

# SAN BRUNO

## Community Foundation

*Board of Directors*

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

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## AGENDA

### SAN BRUNO COMMUNITY FOUNDATION

#### Regular Meeting of the Board of Directors

**February 19, 2015**

**6:30 p.m.**

**Meeting Location: San Bruno City Hall, Conference Room 115,  
567 El Camino Real, 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 650-616-7058.

- 1. Call to Order/Welcome**
- 2. Roll Call**
- 3. Approval of Minutes: January 15, 2015, Regular Board Meeting**
- 4. Announcements**
- 5. Board Member Comments**
  - a. President
  - b. Others
- 6. Consent Calendar:** All items are considered routine or implement an earlier Board action and may be enacted by one motion; there will be no separate discussion unless requested by a Board Member or staff.
  - a. Adopt Resolution Designating Authorized Signatories on SBCF Bank Accounts and Establishing Check Signing Policy
  - b. Adopt Resolution Authorizing Establishment of Checking and Savings Accounts at Wells Fargo Bank, Authorizing Deposit of SBCF Operating Funds into Such Accounts, and Establishing Signatories on the Accounts
  - c. Adopt Resolution Establishing Expenditure and Contract Authority for the Executive Director

# SAN BRUNO

## Community Foundation

### *Board of Directors*

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

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- d. Adopt Resolution Authorizing the Executive Director to Execute an Agreement with Wells Fargo Bank to Establish SBCF Credit Card Account
- e. Adopt Resolution Authorizing the Executive Director to Execute a Contract with Paychex for Payroll Services
- f. Adopt Resolution Authorizing the Executive Director to Execute an Agreement to Establish a 403(b)(7) Arrangement with Vanguard in Order to Offer a Qualified 403(b) Defined Contribution Retirement Plan to SBCF Employees
- g. Adopt Resolution Designating San Bruno City Hall as the Location for Posting Meeting Notices

### **7. Conduct of Business**

- a. Appoint Ad Hoc Committee Charged with Developing Fiscal Policies and Procedures
- b. Appoint Ad Hoc Committee Charged with Preparing a Request for Proposals for Investment Services, Reviewing Proposals Received in Response to the Request for Proposals, and Making Recommendations Regarding Ongoing Oversight of Investment Services and Activities

### **8. Study Session**

- a. Receive Presentation from the Executive Director and Conduct Study Session to Discuss Current and Future Planned Activities of the SBCF

- 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**

# SAN BRUNO

## Community Foundation

*Board of Directors*

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

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## MINUTES

### SAN BRUNO COMMUNITY FOUNDATION

#### Regular Meeting of the Board of Directors

January 15, 2015

6:30 p.m.

**Meeting Location: San Bruno City Hall, Conference Room 115,  
567 El Camino Real, 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 650-616-7058.

- 1. Call to Order/Welcome:** The meeting was called to order by President Kraus at 6:33 p.m.
- 2. Roll Call:** Board members Kraus, McGlothlin, Roberts, Cohn, Bohm, and Hedley present. Board member Stanback Stroud absent.
- 3. Approval of Minutes: November 19, 2014, November 22, 2014, December 12, 2014, and December 17, 2014, Special Board Meetings:** Board member Hedley motioned to approve the November 19, 2014, November 22, 2014, December 12, 2014, and December 17, 2014, Special Board Meeting Minutes, seconded by Board member McGlothlin. November 19, 2014, November 22, 2014, and December 12, 2014, approved unanimously. December 17, 2014, approved unanimously, Board member Cohn abstained from vote.
- 4. Announcements:** None.
- 5. Board Member Comments:**
  - a. President: None.
  - b. Vice President: At the request of the Executive Committee, Vice President McGlothlin reported on research he accomplished related to identifying space for the Foundation office. Board member Bohm volunteered to serve on a subcommittee with the Vice President in collaboration with the new Executive Director to continue this discussion.
  - c. Others: Secretary Roberts shared that she will not be at the February SBCF meeting because she is due with her second baby in the next few weeks.

# SAN BRUNO

## Community Foundation

### *Board of Directors*

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

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**6. Consent Calendar:** All items considered routine or implement and earlier Board action and may be enacted by one motion; there will be no separate discussion unless requested by a Board member or Staff.

- a. Receive Report Regarding Ongoing Activities of the SBCF: The SBCF received report.
- b. Adopt Resolution Appointing Board Officers for Calendar Year 2015: Secretary Roberts motioned to adopt the Resolution Appointing the Board of Officers for Calendar Year 2015; President: Nancy Ann Kraus, Vice President: John McGlothlin, Treasurer: Ben Cohn, Secretary: Emily Roberts, seconded by Board member Hedley and approved unanimously.

**7. Conduct of Business:**

- a. Receive Report from Board Committee and Adopt Resolution Appointing Leslie Hatamiya as the Executive Director of the SBCF: On behalf of the Search Committee including Board members Stanback Stroud, Hedley, and Kraus, President Kraus presented a report summarizing the recruitment process ongoing since August 2014, which resulted in the identification of Leslie Hatamiya as the candidate with the perfect combination of experience in the public, nonprofit, political, and private sectors, coupled with energy and vision and a sense of the San Bruno community having lived and volunteered here for twelve years. She thanked the Search Committee for the amount of time given to the process and spoke to the national search, the impressive pool of candidates, and the extensive interview and vetting process preceding this appointment. Board member Hedley introduced and motioned to adopt the resolution appointing Leslie Hatamiya as the Executive Director of the SBCF, seconded by President Kraus and approved unanimously. Welcome, Leslie Hatamiya!

**8. Public Comment:** Individuals are allowed three minutes, groups in attendance, five minutes. If you are unable to remain at the meeting, contact the President to request that the Board consider your comments earlier. It is the Board's policy to refer matters raised in this forum to staff for investigation and/or action where appropriate. The Brown Act prohibits the Board from discussing or acting upon any matter not agendaized pursuant to State Law.

Carolyn Gray, a resident of the Crestmoor neighborhood, wanted to be sure that as per San Bruno City Council that all printed material for the Foundation include a brief statement that the SBCF funds are the results of the PG&E blast of September 9, 2010.

**9. Adjourn:** Board member Hedley motioned to adjourn the meeting at 6:57 p.m., seconded by McGlothlin and approved unanimously.

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** February 13, 2015

**TO:** Board of Directors, San Bruno Community Foundation

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Resolutions in the Consent Calendar for the February 19, 2015, Regular Board Meeting

For the February 19, 2015, Regular Meeting of the Board of Directors of the San Bruno Community Foundation, the Consent Calendar includes seven resolutions related to administrative and operational functions of the Foundation. This memo will provide background on all seven resolutions.

#### **BACKGROUND**

I began work at the Foundation as its first executive director on February 2, 2015. As I am the Foundation's first employee, the Foundation has not established any systems or services for banking, payroll, or retirement benefits, nor adopted any policies, in accordance with the Bylaws, related to the administration of bank accounts or to the executive director's authority to expend funds necessary to carry out the Foundation's operations.

With my arrival at the Foundation, the City of San Bruno is ready to transfer to the Foundation the first installment of the \$68.75 million in settlement funds from Pacific Gas & Electric Company that the City has been holding in a custodial account. On February 10, 2015, the San Bruno City Council adopted a resolution authorizing a transfer of funds totaling \$491,031 from the City's custodial account to the Foundation. Of that amount, \$350,000 are for the Foundation's operational expenses, and \$141,031 are to be reimbursed by the Foundation to the City for expenses the City has incurred to support the Foundation's formation since March 2014.<sup>1</sup> The reimbursement amount includes approximately \$92,500 for experts involved in recruiting the executive director, performing a state-mandated compensation survey, and providing consulting advice on the formation of the Foundation. The reimbursement amount also includes approximately \$20,000 for insurance, \$26,300 for outside counsel legal fees, and \$2,300 for staff time and supplies.

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<sup>1</sup> The City's Irrevocable Trust is reimbursing the City for Foundation formation expenses it incurred through February 2014. The Trustee of the Irrevocable Trust has directed that any expenses incurred by the City for the Foundation after March 1, 2014, when the Foundation began holding its regular meetings, and submitted to the Trust for reimbursement should be repaid to the Trust by the Foundation. The City has not submitted any such expenses for reimbursement to the Trust.

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## Community Foundation

### Memorandum

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#### **DISCUSSION AND RECOMMENDATIONS**

To receive the transfer of funds from the City and begin managing its own finances, the Foundation needs to set up checking and savings accounts, establish policies for the handling of such accounts, provide the executive director with the authority to spend funds and enter contracts to carry out the Foundation's operations, and set up payroll services, a retirement plan, a credit card account. As a result, I recommend the Board adopt the following resolutions:

- a. Resolution Designating Authorized Signatories on SBCF Bank Accounts and Establishing Check Signing Policy

Article XIII, Section 3 of the SBCF Bylaws requires and authorizes the Board to designate individuals to execute (sign and/or initiate) checks, including electronic funds transactions used in lieu of checks. This resolution designates the Treasurer, President, and Executive Director as the authorized signatories on all SBCF bank accounts. As part of the Foundation's internal financial controls, this resolution also sets forth the requirements for signing checks or authorizing other transfers of funds (e.g., a wire transfer). In particular, it creates a \$2,500 threshold above which all checks and other transfers of funds requires two signatures and prohibits a signatory from signing a check made out to that signatory.

- b. Resolution Authorizing Establishment of Checking and Savings Accounts at Wells Fargo Bank, Authorizing Deposit of SBCF Operating Funds into Such Accounts, and Establishing Signatories on the Accounts

This resolution addresses the need to open a bank account to receive the \$491,031 transfer of funds from the City's custodial account and through which the Foundation will manage its operating funds. Due to the urgency of opening a bank account immediately following my arrival at the Foundation, I am recommending that we open a Gold Business Services Package at the San Bruno Branch of Wells Fargo Bank, which should allow for an easy transfer of funds from the City's custodial account with Wells Fargo Advisers. If, at a later time, we determine that another financial institution would better serve our banking needs, we can make a change after doing a thorough survey of our banking options.

The Gold Business Services Package allows us to open checking and savings accounts. There is no charge for the first 200 transactions per month (\$0.50 per additional transaction). The \$14 monthly service fee will be waived if we maintain either a \$7,500 average checking balance or \$10,000 combined balances and continue to be enrolled in four accounts or services (e.g., checking account, savings account, online banking service, debit card). The Package includes a business debit card as well as enrollment in Wells Fargo Business Online, which will enable online access to our

# SAN BRUNO

## Community Foundation

### Memorandum

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accounts at any time. The Executive Committee and I feel that this Package will provide the Foundation with the banking services it currently needs to manage its finances.

c. Resolution Establishing Expenditure and Contract Authority of the Executive Director

To carry out the day-to-day management of the Foundation's operations, the Executive Director needs the authority, within reasonable limits, to expend funds and enter contracts on the Foundation's behalf. This resolution sets forth the parameters of the Executive Director's expenditure and contract authority. It reinforces Article XIII, Section 2 of the SBCF Bylaws, which authorizes the President, Treasurer, and Executive Director to execute contracts not to exceed \$25,000 and the Board to authorize Contracts in excess of that amount. It provides the Executive Director with the authority to spend funds or enter contracts up to \$25,000 per transaction and to initiate contracts, subject to Board approval, for amounts exceeding \$25,000. It also requires a reporting of these expenditures and contracts in the monthly financial reports provided to the Board.

d. Resolution Authorizing the Executive Director to Execute an Agreement with Wells Fargo Bank to Establish SBCF Credit Card Account

In conjunction with opening up checking and savings accounts at Wells Fargo, I recommend that the Foundation obtain a credit card account to be used by the Executive Director to carry out the Foundation's operations. A credit card will provide the Executive Director with a convenient method of payment for purchasing supplies at stores and making online purchases. In most cases, a Foundation credit card also eliminates the need for petty cash. The Wells Fargo Business Platinum Visa Card has no annual fee and a 0% introductory rate on purchases and balance transfers for 12 months (although I anticipate that the Foundation will pay its balance in full each month).

The resolution allows the Executive Director to make charges on the credit card not exceeding \$2,500 per transaction. For charges above that amount and within the Executive Director's expenditure and contract authority (\$25,000 per resolution (c) above and the Bylaws), the Executive Director must obtain the prior written approval of either the Treasurer or President, which may be provided in an email message. These requirements are consistent with the check signing policy established in the first two resolutions above.

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## Community Foundation

### Memorandum

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- e. Resolution Authorizing the Executive Director to Execute a Contract with Paychex for Payroll Services

With its first employee now on board, the Foundation needs a third-party vendor to provide payroll services. I am recommending that the Foundation contract with Paychex for these services, which include online or phone reporting of payroll, federal and state tax compliance services, a selection of employee payment options including direct deposit. The fees for these services include a one-time set-up fee of \$100 and a charge of \$55.25 per pay period (which includes a 15% nonprofit discount). Based on the Foundation's biweekly payroll schedule, the total charges will be slightly more than \$1,500 for the first year of service. Paychex, which has a San Bruno office, offers additional human resource, employee benefit, and accounting services that the Foundation may consider using in the future.

- f. Resolution Authorizing the Executive Director to Execute an Agreement to Establish a 403(b)(7) Arrangement with Vanguard in Order to Offer a Qualified 403(b) Defined Contribution Retirement Plan to SBCF Employees

As part of the Executive Director's compensation package, the Foundation offered me participation in a qualified employer-sponsored 403(b) retirement plan, with a pre-tax employer contribution of 5%. As one of the steps needed to provide this benefit, I am recommending that the Foundation establish a 403(b)(7) arrangement with Vanguard. The Vanguard plan offers a selection of index and actively managed mutual funds at a low cost. Vanguard does not charge any fees to the employer offering the plan; employee participants are charged a \$15 annual bookkeeping fee for each mutual fund in their 403(b)(7) account.

Because the Foundation's plan will include employer contributions, it will be subject to the Employee Retirement Income Security Act of 1974 (ERISA), which will require the Foundation to follow certain reporting, disclosure, funding, maintenance, participation, and distribution guidelines enforced by the U.S. Department of Labor.

- g. Resolution Designating San Bruno City Hall as the Location for Posting Meeting Notices

The SBCF Bylaws require that Board and Committee meetings be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act ("Brown Act"). Under the Brown Act, the agenda for regular Foundation meetings must be posted for at least 72 hours before the meeting time in a location freely accessible to members of the public. I recommend that the Board designate San Bruno City Hall, a public building that currently serves as the location for Foundation Board meetings, as the Foundation's official location for posting meeting notices.



RESOLUTION NO. 2015 - \_\_\_\_

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
DESIGNATING AUTHORIZED SIGNATORIES ON SBCF BANK ACCOUNTS AND  
ESTABLISHING CHECK SIGNING POLICY**

**WHEREAS**, Article XIII, Section 3 of the SBCF Bylaws requires and authorizes the Board to designate individuals to execute (sign and/or initiate) checks, including electronic funds transactions used in lieu of checks; and

**WHEREAS**, the Board intends to open checking and savings accounts to hold SBCF's operating funds.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors designates the Treasurer, President, and Executive Director to serve as SBCF's authorized signatories on its bank accounts, with the following requirements for the signing of checks and other transfer of funds:

- (a) Any single check or other transfer of funds in excess of \$2,500.00 requires the signature of two of the authorized signatories;
- (b) Any single check or other transfer of funds not exceeding \$2,500.00 requires the signature of any one of the authorized signatories;
- (c) Payment for a particular invoice, bill, expense report, or similar obligation in excess of \$2,500.00 may not be split into multiple checks or other transfers of funds to evade the two-signature requirement of (a) above; and
- (d) No authorized signatory may sign any check that names that person as the payee.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of

Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

RESOLUTION NO. 2015 - \_\_\_\_

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
AUTHORIZING ESTABLISHMENT OF CHECKING AND SAVINGS ACCOUNTS AT  
WELLS FARGO BANK, AUTHORIZING DEPOSIT OF SBCF OPERATING FUNDS  
INTO SUCH ACCOUNTS, AND ESTABLISHING SIGNATORIES ON THE  
ACCOUNTS**

**WHEREAS**, on February 10, 2015, the San Bruno City Council adopted a resolution authorizing the transfer from the City's custodial account to SBCF of (1) \$350,000.00 for operational expenses and (2) \$141,031.00 to be reimbursed by SBCF to the City of San Bruno for SBCF formation expenses; and

**WHEREAS**, Article IX, Section 4, of the SBCF Bylaws states that "The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the board may designate."

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors delegates to Treasurer Ben Cohn the authority to establish and open business checking and savings accounts with Wells Fargo Bank, on behalf of SBCF, and to deposit SBCF operating funds into such accounts.

**FURTHER BE IT RESOLVED** that the Board of Directors designates Treasurer Ben Cohn, President Nancy Kraus, and Executive Director Leslie Hatamiya to serve as SBCF's authorized signatories on its Wells Fargo bank accounts, with the following requirements for the signing of checks and other transfer of funds:

- (a) Any single check or other transfer of funds in excess of \$2,500.00 requires the signature of two of the authorized signatories;
- (b) Any single check or other transfer of funds not exceeding \$2,500.00 requires the signature of any one of the authorized signatories;
- (c) Payment for a particular invoice, bill, expense report, or similar obligation in excess of \$2,500.00 may not be split into multiple checks or other transfers of funds to evade the two-signature requirement of (a) above; and
- (d) No authorized signatory may sign any check that names that person as the payee.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

**RESOLUTION NO. 2015 - \_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
ESTABLISHING EXPENDITURE AND CONTRACT AUTHORITY FOR THE  
EXECUTIVE DIRECTOR**

**WHEREAS**, Article XIII, Section 2 of the SBCF Bylaws authorizes the President, Treasurer, and Executive Director of the Foundation to execute contracts not to exceed \$25,000.00 and the Board to authorize contracts in excess of that amount; and

**WHEREAS**, the Article V, Section 10 of the Bylaws states that the "Executive Director shall be responsible for the day-to-day administration of the Corporation."

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors authorizes the Executive Director to (1) execute intergovernmental agreements, contracts and purchase orders, or their equivalent, not to exceed \$25,000.00 per transaction, for the necessary expenses of the Foundation, which are to be reported to the Board as part of the financial reports at each regular Board meeting, and (2) initiate contracts and agreements in excess of \$25,000.00 subject to approval by the Board.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

**RESOLUTION NO. 2015 - \_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH  
WELLS FARGO BANK TO ESTABLISH SBCF CREDIT CARD ACCOUNT**

**WHEREAS**, the Article V, Section 10 of the Bylaws states that the “Executive Director shall be responsible for the day-to-day administration of the Corporation”; and

**WHEREAS**, the Board of Directors acknowledges the necessary and convenient method of payment that a credit card would provide to the Executive Director in fulfilling her duties to carry out the Foundation’s operations.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors authorizes the Executive Director to execute a credit card agreement with Wells Fargo Bank to establish a Foundation credit card account.

**FURTHER BE IT RESOLVED** that the Board of Directors authorizes the Executive Director to make charges on the Foundation credit card, with the following requirements:

- (a) The Executive Director may make credit card charges not exceeding \$2,500.00 per transaction without secondary approval; and
- (b) For transactions exceeding \$2,500.00 and within the Executive Director’s expenditure and contract authority, the Executive Director must obtain written approval, including by electronic mail, from either the Treasurer or President prior to making the charge.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

RESOLUTION NO. 2015 - \_\_\_\_

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH  
PAYCHEX FOR PAYROLL SERVICES**

**WHEREAS**, the Board of Directors seeks a third-party vendor to provide payroll services for SBCF employees; and

**WHEREAS**, Article V, Section 10 of the SBCF Bylaws states that the "Executive Director shall be responsible for the day-to-day administration of the Corporation.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors authorizes Executive Director Leslie Hatamiya to execute a contract with Paychex to provide payroll services for SBCF.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:



RESOLUTION NO. 2015 - \_\_\_\_

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT TO  
ESTABLISH A 403(B)(7) ARRANGEMENT WITH VANGUARD IN ORDER TO OFFER  
A QUALIFIED 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN TO SBCF  
EMPLOYEES**

**WHEREAS**, the Board of Directors seeks to offer SBCF employees the opportunity to participate in a qualified 403(b) defined contribution retirement plan;

**WHEREAS**, the Board of Directors has approved an employer contribution in such a qualified 403(b) defined contribution retirement plan as part of its contract with the Executive Director; and

**WHEREAS**, the Article V, Section 10 of the SBCF Bylaws states that the "Executive Director shall be responsible for the day-to-day administration of the Corporation."

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors authorizes Executive Director Leslie Hatamiya to execute an agreement to establish a 403(b)(7) plan arrangement with Vanguard in order to offer a qualified 403(b) defined contribution retirement plan to SBCF employees.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

**RESOLUTION NO. 2015 - \_\_\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
DESIGNATING SAN BRUNO CITY HALL AS THE LOCATION FOR POSTING  
MEETING NOTICES**

**WHEREAS**, Article VI, Section 2, of the SBCF Bylaws states SBCF Board and Committee meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act (“Brown Act”); and

**WHEREAS**, the Brown Act requires that the agenda for regular meetings of entities subject to its provisions must be posted for at least 72 hours before the meeting time in a location “freely accessible to members of the public.”

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors designates San Bruno City Hall, 567 El Camino Real, San Bruno, CA 94066, as the location for posting all SBCF meeting notices in accordance with the Brown Act.

Dated: February 19, 2015

ATTEST:

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Emily Roberts, Secretary

I, Emily Roberts, Secretary, do hereby certify that the foregoing Resolution No. 2015-\_\_ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 19<sup>th</sup> day of February, 2015, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** February 13, 2015

**TO:** Board of Directors, San Bruno Community Foundation

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Appointment of Ad Hoc Committee Charged with Developing Fiscal Policies and Procedures

At this Board meeting, the Board of Directors will consider a series of resolutions to set up checking and savings accounts, designating signatories for those accounts, establish a check signing policy, provide the executive director with the authority to spend funds and enter contracts to carry out the Foundation's operations, and set up payroll services, a retirement plan arrangement, and a credit card account. Passage of these resolutions will allow me, as Executive Director, to set up the Foundation's banking services and begin to carry out some of the necessary administrative and operational functions. These resolutions are an important first step in creating a strong financial management system for the Foundation.

The next step is developing meaningful fiscal policies and procedures to set forth the Foundation's internal financial controls and ensure compliance with applicable regulatory standards.

As a result, I am recommending the appointment of a new Board Ad Hoc Committee to be charged with developing the Foundation's fiscal policies and procedures.

I also recommend that the Board Treasurer chair this committee and that the President appoint two additional Board members to serve on this committee.

Because the Foundation will soon receive a transfer of nearly \$500,000 in funds from the City of San Bruno, open bank accounts, open a credit card account, and begin managing its own finances, it is important that these fiscal policies and procedures be developed and adopted expeditiously. I recommend that the committee set a goal of preparing the fiscal policies and procedures for presentation to and adoption by the Board at its March 2015 meeting. I have obtained a nonprofit fiscal policies and procedures template and guide from CompassPoint Nonprofit Services, which can serve as a useful starting point for the committee's work.

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** February 13, 2015

**TO:** Board of Directors, San Bruno Community Foundation

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Appointment of Ad Hoc Committee Charged with Preparing a Request for Proposals for Investment Services, Reviewing Proposals Received in Response to the Request for Proposals, and Making Recommendations Regarding Ongoing Oversight of Investment Services and Activities

The Board has spent the past year preparing to be in a position to research and retain investment services to manage the \$70 million restitution settlement from PG&E for which the Foundation is responsible. Currently, the funds are held by the City of San Bruno in a custodial account pending the Board's progress toward identifying investment management services.

I am recommending the appointment of a new Board Ad Hoc Committee to be charged with the following tasks:

- (1) Prepare a Request for Proposals (RFP) for Investment Services;
- (2) Review proposals received in response to the RFP, narrow the pool to a small number of finalists, interview and do due diligence on the finalists, and make a recommendation to the Board; and
- (3) Make recommendations to the Board regarding adoption of policies governing ongoing oversight of investment services and activities.

The final task may include preparing a draft of investment and spending policies for Board approval.

Further, it is my recommendation that the Board Treasurer chair this committee, whose membership will include two additional Board members appointed by the President.

One of the deliverables of The 360 Group in providing consulting and recruitment services to the Foundation was to provide the Board with a draft RFP. That draft will be available to the Committee when it begins its deliberations.

Ultimately, the Board will need approval from the City Council for long-term policy decisions it is considering governing the investment and use of the funds.