discussion to consider increasing Board size to up to thirty (30) directors. Dr. Duardo mentioned that Dr. Garcia would be doing outreach for Board recruitment. Dr. Garcia explained that as FOL expanded its work, it would be important to consider having legal and other expertise sitting on the Board.

Dr. Duardo noted that committees would meet more often and the Board, when it meets quarterly, would adopt items presented by the committees. The creation of an Executive Committee, which would meet monthly, would help FOL staff operationalize the functions of the Foundation. Dr. Perez noted that if the Board were to increase its committees, it needs to be aware that only Directors can vote on committee matters.

Dr. Duardo also stated she was confident that the restructured Friends of LACOE would not 'drift' from LACOE; Mr. Saldana noted that the revised Bylaws still maintain LACOE's three positions on the Board. Dr. Perez notes that the Community Colleges have a safeguard in place for their investment in and work with non-profits.

FINANCE

Pat Smith reviewed the Financial Statements included in the Board agenda. Included in today's agenda (Attachment E), is the "Acceptance of Funds" for the period of June 2019. As you may recall, at the June 19 meeting, we reviewed Acceptance of Funds for period ending May 31, 2019. This Acceptance of Funds in the amount of \$31,505.00 includes donations from many individual contributors, including those who give through voluntary payroll deductions, who support LACOE's programs through Friends of LACOE. FOL still has the open Pledge Receivable from

Mountain Philanthropies of \$200,000 to be used for LACOE's fifty percent (50%) contribution to the Community Schools Director's salary. Cambridge Assessment, Inc. has provided \$15,000 to support the Superintendents Professional Collaborative Conference.

Gloria Rogers made a motion to approve Acceptance of Funds; Dr. Perez seconded. All in favor. None opposed.

Ms. Smith also presented the Statement of Financial Position as of June 30, the Statement of Activities for July 2018 through June 2019, and the Statement of Activities for July 2018 through June 2019, including In-Kind. She added that once FOL closes the books for 2018-19 and has reviewed revenue and expenses for the initial months of 2019-20, GDO will have a more accurate picture of the 2019-20 actuals and present a budget revision for 2019-20 for an upcoming Board meeting.

Ms. Smith reminded the Board that Friends of LACOE is again working with the outside accounting firm of Quigley & Miron to prepare FOL's Audited Financial Statements and annual IRS and FTB filings. Quigley & Miron typically presents draft Audited Financial Statements and IRS and FTB filings at FOL's October meeting to allow for FOL to submit filings to meet deadlines. Staff will provide materials and will work with Q&M. The organization's filings are due by November 15.

Currently, FOL Board has designated the Board President, Board Treasurer, Board Secretary, and Executive Director as Authorized Signers at various levels of approval to sign checks, execute agreements, access FOL credit card.

FOL has intended to have a process to approve these authorizations by position so when individuals elected or appointed as an FOL officer or executive director change, the operations to transition from an incumbent to new officer holder are streamlined. At times, due to the schedule of FOL Board meetings, the wait for approved meeting minutes can delay having a new signer authorized.

Staff will be asked to prepare a revised resolution— pending proposed FOL Bylaw changes and organizational developments – to allow for timely way to authorize signers and approvals. There is also the need to revise FOL's Internal Controls. Items for consideration would be the Executive Director duties reassigned to FOL President, the Grants Development Manager duties, updates to sections on credit cards, online banking, and online donations to reflect recent changes.

The Board asked if there could be consideration of electronic voting; FOL will continue to practice in-person voting.

ANNUAL DIRECTORS' FILINGS

Included in the Board agenda are documents for the Board of Directors Annual Filings and include: Conflict of Interest: Annual Renewal and Child Abuse Prevention and Reporting. The Directors must review and submit annually.

OTHER BUSINESS

Dr. Duardo explained that FOL continues to work to renew the existing insurance policy. There will be additional event insurance this year. Also, the plan is for the FOL insurance costs to be covered by FOL with its additional funding. Since FOL's inception as a Supporting Organization to LACOE, LACOE has paid for Friends of LACOE's insurance.

In addition, Dr. Duardo was pleased to report that FOL programs provided 51 scholarships to students in 2018-19 totaling more than \$22,000. FOL programs also presented \$1,400 worth of student prizes and recognition awards in 18-19.

ADJOURNMENT

It was MOVED to adjourn at 10:36 a.m. by Dr. Perez; SECONDED by Gloria Rogers All in favor. None opposed.

APPROVED

October 28, 2019
Downey, California