

# 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*

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### AGENDA

#### SAN BRUNO COMMUNITY FOUNDATION

#### Regular Meeting of the Board of Directors

**March 7, 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:** January 29, 2018, Special Board Meeting
- 4. Board Member Comments**
  - a. President
  - b. Others
- 5. Executive Director's Report**
- 6. Consent Calendar:** All items are considered routine or implement an earlier Board action and may be enacted by one motion; there will be no separate discussion unless requested by a Board Member or staff.
  - a. Adopt Resolution Canceling April 4 and May 2, 2018, Regular Meetings of the Board of Directors

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## Community Foundation

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- b. Adopt Resolution Authorizing Executive Director to Bind Directors and Officers Liability Insurance Policy from Philadelphia Insurance Companies for an Amount Not to Exceed \$13,485
- c. Adopt Resolution Authorizing President Nancy Kraus to Execute a Contract with Novogradac & Company LLP for Audit and Tax Preparation Services for Fiscal Year 2017-2018 for an Amount Not to Exceed \$9,000
- d. Approve Resolution Adjusting Executive Director's Compensation
- e. Receive and Approve Treasurer's Report (November 2017, December 2017, and January 2018 Financial Statements)

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

- a. Receive Report from Ad Hoc Committee on First Responder Effectiveness Strategic Initiative and Adopt Resolution Approving First Responder Effectiveness Strategic Grant to the City of San Bruno in an Amount Not to Exceed \$160,723
- b. Receive Report from Ad Hoc Committee on Program Strategy Development Regarding Strategic Initiatives in Partnership with the City of San Bruno and Approve Resolution Creating Ad Hoc Committee on Recreation and Aquatics Center Project
- c. Receive Report on Other Programs (Crestmoor Neighborhood Memorial Scholarship, Community Grants Fund, and Music Education Strategic Initiative)
- d. Receive Report from Investment Committee
- e. Approve Resolution Creating Ad Hoc Committee on Board Development

### **8. Study Session: Program Strategy Update**

- 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 agendized pursuant to State Law.

### **10. Adjourn**

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## MINUTES

### SAN BRUNO COMMUNITY FOUNDATION

### Special Meeting of the Board of Directors

**January 29, 2018**

**6:00 p.m.**

#### **Meeting Location:**

**San Bruno City Hall, 567 El Camino Real, Room 101, San Bruno**

- 1. Call to Order/Welcome:** President Kraus called the meeting to order at 6:01 p.m.
- 2. Roll Call:** Board Members Kraus, Hedley, McGlothlin, Ross, Bohm, Roberts, and Stanback Stroud, present.
- 3. Approval of Minutes:** December 6, 2017, Regular Board Meeting: Vice President Hedley moved to approve the minutes of the December 6, 2017, Regular Board Meeting, seconded by Board Member Stanback Stroud, approved unanimously (Secretary McGlothlin abstained).
- 4. Conduct of Business**
  - a. Adopt Resolution Awarding 2017-2018 Community Grant to First 5 San Mateo County in the Amount of \$15,740

Board Members Bohm and Roberts recused themselves from consideration of this agenda item and departed from the room. Board Member Roberts recused herself due to her employment at First 5, while Board Member Pat Bohm recused herself because the organization of which she is the Executive Director (Daly City Partnership) has received funding from First 5 San Mateo County.

Executive Director Hatamiya presented one Community Grant – in the amount of \$15,740 to First 5 San Mateo County for an analysis of the child care and preschool service needs in San Bruno – for Board approval. She explained that the Board was unable to take action on this grant award at the December 6, 2017, meeting due to lack of a quorum, as two Board members were absent from the meeting and Board Members Roberts and Bohm planned to recuse themselves from consideration of this grant.

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Vice President Hedley moved to approve the resolution awarding 2017-2018 Community Grant to the First 5 San Mateo County in the amount of \$15,740, seconded by Secretary McGlothlin, approved unanimously.

**5. Public Comment:** None.

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

There was no reportable action.

**7. Adjourn:** Board Member Stanback Stroud moved to adjourn the meeting at 6:57 p.m., seconded by Secretary McGlothlin, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of March 7, 2018, by Secretary John McGlothlin and President Nancy Kraus.

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John McGlothlin, Secretary

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Nancy Kraus, President

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Executive Director's Report

Since the December 6, 2017, Board meeting, I have continued to focus on administering the Community Grants Fund and Crestmoor Scholarship Program, partnering with the City on strategic projects, supporting the Investment Committee and the Ad Hoc Committee on First Responder Effectiveness Strategic Initiative, all of which will be covered during the business portion of the March 7, 2018, regular Board meeting. In addition, I have handled a variety of other matters, including the following:

#### **1. Payroll Vendor Change**

Three years ago, when I was hired as the Foundation's first employee, the Foundation contracted with Paychex for its payroll services, including online or phone reporting of payroll, federal and state tax compliance services, a selection of employee payment options including direct deposit.

In late 2017, Accounting Consultant Frank Bittner recommended that the Foundation consider changing payroll vendors to Intuit Payroll. He was transitioning another client to Intuit Payroll and thought the Foundation could similarly benefit. The reasons for the change are two-fold: First, Intuit Payroll is less expensive than Paychex. For 2018, the savings for QuickBooks and Intuit Payroll combined (compared with QuickBooks and Paychex separately) will be about \$120 per month (\$1,440 for the year); the savings after the first year will be about \$40 per month (\$480 per year). Second, because we use QuickBooks, another Intuit product, it allows for an efficient interface between payroll and the general ledger for posting payroll transactions. In turn, it will reduce Mr. Bittner's time spent on payroll transactions, which will save additional money since we pay him hourly. Moreover, with a staff of one, the Foundation does not use any of Paychex's other services that might make going with a more full-service company like Paychex worth the extra expense.

Based on this recommendation, I consulted with President Nancy Kraus and Vice President Frank Hedley, who agreed that transitioning to Intuit Payroll would be an appropriate action. Consequently, under our contract authority as executive director and president, President

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## Community Foundation

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Kraus and I terminated the Foundation's use of Paychex and activated payroll services with Intuit Payroll starting with the first payroll in January 2018. The administrative transition for Mr. Bittner has been smooth, and I report no issues since we have switched vendors.

#### **2. Insurance Policy Renewals**

The Consent Calendar includes a resolution authorizing the Executive Director to bind a renewal policy for the Foundation's directors and officers liability insurance policy, as the current policy expires on March 21, 2018. The Foundation's commercial general liability (CGL), property, and non-owned hired auto liability insurance policies with the Philadelphia Insurance Companies, which are bundled together, and the workers compensation insurance policy with State Compensation Insurance Fund are also up for renewal in March. The quoted premium for the workers compensation renewal is \$1,148, a slight decrease from last year's premium of \$1,226. The renewals for the bundled CGL, property, and auto coverage are straight renewals. The quoted premium for CGL is \$581, the same as last year. The quoted premium for property coverage is \$170, the same as last year. The quoted premium for the auto coverage is \$277, which is a slight increase from last year (\$252).

Upon the recommendation of our insurance broker, we will be adding cyber liability coverage for \$79 as a rider on the CGL policy. This rider will include coverage for loss of digital assets, cyber terrorism, network security and privacy liability, electronic media liability, non-physical business interruption, and cyber extortion threat. It seems prudent to add such coverage at a minimal cost. Under my contract authority as executive director, I am binding renewal policies for the Foundation's CGL (with a new cyber liability rider), property, non-owned hired auto liability, and workers compensation insurance coverage.

Following our discussion last year, I revisited with the broker the question of adding volunteer Board members to our workers compensation and auto policies. Last year, we ultimately decided not to add coverage for Board members. We realized that given the small size of the Foundation's operations (one employee and a fairly low premium), the insurance company was not willing to negotiate a more reasonable deal to add Board members to the coverage. For the workers compensation policy, State Compensation Insurance Fund would have required a new resolution designating Board members as statutory employees and would have charged a much higher premium than originally anticipated. To add volunteers to the auto policy, the carrier would have required DMV reports on all Board members and required verification of Board member's personal auto insurance coverage. This year, the broker said we would run into the same issues, even if we approached other insurance companies, so, in consultation with the City Attorney and President Kraus, I decided not to seek quotes for workers compensation and auto coverage for volunteers.

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## Community Foundation

### Memorandum

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#### **3. Ethics Requirements**

I would like to remind all Board members that they must file Fair Political Practices Commission Form 700 – Statement of Economic Interests annual statements with the San Bruno City Clerk’s Office by April 2, 2018. Board members are also required to submit a completed Conflict of Interest Policy Annual Affirmation and Disclosure Statement as soon as possible. Thank you to those Board members who have already submitted their necessary ethics paperwork.

#### **4. Email Newsletter and Website Hits**

Since the December 6 Board meeting, I sent out three email blasts to the Foundation’s email distribution list. The first reported on the December Board meeting, the second announced the January special Board meeting, and the third was a reminder of the Crestmoor Scholarship application deadline and showcased various Community Grants Fund check presentations. The reach of these e-newsletter blasts was slightly higher than other recent blasts. Of the approximately 600 emails sent each time, 41%-48% of the recipients opened the email, and the e-newsletter was viewed, either in email or as posted on the web, 480-885 times.

According to Google Analytics, website activity has increased over the late fall, which is typical, with the announcement of the Community Grants Fund winners. Since the December Board meeting, 780 users engaged in 1,351 sessions on the Foundation website, for a total of 2,914 page views.

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## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Consent Calendar for the March 7, 2018, Regular Board Meeting

For the March 7, 2018, Regular Meeting of the Board of Directors of The San Bruno Community Foundation, the Consent Calendar includes five items related to administrative and operational functions of the Foundation:

**1. Approve Resolution Canceling April 4 and May 2, 2018, Regular Meetings of the Board of Directors**

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 Foundation Board is scheduled to have regular monthly meetings on April 4 and May 2, 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 on either date. Thus, I recommend that the Board approve the attached resolution canceling these two meetings as part of the Consent Calendar.

**2. Adopt Resolution Authorizing Executive Director to Bind Directors and Officers Liability Insurance Policy from Philadelphia Insurance Companies for an Amount Not to Exceed \$13,485**

Directors and officers liability insurance (D&O) provides coverage for damages resulting from the wrongful acts of the directors, officers, managers, and the Foundation as an entity, as well as coverage for employment-related actions.

In March 2017, the Board approved the purchase of a D&O policy from Philadelphia Insurance Companies, which expires on March 21, 2018. This policy included a fiduciary liability rider to provide protection related to the Foundation's 403(b) retirement plan.

The policy renewal includes coverage similar to last year's coverage, \$1,000,000 liability limits each for D&O coverage, employment practices liability, and fiduciary liability coverage. The cost for the renewal policy is \$13,485, a mere \$41 increase from last year's premium of \$13,444.

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## Community Foundation

### Memorandum

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I recommend the Board approve the resolution authorizing Executive Director Leslie Hatamiya to bind a directors and officers liability insurance policy from Philadelphia Insurance Companies for an amount not to exceed \$13,485, as part of the Consent Calendar.

**3. Resolution Authorizing President Nancy Kraus to Execute a Contract with Novogradac & Company LLP for Audit and Tax Preparation Services for Fiscal Year 2017-2018 for an Amount Not to Exceed \$9,000**

Article XIII, Section 4, of the Foundation's Bylaws states that the Foundation "shall retain an independent auditor and conduct annual independent audits (commencing with Section 12586(d) of the California Government Code)." For the fiscal year 2014-2015 audit, the Foundation's Board of Directors, at the recommendation of the Audit Committee, selected Novogradac & Company LLP, a national certified public accounting firm, to conduct an audit of the Foundation's financial statements and prepare the Foundation's annual federal and state tax returns. A team from Novogradac headed by engagement partner Lance Smith presented the audited financial statements to the Board in early November 2015. The Board subsequently retained Novogradac for audit and tax preparation services for fiscal years 2015-2016 and 2016-2017.

Mr. Smith has presented the Foundation with an engagement letter for audit and tax preparation services for fiscal year 2017-2018, setting forth the total fees at \$9,000 – \$7,000 for the audit and \$2,000 for the tax returns. The fees for both audit and tax preparation services remain the same as for the previous fiscal year.

Both Novogradac and the Foundation have agreed to a professional services contract that is substantially the same as the agreement signed the last three years. Because the Board of Directors, as part of its fiduciary duties, is responsible for oversight of the Foundation's accounting functions and the performance of the independent auditor, the contract with the CPA firm will be executed by the President, as the Board's representative, and not the Executive Director.

Given how smoothly the past three audits by Novogradac have gone, the Audit Committee, which consists of Chair John McGlothlin and Member Pat Bohm, decided not to meet and asked me to bring the attached resolution directly to the Board for consideration.

I recommend that the Board approve the resolution authorizing President Nancy Kraus to execute a contract with Novogradac & Company LLP for audit and tax preparation services for fiscal year 2017-2018 for an amount not to exceed \$9,000 as part of the Consent Calendar.

# SAN BRUNO

## Community Foundation

### Memorandum

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#### **4. Approve Resolution Approving Adjustment to Executive Director's Compensation**

In a special meeting on January 29, 2018, the Board met in closed session to conduct the Executive Director's annual performance evaluation pursuant to Government Code Section 54957. The Board now recommends a package of compensation adjustments for the Executive Director, as outlined in the attached resolution and letter to the Executive Director. The adjustments include a 3% cost-of-living salary adjustment, retroactive to February 1, 2018, with salary to be paid on a twice-a-month payroll schedule. They also provide that, for the time period beginning February 1, 2017, and ending January 31, 2018, the Foundation's pre-tax employer contribution to the Executive Director's 403(b) plan will be 10% of the Executive Director's salary during that time period (a one-year increase of 5%).

#### **5. Receive and Approve Treasurer's Report (November 2017, December 2017, and January 2018 Financial Statements)**

The November 2017, December 2017, and January 2018 financial statements each consist of a Budget Report and Balance Sheet. The Budget Narratives provide a thorough explanation of the financial statements. The Budget Reports include the budget figures approved at the June 7, 2017, Board meeting. As mentioned at the December Board meeting, per the auditor's recommendation, fees for the accounting consultant are now tracked under the category "Accounting & Payroll Fees" (which was originally titled "Auditor & Payroll Fees"); they had previously appeared under "Other Consultants."

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

#### Attachments:

1. Resolution Canceling April 4 and May 2, 2018, Regular Meetings of the Board of Directors
2. Resolution Authorizing Executive Director to Bind Directors and Officers Liability Insurance Policy from Philadelphia Insurance Companies for an Amount Not to Exceed \$13,485
3. Resolution Authorizing President Nancy Kraus to Execute a Contract with Novogradac & Company LLP for Audit and Tax Preparation Services for Fiscal Year 2017-2018 for an Amount Not to Exceed \$9,000
4. Resolution Approving Adjustment to Executive Director's Compensation
5. Letter to the Executive Director, dated March 7, 2018
6. November 2017 Financial Statements
7. December 2017 Financial Statements
8. January 2018 Financial Statements

**RESOLUTION NO. 2018-\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
CANCELING THE APRIL 4 AND MAY 2, 2018, REGULAR MEETINGS OF THE BOARD OF  
DIRECTORS**

**WHEREAS**, the April Regular Meeting of the San Bruno Community Foundation's Board of Directors is scheduled for April 4, 2018, and the May Regular Board Meeting is scheduled for May 2, 2018; and

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

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors cancels the Regular Board Meetings of April 4 and May 2, 2018.

Dated: March 7, 2018

ATTEST:

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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 7<sup>th</sup> day of March, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

**RESOLUTION NO. 2018-\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION AUTHORIZING EXECUTIVE DIRECTOR TO BIND DIRECTOR AND OFFICERS LIABILITY INSURANCE POLICY FROM PHILADELPHIA INSURANCE COMPANIES FOR AN AMOUNT NOT TO EXCEED \$13,485**

**WHEREAS**, directors and officers liability insurance provides coverage for damages resulting from the wrongful acts of the directors, officers, managers, and the Foundation as an entity, as well as coverage for employment-related actions;

**WHEREAS**, on March 1, 2017, the Board of Directors of The San Bruno Community Foundation authorized the purchase of a directors and officers liability insurance policy, which includes fiduciary liability coverage for the management of the Foundation’s Retirement Savings Plan, from Philadelphia Insurance Companies, which expires on March 21, 2018; and

**WHEREAS**, the Philadelphia Insurance Companies is offering the Foundation a renewal of the Foundation’s directors and officers liability insurance policy with a quoted annual premium of \$13,485.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors authorizes Executive Director Leslie Hatamiya to bind the directors and officers liability insurance policy for the period of March 21, 2018, to March 21, 2019, from Philadelphia Insurance Companies for an amount not to exceed \$13,485.

Dated: March 7, 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 7<sup>th</sup> day of March, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

**RESOLUTION NO. 2018-\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
AUTHORIZING PRESIDENT NANCY KRAUS TO EXECUTE A CONTRACT WITH NOVOGRADAC &  
COMPANY LLP FOR AUDIT AND TAX PREPARATION SERVICES FOR FISCAL YEAR 2017-2018 FOR  
AN AMOUNT NOT TO EXCEED \$9,000**

**WHEREAS**, Article XIII, Section 4, of the Bylaws calls for the retention of an independent auditor to conduct an annual audit of The San Bruno Community Foundation's financial statements and records;

**WHEREAS**, Article VII, Section 4, of the Bylaws establishes an Audit Committee consisting of at least two directors to assist the Board in selecting an independent auditor, negotiate the auditor's compensation, confer with the auditor regarding the Foundation's financial affairs, and review and accept or reject the annual audit;

**WHEREAS**, Novogradac & Company LLP successfully provided audit and tax preparation services to the Foundation for fiscal years 2014-2015, 2015-2016, and 2016-2017; and

**WHEREAS**, Novogradac & Company has presented the Foundation Board of Directors with a proposal to provide audit and tax preparation services to the Foundation for fiscal year 2017-2018, with fees totaling \$9,000 (\$7,000 for audit services and \$2,000 for tax preparation services).

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby authorizes President Nancy Kraus to execute a contract with Novogradac & Company LLP for audit and tax preparation services for fiscal year 2017-2018 for an amount not to exceed \$9,000.

Dated: March 7, 2018

ATTEST:

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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 7<sup>th</sup> day of March, 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 ADJUSTMENT TO EXECUTIVE DIRECTOR COMPENSATION**

**WHEREAS**, on January 15, 2015, the Board of Directors of The San Bruno Community Foundation approved a resolution appointing Leslie Hatamiya as the Foundation's Executive Director, subject to the terms and conditions of the offer letter the Board sent to Ms. Hatamiya on December 22, 2014, and which Ms. Hatamiya signed on December 23, 2014, and the compensation package in such offer letter included participation in a qualified employer-sponsored 403(b) plan or equivalent, with a pre-tax employer contribution of 5% with no employee contribution required;

**WHEREAS**, on March 1, 2017, the Board approved the sending of a letter restating and amending the Executive Director's compensation and benefits, including providing for an annual base salary of \$181,125, to be paid on a twice-a-month payroll schedule;

**WHEREAS**, the Board desires to provide the Executive Director with a 3% cost-of-living increase in annual base salary to \$186,558.75, retroactive to February 1, 2018, to be paid on a twice-a-month payroll schedule; and

**WHEREAS**, the Board also desires to increase retroactively to 10% the Foundation's pre-tax employer contribution to the Executive Director's 403(b) plan for the period of February 1, 2017, to January 31, 2018 (a one-year adjustment of 5%).

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby authorizes President Nancy Kraus to send on behalf of the Foundation the attached letter which restates, as amended, the Executive Director's compensation and benefits.

Dated: March 7, 2018

ATTEST:

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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 7<sup>th</sup> day of March, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

# SAN BRUNO

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## Community Foundation

March 7, 2018

Leslie Hatamiya  
Executive Director  
San Bruno Community Foundation  
901 Sneath Lane, Suite 209  
San Bruno, CA 94066

Dear Leslie:

On behalf of the Board of Directors of The San Bruno Community Foundation, I am pleased to acknowledge with considerable appreciation your outstanding service as Executive Director. Accordingly, in recognition of and subject to Board approval on March 7, 2018, your compensation and benefits will be adjusted as follows:

- You will receive a 3% cost-of-living salary adjustment, retroactive to February 1, 2018, so that your annual base salary is now \$186,558.75, to be paid on a twice-a-month payroll schedule.
- For the time period beginning February 1, 2017, and ending January 31, 2018, the Foundation's pre-tax employer contribution to your 403(b) plan will be 10% of your salary during that time period (a one-year increase of 5%). Beginning February 1, 2018, the Foundation's contribution to your 403(b) plan will be 5% of your current salary.

In addition, the other benefits enumerated in your original offer letter dated December 22, 2014, and amended and restated in our letter to you dated March 1, 2017, will continue:

- Immediate accrual of paid time off at the annual rate of 160 hours. This takes the place of separate accruals for vacation and sick leave. Maximum accrual of paid time off will be 160 hours.
- The Foundation observes twelve (12) holidays (the eleven (11) scheduled holidays in the City of San Bruno's holiday schedule as well as New Year's Eve on December 31 (or, if December 31 falls on a weekend, the closest weekday to December 31), and you will receive annually twelve (12) paid vacation days as per this schedule.
- Life insurance at 1X base salary with option to purchase additional coverage at employee expense (employee is responsible for taxability of the life insurance benefit).
- Eighty (80) hours paid leave for jury duty, as required.

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## Community Foundation

- Reimbursement of reasonable and necessary expenses related to the performance of the job; payment for conferences, training, publications, professional associations, and professional development at the discretion of the Board and as approved in advance.
- Workers' Compensation coverage, State Disability Insurance, and other benefits if required by California laws.
- Health (medical, dental, vision) insurance, but at the time of your hiring, you indicated that you currently had, and will continue to maintain, such health insurance from other sources and therefore that you declined such insurance from the Foundation.

We look forward to your continued service as Executive Director of the Foundation.

Sincerely,

Nancy A. Kraus  
President

# SAN BRUNO

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## Community Foundation

November 2017

### Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) of the monthly Budget Report. When projections vary from Budget (column b), the changes will be reflected in columns d (Final Expected Amount) and e (Change in Budget), and also be explained. First five months equal 41.7% of the fiscal year.

### INCOME

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

**Line 2 Transfers from Strategic Pool** – Initial transfer of \$700,000 is 65.3% of budget.

**Line 3 Restricted Donations** – Unbudgeted amount of \$100,000 received in October.

**Line 4 Interest Income** – \$963 is 12% of budget. Liquidity Pool was less than \$100,000 prior to November.

### EXPENSES

**Line 9 Subtotal Direct Program Expenses** – No Scholarships or Grants have been awarded in the first five months of the year.

**Line 10 Salaries & Wages** – Expense is exactly on budget at 41.7%.

**Line 11 Payroll Taxes & Benefits** – Expense (\$7,799) is 34.5% of budget. Costs include: Social Security/Medicare (\$3,397); retirement (\$3,773); and Workers' Compensation Insurance (\$511).

**Line 13 Occupancy** – Only cost is office lease (\$5,805). Amount is 41.2% of budget.

**Line 14 Insurance** – Total (\$7,442) is exactly on budget at 41.7%. Policies include: Directors & Officers (\$5,602); crime (\$1,420); and commercial liability (\$420).

**Line 15 Telecommunications** – Cost (\$754) is 33.4% of budget. Costs include cellular phone (\$318) and internet access (\$288).

**Line 16 Postage & Shipping** – Cost (\$1,436) is 71.8% of budget. 87% of this cost (\$1,246) incurred to distribute annual report to community.

**Line 17 Marketing & Communications** - \$7,946 expense is 52.4% of budget, with 86% of the total for printing (\$6,331) and graphic design (\$485) of annual report. An additional \$955 (12% of total) incurred for Scholarships promotional material.

**Line 18 Office Supplies & Equipment** – Total (\$637) is 18.3% of budget. Office printer required repair and maintenance costing \$371.

**Line 19 Legal Fees** – Cost (\$11,174) is 29.5% of budget. Entire amount related to Recreation Center, Pedestrian Safety, and Community Day Strategic Grants.

**Line 20 Accounting & Payroll Fees** – Total (\$17,521) is 55.2% of budget. Consistent with Audited Financial Statement and IRS 990 presentation, this line item now includes Accounting fees, which were formerly included in Other Consultants (Line 21). Year to date total includes Audit (\$9,000), Accounting (\$7,794), and Payroll (\$727) fees.

**Line 21 Other Consultants** - Cost (\$12,197) is 27.5% of budget and is entirely for Program Support consultant.

**Line 22 Travel, Meetings & Conferences** – Total (\$1,014) is 21.5% of budget. \$962 or 95% of the cost is from Board meetings.

**Line 23 Miscellaneous** – Cost (\$705) equals 35.3% of budget with an organizational membership (\$350) being the largest expense.

### **SUMMARY**

Excluding the budget for Scholarships & Grants, total expenses are at 39.6% of budget, which is below the 41.7% benchmark for the first five months of the year. In terms of dollars, the \$149,899 in year to date expense is \$7,952 less than the first five months' budget allocation. The three line items significantly exceeding 41.7% of budget (Postage & Shipping; Marketing & Communications; and Accounting & Payroll Fees) are at those levels only due to the timing of annual report and auditing expenses.

November net Investment income is \$407,038 and came from the Strategic Pool (\$167,705) and Quasi Endowment (\$239,333). Year to date net investment income is \$2,265,639 with \$1,263,047 from Strategic and \$1,002,592 from Quasi Endowment.

Total Net Assets, as of November 30, 2017 grew to \$73,769,708 with \$17,617,003 in Quasi Endowment and \$56,152,705 in general Unrestricted funds.

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### November 2017 2017-2018 Budget Report

	(a)	(b)	(c)	(d)	(e)
	Actual Year to	Budget	Actual as % of Budget	Final Expected	Change in
	Date		(a/b)	Amount	Budget (d - b)
<b>INCOME &amp; TRANSFERS</b>					
1 Transfers from Quasi Endowment	\$ -	\$ 352,921	0.0%	\$ 352,921	\$ -
2 Transfers from Strategic Pool	700,000	1,071,764	65.3%	1,071,764	-
3 Restricted Donations	100,000	-		100,000	100,000
4 Interest Income	963	8,000	12.0%	8,000	-
<b>5 Total Available for Operations</b>	<b>800,963</b>	<b>1,432,685</b>	<b>55.9%</b>	<b>1,532,685</b>	<b>100,000</b>
<b>EXPENSES</b>					
6 Crestmoor Scholarships	-	120,000	0.0%	120,000	-
7 Community Grants Fund	-	200,000	0.0%	200,000	-
8 Strategic Grants	-	50,293,952	0.0%	50,293,952	-
<b>9 Subtotal Direct Program Expenses</b>	<b>-</b>	<b>50,613,952</b>	<b>0.0%</b>	<b>50,613,952</b>	<b>-</b>
10 Salaries & Wages	75,469	181,125	41.7%	181,125	-
11 Payroll Taxes & Benefits	7,799	22,594	34.5%	22,594	-
<b>12 Subtotal Personnel Expenses</b>	<b>83,268</b>	<b>203,719</b>	<b>40.9%</b>	<b>203,719</b>	<b>-</b>
13 Occupancy	5,805	14,104	41.2%	14,104	-
14 Insurance	7,442	17,851	41.7%	17,851	-
15 Telecommunications	754	1,800	41.9%	1,800	-
16 Postage & Shipping	1,436	2,000	71.8%	2,000	-
17 Marketing & Communications	7,946	15,158	52.4%	15,158	-
18 Office Supplies & Equipment	637	3,490	18.3%	3,490	-
19 Legal Fees	11,174	37,917	29.5%	37,917	-
20 Accounting & Payroll Fees	17,521	31,733	55.2%	31,733	-
21 Other Consultants	12,197	44,350	27.5%	44,350	-
22 Travel, Meetings & Conferences	1,014	4,720	21.5%	4,720	-
23 Miscellaneous	705	2,000	35.3%	2,000	-
<b>24 Subtotal Non-Personnel</b>	<b>66,631</b>	<b>175,123</b>	<b>38.0%</b>	<b>175,123</b>	<b>-</b>
<b>25 Total Expenses</b>	<b>149,899</b>	<b>50,992,794</b>	<b>0.3%</b>	<b>50,992,794</b>	<b>-</b>
<b>26 Net Surplus/(Loss)</b>	<b>\$ 651,064</b>	<b>\$ (49,560,109)</b>		<b>\$ (49,460,109)</b>	<b>\$ 100,000</b>

# SAN BRUNO

## Community Foundation

### Statement of Financial Position as of November 30, 2017

#### ASSETS

Cash, Wells Fargo General	\$	106,941.24	
Cash, Wells Fargo Payroll		19,984.68	
Cash, Wells Fargo Savings		22,037.96	
Cash, Fidelity Liquidity Pool		789,529.49	
<b>Total Cash</b>		938,493.37	938,493.37
Investments, Fidelity Quasi-Endowment		17,617,003.25	
Investments, Fidelity Strategic Pool		55,783,438.15	
Accrued Interest Receivable		37,836.04	
<b>Total Investments</b>		73,438,277.44	73,438,277.44
Prepaid Rent		1,161.00	
Prepaid Insurance		5,503.00	
<b>Total Other Current Assets</b>		6,664.00	6,664.00
Deposits		1,335.45	
<b>Total Other Assets</b>		1,335.45	1,335.45
<b>TOTAL ASSETS</b>			\$ 74,384,770.26

#### LIABILITIES & NET ASSETS

##### **LIABILITIES**

Accounts Payable		9,728.35	
Accrued Grants Payable		472,562.00	
Accrued Scholarships Payable		120,000.00	
Accrued Employee PTO		12,771.73	
<b>Total Liabilities</b>		615,062.08	615,062.08

##### **NET ASSETS**

Unrestricted, Non-QE 7/1/2017 Balance		54,938,593.61	
Year to Date Net Income		(48,935.66)	
Investment Income		1,263,046.98	
<b>Total Non-QE Net Assets</b>		56,152,704.93	
Quasi-Endowment 7/1/2017 Balance		16,614,410.94	
Year-to-date QE Net Investment Income		1,002,592.31	
<b>Total Quasi-Endowment Net Assets</b>		17,617,003.25	
<b>Total Unrestricted Net Assets</b>		73,769,708.18	73,769,708.18
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>			\$ 74,384,770.26

# SAN BRUNO

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## Community Foundation

December 2017

### Budget Narrative

This report primarily describes amounts in column a (Actual Year to Date) of the monthly Budget Report. When projections vary from Budget (column b), the changes will be reflected in columns d (Final Expected Amount) and e (Change in Budget), and also be explained. First six months equal 50% of the fiscal year.

### INCOME

**Line 1 Transfers from Quasi Endowment** – Entire amount (\$352,921) planned for the year was transferred in December.

**Line 2 Transfers from Strategic Pool** – \$700,000 transferred is 65.3% of budget.

**Line 3 Restricted Donations** – Unbudgeted amount of \$100,000 received and a corresponding increase in the Community Grants has been approved.

**Line 4 Interest Income** – \$2,086 is 26.1% of budget. Liquidity Pool was less than \$100,000 prior to November.

**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 used by the grantee.

### EXPENSES

**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. \$110,200 is 55.1% of the budget. There are seven grants that have been recorded in December based on fully executed agreements. A total of 23 grants for \$300,000 have been awarded. As of January 14, 2018, ten grant payments have been issued.

**Line 11 Salaries & Wages** – Expense is exactly on budget at 50%.

**Line 12 Payroll Taxes & Benefits** – Expense (\$8,874) is 39.3% of budget. Costs include: Social Security/Medicare (\$3,616); retirement (\$4,528); and Workers' Compensation Insurance (\$613).

**Line 14 Occupancy** – Only cost is office lease (\$6,966). Amount is 49.4% of budget.

**Line 15 Insurance** – Total (\$8,930) is exactly on budget at 50%. Policies include: Directors & Officers (\$6,722); crime (\$1,704); and commercial liability (\$504).

**Line 16 Telecommunications** – Cost (\$906) is 50.3% of budget. Costs include cellular phone (\$382) and internet access (\$347).

**Line 17 Postage & Shipping** – Cost (\$1,560) is 78% of budget. 80% of this cost (\$1,246) incurred to distribute annual report to community.

**Line 18 Marketing & Communications** - \$7,975 expense is 52.6% of budget, with 85% of the total for printing (\$6,331) and graphic design (\$485) of annual report. An additional \$955 (12% of total) incurred for Scholarships promotional material.

**Line 19 Office Supplies & Equipment** – Total (\$721) is 20.7% of budget. Office printer required repair and maintenance costing \$371.

**Line 20 Legal Fees** – Cost (\$19,809) is 52.2% of budget. \$11,624 is related to Recreation Center, Pedestrian Safety, and Community Day Strategic Grants. \$6,565 is for San Bruno City Attorney time. \$1,590 is related to Community Grants.

**Line 21 Accounting & Payroll Fees** – Total (\$18,640) is 58.7% of budget. Consistent with Audited Financial Statement and IRS 990 presentation, this line item now includes Accounting fees, which were formerly included in Other Consultants (Line 21). Year to date total includes Audit (\$9,000), Accounting (\$8,772), and Payroll (\$868) fees.

**Line 22 Other Consultants** - Cost (\$19,290) is 43.5% of budget and is for Program Support (\$15,260) and Technology (\$4,030) consultants.

**Line 23 Travel, Meetings & Conferences** – Total (\$1,576) is 33.4% of budget. \$1,481 or 94% of the cost is from Board meetings.

**Line 24 Miscellaneous** – Cost (\$771) equals 38.6% of budget with an organizational membership (\$350) being the largest expense.

## **SUMMARY**

Excluding Scholarships & Grants, total expenses are at 49.3% of budget, which is below the 50% benchmark for the first half of the year. In terms of dollars, the \$186,581 in year to date expense is \$2,840 less than half the year's budget. The three line items significantly exceeding 50% of budget (Postage & Shipping; Marketing & Communications; and Accounting & Payroll Fees) are at those levels only due to the timing of annual report and auditing expenses.

December net Investment income is \$501,289 and came from the Strategic Pool (\$316,687) and Quasi Endowment (\$184,602). Year to date net investment income is \$2,766,928 with \$1,579,734 from Strategic and \$1,187,194 from Quasi Endowment. Overall organization year to date net income is \$2,574,234.

Total Net Assets, as of December 31, 2017 grew to \$74,127,238 with \$17,448,685 in Quasi Endowment and \$56,678,553 in general Unrestricted funds.

# SAN BRUNO

## Community Foundation

### December 2017 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)
<b>INCOME &amp; TRANSFERS</b>					
1 Transfers from Quasi Endowment	\$ 352,921	\$ 352,921	100.0%	\$ 352,921	\$ -
2 Transfers from Strategic Pool	700,000	1,071,764	65.3%	1,071,764	-
3 Restricted Donations	100,000	-		100,000	100,000
4 Interest Income	2,086	8,000	26.1%	8,000	-
5 Miscellaneous Income	2,000			2,000	2,000
<b>6 Total Available for Operations</b>	<b>1,157,007</b>	<b>1,432,685</b>	<b>80.8%</b>	<b>1,534,685</b>	<b>102,000</b>
<b>EXPENSES</b>					
7 Crestmoor Scholarships	-	120,000	0.0%	120,000	-
8 Community Grants Fund	110,200	200,000	55.1%	300,000	100,000
9 Strategic Grants	-	50,293,952	0.0%	50,293,952	-
<b>10 Subtotal Direct Program Expenses</b>	<b>110,200</b>	<b>50,613,952</b>	<b>0.2%</b>	<b>50,713,952</b>	<b>100,000</b>
11 Salaries & Wages	90,563	181,125	50.0%	181,125	-
12 Payroll Taxes & Benefits	8,874	22,594	39.3%	22,594	-
<b>13 Subtotal Personnel Expenses</b>	<b>99,437</b>	<b>203,719</b>	<b>48.8%</b>	<b>203,719</b>	<b>-</b>
14 Occupancy	6,966	14,104	49.4%	14,104	-
15 Insurance	8,930	17,851	50.0%	17,851	-
16 Telecommunications	906	1,800	50.3%	1,800	-
17 Postage & Shipping	1,560	2,000	78.0%	2,000	-
18 Marketing & Communications	7,975	15,158	52.6%	15,158	-
19 Office Supplies & Equipment	721	3,490	20.7%	3,490	-
20 Legal Fees	19,809	37,917	52.2%	37,917	-
21 Accounting & Payroll Fees	18,640	31,733	58.7%	31,733	-
22 Other Consultants	19,290	44,350	43.5%	44,350	-
23 Travel, Meetings & Conferences	1,576	4,720	33.4%	4,720	-
24 Miscellaneous	771	2,000	38.6%	2,000	-
<b>25 Subtotal Non-Personnel</b>	<b>87,144</b>	<b>175,123</b>	<b>49.8%</b>	<b>175,123</b>	<b>-</b>
<b>26 Total Expenses</b>	<b>296,781</b>	<b>50,992,794</b>	<b>0.6%</b>	<b>51,092,794</b>	<b>100,000</b>
<b>27 Net Surplus/(Loss)</b>	<b>\$ 860,226</b>	<b>\$ (49,560,109)</b>		<b>\$ (49,558,109)</b>	<b>\$ 2,000</b>

# SAN BRUNO

## Community Foundation

### Statement of Financial Position as of December 31, 2017

#### ASSETS

Cash, Wells Fargo General	\$ 48,867.63	
Cash, Wells Fargo Payroll	3,021.70	
Cash, Wells Fargo Savings	22,038.52	
Cash, Fidelity Liquidity Pool	1,143,045.32	
<b>Total Cash</b>		1,216,973.17
Investments, Fidelity Quasi-Endowment	17,448,684.58	
Investments, Fidelity Strategic Pool	56,097,981.18	
Accrued Interest Receivable	40,506.84	
<b>Total Investments</b>		73,587,172.60
Prepaid Rent	1,172.61	
Prepaid Insurance	5,339.50	
<b>Total Other Current Assets</b>		6,512.11
Deposits	1,335.45	
<b>Total Other Assets</b>		1,335.45
<b>TOTAL ASSETS</b>		\$ 74,811,993.33

#### LIABILITIES & NET ASSETS

##### **LIABILITIES**

Accounts Payable	89,221.51	
Accrued Grants Payable	462,762.00	
Accrued Scholarships Payable	120,000.00	
Accrued Employee PTO	12,771.73	
<b>Total Liabilities</b>		684,755.24

##### **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)	(192,694.78)	
Investment Income	1,579,733.68	
<b>Total Non-QE Net Assets</b>		56,678,553.51

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	1,187,194.64	
<b>Total Quasi-Endowment Net Assets</b>		17,448,684.58

<b>Total Unrestricted Net Assets</b>		74,127,238.09
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>		\$ 74,811,993.33

# SAN BRUNO

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## Community Foundation

January 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 seven months equal 58.3% of the fiscal year.

### INCOME

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

**Line 2 Transfers from Strategic Pool** – \$700,000 transferred is 65.3% of budget.

**Line 3 Restricted Donations** – Unbudgeted amount of \$226,000 received. Community Grants have been increased by \$100,000 and \$126,000 is earmarked for pedestrian safety program.

**Line 4 Interest Income** – \$3,571 is 44.6% of budget. Liquidity Pool was less than \$100,000 prior to November.

**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 8 Community Grants Fund** – As noted above in Line 3, the projected final amount has been increased \$100,000 based on additional restricted income. \$261,260 is 130.6% of the budget. There are three grants, totaling \$38,740 that have not been recorded as of January. A total of 23 grants for \$300,000 have been awarded. As of February 19, 2018, 21 grant payments have been issued.

**Line 11 Salaries & Wages** – Expense is exactly on budget at 58.3%.

**Line 12 Payroll Taxes & Benefits** – Expense (\$10,886) is 48.2% of budget. Costs include: Social Security/Medicare (\$4,771); retirement (\$5,283); and Workers' Compensation Insurance (\$715).

**Line 14 Occupancy** – Only cost is office lease (\$8,139). Amount is 57.7% of budget.

**Line 15 Insurance** – Total (\$10,418) is a touch above budget at 58.4%. Policies include: Directors & Officers (\$7,842); crime (\$1,988); and commercial liability (\$588).

**Line 16 Telecommunications** – Cost (\$1,057) is 58.7% of budget. Costs include cellular phone (\$446), internet access (\$406), and office landline (\$205).

**Line 17 Postage & Shipping** – Cost (\$1,593) is 79.7% of budget. 78% of this cost (\$1,246) incurred to distribute annual report to community.

**Line 18 Marketing & Communications** - \$8,169 expense is 53.9% of budget, with 83% of the total for printing (\$6,331) and graphic design (\$485) of annual report. An additional \$955 (12% of total) incurred for Scholarships promotional material.

**Line 19 Office Supplies & Equipment** – Total (\$835) is 23.9% of budget. Office printer required repair and maintenance costing \$371. Quickbooks accounting software fees have been \$203.

**Line 20 Legal Fees** – Cost (\$19,809) is 52.2% of budget. \$11,624 is related to Recreation Center, Pedestrian Safety, and Community Day Strategic Grants. \$6,565 is for San Bruno City Attorney time. \$1,590 is related to Community Grants.

**Line 21 Accounting & Payroll Fees** – Total (\$20,560) is 64.8% of budget. Consistent with Audited Financial Statement and IRS 990 presentation, this line item now includes Accounting fees, which were formerly included in Other Consultants (Line 21). Year to date total includes Accounting (\$10,650), Audit (\$9,000), and Payroll (\$910) fees.

**Line 22 Other Consultants** - Cost (\$23,543) is 53.1% of budget and is for Program Support (\$19,513) and Technology (\$4,030) consultants.

**Line 23 Travel, Meetings & Conferences** – Total (\$1,576) is 33.4% of budget. \$1,481 or 94% of the cost is from Board meetings.

**Line 24 Miscellaneous** – Cost (\$1,223) equals 61.2% of budget with organizational memberships (\$800) being the largest expense.

## **SUMMARY**

Excluding Scholarships & Grants, total expenses are at 56.3% of budget, which is below the 58.3% benchmark for the first seven months of the year. In terms of dollars, the \$213,464 in year to date expense is \$7,527 less than 58.3% of the year's budget. The two line items significantly exceeding 58.3% of budget (Postage & Shipping; and Accounting & Payroll Fees) are at those levels only due to the timing of annual report and auditing expenses.

January net Investment income is \$784,955 and came from the Strategic Pool (\$293,168) and Quasi Endowment (\$491,787). Year to date net investment income is \$3,551,883 with \$1,872,901 from Strategic and \$1,678,982 from Quasi Endowment. Overall organization year to date net income is \$3,308,730.

Total Net Assets, as of January 31, 2018 grew to \$74,861,735 with \$17,940,472 in Quasi Endowment and \$56,921,263 in general Unrestricted funds.

# SAN BRUNO

## Community Foundation

### January 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)
<b>INCOME &amp; TRANSFERS</b>					
1 Transfers from Quasi Endowment	\$ 352,921	\$ 352,921	100.0%	\$ 352,921	\$ -
2 Transfers from Strategic Pool	700,000	1,071,764	65.3%	1,071,764	-
3 Restricted Donations	226,000	-		226,000	226,000
4 Interest Income	3,571	8,000	44.6%	8,000	-
5 Miscellaneous Income	2,000			2,000	2,000
<b>6 Total Available for Operations</b>	<b>1,284,492</b>	<b>1,432,685</b>	<b>89.7%</b>	<b>1,660,685</b>	<b>228,000</b>
<b>EXPENSES</b>					
7 Crestmoor Scholarships	-	120,000	0.0%	120,000	-
8 Community Grants Fund	261,260	200,000	130.6%	300,000	100,000
9 Strategic Grants	-	50,293,952	0.0%	50,293,952	-
<b>10 Subtotal Direct Program Expenses</b>	<b>261,260</b>	<b>50,613,952</b>	<b>0.5%</b>	<b>50,713,952</b>	<b>100,000</b>
11 Salaries & Wages	105,656	181,125	58.3%	181,125	-
12 Payroll Taxes & Benefits	10,886	22,594	48.2%	22,594	-
<b>13 Subtotal Personnel Expenses</b>	<b>116,542</b>	<b>203,719</b>	<b>57.2%</b>	<b>203,719</b>	<b>-</b>
14 Occupancy	8,139	14,104	57.7%	14,104	-
15 Insurance	10,418	17,851	58.4%	17,851	-
16 Telecommunications	1,057	1,800	58.7%	1,800	-
17 Postage & Shipping	1,593	2,000	79.7%	2,000	-
18 Marketing & Communications	8,169	15,158	53.9%	15,158	-
19 Office Supplies & Equipment	835	3,490	23.9%	3,490	-
20 Legal Fees	19,809	37,917	52.2%	37,917	-
21 Accounting & Payroll Fees	20,560	31,733	64.8%	31,733	-
22 Other Consultants	23,543	44,350	53.1%	44,350	-
23 Travel, Meetings & Conferences	1,576	4,720	33.4%	4,720	-
24 Miscellaneous	1,223	2,000	61.2%	2,000	-
<b>25 Subtotal Non-Personnel</b>	<b>96,922</b>	<b>175,123</b>	<b>55.3%</b>	<b>175,123</b>	<b>-</b>
<b>26 Total Expenses</b>	<b>474,724</b>	<b>50,992,794</b>	<b>0.9%</b>	<b>51,092,794</b>	<b>100,000</b>
<b>27 Net Surplus/(Loss)</b>	<b>\$ 809,768</b>	<b>\$ (49,560,109)</b>		<b>\$ (49,432,109)</b>	<b>\$ 128,000</b>

# SAN BRUNO

## Community Foundation

### Statement of Financial Position as of January 31, 2018

#### ASSETS

Cash, Wells Fargo General	\$ 187,756.51	
Cash, Wells Fargo Payroll	40,976.00	
Cash, Wells Fargo Savings	14,040.15	
Cash, Fidelity Liquidity Pool	877,952.42	
<b>Total Cash</b>		1,120,725.08
Investments, Fidelity Quasi-Endowment	17,940,471.72	
Investments, Fidelity Strategic Pool	56,392,413.06	
Accrued Interest Receivable	39,819.59	
<b>Total Investments</b>		74,372,704.37
Prepaid Rent	1,172.61	
Prepaid Insurance	3,748.67	
<b>Total Other Current Assets</b>		4,921.28
Deposits	1,335.45	
<b>Total Other Assets</b>		1,335.45
<b>TOTAL ASSETS</b>		\$ 75,499,686.18

#### LIABILITIES & NET ASSETS

##### **LIABILITIES**

Accounts Payable	57,617.86	
Accrued Grants Payable	447,562.00	
Accrued Scholarships Payable	120,000.00	
Accrued Employee PTO	12,771.73	
<b>Total Liabilities</b>		637,951.59

##### **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)	(243,153.35)	
Investment Income	1,872,901.61	
<b>Total Non-QE Net Assets</b>		56,921,262.87

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	1,678,981.78	
<b>Total Quasi-Endowment Net Assets</b>		17,940,471.72

<b>Total Unrestricted Net Assets</b>		74,861,734.59
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>		\$ 75,499,686.18

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Report from Ad Hoc Committee on First Responder Effectiveness Strategic Initiative and Adopt Resolution Approving First Responder Effectiveness Strategic Grant to the City of San Bruno in an Amount Not to Exceed \$160,723

At the direction of the Board, the Ad Hoc Committee on First Responder Effectiveness Strategic Initiative has been working, with the assistance of the leadership of the San Bruno Police and Fire Departments, to develop a meaningful and sustainable proposal to support San Bruno's first responders. On December 6, 2017, the Committee reported on its progress and presented to the Board the outline of the three projects it identified as the core of the initiative. At the March 7, 2018 Board meeting, the Committee will present for approval its proposal for a strategic grant in an amount not to exceed \$160,723 to the City of San Bruno, to bolster the effectiveness of San Bruno's first responders, both in their daily interactions with the community and in the event of a serious disaster like the 2010 gas pipelines explosion that led to the Foundation's creation. The three Board members who serve on the Committee are Frank Hedley (chair), John McGlothlin, and Tim Ross.

#### 1. Framework for Strategic Grantmaking

Adopted in October 2015, the Foundation's Program Strategy Framework outlines three categories, or buckets, of activity: (1) Strategic Grantmaking, (2) Responsive Grantmaking, and (3) Foundation Programs. With regard to the first category, in November 2015 the Board identified a list of strategic grantmaking priorities and directed staff to begin working with the relevant community partners to research and, as appropriate, develop concrete funding proposals to address these priorities:

##### Capital Project Priorities

- Upgraded library/community center
- Year-round swimming pool
- Upgraded recreation center
- Athletic field improvements
- Park improvements

##### Other Priorities

- Education
- Social and human services
- Citywide beautification efforts
- Community-building

# SAN BRUNO

## Community Foundation

### Memorandum

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The First Responder Effectiveness Strategic Initiative touches upon two of the Foundation's strategic priorities – community-building and social and human services – and one focus area identified in the Foundation's Program Strategy Framework (community health and safety). Significant community benefits that would result from the Initiative include the City of San Bruno's ability to provide emergency sheltering to residents in the event of a natural disaster or other incident, increased first responder preparedness for major public safety incidents at high probability targets (including San Bruno's main public high school and middle school), a strengthened relationship between the San Bruno Police Department and San Bruno's diverse community, and positive mental and physical health benefits for San Bruno police officers.

#### **2. First Responder Effectiveness Strategic Initiative Proposal**

The attached First Responder Effectiveness Strategic Initiative Proposal gives the background behind the impetus to develop the Initiative; explains the Ad Hoc Committee on First Responder Effectiveness Strategic Initiative and the steps it took to develop the proposal; outlines the three core projects that the Initiative would fund; and presents the budget for the Initiative.

The Initiative identifies three core projects that would bolster the effectiveness of the Police and Fire Departments in fundamental and meaningful ways:

- Emergency shelter supplies (led by the Fire Department)
- Critical facilities site assessments, incident action plans, and joint public safety training (collaboration of the Police and Fire Departments)
- Police officer mindfulness, compassion, and resiliency training

For each of the three projects, the attached Proposal provides a project description, timeline, budget, explanation of the need for Foundation funding, and the means by which the project is sustainable once Foundation funding sunsets.

The attached Proposal is similar to the Initiative description presented to the Board in December, with several updates, including updated cost estimates for the emergency shelter supplies project and two alterations to the critical facilities site assessments project based on external developments.

The budget for the Initiative is presented in Table 1:

# SAN BRUNO

## Community Foundation

### Memorandum

Table 1. Proposed SBCF Grant Funding

Earmarked For	Allocation
1. Emergency shelter supplies	\$33,723
2. Critical facilities site assessments, incident action plans, and joint public safety training	\$52,000
3. Police officer mindfulness, compassion, and resiliency training	\$75,000
<b>TOTAL</b>	<b>\$160,723</b>

Of note, the cost estimates for the emergency shelter supplies project are slightly higher than what was presented in December, based on revised vendor pricing and the addition of a generator to power the light towers. The largest budget development to note is that the City is waiting to receive confirmation of a federal Homeland Security Department grant that could decrease the amount of funds needed for the critical facilities site assessments project by about \$22,000. If that funding is secured (the City will not receive confirmation until the fall), the final total of grant funds paid out for the Initiative may be closer to \$139,000. These adjustments are explained in further detail in the Proposal.

The Committee enthusiastically recommends that the Board adopt the resolution approving a strategic grant to the City of San Bruno in an amount not to exceed \$160,723 to fund implementation of the First Responder Effectiveness Strategic Initiative as outlined in detail in the attached Proposal.

#### Attachments:

- Resolution Approving First Responder Effectiveness Strategic Grant to the City of San Bruno in an Amount Not to Exceed \$160,723
- Attachment A: Proposal for First Responder Effectiveness Strategic Initiative

**RESOLUTION NO. 2018-\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
APPROVING FIRST RESPONDER EFFECTIVENESS STRATEGIC GRANT  
TO THE CITY OF SAN BRUNO IN AN AMOUNT NOT TO EXCEED \$160,723**

**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 community-building and human and social services as two of its strategic grantmaking priorities;

**WHEREAS**, the Foundation recognizes the importance of first responders in the San Bruno community, particularly in light of recent events around the state and country, including fires, hurricanes, and school shootings, and the devastating 2010 gas pipeline explosion in San Bruno's Crestmoor neighborhood, which resulted in a restitution settlement that led to the creation of the Foundation;

**WHEREAS**, a strategic initiative to bolster the effectiveness of San Bruno's first responders, both in their daily interactions with the community and in the event of a disaster, honors the Crestmoor neighborhood and the origins of the Foundation;

**WHEREAS**, in November 2017 the Foundation's Board of Directors created an Ad Hoc Committee on First Responder Effectiveness Strategic Initiative to develop a package of program enhancements that would bolster the effectiveness of the City of San Bruno's first responders in a meaningful way and that the City is unable to support through the General Fund;

**WHEREAS**, the Committee consulted with the leadership of the San Bruno Police and Fire Departments to identify three projects to form the core of this strategic initiative: (a) emergency shelter supplies, (b) critical facilities site assessments, incident action plans, and joint public safety training, and (c) police officer mindfulness, compassion, and resiliency training;

**WHEREAS**, in conjunction with the San Bruno Police and Fire Departments, the Committee developed the First Responder Effectiveness Strategic Initiative proposal that is set forth in Attachment A; and

**WHEREAS**, the proposal recommends that the Foundation provide up to \$160,723 in one-time grant funding to the City of San Bruno to support the three core projects identified above and in the proposal.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors approves a strategic grant in an amount not to exceed \$160,723 to the City of San Bruno to support implementation of the First Responder Effectiveness Strategic Initiative, as outlined in Attachment A.

Dated: March 7, 2018

ATTEST:

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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 7<sup>th</sup> day of March, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

# **SAN BRUNO**

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## **Community Foundation**

### **Proposal for**

### **First Responder Effectiveness Strategic Initiative:**

*A Collaboration of The San Bruno Community Foundation, the San Bruno Police Department,  
and the San Bruno Fire Department*

March 2, 2018

#### **I. Background**

In November 2015, the Board of Directors of The San Bruno Community Foundation identified a list of strategic grantmaking priorities and directed staff to begin working with the relevant community partners to research and, as appropriate, develop concrete funding proposals to address these priorities. Based primarily on feedback received through the Foundation's spring 2015 Community Listening Campaign, the list of priorities includes, among others, community-building and human and social services. The inclusion of community building reflects the strong sense of community that exists in San Bruno and the desire to foster more community-building activities, and the inclusion of human and social services reflects a broad community desire to ensure that all San Bruno residents, regardless of socioeconomic status, receive a basic level of human and social services. These two priorities, along with a focus area identified in the Foundation's Program Strategy Framework's list of focus areas – community health and safety – form the roots of this proposal for a First Responder Effectiveness Strategic Initiative.

The initiative seems particularly appropriate given recent events around the state and country (including the fires that destroyed large swaths of Northern California, the hurricanes that wreaked havoc in Texas, Florida, Puerto Rico, U.S. Virgin Islands, and other parts of the southeastern United States, and the school shooting in Parkland, Florida) as well as the Foundation's origins, resulting from the aftermath of the devastating 2010 gas pipeline explosion in the Crestmoor neighborhood. The San Bruno community knows first-hand the importance of its first responders, and what better way to honor the Crestmoor neighborhood and the roots of this Foundation than to develop a strategic initiative to bolster the effectiveness of the City's first responders, both in their daily interactions with the community and in the event of another serious disaster like the gas pipeline explosion.

With these current events and policy priorities in mind, at its November 1, 2017, meeting, the Board approved the creation of an Ad Hoc Committee on First Responder Effectiveness Strategic Initiative, naming Vice President Frank Hedley as chair and Secretary John McGlothlin and Treasurer Tim Ross as Committee members. The Committee was charged to develop a package of program enhancements that would bolster the effectiveness of the City of San Bruno's first responders in a meaningful way and that the City is unable to support through the General Fund.

The Committee met with City Manager Connie Jackson, Police Chief Ed Barberini, and Fire Chief Dave Cresta. The Committee first asked the three City staffers to give an overview of the City's finances with

regards to the Police and Fire Departments and why Foundation funding could help fill some important gaps in their current needs. The three explained that while about 60 percent of the City budget is dedicated to the Police and Fire Departments, these departments are expensive to operate and General Fund monies are able to support only the highest priority and mandated services. They said that the public safety budgets are not immune to the City's overall budget constraints and that for most of the past 15 years the City has maintained a tight budget development platform – “hold the line” budgeting – whereby any expenditures beyond the most basic and routine operations are closely scrutinized. As a result, the Police and Fire Departments have been unable to undertake a wide variety of programs and projects with tangible community benefits and resulting in increased departmental effectiveness due to lack of funds.

The group then discussed various project ideas identified by the two departments for possible inclusion in the initiative. The list focused on community-oriented projects the departments have wanted to undertake but lacked the funding through the General Fund to do so. The departments had unsuccessfully sought out grant funding from other sources for many of the projects.

After extensive discussion of the various project ideas, the Committee decided to build the initiative around three core projects that would bolster the effectiveness of the Police and Fire Departments in fundamental and meaningful ways:

- Emergency shelter supplies (led by the Fire Department)
- Critical facilities site assessments, incident action plans, and joint public safety training (collaboration of the Police and Fire Departments)
- Police officer mindfulness, compassion, and resiliency training

The Committee asked the departments to prepare proposals and budgets for the three projects, targeting a one-time total budget of about \$150,000.

At the December 6, 2017, Board meeting, the Committee, with assistance from representatives of the Police and Fire Departments, presented the proposals. Board Members engaged in a discussion with the Police and Fire personnel, asking questions about the details of the three projects and seeking some assurance of the timelines for implementation. The Police and Fire Chiefs responded that the mindfulness training and the emergency shelter supply projects are fairly straightforward and implementation should occur on schedule barring any unexpected wrinkles, while the critical site assessments may require more flexibility in schedule based on the nature of the project. Collectively, Board Members expressed support for the three projects and the way the proposals have been structured. They also expressed appreciation for the thoroughness of the proposals in terms of costs, needs, sustainability concerns, and implementation plans. At the conclusion of the discussion, Chair Hedley said that the Committee would take the Board's feedback, follow up with the Police and Fire Departments on any remaining issues or questions, and prepare a final proposal for Board consideration at the March 7, 2018, Board meeting.

Upon request from the Committee, the Police and Fire Departments provided updated budgets for the three projects, resulting in the budget totals presented in this proposal. They also made two revisions to the Critical Site Assessments project, in light of new external developments. The project proposals outlined below are substantially the same as presented at the December Board meeting.

## II. Emergency Shelter Supplies

### A. Project Description

During a disaster, the City has the responsibility to provide emergency sheltering to residents. The City has trained members of the Community Services Department in shelter operations and management. The San Bruno Recreation Center and the San Bruno Senior Center have been identified as prime locations for emergency shelter operations. However, the City does not own its own portable sheltering supplies and would have to rely on external entities, such as the San Mateo County Office of Emergency Services or the American Red Cross, in the event of an emergency requiring shelter operations.

This program would allow the City to purchase shelter equipment and a trailer to safely and securely store and transport the equipment, allowing the City to operate a standalone shelter if the need arose. This equipment includes items such as cots, blankets, first aid kits, food and beverage serving supplies, and hygiene supplies. Since the most ideal shelter location would likely depend on the specifics of a particular disaster, it is important that these supplies be portable, so a storage trailer is a critical purchase. The trailer would be built specifically to house the supplies the City intends to keep in inventory. Existing City vehicles would be used to transport the trailer to the desired shelter location.

Currently, if the need arose for emergency sheltering, the City would rely on the San Mateo County Officer of Emergency Services and/or the American Red Cross for sheltering supplies. Historically, the American Red Cross maintained eight trailers with shelter supplies for the entire population of San Mateo County, but it has recently advised the San Mateo County Emergency Managers Association that it will be reducing its inventory to four trailers this year. The Red Cross does not have the funds to replenish much of its inventory of supplies that were acquired many years ago through grants and are now considered obsolete.

In addition, as experienced during the December 2014 winter storm, due to circumstances of staffing and supplies, the San Mateo County Office of Emergency Services decided to open a single shelter at the College of San Mateo. During that event, there were displaced residents from Redwood City, Belmont and South San Francisco. Due to the distance residents would need to travel for work or school, the City of South San Francisco decided to open and operate its own shelter. South San Francisco was able to do this because that city has the necessary shelter equipment. If the City of San Bruno faced a similar situation and had the necessary shelter supplies, it would be able to sustain shelter operations in San Bruno that would benefit the community.

Even in smaller events, having the ability to provide shelter locally can be a tremendous benefit to residents. One concern regarding the need for emergency sheltering is the limited supply of available hotel rooms. San Bruno recently experienced a fire at the Shelter Creek condominium complex that displaced nine residents from one unit. In cases like this, the Red Cross will provide vouchers for hotel rooms, but due to limited available hotel rooms in the area, the City almost had to open a shelter. If this incident had involved multiple units, then a City-run shelter option would have been necessary.

The San Bruno Community Preparedness Committee has long been an advocate of the City having supplies to establish emergency sheltering and is excited about the possibility of the Foundation funding this project. The Fire Chief has also discussed emergency sheltering needs with Benjamin McMullan from the Center for Independence of Individuals with Disabilities, which is interested in assisting the City with ideas on incorporating people with access and functional needs in the planning process.

## B. Timeline

Under the auspices of the Fire Department, which has responsibility for emergency management functions in San Bruno, order, delivery, and implementation of this project is expected to take two to three months. Tasks during that time frame include:

- Request bids for the desired equipment and purchase the trailer and supplies
- Work with the other City departments responsible for sheltering and identify a safe and secure location to store the trailer
- Develop a policy for use of the equipment and begin training necessary staff on its use and operations; the policy will include proper maintenance and inspection of the equipment

## C. Budget

The Fire Department requested a new quote from a potential supplier for the supplies. It also added to the list of supplies a generator to power the light towers. The result is a slight increase in the total projected budget for this project of \$33,723 (up from the original estimate of \$30,846).

Portable trailer:	\$10,613
Shelter kits (for 150):	\$10,800
Two 4.7-gallon beverage cambros:	\$351
Two 24-quart food cambros:	\$650
60 unisex hygiene kits:	\$315
Three inflatable 600-watt lights:	\$5,847
Two medical responder kits:	\$450
Generator:	\$1,251
<u>Shipping/freight costs:</u>	<u>\$3,446</u>
Total:	\$33,723

## D. Why Are SBCF Funds Needed?

A majority of the funding capacity for emergency preparedness in the General Fund is dedicated to infrastructure, including upgrades to the emergency operation center, computers, telephones, and radio equipment. In addition, staff training for emergency operations center positions is prioritized. The General Fund has not been able to fund the emergency shelter supplies outlined in this project proposal.

The biggest source of funding for emergency preparedness comes from the Bay Area Urban Areas Initiative (BAUASI). BAUASI uses Federal Homeland Security Grants to fund analyze regional risks, identify capability gaps, and build a secure, prepared and resilient region. Most of these funds go to develop training and exercise programs. Moreover, these grants address regional issues rather than needs of a specific jurisdiction.

## E. Sustainability

The vast majority of the items purchased through this project, including trailer, cots, blankets, beverage containers, and lights, would likely last a minimum of ten years with proper maintenance. The single-use medical and hygiene items would need to be replaced after use. If not used, certain items like toothpaste and ointments would need to be replaced after two to three years. All are low cost items that the City would likely be able to replenish as needed.

### III. Critical Facilities Site Assessments, Incident Action Plans, and Joint Public Safety Training

#### A. Project Description

Within its borders, the City of San Bruno has multiple locations that would be considered higher probability targets for major public safety incidents, including acts of terrorism, active shooters, mass casualty incidents, fire emergencies, and natural disaster emergencies, and managing such incidents would present the City's first responders with significant challenges. Examples of some of these locations include the U.S. Marine Corps Reserve Center, the Shops at Tanforan, Skyline College, Capuchino High School, Peninsula High School, Parkside Intermediate School, the public elementary schools, the San Bruno BART station, the San Bruno CalTrain station, the National Guard Armory, and the National Archives Complex.

Over the past several years, public safety professionals have realized that minimizing casualties and optimizing response effectiveness in major incidents at these types of locations is heavily dependent upon prior planning. This planning must include thorough site assessments performed jointly by police and fire professionals, along with other City departments that are likely to be called upon in a major event. The planning must also include the development of detailed but flexible Incident Action Plans (IAPs) for each site, including joint response maps. Finally, the planning must include regular joint training, to include simulated incidents, involving Police, Fire and other City entities that are likely to be involved in these incidents.

Conducting a thorough site assessment of higher probability targets, before the need to respond to a major event, can be the deciding factor in how well such an event is handled. Site assessments involve multiple site visits by Police and Fire leaders, working with the stakeholders at those sites, to determine some of the more likely emergencies that might be encountered there. During these site visits, these teams play out several potential emergencies at the location, determining the challenges they will face, and agreeing on how to address those challenges.

From the site assessment, Police and Fire personnel work together to develop an IAP for that location. The IAP includes critical information about the site and designates essential locations such as command posts, staging areas, triage, and Emergency Response Team (ERT) staging. The IAP also includes contact information for important site-specific stakeholders and resources, as well as keys and/or codes to ensure emergency access to all areas. IAPs also contain detailed joint response maps. These maps establish detailed grids for each location and allow first responders to use these grids to ensure coordinated response. Each site will end up with its own IAP binder/file, which both Police and Fire will maintain for use in an actual emergency.

Finally, proper preparation must include site-specific joint training exercises. These exercises not only provide critical practice and develop familiarity with the sites, but they also provide a safe environment in which to test the IAPs and make appropriate adjustments.

Grant funds would be used to hire an experienced consulting firm to guide Police and Fire leaders with the process of conducting the necessary site assessments, developing IAPs, and implementing training exercises. Funds would also be used to purchase materials needed for IAPs. (Staff overtime associated with the site assessments and training would be paid from the respective department budgets.)

This program would initially target three critical facilities within the City of San Bruno: Capuchino High School, Parkside Intermediate School, and the U.S. Marine Corps Reserve Center for the 23rd Marine Regiment. Internal assessments have identified these sites as the most probable public facilities targets.

Note that this list no longer includes Peninsula High School. The Police and Fire Departments have removed this school from their list because in December 2017 the San Mateo Union High School District’s Board of Trustees decided to move the district’s alternative high school from the San Bruno site to a site in Burlingame as of the 2020-2021 school year.

Police and Fire personnel would then use the procedure learned from these initial three facilities to duplicate this effort, without the use of the consultants, for the remaining critical public facilities within the City, such as Skyline College, the elementary schools, the San Bruno BART station, the San Bruno CalTrain station, the National Guard Armory, City Hall, the Veteran’s War Memorial Recreation Center, San Bruno Public Library, and the National Archives Complex. The departments would also use the IAPs as an example in meetings with private critical facilities (for example, YouTube and Walmart office buildings) to encourage them to cover the costs of completing similar assessments for their buildings, in concert with Police and Fire personnel.

The end result of this program would be the establishment of critical site assessments, joint response maps, IAPs, and joint training exercises at all of the critical facilities within the City of San Bruno. This program would make San Bruno’s first responders exponentially better prepared to respond to a major incident at any of these locations, which should result in minimized casualties and reduced liability.

#### B. Timeline

##### Day 1 – 30

- Secure the contractual relationship with the chosen consulting group
- Consulting group begins their initial site assessments

##### Day 30 – 180

- Develop joint response maps for all three facilities
- Develop incident action plans for multiple events at all three facilities
- Assemble hard copy and digital binders containing the joint response maps and incident action plans for all three facilities

##### Day 180 – 365

- Develop joint training programs for all action plans at all three facilities
- Conduct joint training programs at all three facilities
- Develop a plan for completing site assessments, joint response maps and incident action plans for additional critical facilities, using the first three as a template
- Schedule meetings with private entities within the City that control other critical facilities in an effort to get them to sponsor assessments of their buildings

#### C. Budget

Consulting Fees:	\$50,000
<u>Supplies/Materials:</u>	<u>\$2,000</u>
Total:	\$52,000

Note that despite the decrease in the number of facilities to be included in this initial activity from four to three, the project budget has not decreased. The original budget was based on the consultants analyzing three facilities; since Capuchino and Peninsula are similar facilities, the original plan was to have the consultants focus on one of the two high schools, with the Police and Fire departments using

the consultants' work on the first high school and applying it to the other high school. As a result, the budget continues to be based on site assessments of three facilities.

The Police Department very recently learned that it may receive federal Homeland Security grant funding to conduct the site assessment of the U.S. Marine Corps Reserve facility as part of a regional project. The Department submitted a grant proposal for this funding two years ago, at which time the request was denied. In the last few weeks, the Department learned that its proposal is now being reconsidered, with preliminary approval at the county level secured. The Department will not receive final confirmation of this Homeland Security grant until fall 2018. As a result, the project budget above includes the full amount to evaluate all three sites. If the Department obtains funding from an external source for the U.S. Marine Corps Reserve facility, SBCF would provide funding for the costs of evaluating the two school sites only and creating the template to evaluate other sites in the future, likely resulting in a project cost closer to \$30,000 (vs. \$52,000).<sup>1</sup>

#### D. Why Are SBCF Funds Needed?

With dwindling federal and state budgets over the past several years, funding for critical first responder training has been drastically reduced. Simultaneously, mandated training requirements in the constantly evolving world of public safety have continually expanded. While the City has increased department training budgets in an effort to respond to this crisis, it is unable to keep pace. Virtually all of the annual training budgets are needed simply to cover training that governing bodies require for the Police and Fire Departments to maintain their public safety certifications. Although research has made it clear that the proper planning and regular training are the key components of effective public safety, especially when handling critical incidents, government funding is rarely available to make this a reality.

#### E. Sustainability

By actively participating in the assessments of these four facilities with the consulting group, San Bruno's Police and Fire Departments will develop the ability to conduct similar assessments on their own. As a result, the departments will be able to repeat the site assessment process for all critical public facilities in the City, with minimal ongoing expense that can likely be shouldered by departmental budgets. Additionally, Police and Fire leaders plan to use the site assessments as examples to encourage private sector partnerships that will result in similar assessments of dozens of private facilities within the City.

### **IV. Police Officer Mindfulness, Compassion, and Resiliency Training**

#### A. Project Description

The Police Department is continually engaged in the process of seeking out ways to better serve the public safety needs of the San Bruno community and is focused, on an ongoing basis, on building trust with the people that live, work, and play in San Bruno. Over the last three years, the department has been particularly focused on embracing ways that law enforcement can more effectively interact with the public it serves. This effort has resulted in greater transparency and information sharing, de-escalation training, a body worn camera program, real-time crime reporting, and more.

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<sup>1</sup> The Foundation's grant agreements with the City have typically provided for payment of the grant funds after the project has been completed and the City accounts for the project expenditures by submitting a grant report. Assuming the grant agreement for this strategic initiative is structured similarly, if it receives funding from the federal Homeland Security Department or other external source for the project, it would request grant funding for the project costs not already covered by the external funding source.

Through a long-standing commitment to providing the highest possible level of police services to San Bruno, the Police Department has built an environment of trust and joint mission with the citizens of San Bruno. The department excels when it comes to investigating crimes, identifying suspects, making arrests, and ensuring prosecutions. It is also widely regarded as one of the most proactive police departments in San Mateo County, priding itself on ferreting out criminal activity before it occurs.

However, one of the challenges the department faces pertains to the national narrative suggesting a degrading relationship between police officers and the public. While this narrative is generally inaccurate in San Bruno, the disconnection that it can sometimes cause SBPD officers to feel is not only counterproductive to their joint mission but is also unhealthy. The department seeks to pursue new and better ways to further connect officers with members of the public, celebrating similarities rather than emphasizing differences. Doing so, however, requires training and programs that are not traditionally available to police officers, and are generally not funded.

To maintain the quality relationship that the San Bruno Police Department currently enjoys with the community, and to further build and strengthen that relationship, the department seeks to make some fundamental changes in the way that officers see themselves and in the way that officers view the public they serve.

Additionally, the negative impact that a law enforcement career can have on a person's physical health, emotional health, and family life has been well-documented over the last few decades. The Mindful Badge Initiative was initiated by a mindfulness training expert named Richard Goerling, who is a lieutenant with the Portland Police Department. This initiative aims at committing police officers to more of a guardian perspective, as opposed to the conventional warrior perspective, through an introduction to the practice of mindfulness and compassion.

The Police Department would like to implement a department-wide mindfulness and resiliency program. This program provides a deep exploration into the science and experience of mindfulness as it relates to resiliency, warrior ethos, and the hero's journey, with a focus on mindfulness skill building to enhance self-awareness, attunement to others, compassion, wisdom, and peak performance. Participants learn skills that can be translated to their personal and professional lives. Mindfulness enhances human performance in situational awareness, physical health, cognitive performance (sense making and decision making), leadership, and balancing operational demands with life beyond the watch. This training provides an overview of the latest science of well-being, looking at stress and coping from a mindfulness and positive psychology lens. This training focuses on the application of mindfulness as a means to develop stronger emotional and social intelligence skills as a foundation of effective leadership. Key components of this program include:

- Host multiple 2.5-day, residential immersion mindfulness courses facilitated by the Mindful Badge Initiative for all full-time Police Department personnel (68 people)
- Certify at least two department members as mindfulness coaches through the Mindful Badge Initiative
- Implement an ongoing program of mindfulness-based coaching for department members
- Integrate this program with the department's Peer Support/Officer Resiliency Program

San Bruno Police Lieutenant Ryan Johansen has been practicing mindfulness and mindfulness meditation for over six years. He will oversee this project from the start and will become certified as one of the mindfulness coaches to ensure the program's sustainability. The founder of The Mindful Badge Initiative, Lt. Goerling has served in civilian law enforcement for over 20 years and has extensive

experience in patrol operations and criminal investigations. Through his education and experience, he has developed a training specialization in first responder resiliency and human performance (operations and leadership). Over the last decade, Lt. Goerling has spearheaded the introduction of mindfulness training into policing in the United States as part of a larger cultural transformation toward a compassionate, skillful and resilient warrior ethos. Lt. Goerling is a co-investigator in ongoing National Institutes of Health funded research on the impact of mindfulness training for police officers. He holds an affiliate assistant professor appointment at Pacific University in the Graduate School of Psychology. Lt. Goerling will be leading the 2.5-day immersion program and mentoring the coaches appointed within the department.

A nearby jurisdiction that has embraced the Mindful Badge Initiative training is the Menlo Park Police Department, which is in the process of training its entire police force.

#### B. Timeline

##### Day 1 – 60

- Secure contractual agreement with the Mindful Badge Initiative
- Identify a venue for two residential immersion courses
- Select dates for two separate residential immersion courses

##### Day 60 – 270

- Host two 2.5-day residential immersion mindfulness courses; each course to include approximately half of the Police Department’s total personnel

##### Day 270 – 365

- Certify two department members as mindfulness coaches through the Mindful Badge Initiative
- Implement an ongoing program of mindfulness-based coaching for department members
- Integrate this program with the department’s Peer Support Program

#### C. Budget

Consulting Fees:	\$50,000
Facility Rental:	\$25,000
Total:	\$75,000

This budget is based on estimates from the Mindful Badge Initiative. Typically, departments send personnel to receive training in Portland, where the Mindful Badge Initiative is based. To provide a more economical offering to San Bruno, the Mindful Badge Initiative has agreed to fly its trainers to the Bay Area so that training of the San Bruno Police Department could be done locally, saving the Department significant travel costs. The training is a residential immersion program, so the Department would have to cover the costs of renting training space and hosting personnel in a local hotel.

#### D. Why Are SBCF Funds Needed?

With dwindling federal and state budgets over the past several years, funding for critical first responder training has been drastically reduced. Simultaneously, mandated training requirements in the constantly evolving world of public safety have continually expanded. While the City has increased department training budgets in an effort to respond to this crisis, it is unable to keep pace. Virtually all

of the department’s annual training budgets are needed simply to cover training that governing bodies require for the department’s to maintain its public safety certifications. The future of policing will require a more stable, trust-based relationship between police officers and the communities they serve. Training police to be increasingly mindful of their emotions, reactions, and responsibilities is the surest path to these trusting relationships. Unfortunately, the funding is rarely available for relatively new, forward-thinking concepts like this.

E. Sustainability

This program will put all department personnel through the immersion program and train at least two department personnel to function as mindfulness coaches. These coaches will be able to provide ongoing mindfulness training and meditation for department personnel on a voluntary basis, with minimal ongoing costs. This should enable the department to use one-time funding to create a long-term cultural shift toward the mindful guardian mentality, without the need for significant ongoing funding.

**V. Initiative Budget**

The total budget, proposed as a one-time grant to the City of San Bruno, for the Initiative’s three projects is as follows:

Emergency Shelter Supplies	\$33,723
Critical Facilities Site Assessments, Incident Action Plans, and Joint Public Safety Training	\$52,000*
Police Officer Mindfulness, Compassion, <u>and Resiliency Training</u>	<u>\$75,000</u>
Total:	\$160,723*

\* As mentioned above, the San Bruno Police Department may receive in late 2018 federal Homeland Security grant funding for one of the sites identified in the Critical Site Assessments project. If that is the case, the SBCF grant funding needed for the Critical Facilities Site Assessments project may be reduced to approximately \$30,000. As a result, the final total of grant funds paid out may be closer to \$139,000.

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Report from Ad Hoc Committee on Program Strategy Development Regarding Strategic Initiatives in Partnership with the City of San Bruno and Approve Resolution Creating Ad Hoc Committee on Recreation and Aquatics Center Project

Since January 2016, the Ad Hoc Committee on Program Strategy Development has been working with a corresponding subcommittee of the San Bruno City Council on a series of strategic grant opportunities in partnership with the City. At the March 7, 2018, Board meeting, President Nancy Kraus, as chair of the Ad Hoc Committee on Program Strategy Development (which also includes Vice President Frank Hedley and Board Member Regina Stanback Stroud), will provide the Board with an update on four of the projects and ask the Board to consider creating a new Ad Hoc Committee on Recreation and Aquatics Center Project.

#### **1. Pedestrian Safety Improvements**

As you know, the Foundation continues to partner with the City on a package of efforts to enhance pedestrian safety in San Bruno. On June 7, the Board authorized increasing the allocation for the pedestrian safety improvements to \$263,952 (from \$170,000), using the balance of funds left over from the Community Facilities Vision Plan project, to fund flashing beacons at a minimum of five unsignalized or mid-block crosswalks in San Bruno (three at sites near San Bruno public schools and two in the downtown area) and related planning studies. YouTube has contributed \$126,000 toward this project, so that the Foundation's contribution will be \$137,952. In December, the City Manager and I executed the grant agreement for this project, including language requiring plaques recognizing the partnership between the Foundation, YouTube, and the City at each set of flashing beacon.

Installation of the flashing beacons at the two schools were temporarily delayed in late December when the Federal Highway Administration rescinded, as a result of a patent issue, the use of the model of flashing beacons the City had selected for this project. In late January, the City received further guidance on this matter, permitting agencies to move forward with installing the flashing beacons if the project had been awarded or materials procured prior to December 21, 2017 (according to FHWA, this model of flashing beacon is still an effective

# SAN BRUNO

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device). This allowed the City's contractor to complete installation of the flashing beacons at the school sites in February. They are now fully functioning at Parkside and Portola, with recognition plaques in the ground nearby.

Installation of the downtown sites will take place at the conclusion of the City's sewer and water replacement project along San Mateo Avenue this summer.

#### **2. Florida Avenue Park**

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. As reported previously, an unanticipated issue with the landscape construction drawings has delayed commencement of the park's construction (which was to have started last fall). Construction likely will begin sometime in the spring, after the construction drawings have been revised, with completion of the park construction in the second half of 2018.

In December, the City Manager and I executed an amendment to the grant agreement to require signage in the park acknowledging the Foundation's support for the park project. We did not extend the grant period, which ended on December 31, 2017. The City submitted its required grant report detailing the project costs thus far in February, and, since the City had already spent more than \$200,000 in designing the park, the Foundation provided payment of the grant to the City last week.

#### **3. Community Day**

At the December 6, 2017, Board meeting, the Board approved a resolution committing to a strategic grant of up to \$30,000 to the City to help fund Community Day 2018 and authorizing staff to again receive donations earmarked for Community Day from corporate and other donors. The City Manager and I executed the grant agreement for this strategic grant in mid-December.

Since then, the Foundation has approached the community partners that supported Community Day 2017 as well as potential sponsors. Sponsors have the option of making their contributions to the Foundation as a 501(c)(3); they can also provide financial support directly to the City if that is their preference. So far, we have secured sponsorships totaling \$21,250: Sammut Family Foundation (\$10,000), YouTube (\$5,000), Skyline College (\$5,000), Recology San Bruno (\$1,000), and Jack's Restaurant and Bar (\$250). We are waiting for several potential sponsors to respond to our solicitation.

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This year's Community Day will be held on Sunday, June 3, 2018, in conjunction with the Posy Parade. Marketing for the event, including recognition for sponsors at the \$5,000 level and above, will begin in April.

#### **4. Recreation and Aquatics Center Project**

On March 1, 2017, the Board approved a resolution supporting the concept of a \$50 million strategic grant to the City for the design and construction of a new recreation center-swimming pool joint facility and directing the Executive Director to proceed with negotiating such a grant arrangement with the City. In November, I explained that the Foundation will be taking a multi-stage approach in its funding relationship with the City on this project, and the Board approved a grant of up to \$550,000 to the City for the conceptual design stage. In mid-December, the City Manager and I executed the grant agreement for the grant supporting the conceptual design stage, which is expected to conclude by July.

After issuing a request for qualifications and proposals (RFQ/P) for the conceptual design work, reviewing the responses, and interviewing finalists, City staff recommended to the City Council the selection of Group 4 Architecture, Research + Planning, a South San Francisco-based full-service architectural firm with a wealth of experience on municipal community facilities projects. On December 12, 2017, the City Council approved the selection of Group 4 to lead the conceptual design stage.

To assist Group 4, the City has assembled an Advisory Committee for the conceptual design stage. President Kraus, Vice President Hedley, and I are representing the Foundation on the Advisory Committee, which also includes City staff, Mayor Rico Medina, Vice Mayor Laura Davis, and the chair and vice chair of the Parks and Recreation Commission. This Committee will regularly meet throughout the conceptual design process and had its first meeting in late February. The first part of the conceptual design stage will focus on program options, site and building diagram options, and design values prioritization. The second part will include the evaluation of specific conceptual design options.

There will be two rounds of community engagement, one in March and one in May/June. They will include structured town hall meetings, more informal open houses, and community intercept kiosks (*e.g.*, at the Easter Egg Hunt/Pancake Breakfast and at Community Day). Marketing materials, including a postcard mailed to all San Bruno addresses, are being distributed throughout the community.

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#### **5. Ad Hoc Committee on Recreation and Aquatics Center Project**

Until now, the Ad Hoc Committee on Program Strategy Development has been the Board committee overseeing the Foundation's various strategic partnerships with the City. As most of the original partnerships (Community Day 2016, Community Facilities Vision Plan, Florida Avenue Park, and Pedestrian Safety Improvements) have concluded or will soon conclude and we are at the early stage of our most significant partnership with the City (the new recreation and aquatics center), the time has come for the Ad Hoc Committee on Program Strategy Development to conclude its work. I thank Committee members Kraus, Hedley, and Stanback Stroud for ably and actively serving on this committee. Going forward, President Kraus and I suggest creating project-specific ad hoc committees, as needed, for the Foundation's partnerships with the City (much like the creation of the Ad Hoc Committee on First Responder Effectiveness Strategic Initiative with the San Bruno Police and Fire Departments).

In this spirit, we would like to create a new ad hoc committee charged with overseeing the recreation and aquatics center partnership. For continuity's sake, this committee would function through the duration of the planning, design, and construction stages and serve as the main Board liaison to the City on this project. Thus, we recommend that the Board approve the attached resolution creating the Ad Hoc Committee on Recreation and Aquatics Center Project and naming President Kraus as chair and Vice President Hedley as committee member. As members of the Ad Hoc Committee on Program Strategy Development, both have been closely involved in the Foundation's negotiations with the City on the lead-up to this project, and both have valuable experience related to construction projects.

#### Attachment:

1. Resolution Creating Ad Hoc Committee on Recreation and Aquatics Center Project

**RESOLUTION NO. 2018-\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
CREATING AD HOC COMMITTEE ON RECREATION AND AQUATICS CENTER PROJECT**

**WHEREAS**, on March 1, 2017, the Board of Directors of The San Bruno Community Foundation expressed its support for the concept of 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;

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

**WHEREAS**, the recreation and aquatics center conceptual design grant agreement requires members of the San Bruno City Council to participate in a joint committee with the members of the Foundation's Board to serve as a means of communication between the City and the Foundation regarding the use of the grant funds in furtherance of the grant's purposes; and

**WHEREAS**, although the City is responsible for the planning, design, and construction of the new recreation and aquatic center, given the significant funding level the Foundation is likely to commit to the project, the Board is interested in having a formal structure for communicating with the City on this project and designating specific Board members to participate on the abovementioned joint committee and other advisory committees that may be created to support the planning, design, and construction of the recreation and aquatics center.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors creates an Ad Hoc Committee on Recreation and Aquatics Center Project that will serve as the Foundation's liaison with the City of San Bruno and the San Bruno City Council through construction of the recreation and aquatics facility and participate, as needed, on City-led advisory committees at various phases of the project.

**RESOLVED FURTHER** that the Board of Directors appoints Nancy Kraus as committee chair and Frank Hedley as committee member.

Dated: March 7, 2018

ATTEST:

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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 7<sup>th</sup> day of March, 2018, by the following vote:

AYES:        Board members:

NOES:        Board members:

ABSENT:     Board members:

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

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

At the March 7, 2018, Board meeting, Program Consultant Stephanie Rutgers and I will give an update on the Crestmoor Neighborhood Memorial Scholarship, the Community Grants Fund, and the Music Education Strategic Initiative.

#### **1. Crestmoor Neighborhood Memorial Scholarship**

The 2018 Crestmoor Neighborhood Memorial Scholarship launched on December 12, 2017, when the online application became accessible and we began distributing updated marketing materials to local schools and throughout the community. The online application is available on the Foundation website, [sbcf.org](http://sbcf.org), and the application deadline is March 14, 2018. Ms. Rutgers has been handling the day-to-day management of the program.

Over the past two months, Ms. Rutgers has conducted a scholarship workshop at Capuchino High School and three workshops at Skyline College (through the Financial Aid Office and TRiO Student Support Services, which supports first-generation students, low-income students, and/or students with physical or learning disabilities).

Online registration for the scholarship application has been robust, and we expect the number of submitted applications to increase from last year.

We are in the process of preparing materials for the volunteer selection panel, which will follow a similar schedule as last year. We expect to notify applicants of the results of the selection process by the end of April. The scholarship winners will be recognized at the June 6, 2018, Board meeting. In the budget approved by the Board in June, the 2018 Crestmoor Scholarship is budgeted at \$120,000 (same as 2017).

We are also researching ways in which we might adjust the scholarship program in 2019, including expanding the program to include San Bruno residents pursuing technical, trades-related training. We hope to report back to Board with concrete proposals later in the year.

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#### 2. Community Grants Fund

##### a. 2016-2017 Grant Cycle

For the 2016-2017 cycle, the Foundation awarded 14 Community Grants totaling \$200,000. With two exceptions, the grant period for these grants concluded on December 31, 2017, with grant reports to be submitted within 60 days. All of the grantees have submitted at least a portion of their grant reports, and we are working with a few to collect the remaining items. We will share some of the highlights of these reports at the March 7 Board meeting. As previously reported, we extended the grant period to December 31, 2018, for the San Bruno Lions Foundation (renovation of the Belle Air Community Building) due to a delay in the project. We are also in the process of extending the grant period for Parent Boosters of 72 by 18 months. The group was unable to use up the full grant amount in the original grant period when the number of the troop's San Bruno Boy Scouts working on Eagle Scout projects was lower than expected in 2017.

##### b. 2017-2018 Grant Cycle

We have executed grant agreements for 21 of the 23 Community Grants approved for the 2017-2018 grant cycle. Ms. Rutgers has been in contact with the two remaining organizations, and we hope to execute those grant agreements soon.

We want to give a big thank you to the following Board members who have represented the Foundation by personally delivering grant checks to various grantees: Nancy Kraus, Frank Hedley, Tim Ross, Pat Bohm, Emily Roberts, and especially John McGlothlin, who has hand-delivered seven grant checks to organizations. The grantees have expressed their deep appreciation for the grant awards as well as the personal check presentations. By the time of the March 7 Board meeting, we will have presented checks to 21 Community Grants Fund grantees; photos of many of the check presentations are on the [sbcf.org](http://sbcf.org) website and are being posted on the SBCF Facebook page.

##### c. 2018-2019 Grant Cycle

Following our usual schedule, we plan to launch the 2018-2019 cycle of the Community Grants Fund at the beginning of July. At this time, we do not plan to make any significant changes to the program.

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#### **3. Music Education Strategic Initiative**

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

Implementation of the Initiative is proceeding on schedule. The first annual reports from both SBEF and CHSAA are due in March, and we look forward to receiving written updates on the Initiative. Later this year (after the full first year has concluded), we will have representatives of both organizations orally report to the Board about the implementation of the Initiative in the first year.

The Initiative's steering committee, led by SBEF Vice President Bryan Vander Lugt, continues to work on preparations for a fundraiser and community concert. As you know, the Foundation's financial support declines over the three-year period and terminates at the end of the 2019-2020 school year. Under the leadership of SBEF, the steering committee is developing a fundraising strategy to ensure that the programmatic enhancements supported by the Initiative are sustainable once SBCF funding sunsets. An annual fundraiser and concert will be an important part of this strategy.

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## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Report from Investment Committee

The March 7, 2018, Board meeting will include a report from the Investment Committee regarding its recent quarterly meeting, which was held on February 21, 2018. Treasurer Tim Ross chairs the Committee; Vice President Frank Hedley and community members Tony Clifford, Mark Hayes, and Georganne Perkins also serve on the Committee.

On February 21, a team representing Sand Hill Global Advisors LLC (SHGA), the Foundation's investment adviser – including Chief Executive Officer Brian Dombkowski and Senior Wealth Manager Kristin Sun – made its quarterly presentation to the Committee.

Mr. Dombkowski first gave an overview of the firm's investment outlook, describing the current stage of the economic cycle as mid-to-late cycle. He gave a summary of the firm's current economic forecast for the first quarter of 2018, commenting on economic growth, interest rates, the employment market, corporate earnings, international developed markets, emerging markets, inflation, commodity markets, valuation, and the housing market. He discussed the possibility of the coming year as a return to normalization in terms of market volatility, bank balance sheets, and interest rates and inflation.

Mr. Dombkowski then reviewed the Foundation's Investment Dashboard for the fourth quarter of 2017, including December 31, 2017, balances of \$17,457,761 for the Quasi-Endowment, \$56,177,533 for the Strategic Pool, and \$1,144,112 for the Liquidity Pool. He also provided up-to-date information about the Foundation's investment holdings, particularly in light of market volatility thus far in the first quarter of 2018, as well as performance data of underlying funds.

Prior to the SHGA report, I provided an overview of the Foundation's activities, particularly the status of its various program disbursements and their cash flow implications.

The Committee's next quarterly meeting will be held on Wednesday, May 16, 2018, at 4:30 p.m., at San Bruno City Hall, Room 101.

# SAN BRUNO

Community Foundation

## Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Resolution Creating Ad Hoc Committee on Board Development

Now that the Foundation has emerged from the startup phase and all of the original Board members are now in their second term, Board members have expressed a desire to discuss ideas for maintaining and enhancing the effectiveness of the Board, such as Board training, evaluation, and development. To pursue this effort, President Nancy Kraus and I agree that an ad hoc Board committee would provide me, as the Executive Director, with the necessary assistance to explore various ideas and bring proposals to the full Board for consideration.

Thus, I recommend that the Board approve the attached resolution creating an Ad Hoc Committee on Board Development, to consist of Dr. Regina Stanback Stroud as chair and John McGlothlin as member. Both Board members have agreed to serve on this Committee. The Committee will be charged with researching and making proposals to improve the Board's effectiveness. Ideally, the Committee will work over the next few months and present the Board with such proposals by the end of the calendar year.

Attachments:

1. Resolution Creating Ad Hoc Committee on Board Development

**RESOLUTION NO. 2018-\_\_**

**RESOLUTION OF THE SAN BRUNO COMMUNITY FOUNDATION  
CREATING AD HOC COMMITTEE ON BOARD DEVELOPMENT**

**WHEREAS**, the Board of Directors of The San Bruno Community Foundation would like to discuss ideas for enhancing the effectiveness of the Board, including Board training, evaluation, and development; and

**WHEREAS**, the creation of an ad hoc committee would assist the Executive Director in exploring potential proposals for increasing the Board's effectiveness.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors creates an Ad Hoc Committee on Board Development charged with researching and making proposals to improve the Board's effectiveness.

**RESOLVED FURTHER** that the Board of Directors appoints Board Member Regina Stanback Stroud as committee chair and Secretary John McGlothlin as committee member.

Dated: March 7, 2018

ATTEST:

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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 7<sup>th</sup> day of March, 2018, by the following vote:

AYES: Board members:

NOES: Board members:

ABSENT: Board members:

# SAN BRUNO

## Community Foundation

### Memorandum

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**DATE:** March 2, 2018

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

**FROM:** Leslie Hatamiya, Executive Director

**SUBJECT:** Study Session: Program Strategy Update

At the March 7, 2018, Board meeting, the Board will have a study session to begin a discussion of the Foundation's program strategy moving forward.

The Foundation has emerged from its "startup" phase, with the first two years focused on setting up the Foundation administratively and establishing its basic policies and strategy documents, the next year launching the program strategy, and the past year solidifying the first set of programs. We are completing the second cycle of the Community Grants Fund, and the Crestmoor Neighborhood Memorial Scholarship is in the middle of its third iteration. Most of our initial strategic grants with the City (Community Facilities Vision Plan, Community Day 2016, Florida Avenue Park, and Pedestrian Safety Improvements) have either concluded or are well on their way to conclusion. We are one year into the three-year Music Education Strategic Initiative, and on March 7 the Board will consider approving the First Responder Effectiveness Strategic Initiative. Significantly, we have agreed in concept to fund a new \$50 million recreation and aquatic center for the City, with the first phase of that project – a \$550,000 grant for conceptual design – in progress.

It seems appropriate to now take stock of what we have accomplished thus far, evaluate our current financial and investment situation, and begin a strategic discussion of how the Foundation would like to move forward with the remaining funds. To start this process, on March 7 I will review our "three-bucket" program strategy, summarize what we have done in each of the three buckets of program activity thus far, summarize the current state of the Foundation's finances (particularly the Quasi-Endowment and Strategic Pool balances), and present initial ideas for next steps in each bucket. Based on feedback in that session, as well as conversations with new City leadership, we can plan further strategic discussions for the summer and fall.

To refresh Board members' memories in preparation for this session, I have attached a copy of the Foundation's Program Strategy Framework. Prior to the session, Board members may also want to review the 2016 and 2017 Annual Reports, which can be downloaded at <https://www.sbcf.org/annual-report>.

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Community Foundation

## Memorandum

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Attachment:

- SBCF Program Strategy Framework (2015)

# **SAN BRUNO**

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## **Community Foundation**

### **Program Strategy Framework**

**Adopted by the SBCF Board of Directors, October 7, 2015**  
**Approved by the San Bruno City Council, November 10, 2015**

The San Bruno Community Foundation was established by the San Bruno City Council to administer, for the long-term benefit of the San Bruno community, the \$70 million in restitution funds resulting from the devastating 2010 gas pipeline explosion in San Bruno's Crestmoor neighborhood.

This document articulates the over-arching conceptual framework for the Foundation's program strategy for using the restitution funds to benefit the community. It includes the Foundation's mission, vision, and purpose statements; guiding principles; funding criteria; and a "three-bucket" program strategy approach. The framework recognizes the Foundation's unique position in San Bruno to invest in community programs, projects, and facilities in an effort to enhance the quality of life for all members of the community.

In creating this program strategy framework, particularly the funding criteria and focus areas, the Foundation considered feedback from the Community Listening Campaign it conducted in the spring of 2015, San Bruno demographics, and the "Ten Key Components of Healthy, Equitable Communities in San Mateo County" compiled by the San Mateo County Health System.

This framework envisions the Foundation as a nimble, flexible, and transparent institution that is responsive to the needs of the community and dedicated to building and supporting a vibrant, healthy, and equitable San Bruno for years to come.

#### **I. Purpose, Vision, Mission**

The San Bruno Community Foundation's Purpose, Vision, and Mission Statements drive what the Foundation does and how it operates.

##### **A. Purpose Statement in SBCF Bylaws**

*Approved by the San Bruno City Council, October 2013:*

The primary purpose of the Foundation is to benefit the San Bruno Community through enduring and significant contributions to, and investments in, charitable and community programs, and publicly owned community facilities, over the long term.

## **B. Vision Statement**

*Adopted by the SBCF Board of Directors, October 2014:*

The SBCF is a resource dedicated to enhancing the quality of life for the San Bruno Community.

## **C. Mission Statement**

*Adopted by the SBCF Board of Directors, October 2014:*

The SBCF serves the San Bruno community by investing in projects, programs, services, and facilities that have significant and lasting benefits. Through making grants, leveraging partnerships, and taking advantage of other resources, the SBCF assists and enables the community to maximize shared investments and realize their subsequent enhancements and benefits.

## **II. Guiding Principles**

The Foundation's Guiding Principles include:

- A. The Foundation focuses on projects, programs, and initiatives that promote a healthy, vibrant, and equitable San Bruno community, especially where it can serve as a catalyst for significant enhancements in the quality of life for those who live and work in San Bruno.
- B. Through the collective impact of all of its programs, the Foundation seeks to address the needs of the various and diverse components of the San Bruno community.
- C. The San Bruno Community Foundation is committed to open and transparent communication with the community and maintaining the highest ethical standards in all areas of its operations.
- D. To maximize the impact of its work, the Foundation collaborates with the City of San Bruno and other appropriate organizations to enhance and/or leverage projects, programs, and initiatives being undertaken or considered by the City or other organizations, thereby pooling resources and avoiding duplication of effort on projects of common interest.
- E. The Foundation strives to use its resources effectively and prudently in all its activities.
- F. The Foundation recognizes its role as a partner, convener, and facilitator toward the goal of enhancing the quality of life in San Bruno.
- G. The Foundation encourages giving from other sources and has a stake in encouraging and developing philanthropy generally.
- H. The Foundation wishes to remain flexible, maintaining the ability to respond to unforeseen circumstances, the evolving needs of the community, and emerging opportunities in a timely fashion.

### **III. Funding Criteria**

Generally speaking, the Foundation adheres to the following funding guidelines, while retaining the discretion to modify or amend them if circumstances require.

#### **A. What the Foundation Funds**

The Foundation provides three main types of support:

##### **1. Programs and Project Support**

The Foundation may fund programs and projects that fall within one or more of its focus areas and further its mission. This support is targeted to a specific program or project that provides direct benefits to the community. This support may be used to pay for all costs directly related to the operation of the program or project, including staff costs.

In the case of providing “seed” funding for new or expanded programs and projects, the Foundation may require a business plan that outlines long-term maintenance and self-sustainability.

##### **2. Support for Capital Projects for Community Facilities**

The Foundation may provide funding for the new construction, expansion, renovation, or replacement of community facilities in San Bruno. To ensure long-term success, these projects require a partnership with the appropriate public or nonprofit entity that owns and would provide continuing maintenance for the community facility. They also may require the community facility entity to have in place a viable business plan to ensure proper maintenance, care, upkeep, and usage of the facility over the long term.

##### **3. Capacity-Building**

The Foundation may provide funding to help nonprofits and other organizations carry out their missions more effectively. Capacity building can take many forms, including strategic planning, business planning, and organizational assessment; board and staff development; fundraising, marketing, and communications planning and implementation; improving financial management; and initiating collaboration with other organizations. This support is targeted to a specific capacity-building activity over a set period of time.

#### **B. What the Foundation Does Not Fund**

The Foundation generally does not fund the following items:

1. Existing deficits
2. Direct contributions to restricted endowments
3. Unsolicited requests for direct aid to individuals
4. Lobbying or political activity
5. Religious activity that government agencies are legally prohibited from funding

### **C. Eligible Funding Recipients**

Generally speaking, the Foundation may fund organizations that provide a significant benefit to the San Bruno community. They include:

1. Tax-exempt nonprofit organizations
2. Governmental entities (*e.g.*, City of San Bruno, school districts that serve San Bruno youth)
3. Individuals, but only if the Foundation has specifically established a program to provide assistance to recipients based on articulated guidelines and qualifications (*e.g.*, a college scholarship program)

Entities that are not eligible for Foundation funding include political organizations and any organization that unlawfully discriminates in violation of state or federal law, including on the basis of race, ethnicity, nationality, gender, disability, sexual orientation, gender identity, age, or religion

The Foundation may not use public funds to fund any organization in violation of state or federal law.

### **D. Focus Areas**

The Foundation focuses its funding on **enhancing the quality of life in San Bruno**, with an emphasis on enduring and long-term benefits. These areas of priority include:

- 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

## **IV. Program Categories: The “Three-Bucket” Approach**

The Foundation’s programs fall into three categories, or buckets, of activity. Under the first two buckets, the Foundation operates as a grantmaker, providing grant funding to eligible organizations. Under the third bucket, the Foundation actively runs its own programs and projects in furtherance of its mission.

### **A. Strategic Grantmaking**

One of the Foundation’s primary roles is as a strategic grantmaker, identifying a specific community need and proactively charting a course to address that need, with specific outcomes in mind.

The Foundation’s strategic grantmaking activities can take various forms, including:

- *Proactive Grantmaking:* The Foundation seeks out and identifies organizations and programs that target specific issues the Foundation wants to address.
- *Initiative Grantmaking:* The Foundation assumes a leadership role to focus on specific issue areas. This form of grantmaking may involve convening and collaborating with key partners.
- *Collaborative Grantmaking:* The Foundation works with other funders on specific areas of interest that all mutually agree to support.

It is anticipated that many of the Foundation's larger grants will be strategic grants, where the Foundation, in partnership with other key stakeholders, identifies a specific community need and proactively reaches out to the organizations best suited to address that need to develop a course of action.

## **B. Responsive Grantmaking**

As a responsive grantmaker, the Foundation may distribute grants in response to requests from community groups for programs and projects that fall within the Foundation's mission and the guidelines it establishes for the funding. The Foundation may accept unsolicited grant applications from these community groups and will consider them for funding based on established guidelines.

## **C. Foundation Programs**

In addition to grantmaking, the Foundation may run its own programs and projects. Such activities will most likely be limited to programs involving disbursements of funds and/or honorary recognition to individuals following articulated guidelines (*e.g.*, scholarship or awards program) or hosting of events. In the future, Foundation programs may include research, consulting (*e.g.*, advising nonprofits), and mission-related investment opportunities.