

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 5, 2018

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 6, 2018, Regular Board Meeting

4. Presentations

- a. Introduction of New San Bruno City Manager Jovan Grogan
- b. Overview of the Skyline College Promise Scholars Program by Ellen Murray, Director of the Promise Scholars Program

5. Board Member Comments

- a. President
- b. Others

6. Executive Director's Report

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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 3, 2018, Regular Board Meeting
- b. Adopt Resolution Ratifying Approval of \$250,000 Strategic Grant to the San Bruno Education Foundation to Support the San Bruno Park School District's School Transformation Effort at Parkside Intermediate School and to Implement the SEAL Program at Belle Air and Allen Elementary Schools
- c. Adopt Resolution Approving Appointments to the Investment Committee
- d. Receive and Approve Treasurer's Report (May, June, and July 2018 Financial Statements)

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 on Music Education Strategic Initiative
- c. Receive Report from Ad Hoc Committee on Recreation and Aquatics Center Project and Adopt Resolution Approving Strategic Grant to the City of San Bruno for Architectural and Project Management Services Related to the Schematic Design, Development of Construction Documents, and Support through Project Construction for the Recreation Center and Aquatics Center Project in an Amount Not to Exceed \$5,625,000
- d. Receive Report on Other Programs (Community Grants Fund, Crestmoor Neighborhood Memorial Scholarship, Other Strategic Grants)
- e. Receive Report from Audit Committee Regarding Fiscal Year 2017-2018 Audit
- f. Discuss Upcoming Officer Elections for 2019 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 6, 2018

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 6:58 p.m.
- 2. Roll Call:** Board Members Kraus, Hedley, McGlothlin, Ross, Bohm, and Roberts, present; Stanback Stroud, excused.
- 3. Presentation:** 2018 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 third iteration of the Crestmoor Neighborhood Memorial Scholarship. She also thanked two Board members – Secretary McGlothlin and Treasurer Ross – who participated in awards ceremonies at Capuchino High School and Skyline College. She welcomed dignitaries present, including San Bruno Mayor Rico Medina and Councilmember Michael Salazar, and also welcomed the 2016 and 2017 Crestmoor Scholars in attendance: Alejandra Andrade, Madeline Villanueva-Tovar, Allie Stines, Leitu Takapu, Lesley Bode, Alexandra Kennedy, and Giselle Hengst.

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 2018 Crestmoor Scholars. She addressed the nine 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 Jeremy Evangelista of Skyline College, Kelly McLoughlin of Capuchino High School, incoming Capuchino Principal Jesse Boise, as well as San Bruno Park School District Superintendent Stella Kemp, School Board Member Kevin Martinez, and incoming Parkside Intermediate School Principal Don Smith. Mayor Media then congratulated the Crestmoor Scholars and commended the Foundation on administering the program to invest in the City's youth.

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President Kraus then introduced the nine Crestmoor Scholars – Muriel Butler, Lauren Meyer, Lauren Valles, Julia Cordero (not in attendance), Kiersten Blair, Max Stines (not in attendance, represented by his sister, Allie Stines), Martha Marquez Ramirez, Marjourie Quintanilla, and Vincent Ramsey – and read short biographies about each. Vice President Hedley and Board Member Bohm presented each Crestmoor Scholar with his/her scholarship check, a framed certificate, and a commendation from the San Mateo County Board of Supervisors provided by Supervisor Dave Pine.

On behalf of the high school and community college recipients, respectively, Ms. Valles and Mr. Ramsey expressed thanks to the Board for the scholarship recognition. Ms. Andrade, a 2016 Crestmoor Scholar, reflected on what the Crestmoor Scholarship has meant to her and imparted words of wisdom to the new Crestmoor Scholars as they embark on the next stage of their educations.

Several Board Members, including Board Member Roberts, commended the Crestmoor Scholars and their commitment to the San Bruno community.

At the conclusion of the presentation, the Board took a ten-minute break and then resumed the meeting.

4. Approval of Minutes: March 7, 2018, Regular Board Meeting: Vice President Hedley moved to approve the minutes of the March 7, 2018, Regular Board Meeting, seconded by Board Member Roberts, approved unanimously.

5. Board Member Comments

- a. President: Reflecting on all that the Foundation has accomplished over the past 4.5 years, President Kraus reminded the Board that its work is making a difference for San Bruno and memorializing those who suffered so much consequent to the events in 2010.
- b. Others: Secretary McGlothlin reported that he had recently presented the scholarship funded by the Foundation through its Community Grant to the County of San Mateo's Jobs for Youth program and that Carolyn Livengood, a longtime San Bruno resident who passed away in the past year, had been a force behind the program.

6. Executive Director's Report: In the interest of time, Executive Director Hatamiya referenced the Executive Director's Report in the Board meeting packet, which contains updates on the Foundation's insurance renewals and website/e-newsletter traffic.

7. Consent Calendar

- a. Adopt Resolution Canceling the July 4, 2018, and August 1, 2018, Regular Board Meetings

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- b. Adopt Resolution Authorizing Executive Director Leslie Hatamiya to Execute a Consulting Agreement with Program Consultant Stephanie Rutgers for an Amount Not to Exceed \$37,800
- c. Receive and Approve Treasurer's Report (February, March, and April 2018 Financial Statements)

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

8. Conduct of Business

- a. Receive Report from Investment Committee

Treasurer Ross, who serves as Investment Committee chair, reported on the Committee's recent quarterly meeting on May 16, 2018, at which Sand Hill Global Advisors (SHGA) reported on the performance of the Foundation's investment portfolio in the first quarter of 2018. He reported that the Committee is recommending that the Board continue last year's practice of setting the Quasi-Endowment payout rate at a level sufficient to meet the cash flow needs for the Crestmoor Scholarship and the Community Grants Fund for the coming fiscal year. As such, he said the Committee is recommending that the Board approve a 1.95% Quasi-Endowment payout rate for fiscal year 2018-2019.

With regard to the management of the Strategic Pool, he reported that using preliminary estimates of the cash flow that will be required to fund the \$50 million recreation and aquatics center project along with estimates of other strategic grant commitments and annual operating expenses, the SHGA team presented the Committee with cash flow testing analysis of the Strategic Pool at the May 16 Committee meeting. He explained that with this analysis, the Committee discussed how best to manage funds in the Strategic Pool to meet the Foundation's cash flow needs with regard, in particular, to the recreation and aquatics center project, weighing the desire to keep the funds needed for the recreation and aquatics center in the Strategic Pool account so that those funds continue to have the potential to reap positive investment returns against the potential risk of experiencing a significant decline in value of the Strategic Pool due to market volatility. He said the Committee considered various actions it could take to decrease some of the risk of market volatility and ultimately decided against adjusting the asset allocation ranges for the Strategic Pool. Instead, he reported, the Committee voted in favor of recommending to the Board a transfer, at the beginning of fiscal year 2018-2019, of \$10 million from the Strategic Pool to the Liquidity Pool to protect those funds from fluctuations in the market, making those funds available in the 12-24 month range. This \$10 million transfer would be in addition to a transfer needed to cover cash flow needs in fiscal year 2018-2019 and would not appear in the fiscal year 2018-2019 budget because it would not be intended for use in 2018-2019.

Finally, he reported that at the May meeting the Committee also conducted its annual review of the Foundation's Investment Policy Statement and Investment Operating Plan, ultimately declining to recommend any changes to either document.

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b. Discuss and Provide Direction on Strategic Grantmaking Budgeting Constraints

Treasurer Ross elaborated on the cash flow analysis prepared by the SHGA team and discussed by the Investment Committee in May. He explained that this “Monte Carlo” analysis consists of simulations based on preliminary estimates of the timeline and cash flow for the recreation and aquatics center project, as provided by the architects leading the conceptual design process, and shows what funds may be remaining at the completion of the project under certain assumptions. He said that the analysis showed that the Foundation can cover all of its current commitments and can continue to fund additional strategic grants, but not at the pace of the past two years. He reviewed all of the Foundation’s program activities thus far (Crestmoor Neighborhood Memorial Scholarship, Community Grants Fund, and Strategic Grants). He reported that the Committee agreed that the Board should take a conservative stance and exercise caution when considering any new proposals for strategic grants until the funds for the recreation and aquatics center project are fully disbursed – *e.g.*, take possible projects one at a time, revisit the cash situation every year, and consider the current market climate.

The Board then engaged in a discussion of its strategic grantmaking strategy going forward. Board members supported the idea of being prudent and taking a thoughtful, slower approach to new grant opportunities that may arise. Secretary McGlothlin suggested trying to assemble a set of opportunities for the year and consider them at one time, but also acknowledged that such timing is not always possible. Others, including Vice President Hedley and Board Member Roberts, expressed a desire not to limit consideration of opportunities as they arise, acknowledging that the Board faces greater constraints than it did previously.

At the conclusion of the discussion, it was the consensus of the Board that the Foundation will be open to any new opportunities as they arise and that the level of grantmaking must be scaled back from previous years; with that said, the Board agreed that total strategic grantmaking up to \$250,000-\$500,000 per year may be considered, in either larger or smaller allocations.

c. Receive Presentation from San Bruno Park School District Superintendent Dr. Stella Kemp on “Schools with Tomorrow Inside, San Bruno Park School District’s Vision for 21st Century Teaching and Learning Centers” and Discuss and Provide Direction Regarding Strategic Grant Proposal from the San Bruno Education Foundation Regarding School District Transformation Projects

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

Executive Director Hatamiya explained that the consideration of this agenda item diverges from the Board’s normal process of creating an ad hoc committee to research and bring back a proposal for new strategic grant ideas, due to the urgency with which the funds are needed. She introduced San Bruno Park School District Superintendent Stella Kemp, explaining that Dr. Kemp has a vision for transforming the SBPSD, and given the emphasis on improving the schools that the Foundation has heard from the community, it makes sense for the Board to consider this request from the San Bruno Education

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Foundation and the school district. SBEF President Scott Curtner supported Dr. Kemp from the audience for the presentation.

Dr. Kemp then gave a detailed presentation, beginning with an overview of the district's vision for "schools with tomorrow inside," ultimately resulting in the district having the fiscal resources to provide an equitable educational program that will serve the San Bruno community for today and tomorrow. To attain this vision, she reported that the district is undertaking various school transformation efforts and focusing on raising achievement of English learners in particular, leading to the request for the Foundation to fund two projects, totaling \$250,000. First, she highlighted the district's partnership with Partners in School Innovation, a San Francisco-based nonprofit, to improve achievement in underperforming schools. Partners CEO Derek Mitchell explained how his organizations works with schools to build the capacity of teachers and school leaders to improve student achievement. He explained the proposal to work with Parkside Intermediate School, with the goal of better aligning the academic programs at Parkside in order to ensure that all Parkside eighth graders enter high school with the knowledge and skills to be able to participate in any program of their choosing.

Dr. Kemp then explained the second project to be funded, implementation of the Sobrato Early Academic Language (SEAL) program at Belle Air and Allen Elementary Schools. She noted the struggling achievement levels of the district's English learners, particularly at Belle Air and Allen, and explained how SEAL increases student literacy by improving teacher instruction, regardless of the curriculum. She explained that SEAL provides intensive professional development to teachers through workshop sessions, coaching, and collaborative reflection and planning. It also supports parents in developing language and literacy of their children at home and in the classroom.

Board members then asked Dr. Kemp and her team, including Dr. Mitchell, Itoco Garcia of Partners in School Innovation, and School Board Member Kevin Martinez, a series of questions about the funding proposal. Board members asked how the SEAL program will be rolled out with the new STEAM curriculum and other demands on teachers, what other supports will be provided to teachers, what the coaching provided to teachers looks like, and whether the district is leveraging other sources of funding for the programs. Board members also complimented Dr. Kemp for the systems-level focus of the new vision and the effort to change the culture of the district's schools. In the end, Dr. Kemp requested \$250,000 in funding, \$84,000 for one year of fees for Partners in School Innovation and \$166,000 for the SEAL program implementation fees.

Board Member Roberts made a motion to approve a \$250,000 strategic grant to the San Bruno Education Foundation to support the San Bruno Park School District's school transformation effort at Parkside Intermediate School and to implement the SEAL program at Belle Air and Allen Elementary Schools, seconded by Board Member Bohm, approved unanimously. Ms. Hatamiya said the Board would be asked to approve a resolution ratifying this action at the September Board meeting.

The Board took a two-minute break and then resumed the meeting.

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d. Receive Report from Ad Hoc Committee on First Responder Strategic Initiative

As Committee chair, Vice President Hedley gave a brief report on the First Responder Strategic Initiative, referring Board members to the summary of updates on the three projects being funded - emergency shelter supplies, critical facilities site assessments, and police officer mindfulness, compassion, and resiliency training – in the staff report. He also reported that Google/YouTube staff reached out to the Foundation after the April 3 shooting at YouTube's San Bruno headquarters and, in response to the brave work of San Bruno's first responders during the incident, Google.org announced it would donate \$100,000 to the Foundation and match Google and YouTube employee donations, with the total donation expected to be about \$290,000. He said the funds have been designated to support first responder effectiveness training and other related programs in partnership with the San Bruno Police and Fire Departments, building upon the First Responder Effectiveness Strategic Initiative.

President Kraus thanked Chief of Police Ed Barberini for his leadership of the Police Department, during the YouTube incident and generally.

e. Receive Report from Ad Hoc Committee on Recreation and Aquatics Center Project and Adopt Resolution Authorizing Executive Director to Receive Donation from the El Crystal Elementary School PTA Related to the Recreation and Aquatics Center Project

As Committee chair, President Kraus referred to the staff report for this agenda item, which contains a summary of progress on the City's progress with design and construction of a new recreation and aquatics center in San Bruno City Park, to be funded by \$50 million in strategic grants from the Foundation. She reported that Group 4, the architectural firm the City has retained to lead the conceptual design work, has made public presentations and conducted a number of public forums to gather input from the community on such topics as site and building diagram options, program services and design values. She reported that Group 4 will be presenting its final recommendations to the City Council on June 26, 2018.

She also reported that the El Crystal Elementary School PTA has reached out to the Foundation to provide assistance as the school undergoes the school district's consolidation process. She said El Crystal will close at the end of June, requiring the PTA to disburse its funds and close its bank account also by the end of June, and that the PTA desires to donate to the City money for a memorial bench in San Bruno Park commemorating the school's 70-year history. She reported that currently there are no opportunities in the park for installing a memorial bench, but, with the advent of a new recreation and aquatics center, there will likely be a future opportunity. She reported that the El Crystal PTA asked the Foundation to hold a donation of \$1,200 until such a memorial bench can be dedicated in San Bruno Park at the new recreation and aquatics center.

Vice President Hedley moved to approve the resolution authorizing the Executive Director to receive a donation from the El Crystal Elementary School PTA related to the recreation and aquatics center project, seconded by Secretary McGlothlin, approved unanimously.

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f. Receive Report on Other Strategic Initiatives with the City of San Bruno

Executive Director Hatamiya referred the Board to the staff memo on this agenda item, which contains detailed information about the Foundation's other initiatives with the City of San Bruno – pedestrian safety improvements, development of the Florida Avenue park, and Community Day. She shared some photos from Community Day, which took place the previous Sunday in San Bruno City Park.

g. Receive Report on Other Programs (Music Education Strategic Initiative and Community Grants Fund)

Executive Director Hatamiya referred the Board to the detailed information in the staff report regarding the Community Grants Fund and the Music Education Initiative. She reported that the third annual cycle of the Community Grants Fund will launch at the beginning of July, when the online application will be available and distribution of marketing materials around town will begin. She also mentioned that there will be three grant workshops over the summer (July 16, August 14, and September 10), and the application deadline will be Wednesday, September 26.

She also reported that the first year of the Music Education Strategic Initiative is coming to a close and that the Foundation has received reports from both the Capuchino High School Alumni Association and the San Bruno Education Foundation about how the funds have been used. She mentioned two highlights: First, she shared photos of the Capuchino Band proudly wearing the uniforms the Foundation grant funded, and, second, she reported that the inaugural "Music in the Air" celebration is scheduled for the fall of 2018, including an evening concert at Capuchino High School showcasing schools' music programs to the community and an opportunity to solicit business sponsorships to promote the music programs.

Board Member Roberts reported attending Community Day, saying the Capuchino High School Band looked sharp in its new uniforms and expressing disappointment that the Parkside Band did not perform in the Posy Parade or at Community Day for the second year in a row. She viewed the absence of the Parkside Band as a missed opportunity to showcase the music program and to give the students the chance to perform publicly. She asked the Executive Director to convey these concerns back to the San Bruno Education Foundation and the school district and share the expectation of seeing greater participation from the Parkside music groups in community performances in 2018-2019.

h. Adopt Resolution Approving Fiscal Year 2018-2019 Budget, Setting the Quasi-Endowment Payout Rate for Fiscal Year 2018-2019, and Approving Transfers from the Strategic Pool Investment Account to the Liquidity Pool Account for Fiscal Year 2018-2019

Executive Director Hatamiya presented the fiscal year 2018-2019 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 26 for approval.

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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 - \$4,890,000, direct personnel expenses - \$208,843, and non-personnel support costs - \$180,873), for a total of \$5,279,716. 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 lower than its recorded expenses, since some expenses are recorded in a particular year and paid out in a following year. She explained the Foundation's cash-flow needs, with the Quasi-Endowment payout based on cash needs for the Crestmoor Scholarship and the Community Grants Fund and the a transfer from the Strategic Pool to cover Strategic Grants and operating expenses. Based on the Foundation's cash-flow needs, the Quasi-Endowment payout of 1.95%, as recommended by the Investment Committee, will be \$319,980 and the transfer from the Strategic Pool will be \$4,043,704. She also reminded the Board that the Investment Committee recommended a one-time transfer of \$10 million from the Strategic Pool to the Liquidity Pool to protect those funds needed for the recreation and aquatics center project in the 12-24 month time frame from market fluctuations; this transfer would not show up in the operating budget because the funds are not intended to be used in 2018-2019. She then asked the Board to approve a resolution with four parts: (1) approving the fiscal year 2018=2019 budget, (2) approving the 2018-2019 Quasi-Endowment payout rate of 1.95%, resulting in a transfer of \$319,980, (3) approving a transfer of \$4,043,704 from the Strategic Pool to the Liquidity Pool to cover 2018-2019 cash needs, and (4) approving a one-time transfer of \$10 million from the Strategic Pool to the Liquidity Pool to be held for the recreation and aquatics center project.

Treasurer Ross moved to adopt the resolution approving the fiscal year 2018-2019 Budget, setting the Quasi-Endowment payout rate for fiscal year 2018-2019, and approving two transfers from the Strategic Pool Investment Account to the Liquidity Pool Account for fiscal year 2018-2019, seconded by Board Member Bohm, approved unanimously.

i. Receive Report from Ad Hoc Committee on Board Development

On behalf of the Ad Hoc Committee on Board Development, Secretary McGlothlin gave a brief report on the Committee's activities, including plans to identify experience, expertise, and other qualities from which the Board would benefit, to be sought in new Board members, and to develop an orientation and training for new Board members, in anticipation of the Board transition that will take place at the end of 2019. He referred Board members to the written summary in the Board meeting packet.

9. Public Comment: San Bruno residents Jeremy and Jacob Sarnecky expressed concern about the impending closing of Rollingwood Elementary School, which they attended. President Kraus explained that the Foundation has no purview over this issue and said the Board would be happy to pass along their concerns to the San Bruno Park School District.

10. Adjourn: Vice President Hedley moved to adjourn the meeting at 9:53 p.m., seconded by Secretary McGlothlin, approved unanimously.

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Respectfully submitted for approval at the Regular Board Meeting of September 5, 2018, by Secretary John McGlothlin and President Nancy Kraus.

John McGlothlin, Secretary

Nancy Kraus, President

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Community Foundation

Memorandum

DATE: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Presentations: (1) Introduction of New City Manager and (2) Overview of Skyline Promise

Near the beginning of the September 5, 2018, Board meeting, we will have two brief presentations:

1. Introduction of new San Bruno City Manager Jovan Grogan

Jovan Grogan began his responsibilities as San Bruno's new City Manager on July 30, 2018. Most recently the Deputy City Manager of Berkeley, Mr. Grogan brings an impressive background and a commitment to serving the people of San Bruno to his new role (see attached biography). Mr. Grogan will be introduced to the Board and make brief remarks at the September 5 Board meeting.

2. Overview of Skyline Promise

In an effort to keep the Board abreast of significant developments in the San Bruno community related to the Foundation's areas of strategic interest, I have invited Ellen Murray of Skyline College, to make a brief informational presentation on the Skyline College Promise Scholars Program. As our own community college, Skyline is a vital community resource in San Bruno. This program is a particularly important vehicle for opening up higher educational opportunities in San Bruno, as about half of Capuchino High School students attend community college after graduation.

The Promise Scholars Program, of which Ms. Murray is the Director, provides incoming full-time students with comprehensive (financial, academic, and guidance) support. The program is open to recent high school graduates or students who have recently completed their GED or adult continuation program.

- Financial support — the first year at Skyline College is free (the Promise Scholarship covers fees, textbooks are provided, and a monthly stipend covers transportation to and from school)

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Memorandum

- Academic support — a Summer Institute to accelerate students who enter college below transfer-level, need-based tutoring, and proactive performance monitoring and interventions
- Structured guidance — dedicated need-based counseling, group advising workshops, a 150:1 student-counselor ratio, access to a peer-mentor program and engaged peer community, and personalized career development

The program aims to increase both persistence and graduation rates by ensuring a strong start to college. It piloted with two cohorts of students in the fall of 2016 and 2017. This fall, the program is launching a full replication of the City University of New York's Accelerated Study in Associate Programs, which has had an impressive rate of graduating students within three years.

Attachment:

1. Biography of City Manager Jovan Grogan

Login to *My San Bruno (/mycity/)*

City Manager

Since 1980, the City of San Bruno has operated under the Council-Manager form of government. In accordance with the provisions of the Municipal Code, the City Manager is responsible for preparing and managing the implementation of the City Council's Adopted Annual Operating and Capital Improvement Program budgets which outline the City's annual work program and the five year capital improvement program. The work program balances the cost of providing City services within the available financial resources. The City Manager serves as the Chief Executive Officer of the municipal corporation. As such, the City Manager is responsible for the appointment and supervision of all City department heads, for oversight of approximately 260 full-time employees, and all City operations to ensure delivery of high quality City services.

In addition, the City Manager supports the City Council by guiding the formulation, development and implementation of Council directed policies, programs and projects.

Jovan D. Grogan, City Manager

Jovan Grogan serves as the City Manager for the City of San Bruno. In this role, he is responsible for executive oversight of the City's government and implementation of City Council policies to ensure effective service delivery to the San Bruno community. Jovan oversees a staff of 260 employees and a total annual budget of \$167 million.

Previously, Jovan served as the Deputy City Manager in two cities: Berkeley, CA and Concord, CA. Prior to that, Jovan was as a Senior Management Advisor with Management Partners, a consulting firm that specializes in helping local governments improve operations. Jovan has also worked for the County Administrator of Tompkins County, New York, the City Manager of Oakland, California, and the International City/County Management Association (ICMA) in Washington, D.C.



Jovan is a member of the International City/County Management Association (ICMA) and serves on the Board for the California Division of ICMA. He is also on the Board of Directors for the National Forum for Black Public Administrators (NFBPA).

Mr. Grogan completed his undergraduate and graduate education at Cornell University, where he received a Bachelor of Science in Urban and Regional Studies, as well as a Master of Regional Planning Degree.

City of San Bruno

567 El Camino Real, San Bruno, CA, US 94066

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Memorandum

DATE: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Executive Director's Report

Since the June 6, 2018, Board meeting, I have continued to focus on administering the Community Grants Fund and Crestmoor Scholarship Program, partnering with the City on strategic projects, monitoring the Music Education Strategic Initiative, preparing for the FY2017-2018 audit, and supporting the Investment Committee, all of which will be covered during the business portion of the September 5, 2018, regular Board meeting. In addition, I have handled a variety of other matters, including the following:

1. Annual Report

I am pleased to report that the Foundation's 2018 Annual Report will be mailed to all San Bruno addresses on September 4, and hard copies will be available at the Board meeting. Like the last two years, 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 2018 Crestmoor Scholars, information about the Community Grants Fund (the 2017-2018 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. Fiscal Year 2018-2019 Budget

On June 26, the City Council approved the Foundation's FY2018-2019 fiscal year budget, which the Board had previously approved on June 6. The budget includes nearly \$4.9 million in direct program disbursements for the new recreation and aquatics center, the Crestmoor Neighborhood Memorial Scholarship, the Community Grants Fund, and other strategic grant initiatives. At the Council meeting, I also gave a brief presentation of the Foundation's highlights over the past year.

SAN BRUNO

Community Foundation

Memorandum

3. Email Newsletter and Website Hits

Since the June 6 Board meeting, I have sent out five email blasts to the Foundation's email distribution list. One reported on the June Board meeting, another encouraged community members to take the second recreation and aquatics center conceptual design survey, and three announced the launch of the Community Grants Fund application period and invited potential applicants to attend a Grant Workshop. The Community Grants Fund launch announcement received the most views. Of the approximately 615 emails sent each time, 33%-45% of the recipients opened the email, and the e-newsletter was viewed, either in email or as posted on the web, 491-743 times.

According to Google Analytics, activity on the sbcf.org website has had minor spikes over the past three months, most likely as potential grant applicants have begun working on their Community Grants Fund applications. Between June 7 and August 26, 685 users engaged in 914 sessions on the Foundation website, for a total of 1,928 page views. The most visited pages were the home page and pages related to the Community Grants Fund.

SAN BRUNO

Community Foundation

Memorandum

DATE: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Consent Calendar for the September 5, 2018, Regular Board Meeting

For the September 5, 2018, Regular Meeting of the Board of Directors of The San Bruno Community Foundation, the Consent Calendar includes three items related to administrative and operational functions of the Foundation:

1. Adopt Resolution Canceling the October 3, 2018, Regular Board Meeting

As discussed at previous Board meetings, as we move forward, President Kraus and I anticipate that the Board will need to meet less frequently. The Board is scheduled to have a regular monthly meeting on October 3, 2018 (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. Adopt Resolution Ratifying Approval of \$250,000 Strategic Grant to the San Bruno Education Foundation to Support the San Bruno Park School District's School Transformation Effort at Parkside Intermediate School and to Implement the SEAL Program at Belle Air and Allen Elementary Schools

As you know, on June 6, 2018, the Board received a presentation from San Bruno Park School District Superintendent Dr. Stella Kemp on the transformation she is leading at the school district, entitled "Schools with Tomorrow Inside, San Bruno Park School District's Vision for 21st Century Teaching and Learning Centers." As part of her presentation, Dr. Kemp requested grant funding totaling \$250,000 to the San Bruno Education Foundation to fund the school transformation effort at Parkside Intermediate School in partnership with Partners in School Innovation (\$84,000) and the implementation of the Sobrato Early Academic Language (SEAL) program at Belle Air and Allen Elementary Schools (\$166,000). The Board approved an oral motion to make a \$250,000 strategic grant to the San Bruno Education Foundation to support these two school transformation projects. If passed, the attached resolution would ratify the Board's June approval of the \$250,000 strategic grant.

SAN BRUNO

Community Foundation

Memorandum

3. Adopt Resolution Approving Appointments to the Investment Committee

Article VII, Section 3, of the San Bruno Community Foundation's Bylaws empowers the Foundation's Board of Directors to create advisory committees that may contain any number of Director and non-Director committee members. On June 1, 2016, the Board created the Investment Committee as an advisory body charged with providing guidance to the Board on all aspects of the investment management process, as outlined in the Charter of the Investment Committee. The Committee Charter states that the Committee shall consist of the Board Treasurer (currently Tim Ross), who serves in an ex officio capacity, along with one other Director member and three non-Director members whose experience in finance and investment management may assist the Committee and the Board in the performance of their investment oversight responsibilities. The four Committee members other than the Treasurer are appointed by the Board. The Board appointed Vice President Frank Hedley, Anthony Clifford, Mark Hayes, and Georganne Perkins to two-year terms on the Investment Committee commencing on July 1, 2016. These four individuals have diligently and capably served on the Committee, bringing invaluable experience and expertise to the Committee's deliberations. In the interest of continuity and sustained productivity of the Committee, the continued service of Vice President Hedley, Mr. Clifford, Dr. Hayes, and Ms. Perkins on the Committee would be an asset to the Foundation. The attached resolution would appoint them to new two-year terms commencing on July 1, 2018.

4. Receive and Approve Treasurer's Report (May, June, and July 2018 Financial Statements)

The May, June, and July 2018 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 2017-2018 fiscal year, and the Budget Report for July reflects the 2018-2019 fiscal year budget figures approved at the June 6, 2018, Board meeting.

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

Attachments:

1. Resolution Canceling the October 3, 2018, Regular Board Meeting
2. Resolution Ratifying Approval of \$250,000 Strategic Grant to the San Bruno Education Foundation to Support the San Bruno Park School District's School Transformation Effort at Parkside Intermediate School and to Implement the SEAL Program at Belle Air and Allen Elementary Schools
3. Resolution Approving Appointments to the Investment Committee
4. May, June, and July 2018 Financial Statements

RESOLUTION NO. 2018-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
CANCELING THE OCTOBER 3, 2018, REGULAR BOARD MEETING**

WHEREAS, the October Regular Meeting of the San Bruno Community Foundation's Board of Directors is scheduled for October 3, 2018; 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 3, 2018.

Dated: September 5, 2018

ATTEST:

John McGlothlin, Secretary

I, John McGlothlin, Secretary, do hereby certify that the foregoing Resolution No. 2018-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 5th day of September, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

RESOLUTION NO. 2018-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION RATIFYING APPROVAL OF \$250,000 STRATEGIC GRANT TO THE SAN BRUNO EDUCATION FOUNDATION TO SUPPORT THE SAN BRUNO PARK SCHOOL DISTRICT'S SCHOOL TRANSFORMATION EFFORT AT PARKSIDE INTERMEDIATE SCHOOL AND TO IMPLEMENT THE SEAL PROGRAM AT BELLE AIR AND ALLEN ELEMENTARY SCHOOLS

WHEREAS, the San Bruno Community Foundation's Program Strategy Framework establishes strategic grantmaking as one of the Foundation's core program activities;

WHEREAS, the Board identified education as one of its strategic grantmaking priorities;

WHEREAS, on June 6, 2018, the Board of Directors received a presentation from San Bruno Park School District Superintendent Dr. Stella Kemp on the transformation she is leading at the school district, entitled "Schools with Tomorrow Inside, San Bruno Park School District's Vision for 21st Century Teaching and Learning Centers";

WHEREAS, as part of her presentation, Dr. Kemp requested grant funding totaling \$250,000 to the San Bruno Education Foundation to fund the school transformation effort at Parkside Intermediate School in partnership with Partners in School Innovation (\$84,000) and the implementation of the Sobrato Early Academic Language (SEAL) program at Belle Air and Allen Elementary Schools (\$166,000); and

WHEREAS, the Board approved a motion to make a \$250,000 strategic grant to the San Bruno Education Foundation to support these two school transformation projects.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors ratifies its approval of a strategic grant in the amount of \$250,000 to the San Bruno Education Foundation to support the San Bruno Park School District's school transformation effort at Parkside Intermediate School and to implement the SEAL program at Belle Air and Allen Elementary Schools.

Dated: September 5, 2018

ATTEST:

John McGlothlin, Secretary

I, John McGlothlin, Secretary, do hereby certify that the foregoing Resolution No. 2018-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 5th day of September, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

RESOLUTION NO. 2018-__

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION
APPROVING APPOINTMENTS TO THE INVESTMENT COMMITTEE**

WHEREAS, on June 1, 2016, the Foundation's Board of Directors created the Investment Committee as an advisory body charged with providing guidance to the Board on all aspects of the investment management process, as outlined in the Charter of the Investment Committee;

WHEREAS, the Committee Charter states that the Committee shall consist of the Board Treasurer, who serves in an ex officio capacity, along with one other Director member and three non-Director members whose experience in finance and investment management may assist the Committee and the Board in the performance of their investment oversight responsibilities who are appointed by the Board;

WHEREAS, the Foundation Board appointed Vice President Frank Hedley, Anthony Clifford, Mark Hayes, and Georganne Perkins to two-year terms on the Investment Committee commencing on July 1, 2016;

WHEREAS, Vice President Hedley, Mr. Clifford, Dr. Hayes, and Ms. Perkins have diligently and capably served on the Committee, bringing invaluable experience and expertise to the Committee's deliberations; and

WHEREAS, in the interest of continuity and sustained productivity of the Committee, the Board believes the continued service of Vice President Hedley, Mr. Clifford, Dr. Hayes, and Ms. Perkins on the Committee would be an asset to the Foundation.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby appoints, in addition to Treasurer Tim Ross who will continue to serve as Chair of the Investment Committee by virtue of his role as Foundation Treasurer, Vice President Frank Hedley as the other Director member of the Committee and Anthony Clifford, Mark Hayes, and Georganne Perkins as the three non-Director Committee members to two-year terms on the Investment Committee commencing on July 1, 2018.

Dated: September 5, 2018

ATTEST:

John McGlothlin, Secretary

I, John McGlothlin, Secretary, do hereby certify that the foregoing Resolution No. 2018-__ was duly and regularly passed and adopted by the Board of Directors of the San Bruno Community Foundation on this 5th day of September, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

SAN BRUNO

Community Foundation

May 2018

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 equal 91.7% of the fiscal year.

INCOME & TRANSFERS

Line 1 Transfers from Quasi Endowment – Entire amount (\$352,921) planned for the year has been transferred.

Line 2 Transfers from Strategic Pool – Entire amount (\$1,071,914) for the year has been transferred.

Line 3 Restricted Donations – Unbudgeted amount of \$508,255 received. An additional \$38,745 is expected in June. The \$547,000 total for the year has been restricted to the following programs: \$300,000 First Responder; \$126,000 Pedestrian Safety; \$100,000 Community Grants; and \$21,000 Community Day.

Line 4 Interest Income – \$7,083 is 88.5% of budget. Additional \$600 projected for final month, which will be \$317 under budget.

Line 5 Miscellaneous Income – This unbudgeted \$2,000 comes from writing off the balance of a prior year grant that had been accrued, but was not fully used by the grantee.

EXPENSES

Line 7 Crestmoor Scholarships – Full budget amount of \$120,000 was awarded and recorded. Payments began in late May.

Line 8 Community Grants Fund – As noted above in Line 3, the projected final amount has been increased \$100,000 based on additional restricted income. \$300,000 in year to date expense is 150% of budget. All 2017-18 grants have been recorded.

Line 9 Strategic Grants - \$1,015,675 (2% of budget) has been recorded based on fully executed agreements. The total breaks down as: a) Community Center Conceptual Design (\$550,000); b) Pedestrian Safety (\$263,952); c) First Responder (\$160,723); and d) 2018 Community Day (\$41,000). Additional expected amount for the year is donor funded Community Day (\$10,000) allocation.

Line 11 Salaries & Wages – Expense is 92.7% of budget. Final Expected Amount increased \$2,264 based on Board approved cost of living adjustment.

Line 12 Payroll Taxes & Benefits – Expense (\$27,772) is 122.9% of budget. Costs include: retirement (\$17,448); Social Security/Medicare (\$9,283); Workers' Compensation Insurance (\$806); and Life Insurance (\$234). Final Expected Amount increased \$8,586 based on Board approved increase to employer retirement contribution.

Line 14 Occupancy – Only cost is office lease (\$12,897). Amount is 91.4% of budget.

Line 15 Insurance – Total (\$16,400) is 91.9% of budget. Policies include: Directors & Officers (\$12,347); crime (\$3,124); and commercial liability (\$929).

Line 16 Telecommunications – Cost (\$1,665) is 92.5% of budget. Costs include cellular phone (\$701), internet access (\$640), and office landline (\$324).

Line 17 Postage & Shipping – Cost (\$1,784) is 89.2% of budget. 72% of this cost (\$1,290) incurred to distribute annual report to community.

Line 18 Marketing & Communications - \$9,768 expense is 64.4% of budget, with 70% of the total for printing (\$6,331) and graphic design (\$485) of annual report. \$1,465 incurred for hard copy Scholarships (\$955) and Community Grants (\$510) promotional material. \$1,444 has been for software and internet applications used to promote, accept, and organize Grant and Scholarship applications. Budget savings are projected to be \$4,942.

Line 19 Office Supplies & Equipment – Total (\$1,650) is 47.3% of budget. Printer and copier toner has cost \$496. Office printer required repair and maintenance costing \$371. Accounting software applications have been \$292. Ergonomic computer accessories purchased for \$217. Budget savings are projected to be \$1,681.

Line 20 Legal Fees – Cost (\$24,953) is 65.8% of budget. \$12,184 is related to Recreation Center, Pedestrian Safety, and Community Day Strategic Grants. \$10,629 is for San Bruno City Attorney time. \$2,110 is related to Community Grants. Budget savings are projected to be \$7,880.

Line 21 Accounting & Payroll Fees – Total (\$28,634) is 90.2% of budget. Year to date total includes Accounting (\$18,445), Audit (\$9,000), and Payroll (\$1,189) fees. Budget savings are projected to be \$1,799.

Line 22 Other Consultants - Cost (\$42,627) is 96.1% of budget and is for Program Support (\$34,632 and Technology (\$7,995) consultants. Budget excess is projected to be \$2,192.

Line 23 Travel, Meetings & Conferences – Total (\$2,183) is 46.3% of budget. \$1,986 or 91% of the cost has been for Board meetings. Budget savings are projected to be \$2,094.

Line 24 Miscellaneous – Cost (\$1,272) equals 63.6% of budget with organizational memberships (\$925) being the largest expense. Budget savings are projected to be \$611.

SUMMARY

Excluding Scholarships & Grants, total expenses are at 89.6% of budget, which is 2.1% under the 91.7% benchmark for the first eleven months of the year. In terms of dollars, the \$339,448 in year to date expense is \$7,824 less than 91.7% of the year's budget. The projection for year-end is budget savings of \$6,113 on all non-Scholarships & Grants expenses.

May net Investment increase in value is \$554,194 and is from Strategic Pool (\$341,676) and Quasi Endowment (\$212,518). Year to date net investment income is \$2,557,510 with \$1,249,056 from Strategic and \$1,308,454 from Quasi Endowment.

Overall organization year to date net income is \$1,299,726.

Total Net Assets, as of May 31, 2018 are \$72,852,730 with \$17,569,944 in Quasi Endowment and \$55,282,786 in general Unrestricted and Temporarily Restricted funds.

SAN BRUNO

Community Foundation

May 2018 2017-2018 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 | \$ 352,921 | 100.0% | \$ 352,921 | \$ - |
| 2 Transfers from Strategic Pool | 1,071,914 | 1,071,764 | 100.0% | 1,071,914 | 150 |
| 3 Restricted Donations | 508,255 | - | | 547,000 | 547,000 |
| 4 Interest Income | 7,083 | 8,000 | 88.5% | 7,683 | (317) |
| 5 Miscellaneous Income | 2,000 | | | 2,000 | 2,000 |
| 6 Total Available for Operations | 1,942,173 | 1,432,685 | 135.6% | 1,981,518 | 548,833 |
| EXPENSES | | | | | |
| 7 Crestmoor Scholarships | 120,000 | 120,000 | 100.0% | 120,000 | - |
| 8 Community Grants Fund | 300,000 | 200,000 | 150.0% | 300,000 | 100,000 |
| 9 Strategic Grants | 1,015,675 | 50,293,952 | 2.0% | 1,025,675 | (49,268,277) |
| 10 Subtotal Direct Program Expenses | 1,435,675 | 50,613,952 | 2.8% | 1,445,675 | (49,168,277) |
| 11 Salaries & Wages | 167,843 | 181,125 | 92.7% | 183,389 | 2,264 |
| 12 Payroll Taxes & Benefits | 27,772 | 22,594 | 122.9% | 31,180 | 8,586 |
| 13 Subtotal Personnel Expenses | 195,615 | 203,719 | 96.0% | 214,569 | 10,850 |
| 14 Occupancy | 12,897 | 14,104 | 91.4% | 14,104 | - |
| 15 Insurance | 16,400 | 17,851 | 91.9% | 17,851 | - |
| 16 Telecommunications | 1,665 | 1,800 | 92.5% | 1,816 | 16 |
| 17 Postage & Shipping | 1,784 | 2,000 | 89.2% | 1,836 | (164) |
| 18 Marketing & Communications | 9,768 | 15,158 | 64.4% | 10,216 | (4,942) |
| 19 Office Supplies & Equipment | 1,650 | 3,490 | 47.3% | 1,809 | (1,681) |
| 20 Legal Fees | 24,953 | 37,917 | 65.8% | 30,037 | (7,880) |
| 21 Accounting & Payroll Fees | 28,634 | 31,733 | 90.2% | 29,934 | (1,799) |
| 22 Other Consultants | 42,627 | 44,350 | 96.1% | 46,542 | 2,192 |
| 23 Travel, Meetings & Conferences | 2,183 | 4,720 | 46.3% | 2,626 | (2,094) |
| 24 Miscellaneous | 1,272 | 2,000 | 63.6% | 1,389 | (611) |
| 25 Subtotal Non-Personnel | 143,833 | 175,123 | 82.1% | 158,160 | (16,963) |
| 26 Total Expenses | 1,775,123 | 50,992,794 | 3.5% | 1,818,404 | (49,174,390) |
| 27 Net Surplus/(Loss) | \$ 167,050 | \$ (49,560,109) | | \$ 163,114 | \$ 49,723,223 |

SAN BRUNO

Community Foundation

Statement of Financial Position as of May 31, 2018

ASSETS

| | | |
|---------------------------------------|---------------|-------------------------|
| Cash, Wells Fargo General | \$ 284,484.90 | |
| Cash, Wells Fargo Payroll | 11,616.00 | |
| Cash, Wells Fargo Savings | 39,049.57 | |
| Cash, Fidelity Liquidity Pool | 562,924.02 | |
| Total Cash | | 898,074.49 |
| Investments, Fidelity Quasi-Endowment | 17,569,944.28 | |
| Investments, Fidelity Strategic Pool | 55,406,978.23 | |
| Accrued Interest Receivable | 29,939.62 | |
| Total Investments | | 73,006,862.13 |
| Accounts Receivable | 245.00 | |
| Prepaid Rent | 1,206.61 | |
| Prepaid Insurance | 15,151.00 | |
| Total Other Current Assets | | 16,602.61 |
| Deposits | 1,253.45 | |
| Total Other Assets | | 1,253.45 |
| TOTAL ASSETS | | <u>\$ 73,922,792.68</u> |

LIABILITIES & NET ASSETS

LIABILITIES

| | | |
|------------------------------|------------|--------------|
| Accounts Payable | 5,734.99 | |
| Payroll Taxes Payable | 4,819.19 | |
| Accrued Grants Payable | 881,737.00 | |
| Accrued Scholarships Payable | 165,000.00 | |
| Accrued Employee PTO | 12,771.73 | |
| Total Liabilities | | 1,070,062.91 |

NET ASSETS

| | |
|--|----------------|
| Unrestricted, Non-QE 7/1/2017 Balance | 54,938,593.61 |
| Transfer from Quasi-Endowment | 352,921.00 |
| Year to Date Net Income (non-investment) | (1,257,784.49) |
| Year to Date non-QE Investment Income | 1,249,055.77 |
| Total Non-QE Net Assets | 55,282,785.89 |

| | |
|---|---------------|
| Quasi-Endowment 7/1/2017 Balance | 16,614,410.94 |
| Transfer to Liquidity for Operations | (352,921.00) |
| Year to Date QE Net Investment Income | 1,308,454.34 |
| Total Quasi-Endowment Net Assets | 17,569,944.28 |

| | |
|---|-------------------------|
| Total Unrestricted Net Assets | 72,852,730.17 |
| TOTAL LIABILITIES & NET ASSETS | <u>\$ 73,922,793.08</u> |

SAN BRUNO

Community Foundation

June 2018

Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) in comparison to column b (Budget) of the monthly Budget Report. This is the final report for the 2017-2018 fiscal year.

INCOME & TRANSFERS

Line 1 Transfers from Quasi Endowment – Entire amount (\$352,921) planned for the year has been transferred.

Line 2 Transfers from Strategic Pool – Entire amount (\$1,071,914) for the year has been transferred.

Line 3 Restricted Donations – Unbudgeted amount of \$647,754 received. The total for the year has been restricted to the following programs: \$300,754 First Responder; \$126,000 Pedestrian Safety; \$100,000 Community Grants-2017; \$100,000 Community Grants-2018; and \$21,000 Community Day. The First Responder and Community Grants-2018 totals (\$400,754) will be used in the 2018-2019 fiscal year and are Temporarily Restricted Net Assets as of 6/30/2018.

Line 4 Interest Income – \$7,885 is 98.6% of budget. Actual fell \$115 short of budget.

Line 5 Miscellaneous Income – This unbudgeted \$2,000 comes from writing off the balance of a prior year grant that had been accrued, but was not fully used by the grantee.

EXPENSES

Line 7 Crestmoor Scholarships – Full budget amount of \$120,000 was awarded and recorded. All 2018 payments made by end of June.

Line 8 Community Grants Fund – Grants increased \$100,000 based on additional restricted income (see Line 3). \$300,000 expense is 150% of budget.

Line 9 Strategic Grants - \$1,023,900 (2% of budget) has been recorded based on fully executed agreements. The total breaks down as: a) Community Center Conceptual Design (\$550,000); b) Pedestrian Safety (\$263,952); c) First Responder (\$160,723); and d) 2018 Community Day (\$49,225).

Line 11 Salaries & Wages – Expense is 101.2% of budget. \$2,264 budget variance results from Board approved cost of living adjustment.

Line 12 Payroll Taxes & Benefits – Expense (\$31,179) is 138% of budget. Costs include: retirement (\$18,226); Social Security/Medicare (\$10,718); Vacation expense (\$1,100); Workers' Compensation Insurance (\$901); and Life Insurance (\$234). Budget variance of \$8,585 based on Board approved increase to employer retirement contribution.

Line 14 Occupancy – Only cost is office lease (\$14,104). Amount is exactly on budget.

Line 15 Insurance – Total (\$17,853) is 100% of budget (\$2 budget variance). Policies include: Directors & Officers (\$13,454); crime (\$3,366); and commercial liability (\$1,013).

Line 16 Telecommunications – Cost (\$1,816) is 100.9% of budget (\$16 budget variance). Costs include cellular phone (\$765), internet access (\$699), and office landline (\$353).

Line 17 Postage & Shipping – Cost (\$1,804) is 90.2% of budget (\$196 budget savings). 71% of this cost (\$1,290) incurred to distribute annual report to community. \$284 for priority mail from Accounting Consultant to office.

Line 18 Marketing & Communications - \$10,079 expense is 66.5% of budget (\$5,079 budget savings), with 68% of the total for printing (\$6,331) and graphic design (\$485) of annual report. \$1,465 incurred for hard copy Scholarships (\$955) and Community Grants (\$510) promotional material. \$1,473 has been for software and internet applications used to promote, accept, and organize Grant and Scholarship applications.

Line 19 Office Supplies & Equipment – Total (\$1,802) is 51.6% of budget (\$1,688 budget savings). Printer and copier toner has cost \$536. Office printer required repair and maintenance costing \$371. Accounting software applications have been \$305. Ergonomic computer accessories purchased for \$217.

Line 20 Legal Fees – Cost (\$30,126) is 79.5% of budget (\$7,791 budget savings). \$13,334 is related to Recreation Center, Pedestrian Safety, and Community Day Strategic Grants. \$14,692 is for San Bruno City Attorney time. \$2,070 is related to Community Grants.

Line 21 Accounting & Payroll Fees – Total (\$30,180) is 95.1% of budget. Year to date total includes Accounting (\$19,950), Audit (\$9,000), and Payroll (\$1,230) fees. Budget savings are \$1,553.

Line 22 Other Consultants - Cost (\$46,278) is 104.3% of budget (\$1,928 budget variance) and is for Program Support (\$36,278) and Technology (\$10,000) consultants.

Line 23 Travel, Meetings & Conferences – Total (\$2,864) is 60.7% of budget. \$2,555 or 89% of the cost has been for Board meetings. Budget savings are \$1,856.

Line 24 Miscellaneous – Cost (\$1,274) equals 63.7% of budget with organizational memberships (\$925) being the largest expense. Budget savings are \$726.

SUMMARY

Excluding Scholarships & Grants, total expenses are 98.4% of budget, which is a positive 1.6% budget savings. In terms of dollars, the \$372,748 in year to date expense is \$6,094 less than the year's budget.

June net Investment decrease in value is \$88,385 and is from Strategic Pool (\$30,416) and Quasi Endowment (\$57,969). Year to date net investment income is \$2,469,126 with \$1,218,640 from Strategic and \$1,250,486 from Quasi Endowment.

Overall organization 2017-2018 net income is \$1,310,116.

Total Net Assets, as of June 30, 2018 are \$72,863,121 with \$17,511,975 in Quasi Endowment; \$54,950,392 in general Unrestricted; and \$400,574 in Temporarily Restricted funds.

SAN BRUNO

Community Foundation

June 2018 2017-2018 Budget Report

| | (a) Actual Year to Date | (b) Budget | (c) Actual as % of Budget (a/b) | (d) Budget Variance (a-b) |
|--|-------------------------------|------------------------|---------------------------------------|------------------------------------|
| INCOME & TRANSFERS | | | | |
| 1 Transfers from Quasi Endowment | \$ 352,921 | \$ 352,921 | 100.0% | \$ - |
| 2 Transfers from Strategic Pool | 1,071,914 | 1,071,764 | 100.0% | 150 |
| 3 Restricted Donations | 647,754 | - | | 647,754 |
| 4 Interest Income | 7,885 | 8,000 | 98.6% | (115) |
| 5 Miscellaneous Income | 2,000 | - | | 2,000 |
| 6 Total Available for Operations | 2,082,474 | 1,432,685 | 145.4% | 649,789 |
| EXPENSES | | | | |
| 7 Crestmoor Scholarships | 120,000 | 120,000 | 100.0% | - |
| 8 Community Grants | 300,000 | 200,000 | 150.0% | 100,000 |
| 9 Strategic Grants | 1,023,900 | 50,293,952 | 2.0% | (49,270,052) |
| 10 Subtotal Direct Program Expenses | 1,443,900 | 50,613,952 | 2.9% | (49,170,052) |
| 11 Salaries & Wages | 183,389 | 181,125 | 101.2% | 2,264 |
| 12 Payroll Taxes & Benefits | 31,179 | 22,594 | 138.0% | 8,585 |
| 13 Subtotal Personnel Expenses | 214,568 | 203,719 | 105.3% | 10,849 |
| 14 Occupancy | 14,104 | 14,104 | 100.0% | - |
| 15 Insurance | 17,853 | 17,851 | 100.0% | 2 |
| 16 Telecommunications | 1,816 | 1,800 | 100.9% | 16 |
| 17 Postage & Shipping | 1,804 | 2,000 | 90.2% | (196) |
| 18 Marketing & Communications | 10,079 | 15,158 | 66.5% | (5,079) |
| 19 Office Supplies & Equipment | 1,802 | 3,490 | 51.6% | (1,688) |
| 20 Legal Fees | 30,126 | 37,917 | 79.5% | (7,791) |
| 21 Accounting & Payroll Fees | 30,180 | 31,733 | 95.1% | (1,553) |
| 22 Other Consultants | 46,278 | 44,350 | 104.3% | 1,928 |
| 23 Travel, Meetings & Conferences | 2,864 | 4,720 | 60.7% | (1,856) |
| 24 Miscellaneous | 1,274 | 2,000 | 63.7% | (726) |
| 25 Subtotal Non-Personnel | 158,180 | 175,123 | 90.3% | (16,943) |
| 26 Total Expenses | 1,816,648 | 50,992,794 | 3.6% | (49,176,146) |
| 27 Net Surplus/(Loss) | \$ 265,826 | \$ (49,560,109) | | \$ 49,825,935 |

SAN BRUNO

Community Foundation

Statement of Financial Position as of June 30, 2018

ASSETS

| | | |
|---------------------------------------|---------------|-------------------------|
| Cash, Wells Fargo General | \$ 430,663.88 | |
| Cash, Wells Fargo Payroll | 44,102.85 | |
| Cash, Wells Fargo Savings | 39,050.53 | |
| Cash, Fidelity Liquidity Pool | 355,725.07 | |
| Total Cash | | 869,542.33 |
| Investments, Fidelity Strategic Pool | 55,373,208.37 | |
| Investments, Fidelity Quasi-Endowment | 17,511,975.42 | |
| Accrued Interest Receivable | 33,293.81 | |
| Total Investments | | 72,918,477.60 |
| Pledges Receivable | 5,000.00 | |
| Prepaid Rent | 1,206.61 | |
| Prepaid Insurance | 13,603.25 | |
| Total Other Current Assets | | 19,809.86 |
| Deposits | 1,253.45 | |
| Total Other Assets | | 1,253.45 |
| TOTAL ASSETS | | <u>\$ 73,809,083.24</u> |

LIABILITIES & NET ASSETS

LIABILITIES

| | | |
|------------------------------|------------|------------|
| Accounts Payable | 16,468.02 | |
| Accrued Grants Payable | 775,622.00 | |
| Accrued Scholarships Payable | 140,000.00 | |
| Accrued Employee PTO | 13,872.32 | |
| Total Liabilities | | 945,962.34 |

NET ASSETS

| | | |
|--|----------------|----------------------|
| Unrestricted, Non-QE 7/1/2017 Balance | 54,938,593.61 | |
| Transfer from Quasi-Endowment | 352,921.00 | |
| Year to Date Net Income from Operations | (1,159,009.23) | |
| Temporarily Restricted Net Assets | (400,753.72) | |
| Year to Date Strategic Investment Income | 1,218,640.10 | |
| Total Non-QE Unrestricted Net Assets | 54,950,391.76 | |
| Quasi-Endowment 7/1/2017 Balance | 16,614,410.94 | |
| Transfer to Liquidity for Operations | (352,921.00) | |
| Year-to-date QE Investment Income | 1,250,485.48 | |
| Total QE Unrestricted Net Assets | 17,511,975.42 | |
| Total Unrestricted Net Assets | | 72,462,367.18 |
| Temporarily Restricted Net Assets | 400,753.72 | |
| Total Temporarily Restricted Net Assets | | 400,753.72 |
| Total Net Assets | | <u>72,863,120.90</u> |

| | | |
|---|--|-------------------------|
| TOTAL LIABILITIES & NET ASSETS | | <u>\$ 73,809,083.24</u> |
|---|--|-------------------------|

SAN BRUNO

Community Foundation

July 2018

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 Restricted Donations - \$3,592 received is from Benevity on behalf of Google employees in support of First Responder (\$2,392); and El Crystal PTA in support of RAC memorial bench (\$1,200).

Line 4 Interest Income – \$635 is 7.9% of budget. Liquidity Pool – Operating balance is currently \$356,359.

EXPENSES

Line 8 Strategic Grants – \$250,000 is 5.5% of budget. School Transformation grant distributed in July.

Line 10 Salaries & Wages – Expense is exactly on budget at 8.3%.

Line 11 Payroll Taxes & Benefits – Expense (\$2,062) is 9.3% of budget. Social Security/Medicare (\$1,189) is the largest cost and will be lower at the end of the calendar year. Other costs include retirement (\$777).

Line 13 Occupancy – Only cost is office lease (\$1,207). Amount is 8.2% of budget.

Line 14 Insurance – Total (\$1,458) is exactly on budget and includes Directors & Officers (\$1,124) and crime (\$242) policies.

Line 15 Telecommunications – Cost (\$162) is 8.4% of budget.

Line 16 Postage & Shipping – Cost (\$40) is 2% of budget.

Line 17 Marketing & Communications - \$29 expense is 0.2% of budget.

Line 18 Office Supplies & Equipment – Total (\$49) is 0.9% of budget.

Line 19 Legal Fees – \$120 expense is 0.3% of budget.

Line 20 Accounting & Payroll Fees – Total (\$2,379) is 7.7% of budget and is primarily for Accounting Consultant (\$2,338).

Line 21 Other Consultants - Cost (\$1,720) is 3.4% of budget and is mainly for Program Support Consultant (\$1,645).

Line 22 Travel, Meetings & Conferences – There have been no costs this year.

Line 23 Miscellaneous – Cost (\$502) equals 25.1% of budget with an organizational membership (\$500) representing most of the cost.

SUMMARY

Excluding the budget for Scholarships & Grants, total expenses are at 6.5% of budget, which is well below 8.3% benchmark for the first month of the year. In terms of dollars, the \$25,275 in first month expense is \$7,201 less than the one-month budget allocation.

Early in July, as prescribed by the Board, \$10 million was transferred from the Strategic Investment Pool to the Liquidity Pool. This amount has been segregated on the Balance Sheet and is described as: Investments, Fidelity Liquidity Pool - RAC. The funds earned \$10,124 from interest and dividends in July. Operating cash is also held in the Liquidity Pool and is described as: Cash, Fidelity Liquidity Pool - Operating.

July Investment net income is \$575,667. This came from the Strategic Pool (\$282,733) and Quasi Endowment (\$292,934).

Overall organization year to date net income is \$304,619.

Total Net Assets, as of July 31, 2018 grew to \$73,167,740 with \$17,804,909 in Quasi Endowment; \$54,962,077 in general Unrestricted funds; and \$400,754 in Temporarily Restricted Net Assets.

SAN BRUNO

Community Foundation

July 2018 2018-2019 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 | \$ - | \$ 319,980 | 0.0% | \$ 319,980 | \$ - |
| 2 Transfers from Strategic Pool | - | 4,043,704 | 0.0% | 4,043,704 | - |
| 3 Restricted Donations | 3,592 | - | | 3,592 | 3,592 |
| 4 Interest Income | 635 | 8,000 | 7.9% | 8,000 | - |
| 5 Total Available for Operations | 4,227 | 4,371,684 | 0.1% | 4,375,276 | 3,592 |
| EXPENSES | | | | | |
| 6 Crestmoor Scholarships | - | 120,000 | 0.0% | 120,000 | - |
| 7 Community Grants | - | 200,000 | 0.0% | 300,000 | 100,000 |
| 8 Strategic Grants | 250,000 | 4,570,000 | 5.5% | 4,570,000 | - |
| 9 Subtotal Direct Program Expenses | 250,000 | 4,890,000 | 5.1% | 4,990,000 | 100,000 |
| 10 Salaries & Wages | 15,547 | 186,559 | 8.3% | 186,559 | - |
| 11 Payroll Taxes & Benefits | 2,062 | 22,284 | 9.3% | 22,284 | - |
| 12 Subtotal Personnel Expenses | 17,609 | 208,843 | 8.4% | 208,843 | - |
| 13 Occupancy | 1,207 | 14,657 | 8.2% | 14,657 | - |
| 14 Insurance | 1,458 | 17,493 | 8.3% | 17,493 | - |
| 15 Telecommunications | 162 | 1,920 | 8.4% | 1,920 | - |
| 16 Postage & Shipping | 40 | 2,000 | 2.0% | 2,000 | - |
| 17 Marketing & Communications | 29 | 15,618 | 0.2% | 15,618 | - |
| 18 Office Supplies & Equipment | 49 | 5,219 | 0.9% | 5,219 | - |
| 19 Legal Fees | 120 | 36,786 | 0.3% | 36,786 | - |
| 20 Accounting & Payroll Fees | 2,379 | 31,000 | 7.7% | 31,000 | - |
| 21 Other Consultants | 1,720 | 50,050 | 3.4% | 50,050 | - |
| 22 Travel, Meetings & Conferences | - | 4,130 | 0.0% | 4,130 | - |
| 23 Miscellaneous | 502 | 2,000 | 25.1% | 2,000 | - |
| 24 Subtotal Non-Personnel | 7,666 | 180,873 | 4.2% | 180,873 | - |
| 25 Total Expenses | 275,275 | 5,279,716 | 5.2% | 5,379,716 | 100,000 |
| 27 Net Surplus/(Loss) | \$ (271,048) | \$ (908,032) | | \$ (1,004,440) | \$ (96,408) |

25,275 389,716 6.5% 7,201

SAN BRUNO

Community Foundation

Statement of Financial Position as of July 31, 2018

ASSETS

| | | |
|--|---------------|-------------------------|
| Cash, Wells Fargo General | \$ 176,693.81 | |
| Cash, Wells Fargo Payroll | 26,589.63 | |
| Cash, Wells Fargo Savings | 39,051.53 | |
| Cash, Fidelity Liquidity Pool - Operating | 356,358.65 | |
| Total Cash | | 598,693.62 |
| Investments, Fidelity Liquidity Pool - RAC | 10,010,324.12 | |
| Investments, Fidelity Strategic Pool | 45,647,786.64 | |
| Investments, Fidelity Quasi-Endowment | 17,804,909.12 | |
| Accrued Interest Receivable | 31,124.86 | |
| Total Investments | | 73,494,144.74 |
| Prepaid Rent | 1,206.61 | |
| Prepaid Insurance | 12,336.50 | |
| Total Other Current Assets | | 13,543.11 |
| Deposits | 1,253.45 | |
| Total Other Assets | | 1,253.45 |
| TOTAL ASSETS | | <u>\$ 74,107,634.92</u> |

LIABILITIES & NET ASSETS

LIABILITIES

| | | |
|------------------------------|------------|------------|
| Accounts Payable | 10,400.73 | |
| Accrued Grants Payable | 775,622.00 | |
| Accrued Scholarships Payable | 140,000.00 | |
| Accrued Employee PTO | 13,872.32 | |
| Total Liabilities | | 939,895.05 |

NET ASSETS

| | | |
|--|---------------|-------------------------|
| Unrestricted, Non-QE 7/1/2018 Balance | 54,950,391.76 | |
| Year to Date Net Income from Operations | (271,048.17) | |
| Year to Date Strategic Investment Income | 282,733.44 | |
| Total Non-QE Unrestricted Net Assets | 54,962,077.03 | |
| Quasi-Endowment 7/1/2018 Balance | 17,511,975.42 | |
| Year-to-date QE Investment Income | 292,933.70 | |
| Total QE Unrestricted Net Assets | 17,804,909.12 | |
| Total Unrestricted Net Assets | | 72,766,986.15 |
| Temporarily Restricted Net Assets | 400,753.72 | |
| Total Temporarily Restricted Net Assets | | 400,753.72 |
| Total Net Assets | | <u>73,167,739.87</u> |
| TOTAL LIABILITIES & NET ASSETS | | <u>\$ 74,107,634.92</u> |

SAN BRUNO

Community Foundation

Memorandum

DATE: August 31, 2018

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 5, 2018, 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 22, 2018.

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 2018 and presented the second-quarter performance of the Foundation's investment portfolio. As of June 30, 2018, the Foundation's three investment accounts had the following balances: \$17,521,667 for the Quasi-Endowment, \$55,451,122 for the Strategic Pool, and \$356,359 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 5, 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

SAN BRUNO

Community Foundation

Memorandum

portfolio, (c) the performance of the Foundation's investment portfolio, and (d) an update on Sand Hill.

Attachment:

1. Slides for Sand Hill Global Advisors' 2018 Annual Report to the SBCF Board of Directors

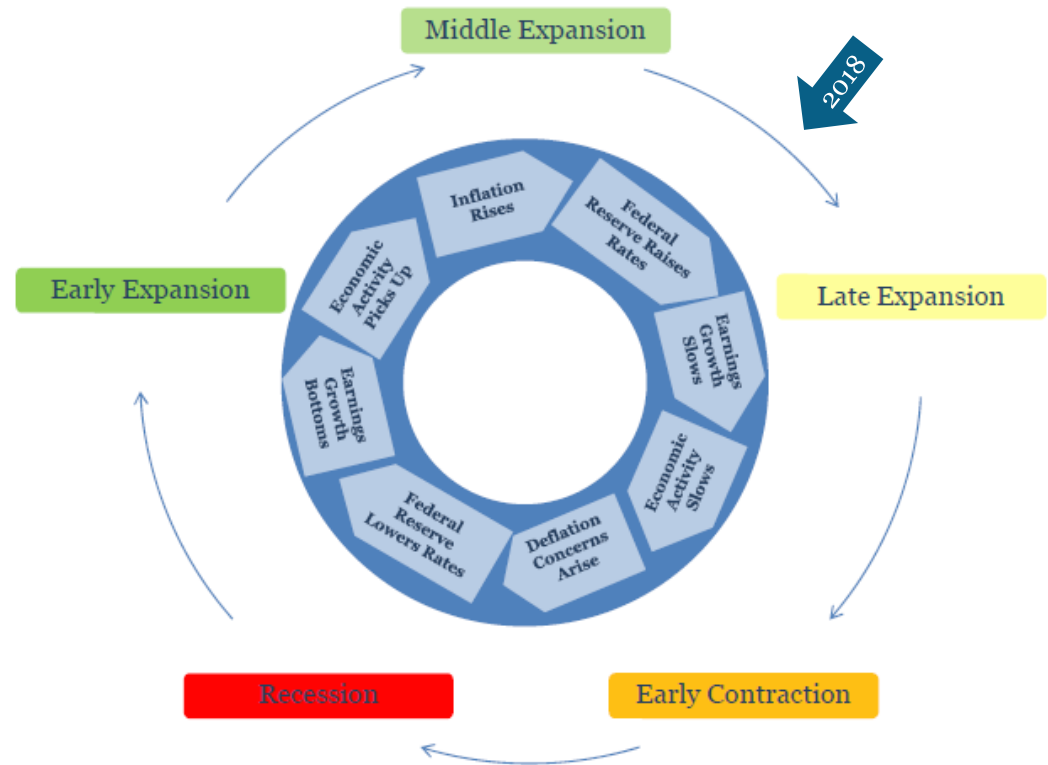


2018 Annual Report to the SBCF Board of Directors

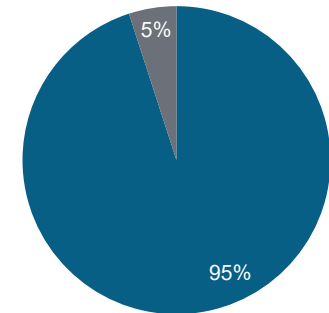
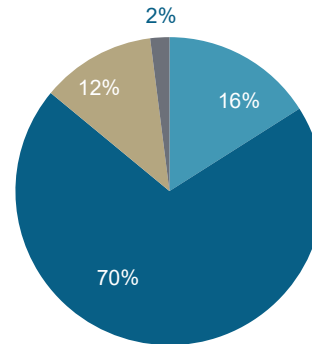
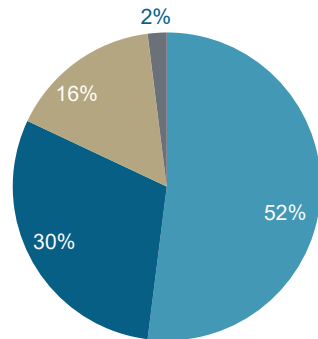
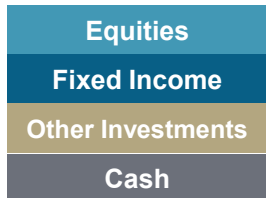
September 5th, 2018

SHGA Economic and Market Overview

- We categorize the current stage of the economic cycle as being mid-to-late cycle.
- Global economic growth has continued to be above trend, however, the threat of a potential trade war could begin to weigh on sentiment, offsetting some of the positive impact in the U.S. from recent tax reform and potential easing of regulations.
- Market volatility, interest rates and inflation have all begun to rise and we expect this to continue throughout the year. For now, financial conditions remain loose compared to historical levels.
- The duration of this cycle's momentum remains a source of debate with many speculating we are at the peak of the economic cycle. However, growth could certainly persist and may be positively influenced by fiscal spending projects next year.



SBCF Asset Allocation



Initial Funding Value:

Quasi-Endowment Custom Balanced

\$15,000,000

Risk Tolerance:

Moderately Conservative

Time Horizon:

Long-Term

Cash Flows

Up to 7% Per Year

Objective(s):

Capital Appreciation
Capital Preservation

Strategic Pool Custom Conservative

~ \$53,600,000

Conservative

Mid-Term

100% within next 5-8 Years

Capital Preservation
Capital Appreciation

Liquidity Pool Short-Term Cash & Fixed Income

\$1,345,290

Conservative

Short-Term

100% within 24 months

Capital Preservation



Note: Pie graphics depict the Strategic Asset Allocation weightings for each strategy.
Sand Hill Global Advisors. All rights reserved.

SBCF Portfolio Update

| | <u>Quasi-Endowment</u> | | <u>Strategic Pool</u> | | <u>Liquidity Pool</u> | |
|-------------------------------------|-------------------------------------|---------------|-------------------------------------|---------------|-------------------------------------|---------------|
| <i>6/30/18 Balance ¹</i> | \$17,521,667 | | \$55,451,122 | | \$356,359 | |
| <i>6/30/18 Allocation:</i> | <u>Current</u> | <u>Target</u> | <u>Current</u> | <u>Target</u> | <u>Current</u> | <u>Target</u> |
| <i>Stocks</i> | 56% | 52% | 19% | 16% | 0% | 0% |
| <i>Bonds</i> | 29% | 30% | 69% | 70% | 95% | 95% |
| <i>Other Assets</i> | 13% | 16% | 10% | 12% | 0% | 0% |
| <i>Cash</i> | 3% | 2% | 3% | 2% | 5% | 5% |
| <i>6/30/18 Performance:</i> | | | | | | |
| <i>1 Year</i> | 7.16% | | 2.22% | | 1.80% | |
| <i>Since Inception ²</i> | 8.86% | | 2.62% | | 1.54% | |
| <i>Portfolio Within</i> | | | | | | |
| <i>IPS & IOP Guidelines:</i> | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |



(1) The ending balances listed include late-posted dividends and trade date values. They may not directly reflect the custodian's statement value.
 (2) Performance shown is net of fees. Annualized performance since inception. Inception date on all portfolios was 5/31/2016.
 Sand Hill Global Advisors. All rights reserved.

SBCF Portfolio Balance Update

Balance History:

| | |
|--|----------------------|
| • Approximate Initial Combined Funding Value | \$69,945,290 |
| • Total Withdrawals Since Inception | (\$2,432,000) |
| • <u>6/30/2018 Combined Value</u> | <u>\$73,329,147</u> |
| • Change in Portfolio Value Since Inception | \$3,383,857 |
| • Total Value Added Since Inception | \$5,815,857 |

Recent Transfer History:

- 7/5/18 → \$10,000,000 Transfer from Strategic Pool to Liquidity Pool
- 8/1/18 → \$700,000 Transfer from Strategic Pool to Liquidity Pool

Current Balance Information¹:

| | |
|--------------------------|---------------------|
| • Quasi-Endowment Pool: | \$18,036,845 |
| • Strategic Pool: | \$45,268,971 |
| • <u>Liquidity Pool:</u> | <u>\$11,084,662</u> |
| • Total Combined Value | \$74,390,480 |

Estimated QTD Performance²:

2.83%
1.15%
0.27%



(1) Current balance information as of 8/27/18.

(2) Performance shown is net of fees. Estimated Performance as of 8/27/18.
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Note: The ending balances listed include late-posted dividends and trade date values. They may not directly reflect the custodian's statement value

Sand Hill Global Advisors: Firm Update

Firm Updates Since Last Report:

- Over \$2.2 billion in Assets Under Management (AUM) as of June 30, 2018.
- 25 employees, including 11 internal shareholders.
- No turnover of professional staff outside of retirement.
- Sand Hill remains committed to our role as an independent fiduciary.
- Sand Hill is actively pursuing a smart growth strategy.

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



Sand Hill Global Advisors. All rights reserved.

Thank You

For more information visit:

sandhillglobaladvisors.com

The bottom of the slide features two large, overlapping geometric shapes. On the left is a dark blue triangle pointing downwards. On the right is a larger, medium-blue triangle pointing upwards, which overlaps with the dark blue triangle.

SAN BRUNO

Community Foundation

Memorandum

DATE: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report on Music Education Strategic Initiative

In May 2017, the Board approved strategic grants to the San Bruno Education Foundation (SBEF) and the Capuchino High School Alumni Association (CHSAA) 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 2017, per the terms of the two grant agreements, the Foundation made the first year installments of the strategic grants to SBEF (\$201,618) and CHSAA (\$90,820). SBEF and CHSAA submitted their first annual reports, per the grant agreements, in March, and SBEF provided a follow-up letter in May. A summary of the grant reports was included in the packet for the June 6, 2018, Board meeting.

Per the terms of the two grant agreements, the Foundation paid out the second year installments of the strategic grants to SBEF and CHSAA in mid-June 2018 (\$97,480 and \$16,860, respectively).

At this juncture – more than one year into the three-year grant period – I have invited representatives of SBEF and CHSAA to report on activities funded by the initiative thus far. On September 5, 2018, SBEF Vice President Bryan Vander Lugt and CHSAA Vice President Judy Puccini will share with the Board highlights from the first year of the initiative and preview activities for the second year. Of note, they will provide information about "Music in the Air," the upcoming community-wide celebration of music and art, that will be held on Saturday, November 3, 2018, at the Samuel Johnson, Jr. Performing Arts Center at Capuchino High School. The event will serve as both a community showcase for music in San Bruno's public schools and a fundraising vehicle for the music programs once Foundation funding sunsets.

SAN BRUNO

Community Foundation

Memorandum

DATE: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from Ad Hoc Committee on Recreation and Aquatics Center Project, Including Resolution Approving Strategic Grant to the City of San Bruno for Architectural and Project Management Services Related to the Schematic Design, Development of Construction Documents, and Support through Project Construction for the Recreation Center and Aquatics Center Project in an Amount Not to Exceed \$5,625,000

In March 2018, the Board created the Ad Hoc Committee on Recreation and Aquatics Center Project to serve as the Foundation's liaison to the City of San Bruno in the design and construction of a new recreation and aquatics center in San Bruno City Park, to be funded by \$50 million in strategic grants from the Foundation. As chair, President Nancy Kraus will provide an update on the Recreation and Aquatics Center Project at the September 5, 2018, Board meeting. Vice President Frank Hedley also sits on the Committee.

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.

The overall project is designed in three phases: conceptual design, development of schematic design plans and construction drawings, and construction. The original plan was to execute a grant agreement for the entire project. Upon advice of our nonprofit counsel at the NEO Law Group, I engaged a team of attorneys at Cox, Castle & Nicholson, a California firm that specializes in real estate and construction law, to provide guidance on the construction aspects of the grant agreement. In discussing all the issues and open questions surrounding a complex construction project like the building of the recreation center/pool facility, the attorneys suggested and I concluded that the most prudent course of action would be to proceed first with a grant agreement for the conceptual design stage only. The City agreed to proceed with a grant agreement for the conceptual design phase.

On November 1, 2017, the Board approved a strategic grant to the City, in an amount not to exceed \$550,000, to cover expenses in connection with the conceptual design of a community recreation and aquatics center for the benefit of the public.

SAN BRUNO

Community Foundation

Memorandum

After a request for proposals/qualifications process, the City hired Group 4 Architecture, Research + Planning, Inc., a South San Francisco-based full-service architectural firm with a wealth of experience on municipal community facilities projects, to lead the conceptual design phase. In two rounds of outreach (including community meetings, open houses, popup events, and an online survey) over the first half of 2018, Group 4 solicited community input on program options, site and building diagram options, design values prioritization, specific design strategies, exterior material palettes, and landscape design values and then proposed a conceptual design for the new facility. The development of the conceptual design included several components, including program alternatives, site analysis and alternatives, building alternatives, project budget and operating strategies, analysis and evaluation of identified alternatives, recommended alternative, conceptual design package and budget, and public engagement. The City Council approved Group 4's final recommendations on June 26, 2018.

Under the terms of the conceptual design grant agreement, the Foundation paid the first \$381,500 of the grant to the City in March 2018. Upon receipt of the grant report, which is due by October 31 and will include a financial accounting of project expenses, the Foundation will disburse to the City the final payment for the conceptual design grant. It is expected that the City did not expend the full \$168,500 balance of the grant during the conceptual design phase, and that the total grant amount will be less than the not-to-exceed amount of \$550,000.

On July 24, 2018, the City Council approved the selection of Group 4 to provide architectural services for the second phase of the project (schematic design and construction documents) and for support services through the construction phase. The scope of work includes schematic design development, design development and review, construction documents, bid documents and back check, support to bidding and award of the construction contract, and construction support. The project includes the realignment of City Park Way, improvements to the parking lot and landscaping along City Park Way, in addition to demolition of the existing facilities and new construction. The Council authorized the City Manager to execute a contract with Group 4 for an amount not to exceed \$5,420,388.

Prior to the completion of the construction drawings and bidding the project, the City will have the ability to structure the bid documents in a manner that allows flexibility in the award of the construction contract by bidding certain features, such as the outdoor pool, as a "project alternate." In the event that construction costs through the public bid process exceed reasonable estimates and available project funding, the outdoor pool and/or other "alternate" features of the project could be eliminated or deferred for construction at a later time. Group 4 will also look into other methods to control costs, minimize cost escalation, and ensure delivery of the project with the current budget of \$50 million. Group 4 will also focus on options to package project components for design so that certain parts of the overall construction work

SAN BRUNO

Community Foundation

Memorandum

might be delivered in phases, in order to expedite project delivery and limit cost escalation due to time of project delivery.

For the next phase of the project, the City Manager anticipates the need to incorporate project management services for technical expertise and review of the construction drawings, at a cost of approximately \$200,000.

On September 5, the Board will consider the attached resolution approving a strategic grant, in an amount not to exceed \$5,625,000, to the City of San Bruno to cover the next set of expenses associated with the design, development, and construction of a community recreation center and aquatic center for the benefit of the public. More specifically, the grant would assist the City of San Bruno with the costs to be incurred in connection with obtaining architectural firm services through the completion of the project. The grant would also cover the costs associated with additional activities to be carried out in the next phase of the project, including, but not limited to, the hiring of project management services. The resolution would also authorize me as Executive Director to finalize and execute on behalf of the Foundation a grant agreement setting forth the specific terms and conditions, including the specific grant purposes, for such a grant to the City of San Bruno in an amount not to exceed \$5,625,000.

Please note that in developing the Foundation's FY2018-2019 budget, based on preliminary estimates for the project's second phase, we envisioned a second recreation and aquatics center grant of about \$4 million. Group 4 ultimately decided to include in its proposal to the City all architectural services for the remainder of the project, including support for the construction phase, totaling \$5,420,388. As a result, if approved this grant would exceed the budgeted amount. The \$5,625,000 grant (like the initial grant for the conceptual design phase) would be counted against the \$50 million total the Foundation has earmarked for this project.

The Committee recommends that the Board approve the attached resolution. Upon Board approval, I will work with the City Manager to finalize a grant agreement for this grant.

Attachments:

1. Resolution Approving Strategic Grant to the City of San Bruno for Architectural and Project Management Services Related to the Schematic Design, Development of Construction Documents, and Support through Project Construction for the Recreation Center and Aquatics Center Project in an Amount Not to Exceed \$5,625,000
2. Draft Project Timeline
3. Drawing of Conceptual Design Adopted by the City Council on June 26, 2018

RESOLUTION NO. 2018-__

RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION APPROVING STRATEGIC GRANT TO THE CITY OF SAN BRUNO FOR ARCHITECTURAL AND PROJECT MANAGEMENT SERVICES RELATED TO THE SCHEMATIC DESIGN, DEVELOPMENT OF CONSTRUCTION DOCUMENTS, AND SUPPORT THROUGH PROJECT CONSTRUCTION FOR THE RECREATION CENTER AND AQUATICS CENTER PROJECT IN AN AMOUNT NOT TO EXCEED \$5,625,000

WHEREAS, in the spring of 2015 the San Bruno Community Foundation conducted a Community Listening Campaign, through which the upgrade and expansion of San Bruno's community facilities, including its recreation center, swimming pool, and library, as well as the need for community center facilities, were identified as important community needs;

WHEREAS, in November 2015, the Foundation's Board of Directors established a quasi-endowment of \$15 million to be invested following a long-term investment strategy, with the remaining balance of the approximately \$70 million in the Foundation's funds to be used to fund programs and operations, and identified strategic grantmaking priorities, including such capital projects as upgraded library/community center, year-round swimming pool, and recreation center facilities;

WHEREAS, in January 2016, the Board agreed to provide funds not to exceed \$300,000 to the City of San Bruno to fund the completion of a Community Facilities Vision Plan focused on the Foundation's capital project strategic priorities and related facilities;

WHEREAS, from late summer 2016 through the beginning of 2017, the City of San Bruno, with the assistance of Anderson Brule Architects, conducted a community facilities visioning and prioritization process that solicited input from the San Bruno community on capital project concepts involving standalone and combined recreation center, library, community center, and swimming pool facilities;

WHEREAS, on February 14, 2017, after receiving and considering the results of the community facilities visioning and prioritization process, the San Bruno City Council agreed by consensus to build a new recreation and aquatics center facility in San Bruno City Park and directed the City Manager to (a) move forward with selecting a firm to do preliminary conceptual design development and programming, and (b) formally request from the Foundation funding of \$50 million to support this project;

WHEREAS, concluding that a new recreation and aquatics center would be a meaningful investment benefiting the entire San Bruno community for years to come and a tangible tribute to the Crestmoor neighborhood and those residents who most directly experienced the devastation of the 2010 gas pipeline explosion, on March 1, 2017, the Board approved a resolution expressing its support for the concept of the Foundation making a strategic grant to the City of San Bruno for the planning, design, and construction of a new recreation and

aquatics center in an amount not to exceed \$50 million and directing the Executive Director to proceed with negotiating and proposing the terms of such grant arrangement with the City;

WHEREAS, upon advice of legal counsel, the Executive Director and the Ad Hoc Committee on Program Strategy Development proposed a multi-stage grantmaking approach to the project, beginning with a strategic grant to cover expenses related to the project's conceptual design stage;

WHEREAS, on November 1, 2017, the Board approved a strategic grant, in an amount not to exceed \$550,000, to the City of San Bruno to cover expenses in connection with the conceptual design of a community recreation and aquatics center for the benefit of the public;

WHEREAS, with the assistance of Group 4 Architecture, Research + Planning, Inc., the City of San Bruno completed the conceptual design phase of the recreation and aquatics center and is ready to commence the second phase of the project (schematic design and construction documents development);

WHEREAS, the City Council, on July 24, 2018, authorized the City Manager to execute a contract with Group 4, in an amount not to exceed \$5,420,388, for architectural services related to the recreation and aquatics center project for tasks including schematic design development, preparation of construction and bid documents, and support to the construction bid and award processes and through the project construction; and

WHEREAS, the City Manager also seeks to hire acquire project management services, costing approximately \$200,000, for technical expertise and review of the construction drawings.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors approves a strategic grant, in an amount not to exceed \$5,625,000, to the City of San Bruno to cover additional expenses associated with the design, development, and construction of a community recreation center and aquatic center for the benefit of the public. More specifically, the grant shall be made to assist the City of San Bruno with the costs to be incurred in connection with obtaining architectural firm services through the completion of the project. The grant shall also be made to cover the costs associated with additional activities to be carried out in the next phase of the project, including, but not limited to, the hiring of project management services.

BE IT RESOLVED FURTHER that the Board hereby authorizes Executive Director Leslie Hatamiya to finalize, and execute on behalf of this corporation, a Grant Agreement setting forth the specific terms and conditions, including the specific grant purposes, for such a grant to the City of San Bruno in an amount not to exceed \$5,625,000.

Dated: September 5, 2018

ATTEST:

John McGlothlin, Secretary

I, John McGlothlin, Secretary, do hereby certify that the foregoing Resolution No. 2018-__ was duly and regularly passed and adopted by the Board of Directors of The San Bruno Community Foundation on this 5th day of September, 2018, by the following vote:

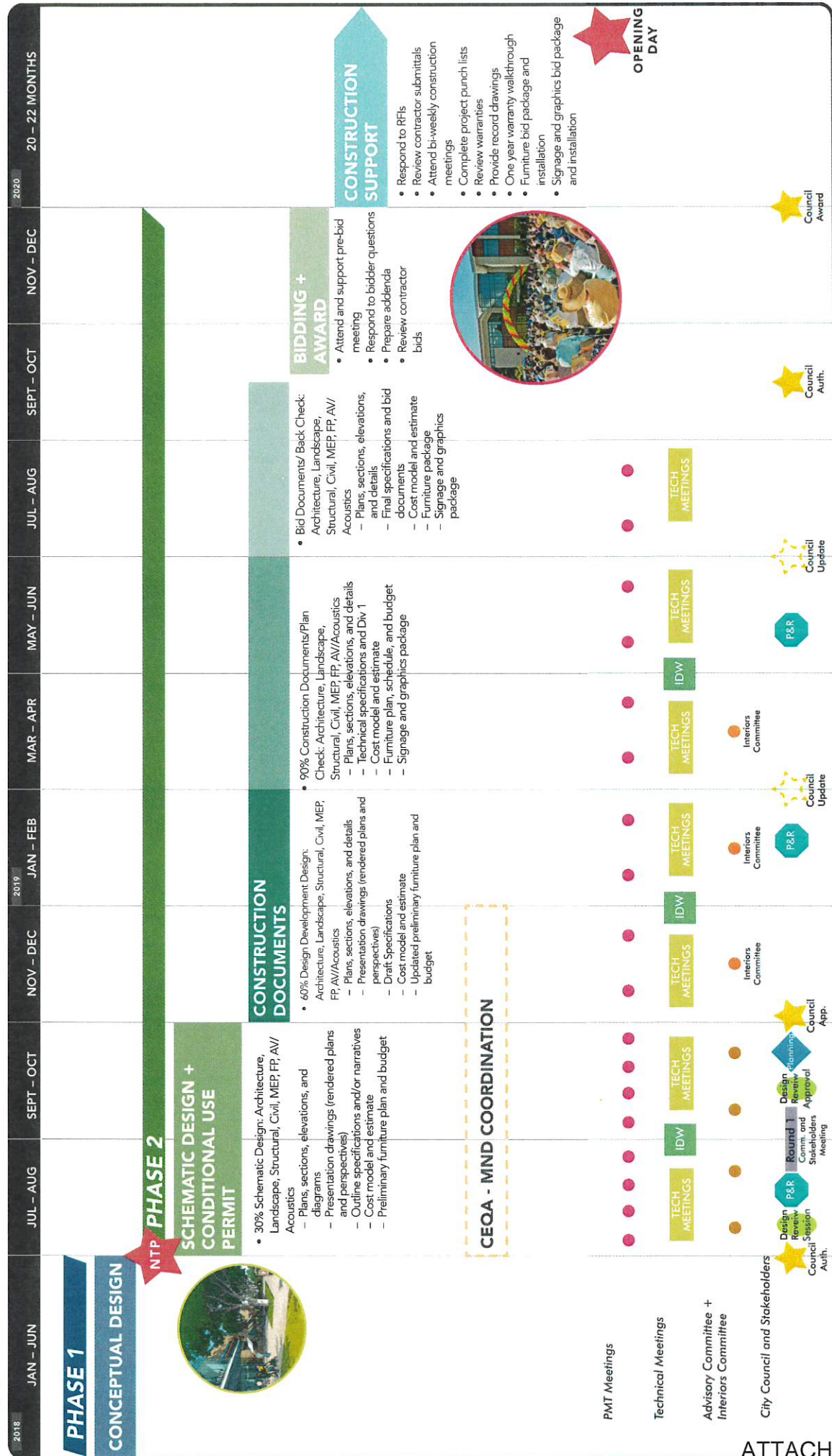
AYES: Board members:

NOES: Board members:

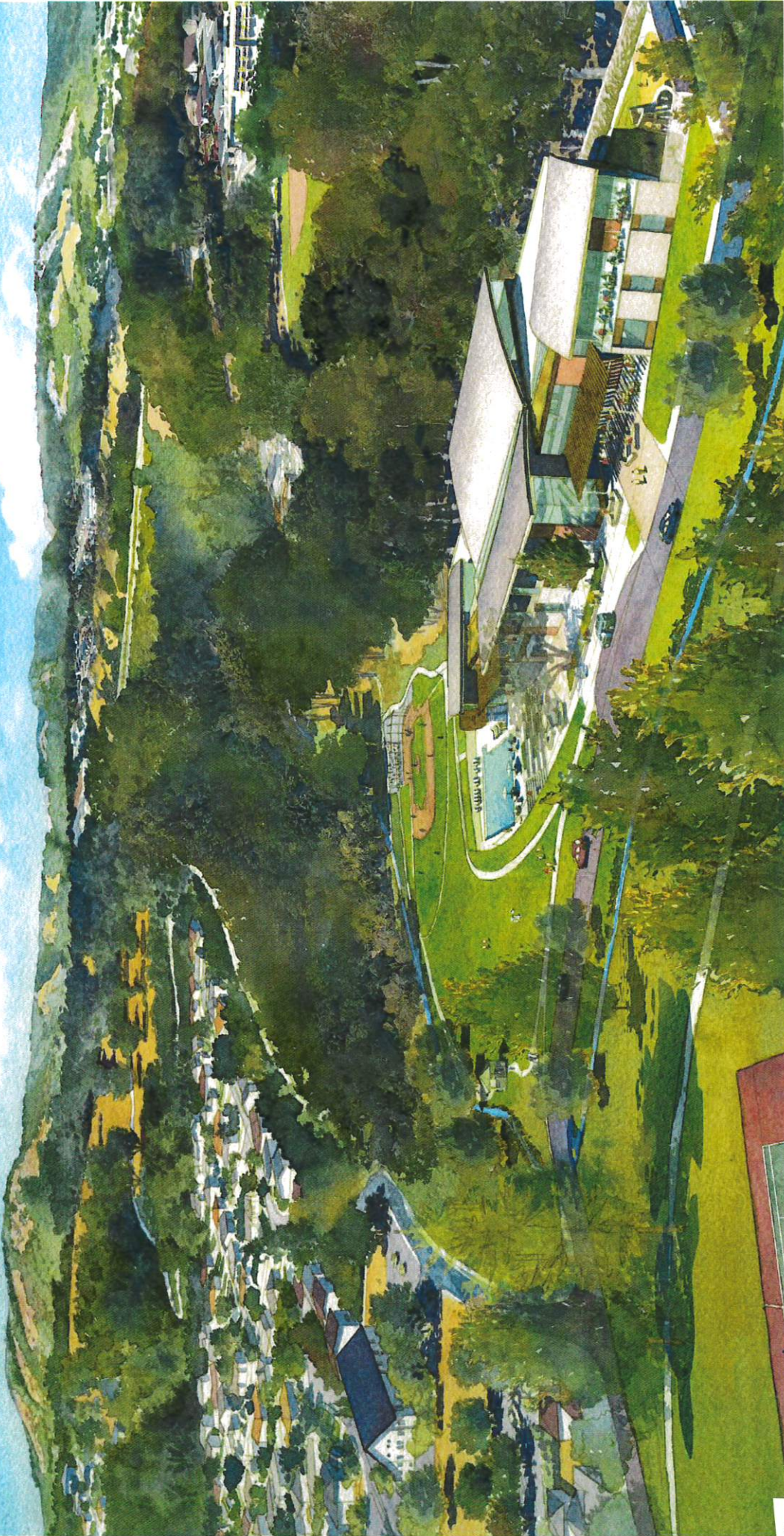
ABSENT: Board members:



SAN BRUNO RECREATION CENTER AND AQUATICS CENTER
DRAFT PROJECT TIMELINE



CONCEPTUAL DESIGN STRATEGY



GROUP 4

DRAFT 06/26/18

22

SAN BRUNO RECREATION & AQUATICS CENTER
CONCEPTUAL DESIGN

SAN BRUNO

Community Foundation

Memorandum

DATE: August 31, 2018

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, Other Strategic Grants)

At the September 5, 2018, 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 other strategic grants. Ms. Rutgers assists in the day-to-day administration of the Community Grants Fund and the Crestmoor Scholarship.

1. Community Grants Fund

The 2018-2019 cycle of the Community Grants Fund launched at the beginning of July. This cycle is following the same timeline as the last two years – online application available at the beginning of July, a late September application deadline (Wednesday, September 26), and Board consideration of the review panel's recommendations at the December Board meeting.

Program posters and flyers (see attached) have been posted around town since early July. Thank you to Ms. Rutgers and Secretary John McGlothlin for distributing materials to local businesses and gathering places.

Thus far we have conducted two grant workshops, the first on July 16 and the second on August 14. A third grant workshop will be held on September 10 in Room 115 at San Bruno City Hall, from 6:00 to 7:00 p.m. Attendance at the first grant workshop was modest, but the August workshop was well attended (about 20 people) and we expect a large audience at the September workshop. As in past years, we have compiled questions asked at the grant workshops and answered them in an "FAQs" document posted on the website.

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 at least 12 people consisting of community members and individuals with nonprofit grantmaking experience.

As you will recall, in June the Board approved a \$200,000 program disbursement budget for this year's program. In addition, at the end of June, YouTube and Google.org confirmed that they are

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providing \$100,000 in funding to the Community Grants Fund again this year. As a result, the Foundation plans to distribute a total of \$300,000 in Community Grants in December.

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, 2017, and 2018 Crestmoor Scholars. Each of the continuing 2016 and 2017 recipients provided a brief summary of his/her 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 2018 Crestmoor Scholarship had to provide proof of enrollment for the fall term to receive their first scholarship payments.

A brief update on several of the 2016 and 2017 Crestmoor Scholars is included in the Foundation's 2018 Annual Report, along with biographies and photos of the 2018 Crestmoor Scholars.

The 2019 Crestmoor Scholarship will launch in early December, and the application deadline will be March 6, 2019.

3. Other Strategic Grants

a. Community Day 2018

As reported previously, Community Day was held on Sunday, June 3, 2018, at San Bruno City Park in conjunction with the San Bruno Lions Club's annual Posy Parade. In addition to providing grant funding of up to \$30,000, the Foundation assisted the City in soliciting sponsorships from other community partners. The City received sponsorship donations from the Sammut Family Foundation, YouTube, PG&E, and Recology San Bruno, while the City received sponsorships directly from Skyline College and Jack's Restaurant and Bar. Over the summer, the Foundation received the City's grant report for Community Day, detailing expenses of \$63,804 and ride wristband revenue of \$9,330. Because we solicited more outside sponsorships than expected, funding from the Foundation has been reduced to \$28,225, so that the total grant that from the Foundation to the City is \$49,225 (\$28,225 from SBCF, \$10,000 from the Sammut Family Foundation, \$5,000 from YouTube, \$5,000 from PG&E, and \$1,000 from Recology San Bruno). The grant payment was recently disbursed to the City.

b. Pedestrian Safety Strategic Initiative

Last year, the Board approved a strategic grant of \$263,952 to the City of San Bruno to support pedestrian safety improvements in San Bruno, including the installation of five sets of flashing beacons at unsignalized or mid-block crosswalks. As reported previously, installation of flashing beacons at two school sites (two

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sets at Parkside Intermediate School and one at Portola Elementary School) was completed in February. The City is scheduled to install two additional sets of flashing beacons in September – one on the southern end of San Mateo Avenue in the downtown area and one near John Muir Elementary School. The original plan called for two sets of flashing beacons downtown, but one intersection (corner of Jenevein and San Mateo Avenue) became an all-way stop, negating the need for flashing beacons there. Instead, the City, in consultation with the San Bruno Park School District, suggested the installation of flashing beacons near John Muir Elementary School, which will see an increased enrollment this year with the closing of El Crystal Elementary School.

c. Florida Avenue Park Development

As you know, the Foundation committed \$200,000 to the City's plans to build a new neighborhood park on Florida Avenue on the east side of San Bruno. Construction work on the park continues to be delayed due to issues with the design and community concerns about two trees slated to be removed.

d. First Responder Effectiveness Strategic Initiative

Implementation of the three projects funded by the initial First Responder grant is proceeding on schedule, with the purchase of the emergency shelter supplies and the scheduling of the Police mindfulness training in December. The Police Department is working with the consultants to proceed with the critical facilities site assessments later this year.

First Responder donations from Google.org and employees from Google and YouTube have totaled slightly more than \$303,000. The City is working on another first responder proposal to be funded by these additional funds, which we hope to bring to the Board for approval in the coming months.

e. Schools Transformation Strategic Grant

On June 6, the Board approved a \$250,000 grant to the San Bruno Education Foundation (SBEF) to support two projects central to the San Bruno Park School District's current efforts to transform into "Schools with Tomorrow Inside" – the Sobrato Early Academic Language (SEAL) Program at Belle Air and Allen Elementary Schools and the Parkside Intermediate School Accelerating Student Learning Through Systems Transformation. Later that month, SBEF and I executed a grant agreement for this strategic grant, and in early July the Foundation disbursed payment of the \$250,000 grant to SBEF. The school district has begun implementation of both projects for the 2018-2019 school year.

Attachments:

1. 2018-2019 Community Grants Fund Poster
2. 2018-2019 Community Grants Fund Information Sheet (in English and Spanish)



**Grant
Application
Deadline:**

**Wednesday,
September 26,
2018**

**If your community organization is
enhancing the quality of life in San Bruno,
apply for a Community Grant!**

Community Grants Fund

Community groups may apply for grants of up to \$25,000 to support 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 or

Attend an optional Grant Workshop

Monday, July 16 • Tuesday, August 14 • Monday, September 10
6:00-7:00 p.m.

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

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The Community Grants Fund is funded with support from  YouTube  Google.org

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Community Foundation

COMMUNITY GRANTS FUND

APPLICATION DEADLINE: SEPTEMBER 26, 2018

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.

The Community Grants Fund is funded with support from  YouTube  Google.org

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 2018-2019 grant cycle, the Foundation intends to award, in connection with the Community Grants Fund, multiple grants totaling \$300,000 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 2019 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.**

Monday, July 16

Tuesday, August 14

Monday, September 10

**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: 26 DE SEPTIEMBRE DE 2018

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.

El Fondo de Subvenciones de la Comunidad está financiado con el apoyo de  YouTube  Google.org

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 disritos 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 2018-2019 ciclo de subsidios, la Fundación propone adjudicar, en relación con el Fondo de Subvenciones de la Comunidad, múltiples subvenciones por un total \$300,000 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 2019 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
- Construir una comunidad
- La salud y la seguridad de la comunidad
- Servicios humanos y sociales para todos
- Deportes y recreación
- Vitalidad económica
- Educación
- Intra-San Bruno tránsito
- Actividades de los jóvenes
- Vivienda económica, sana y estable
- Espacios públicos, parques y espacios abiertos

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.**

**Lunes, 16 de junio
Martes, 14 de agosto
Lunes, 10 de septiembre**

**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: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Report from the Audit Committee on FY 2017-2018 Audit

At the September 5, 2018, 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 in accordance with the applicable provisions of the Supervision of Trustees and Fundraisers for Charitable Purposes Act. As authorized by the Board on March 7, 2018, the Foundation is again using 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, 2018, and to prepare the Foundation's annual federal and state tax returns. As in past years, engagement partner Lance Smith is 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 27, well ahead of the original September 4 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 the day of the Board meeting; 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 19. 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, at San Bruno City Hall, Room 101, during which the Novogradac team will review the audited financials with the Committee. The Committee's expectation is that Mr. Smith will present the FY 2017-2018 audited financials to the Board at its November 7 meeting.

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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: August 31, 2018

TO: Board of Directors, San Bruno Community Foundation

FROM: Leslie Hatamiya, Executive Director

SUBJECT: Discussion Regarding Upcoming Officer Elections for 2019 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 2019 officers, including President, Vice President, Secretary, and Treasurer, at its regular meeting on November 7, 2018. Per the Process for Electing Officers, the subject of these elections has been agendized for the September 5, 2018, Board meeting (as the October 3, 2018, Board meeting is being canceled), giving Board members the opportunity to comment on the elections prior to the November 7 election. Board members will be able to ask questions and make comments on September 5 related to the 2019 officer elections in November.