



San Joaquin Delta College District Foundation

Foundation Board
Monday, September 12, 2016
2:00 p.m.
Horton Administration Bldg.
Room 103
5151 Pacific Avenue, Stockton, CA 95207

SJDC Foundation Board of Directors

Tom Patti, President
Businessman

Jeff Wright, Vice President
Teacher Lincoln Unified School District

Dr. Kathy Hart, Treasurer
SJDC Superintendent/President

Dr. Elizabeth Blanchard
Stockton Ports Commissioner
SJDC Adjunct Faculty

Susan Grupe DePolo
San Joaquin A+

Steve Castellanos
San Joaquin Delta College Board of Trustees

Carl Toliver
Retired, SUSD Superintendent

Richard Vasquez, Alternate
San Joaquin Delta College Board of Trustees

SJDC Foundation Staff

Valerie Stewart-Green
Executive Assistant to the
Superintendent/President and Board of Trustees

Erica Sum
Fiscal Specialist
Business Services

Agenda

I. Call To Order and Roll Call

II. Public Comments

III. Reports/Information

- A. Update regarding authorized but unfilled Foundation director seats 9 and 10—Kathy Hart
- B. Update on Community Foundation of San Joaquin 9th Annual Super Bowl Raffle—Foundation Board President Tom Patti and Superintendent/President Kathy Hart
- C. Flea Market Performance—Fidel Cabuena; Jeff Menge
- D. Passport Student Outcomes—Ginger Holden/Tina Merlino
- E. Scholarship Ceremony—Carl Toliver
- F. 6th Annual Community Philanthropy Summit—Thursday, November 10 at Hutchins Street Square—Kathy Hart
- G. Sylvia and Henry Wong gift—Kathy Hart

IV. New Business - Action Items

- A. Approval of June 13, 2016 Minutes (attached)
- B. 2015-16 Year-End Financial Reports (attached)
- C. Listing of New Gifts and Donations (attached)
- D. Removal of Dr. Moses Elam, Director #1 (attached)
- E. Appointment to fill the vacant seat of Director #1
- F. Review New Bylaws Draft Document (attached)

V. Agenda Items for Future Meetings

VI. Foundation Board Member Questions/Announcements



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM III.A.

SUBJECT: Update on Authorized Unfilled Director
Seats #9 and #10

DATE: September 12, 2016

A. RECOMMENDATION: TBD

B. BACKGROUND: The Board previously took action to expand the Board to include 3 additional community representatives. These were seats 8, 9 and 10. Seat #8 was filled by Tom Patti. Seats 9 and 10 have not yet been filled. This item is included as an update regarding the on-going recruitment and selection of new directors.

C. BUDGETARY IMPLICATIONS: None



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM III.B.

SUBJECT: Update on Community Foundation of San Joaquin 9th Annual Super Bowl Raffle **DATE:** September 12, 2016

A. BACKGROUND: The Community Foundation of San Joaquin has invited the College to participate as a nonprofit agency in this year's 9th Annual Super Bowl Raffle. The College has a minimum of 40 tickets this year with more available if needed. Tickets are \$100 each and the College will receive at least 90% of the proceeds from sales benefit of students. Foundation President Tom Patti and Dr. Kathy Hart will further inform the Directors of the College's involvement in this event.

B. BUDGETARY IMPLICATIONS: N/A



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM III.C.

SUBJECT: Report by Fidel Cabuena Regarding the Flea Market Performance **DATE:** September 12, 2016

- A. BACKGROUND:** Each meeting the Board receives information on the financial performance of the Market. Over the last several quarters the Market performance has been somewhat erratic due to a number of factors. The Foundation Board had a number of questions regarding the Market and requested a report from Fidel Cabuena, Director of Auxiliary Services, Bookstore, Food Services and The Market.
- B. BUDGETARY IMPLICATIONS:** Net Market proceeds go to funding the Passport Program first and then once completed funding Foundation activities in support of the District.



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM III.D.

SUBJECT: Report by Ginger Holden Regarding Passport **DATE: September 12, 2016**
Student Outcomes

A. BACKGROUND: The Passport to College Program is in its third and final year. There is data available on how the first two years have progressed. The directors requested information about how the Passport students did in comparison to the general student population.

B. BUDGETARY IMPLICATIONS: N/A



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM III.E.

SUBJECT: Report by Director Carl Toliver regarding the **DATE: September 12, 2016**
August 18, 2016 Scholarship Awards Ceremony

A. BACKGROUND: Each year the College awards students scholarships at its annual Scholarship Awards Ceremony. This year the ceremony was held on August 18th in the Atherton Theater where 191 students received scholarships. Many of these students received multiple awards ranging from \$100 to \$5,000 resulting in 340 awards totaling \$208,000. Foundation Director Carl Toliver attended the ceremony and will give a report on the success of the event.

B. BUDGETARY IMPLICATIONS: N/A



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM III.F.

SUBJECT: 6th Annual Community Philanthropy Summit **DATE:** September 12, 2016
Thursday, November 10, 2016 at Hutchins Street Square

A. BACKGROUND: The Community Foundation of San Joaquin and the Lodi Community Foundation will host the 6th Annual Community Philanthropy Summit on Thursday, November 10th all day (8 a.m. – 5:00 p.m.) at the Hutchins Street Square. The College has been a sponsor of this event in the past several years. Dr. Kathy Hart will discuss this event with the Foundation Directors.

B. BUDGETARY IMPLICATIONS: N/A



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM IV.A.

SUBJECT: Approval of the June 13, 2016 Minutes

DATE: September 12, 2016

- A. RECOMMENDATION:** It is recommended that the Foundation Board approve the June 13, 2016 minutes of the regular board meeting.
- B. BACKGROUND:** Foundation meeting minutes are approved at the subsequent meeting after which a meeting was held.
- C. BUDGETARY IMPLICATIONS:** None.



DELTA COLLEGE FOUNDATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

MINUTES OF THE REGULAR BOARD MEETING Monday, June 13, 2016

The regular meeting of Delta College Foundation was held on Monday, June 13, 2016 at 2:00 p.m. Public Meeting in Administration 103, 5151 Pacific Avenue, Stockton, California.

Members Present: Carl Toliver, Tom Patti, Dr. Kathy Hart, Dr. Elizabeth Blanchard, Richard Vasquez (alternate for Steve Castellanos)

Absent: Dr. Moses Elam, Steve Castellanos, Jeff Wright, Sue Grupe DePolo,

I. Call To Order and Roll Call

All members were present except Dr. Moses Elam, Steve Castellanos, Jeff Wright and Sue Grupe DePolo

II. Public Comment

Faculty member Robert Halabicky addressed the Foundation Directors regarding issues with control over his culinary programs Foundation funds. Dr. Hart advised him that questions about his use of Foundation funds should be addressed to his Division Dean.

III. Reports/Information

A. Discussion regarding authorized but unfilled Foundation Director seats 9 and 10.

No formal action was taken on this item at this time; however, directors were asked to think about candidates they might suggest to fill these seats in the future. Dr. Hart suggested that these new directors should come from unrepresented areas of the District, e.g. Tracy/Mountain House, Manteca/Lathrop, Lodi/Galt, Calaveras.

IV. New Business – Action Items

A. Approval of the March 21, 2016 Minutes.

Director Patti motioned and Director Blanchard seconded to approve the minutes of the March 21st Foundation meeting as presented. Vote: 5/0; motion carried.

Yes – Toliver, Patti, Hart, Blanchard, Vasquez

- B. 2015-16 Third Quarter Financial Reports
Director Patti motioned and Director Blanchard seconded to accept the 2015-16 Third Quarter Financial Reports as presented. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
- C. Listing of New Gifts and Donations
Director Blanchard motioned and Director Patti seconded to accept the donations as presented. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
- D. Appointment to a new three year term effective July 1, 2016
1. Director #2 (Seat currently held by Susan DePolo)
Director Patti motioned and Director Blanchard seconded to appoint Director DePolo to a new three year term effective July 1, 2016. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
2. Director #4 (Seat currently held by Jeff Wright)
Director Blanchard motioned and Director Patti seconded to appoint Jeff Wright to a new three year term effective July 1, 2016. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
3. Director #5 (Seat currently held by Dr. Blanchard)
Director Patti motioned and Director Hart seconded to appoint Dr. Blanchard to a new three year term effective July 1, 2016. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
- E. Election of Officers, 2016-17 Fiscal Year
1. President
Director Blanchard motioned and Director Toliver seconded to appoint Tom Patti as President for the 2016/17 Fiscal Year. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
2. Vice President
Director Blanchard motioned and Director Toliver seconded to appoint Jeff Wright as Vice President for the 2016/17 Fiscal Year. Vote: 5/0; motion carried.

Yes – Toliver, Patti, Hart, Blanchard, Vasquez

3. Secretary/Treasurer (College President)

No vote necessary for the Secretary/Treasurer. The College President is the designated appointee

- F. Review of Passport Cash flow and Financial Obligations
Informational item only. (Attachment Included)
- G. 2016-2017 Budget
Director Patti motioned and Director Vasquez seconded to approve the 2016-17 budget as presented. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez
- H. Meeting Calendar for 2016-17 (2nd Monday in September, December, March and June – 9/12/16, 12/12/16, 3/13/17, 6/12/17)
Director Blanchard motioned and Director Vasquez seconded to set the regular meeting calendar for the 2016-17 year as presented. Vote: 5/0; motion carried.
Yes – Toliver, Patti, Hart, Blanchard, Vasquez

V. **Agenda Items for Future Meetings**

The Market Report – Fidel Cabuena to give report at September 12th meeting
Passport Report – Dr. Ginger Holden

VI. **Foundation Board member Questions/Announcements**

None noted

Adjourned at 3:30 p.m.



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM IV. B.

SUBJECT: 2015-16 Year-End Financial Reports

DATE: September 12, 2016

- A. **RECOMMENDATION:** It is recommended that the Foundation Board receive the 2015-16 Year-End Financial Report.
- B. **BACKGROUND:** The Foundation operates on a fiscal year July through June consistent with the college district. Over the course of the year quarterly reports are provided to the Foundation Board. Those are helpful in measuring performance but the final fourth quarter year-end report is the true representation of the financial condition of the foundation.
- C. **BUDGETARY IMPLICATIONS:** To the degree operating results differed from what was anticipated adjustments may be necessary in the ensuing budget cycle.



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Foundation Quarterly Report

The following is a summary of revenue, expense, and net asset activity for the period ending June 30, 2016. See separate schedule IV.B.4 for Market activity.

Revenue and Support

	<u>Actuals</u>
Passport to College	\$ 29,870
Gladys L. Benerd	48,473
Schultz, Earl, and Bianchi	36,932
Fundraising Revenue Restricted	76,361
Program Service Revenues Restricted	407,319
Other Revenues	4,360
Interest and Investment Income	14,619
Net Realized and Unrealized Gains/Losses	10,136
*Other Contributions and Capital Gifts	124,373
Total	<u>752,442</u>

Expenses

Passport Student Fees	630,959
Student Scholarships and Grants	51,000
Student Instructional Program Support	440,157
Beneficiary Payments	4,200
Fundraising Expenses	53,749
Other Program Expenses	66,651
Total	<u>1,246,716</u>

Transfers

Other Transfers In	294,397
Other Transfers Out	125,178
Total	<u>419,576</u>

Excess of Revenue over Expenses	(325,055)
Net Assets, Beginning of Year	5,283,218
Net Assets, Period Ending 6/30/16	<u><u>\$ 4,958,163</u></u>



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Foundation Statement of Activities

The following is a summary of revenue, expense, and net asset activity by restriction type for the period ending June 30, 2016. See separate schedule IV.B.4 for Market activity.

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Contributions, Gifts and Grants *	\$ 824	\$ 153,016	\$ 153,841
Program Service Revenues Restricted	-	407,319	407,319
Other Revenues	-	4,360	4,360
Unrestricted Contributions, Gifts	-	-	-
Fundraising Revenue Restricted	-	76,361	76,361
Sales	-	-	-
Net Assets Released From Restrictions	-	-	-
Total	824	641,056	641,880
Other Income			
Realized and Unrealized Gain (Loss) On Investments	-	866	866
Change In Value of Deferred Gifts	-	-	-
Interest and Dividends	-	109,696	109,696
Total	-	110,562	110,562
Expenses			
Student Fees		630,959	630,959
Student Scholarships & Grants		51,000	51,000
Program Services	-	440,157	440,157
General and Administrative	1,262	69,589	70,851
Fundraising Expenses	-	53,749	53,749
Total	1,262	1,245,454	1,246,716
Transfers			
Other Transfers In	-	294,397	294,397
Other Transfers Out	-	125,178	125,178
Total Transfers	-	169,219	169,219
Excess of Revenue over Expenses	(438)	(324,617)	(325,055)
Net Assets, Beginning of Year	71,583	5,211,635	5,283,218
Net Assets, Period Ending 6/30/2016	\$ 71,145	\$ 4,887,018	\$ 4,958,163



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Foundation Summary of Investment Performance
The following is a summary of investments by bank and program for the period ending June 30, 2016.

Morgan Stanley									
	Shultz, Earl and Bianchi	Academic Scholarship	Bened	Councils	County Treasury Councils	Bank of Stockton Passport to College	Tiaa Cref (Annuity) Marilyn Jones	Totals	
Beginning Market Value 7/1/2015	\$ 799,641	\$ 422,340	\$ 1,465,198	\$ 62,043	\$ 2,659,829	\$ 1,606,953	\$ 51,907	\$ 7,061,911	
Bank Account Contributions	-	-	-	-	-	275,675	-	275,675	
Bank Account Withdrawals	-	-	-	-	-	-	-	-	
Total	799,641	422,340	1,465,198	62,043	2,659,829	1,882,628	51,907	7,337,585	
Investment Income & Growth									
Interest/Dividends	21,609	11,437	36,829	1,827	-	36,754	934	109,392	
Sales Proceeds/Redemptions	-	-	-	-	-	-	-	-	
Realized Gains/Losses	(2,414)	5,768	40,787	-	-	(20,715)	2,441	25,866	
Other Credits (includes sweeps)	-	-	-	-	-	-	-	-	
Total	19,195	17,205	77,616	1,827	-	16,039	3,375	135,258	
Unrealized Gains/Losses	17,737	2,306	(29,142)	3,240	-	(15,523)	(3,619)	(25,001)	
Total Investment Income & Growth	36,932	19,511	48,474	5,067	-	517	(244)	110,257	
Disbursements									
Fees	(3,950)	(2,102)	(7,260)	(2)	-	(15,390)	(584)	(29,286)	
Sales	-	-	-	-	-	-	-	-	
Withdrawals	-	-	-	-	-	-	(4,200)	(4,200)	
Purchases	-	-	-	-	-	-	-	-	
Total	(3,950)	(2,102)	(7,260)	(2)	-	(15,390)	(4,784)	(33,486)	
Ending Market Value	\$ 826,623	\$ 439,749	\$ 1,506,412	\$ 67,109	\$ 2,659,829	\$ 1,867,755	\$ 46,879	\$ 7,414,356	
Yearly Rate of Return	4.16%	4.12%	2.81%	8.16%	0.00%	16.23%	-1.60%	4.99%	

*Checking of (\$192,181) with Investments of \$7,222,175 Statement of Assets.



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Delta Market 15-16 Budget and 15-16 Actuals Report

Revenue and Support	<u>Budget 15-16</u>	<u>Actuals 15-16</u>
Other local revenues	\$ -	\$ -
Sales	750,000	589,994
Total	<u>750,000</u>	<u>589,994</u>
 Expenses		
Salaries and Benefits	214,350	187,684
Supplies, Food, Vehicles, Gas & Oil	12,400	14,038
Management & Staff Travel	1,250	325
Advertising Promo & Contract Services	9,700	1,832
Printing, Duplicating & Banking Charges	1,800	1,778
Refuse Disposal	18,000	14,382
Security & Fire Systems	19,000	39,928
Software, Licenses & Equipment Rental	40,500	52,975
Repairs and Maintenance Services	6,000	4,241
Site Improvements (Berm Removal) & Other Misc Exp	352,000	7,652
Total	<u>675,000</u>	<u>324,834</u>
 Net Market Revenue	75,000	265,159
Transfer to Passport	<u>(75,000)</u>	<u>(265,159)</u>
Net Operating Results	<u>-</u>	<u>-</u>



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Foundation Statement of Assets

The following is a summary of statement of assets by type and program for the period ending June 30, 2016.

Endowment/Wills, Trusts & Passport to College	Total	Councils - Restricted Cash and Investments	Total
Benerd Fund - Endowment	\$ 1,506,412	Academic Scholarship Council	\$ 439,749
Schultz, Earl and Bianchi - Wills, Trusts	826,623	Council Investments (Health, Ag, Eng & Culinary)	67,109
Marilyn Jones - Annuity	46,879		
Passport to College - Investments	1,867,755		
Passport to College - Amounts Due	(545,886)		
Subtotal	\$ 3,701,783		
		Other Assets	
		Restricted Savings-Chg Fund	2,599,280
		Amounts Due From Various Scholarships and Councils	325,992
		Unrestricted Operating Cash	71,146
		Subtotal	\$ 3,503,275
		Total Foundation Cash and Investments	7,205,058

Benerd Fund

The Benerd fund investments are held at Morgan Stanley. Will states: 90% the first priority shall be for grants to students to pay for child care at the CDC center now under construction. Any remainder shall be used for scholarships for students based on faculty recommendations and financial need.

Distributions can't be made from this fund if the FMV is lower than \$1,001,295 at fiscal year end.

Bianchi Fund

The Bianchi Fund investments are held at Morgan Stanley.

Will states: The estate on hand and any other property of the decedent or estate not now known or discovered should be distributed to San Joaquin Delta College, to be known as the Ruth Bianchi Scholarship Fund, the income and/or principal of said fund to be used for a student or students whose load is mostly taken in the evening on the basis of ability and need.

Joe Earl

The Joe Earl Funds are held at Morgan Stanley. These funds were given to the Delta College Foundation by Joe Earl (an adjunct faculty member) to fund scholarships. Original deposit was \$15k.

Norris and Elinor Shultz

The Norris and Elinor Shultz funds are held at Morgan Stanley. According to the will this is a revocable trust and the distribution is as follows: 1/3 to San Joaquin Delta Community College Scholarship Foundation. According to documents dated July 9, 1992, original amount of distribution is \$333,333.33.

Marilyn Jones Gift Annuity

The Marilyn Jones funds are held by the Calif. Community College League at TIAA Cref. The Community College League entered into an agreement between Marilyn P. Jones for the benefit of the Delta College Foundation. The agreement provides payments of \$4,200 annually starting on December 31, 2004 and continues for the rest of her life. According to the agreement, CCLC shall use the residuum under this agreement for the benefit of the Delta College Foundation for the purposes of funding the scholarships previously established by Marilyn P. Jones.

Passport to College

The Passport to College funds are held at the Bank of Stockton. Passport to College is funded by the Danner Trust (held at Bank of Stockton) and private donations. The Danner trust allows for distributions of up to 5% of the fair market value of the account per year.

Council Investments

These investments are held mainly at Morgan Stanley.

- 1) Culinary Arts
- 2) Health Sciences
- 3) Agriculture & Natural Resources
- 4) Engineering
- 5) Academic Scholarship Council

Restricted Savings and Amounts Due To Various Scholarships and Councils

Restricted funds which are available in accounts at Wells Fargo Bank.

Unrestricted Operating Cash

Unrestricted funds are available in accounts at Wells Fargo Bank.

Reconciliation of Net Assets

Fixed Assets	\$ -
Cash and Investments	\$ 7,205,058
Receivables	17,117
Total Assets	7,222,175
Liabilities	(2,264,012)
Net Assets	\$ 4,958,163



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM IV.C.

SUBJECT: Gifts and Donations

DATE: September 12, 2016

- A. RECOMMENDATION:** It is recommended that the Foundation Board accept the gifts and donations on the attached list
- B. BACKGROUND:** One of the primary means of generating resources for the Foundation is the solicitation of gifts and donations. It is important to recognize them for several reasons: to acknowledge the donor, to understand the level and type of resources coming into the Foundation and to maintain a formal record.
- C. BUDGETARY IMPLICATIONS:** Provide resources to help meet the goals of the Foundation.



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Foundation Donation Listing

*The following is a summary of donations activity
for the period ending June 30, 2016.*

Donor Name	Account	Cash Amount
Kathleen A. Sanders Trust	Passport to College	2,565
Pepsi	Passport to College	5,000
Helen E. Danner	Passport to College	17,117
Stockton Symphony	Passport to College	4,000
San Joaquin Angels	SBDC Council	2,500
Bank of Stockton	SBDC Council	1,000
County of San Joaquin	SBDC Council	1,000
F & M Bank	SBDC Council	1,000
Premier Comm. Credit	SBDC Council	2,500
Wells Fargo Bank	SBDC Council	7,500
State of Ca./Dept. General Svcs	SBDC Council	1,500
CVF Capital Partners	SBDC Council	2,500
Central Valley Community Bank	SBDC Council	1,000
Deputy Sector Navigator	SBDC Council	2,500
Deputy Sector Navigator	Business Entrepreneurship Program	3,500
Valley Can	Automotive Council	12,090
F&M Bank	Fashion & Design Council	2,000
Dean McNeilly	Fashion & Design Council	1,000
Various	Fashion & Design Council	5,408
Various	Baseball Council	9,576
Various	Hazel Hill Council	4,983
Health Plan SJCO	Health Sciences Council	5,050
Various	Various	43,795
Total		139,084

Donor Name	Account & Item Name	In-Kind Gift FMV
Bambu, LLC	Cul Arts Cncl Bamboo Utensils	4,477
Canepa's Car Wash	Cul Arts Cncl Gift Certificate	50
Univ. Of Ca. San Francisco	EM Cncl Leica Ultracut Microtome	9,000
John Holleman	Applied Sci Cncl 1953 Microtone	450
Lincoln Electric	Welding Council - Welding Gloves	480
Berberian European Motors LLC	Engine Analyzer	300
Total		14,757
Grand Total		153,841



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM IV.D.

SUBJECT: Removal of Dr. Moses Elam, Director #1

DATE: September 12, 2016

- A. RECOMMENDATION:** It is recommended that the Foundation Board remove Dr. Elam from the Foundation Board of Directors.
- B. BACKGROUND:** Dr. Elam has relocated to another state and is no longer affiliated with the Kaiser Medical Group. The Foundation has not received any formal letter of resignation however in light of his non-attendance and these recent developments it would be in the best interests of the Foundation to remove him from the board and seek out a replacement.
- C. BUDGETARY IMPLICATIONS:** N/A



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM IV.E.

SUBJECT: Appointment of
to fill the vacant seat as Director #1

DATE: September 12, 2016

- A. RECOMMENDATION:** It is recommended that the Foundation Board appoint to complete the term of Director #1, vacated by the resignation of Dr. Elam.
- B. BACKGROUND:** Dr. Elam has relocated to another state and tendered his resignation from the Foundation Board of Directors.
- C. BUDGETARY IMPLICATIONS:** N/A



Foundation Board of Directors

San Joaquin Delta Community College District
5151 Pacific Avenue, Stockton CA 95207

ITEM IV.F.

SUBJECT: Foundation Bylaws

DATE: September 12, 2016

- A. RECOMMENDATION:** It is recommended that the Foundation Board review the newly drafted bylaws and be prepared to act on them at the December meeting.
- B. BACKGROUND:** The bylaws of the Foundation are outdated, reflect the combining of two different foundation constructs and are not truly representative of what the Foundation is now.

In 2011 as the Foundation was again beginning to function the Superintendent/President asked an attorney specializing in auxiliary organizations to draft a new set of bylaws. That draft was very extensive and went beyond the scope and scale of the Delta College District Foundation.

Dr. Hart and consultant Michael Hill have spent many months going through the attorney's draft and editing out sections or references not relevant to the structure at Delta. The draft being presented is a solid basis for Board and operational functions.

C. BUDGETARY IMPLICATIONS: N/A

**AMENDED AND RESTATED BYLAWS
OF
THE DELTA COLLEGE FOUNDATION
A California Nonprofit Public Benefit Corporation**

ARTICLE 1: OFFICES

The principal office for the transaction of the business of the Delta College Foundation ("Foundation") shall be located at 5151 Pacific Avenue, Stockton, San Joaquin County, California. The Directors may change the principal office from one location to another, and this section shall be amended accordingly.

ARTICLE 2: OBJECTIVE, PURPOSES, AND CONFORMANCE WITH LAWS, REGULATIONS, POLICIES AND PROCEDURES

The Foundation has been formed under the California Nonprofit Public Benefit Corporation Law for the purposes stated in the Articles of Incorporation. The Foundation's Articles of Incorporation provide that the Foundation is organized under California Nonprofit Public Benefit Corporation Law (Cal. Corp. Code, §§ 5110-6815) and operates exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The specific purpose of the Foundation is to advance the interests and promote the welfare of the San Joaquin Delta Community College District ("District").

The Foundation is established as an Auxiliary Organization of the District pursuant to Education Code section 72670(e) in accordance with all of the provisions of Education Code section 72670 et seq. and 5 CCR 59250 et seq. The Foundation shall meet all requirements set forth in 5 CCR 59251(b) and 59255(e) for a written agreement between the Foundation and the District, including, but not limited to, the following requirements:

- (a) The Foundation shall maintain its organization and operate in accordance with sections 170(b)(1)(A), 501(c)(3), and 509(a)(1) of the Internal Revenue Code of 1986, and Government Code section 12580 and shall maintain compliance with all requirements thereof at all times.
- (b) The Foundation shall maintain its Articles of Incorporation, Bylaws, organization and operations in accordance with Education Code sections 72670 et seq. and 5 CCR 59250 et seq.
- (c) The Foundation shall operate in compliance with applicable District Board Policy and District Administrative Procedures.
- (d) Rules and procedures for the administration of auxiliary organizations may be revised as necessary by the President/Superintendent of the District ("Superintendent/President") or designee by amendment to District Administrative Procedures. The District shall notify the Foundation Board of Directors promptly in writing of such revisions and

inform the Foundation Board of Directors of the date by which any changes in the organization's procedures must be accomplished.

ARTICLE 3: DEDICATION OF ASSETS

The assets and properties of this nonprofit corporation are irrevocably dedicated to public benefit and/or charitable purposes as stated in the Articles of Incorporation. Upon dissolution, liquidation or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to the Board of Trustees of the District. The Foundation Board of Directors shall dissolve, liquidate and wind up the corporation upon cessation of operations or loss of the corporation's status as an approved Auxiliary Organization of the District. Upon cessation of operations, dissolution, liquidation or winding up of the corporation, the assets remaining after payment or provision for payment of all debts and liabilities of the corporation shall be distributed to the Board of Trustees of the San Joaquin Delta Community College District. If the Foundation holds any assets in trust, the District shall assume the role of successor trustee if permitted by the documents establishing the trust and, if not, such assets shall be disposed of in such manner as may be directed by decree of the Superior Court of San Joaquin County, upon petition by the California Attorney General or by any person concerned in the liquidation.

ARTICLE 4: DIRECTORS

Section 4.1: Powers

- (a) General Corporate Powers. The business and affairs of the Foundation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Foundation Board of Directors ("Directors"), except as limited herein or under the Master Agreement with the District.
- (b) Specific Powers. Without prejudice to their general powers, the Directors shall have the power to:
 - (1) Select and remove the Elected Officers of the corporation; prescribe any power and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws.
 - (2) Change the principal business office from one location to another within the boundaries of the District.
 - (3) Adopt, make, and use a corporation seal and alter the form of the seal; however, the Foundation is not required to adopt, make or use a corporation seal.
 - (4) Borrow money and incur indebtedness on behalf of the corporation, subject to prior written approval by the Superintendent/President, and cause to be executed and delivered

for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt.

Section 4.2: Number of Directors

The total number of Directors (including all categories of directors) shall be not less than three nor more than 15, with the exact number of Directors to be determined by the Foundation Board of Directors from time to time. The categories of Directors shall consist of:

- (a) Elected Directors: A maximum of 12 of the Directors shall consist of members of the community who will be elected in the manner prescribed in Section 4.3. Each Elected Director shall be entitled to vote on all matters coming before the Foundation Board of Directors.
- (b) Ex-Officio Directors: The Foundation Board of Directors shall include three ex-officio members holding the following District positions who shall be entitled to vote on all matters coming before the Foundation Board of Directors.
 - (1) The District's Superintendent/President;
 - (2) One member of the District's Board of Trustees, as appointed by the President of the Board of Trustees each June; and
 - (3) One District employee appointed by the Superintendent/President who will serve as the CFO of the Foundation. The Executive Director as defined in Sections 6.5 and 6.6 shall not serve as the CFO of the Foundation.

Section 4.3: Appointment, Elections and Term of Office of Directors and Officers

- (a) The officers of the Foundation Board of Directors shall include the President, Vice President and Secretary/Treasurer which shall be the District's Superintendent/President or his/her designee. The Elected Officers of the corporation, President and Vice President, shall be chosen by the Directors, and each shall serve at the pleasure of the Foundation Board of Directors. Elected Officers will generally be elected each year at the annual meeting with terms of office lasting for one year. A Director may be elected to serve up to a maximum of two consecutive terms in the same office.

At any time when there are fewer than three Elected Voting Directors, vacancies will be filled by appointment made by the Superintendent/President.

- (b) The term of office for members of the Foundation Board of Directors shall be three years, with the terms staggered so that no more than one-third of Elected Director terms expire in any one year. The

Superintendent/President shall designate the initial length of terms as one, two or three years when making appointments so as to achieve this purpose.

- (c) Following nomination of candidates submitted with Superintendent approval, elected Directors as defined in Section 4.2(a) shall be elected by a majority vote of the seated Directors at each annual meeting, including the votes of any Director whose term of office expires with that meeting, subject to the approval of the Superintendent/President.
- (d) The President of the Foundation Board of Directors shall be selected by a majority vote of the Directors following the appointment or election of Directors at each annual meeting. The Directors shall also select a Vice President in the same manner at the annual meeting.

Section 4.4: Qualifications of Foundation Board of Directors Members

Any person 18 years of age or older may be appointed or elected to serve as an Elected Director.

Section 4.5: Vacancies

- (a) Events Causing Vacancy. A vacancy of an Elected Director position on the Foundation Board of Directors shall be deemed to exist at the occurrence of any of the following:
 - (1) The death, resignation, or removal of any Director.
 - (2) The declaration by resolution of the Foundation Board of Directors of a vacancy in the office of an Elected Director who has been declared of unsound mind by court order or convicted of a felony, or who has been found by final order or judgment of any court to have breached a duty under Corporation Code § 5231 and following of California Nonprofit Corporation Law.
- (b) Resignation. Any Director or Officer may resign, which resignation shall be effective upon receipt of written notice by the President of the Foundation Board of Directors, the Superintendent/President, the Secretary, or the Executive Director unless the notice specifies a later effective date for the resignation.
- (c) Removal.
 - (1) Any Elected Director or Officer may be removed, with or without cause, by the vote of the majority of the seated members of the Foundation Board of Directors at a special meeting called for that purpose or at a regular meeting.

- (2) Any Elected Director who does not attend three successive Foundation Board of Directors meetings may be removed from the Board by Board resolution, and will be advised of any such removal in writing by the President of the Foundation Board of Directors, unless:
 - (i) The Elected Director requests in writing a leave of absence for a limited period of time, and the leave is approved by the Directors. If such leave is granted, the number of Directors will be reduced by one in determining whether a quorum is present or not.
 - (ii) The Director suffers from an illness, injury or disability which prevents him or her from attending meetings and the Foundation Board of Directors by resolution waives the automatic removal procedure.
 - (iii) The Foundation Board of Directors by resolution of the majority of Directors agrees to reinstate the Director..
- (d) Filling of Vacancies. Any vacancy caused by the death, resignation, or removal of an Elected Director shall be filled by appointment by the Superintendent/President.

Section 4.6: Meetings; Compliance with Brown Act

All meetings of the Foundation Board of Directors and Committees of Directors shall be held in compliance with the requirements with the open meeting laws set forth in the Ralph M. Brown Act ("Brown Act") contained in California Government Code section 54950, *et seq.*

Section 4.7: Quorum

A majority of the seated Directors shall constitute a quorum for the transaction of business, except as provided in Section 4.8. Every act or decision done or made by a majority of the Directors present at a meeting held at which a quorum is present shall be regarded as the act of the Foundation Board of Directors, subject to the provisions of the California Nonprofit Corporation Law. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of any Director, if any action is approved by at least a majority of the quorum required for the meeting.

Section 4.8: Adjournment

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 4.9: Compensation of Directors

The Foundation Board of Directors may authorize the advance or reimbursement of actual reasonable expenses incurred by a Director or member of a committee in carrying out his or her duties with prior approval of the Superintendent/President. Directors shall not otherwise be compensated.

Section 4.10: Conduct of Directors

- (a) No member of the Foundation Board of Directors shall be financially interested in any contract or other transaction entered into by the Foundation.

ARTICLE 5: COMMITTEES

Section 5.1: Committees of Directors

The Foundation Board of Directors may, through board action, designate one or more committees consisting of two or more Directors, and only of Directors, to serve at the pleasure of the Foundation Board of Directors ("Committee(s) of Directors"). Any member of any Committee of Directors may be removed, with or without cause, at any time by the Foundation Board of Directors.

Section 5.2: Financial and Accounting Practices

- (a) The fiscal year of the Foundation shall coincide with that of the District. The Foundation shall utilize and abide by the District's accounting system in accordance with generally accepted accounting principles. The Foundation shall adhere to the District's financial standards in order to assure the fiscal viability of the Foundation. Such standards shall include proper provision for professional management, adequate working capital, and adequate reserve funds for current operations, capital replacements, contingencies and adequate provisions for new business requirements.
- (b) An annual audit report on behalf of the Foundation will be prepared by the District, which reflects the Foundation's operations and financial status. Such audit shall be conducted as part of a fiscal audit of the District itself with assistance from Foundation staff. The audit shall be performed by a certified public accountant in accordance with auditing standards generally accepted in the United States of America. The audit shall be a public record, except as otherwise provided by law.

ARTICLE 6: OFFICERS

Section 6.1: Duties of Elected Officers

Subject to any limitations imposed under Article 9, the officers named below shall have the following authority, powers and duties:

- (a) President of the Foundation Board of Directors. The President of the Foundation Board of Directors ("President") shall preside at all meetings of the Foundation Board of Directors and the Annual Meeting of the Foundation.
- (b) Vice President of the Foundation Board of Directors. The Vice-President of Foundation Board of Directors ("Vice-President") shall have the power and authority to and shall perform the duties of the President in the absence of the President, or upon request of the President, and shall perform such other duties as may be assigned by the President or prescribed by the Foundation Board of Directors.

Section 7.1: Responsibilities of Officers

The accounting books, records, and minutes of the proceedings of the Foundation Board of Directors shall be kept at such place or places designated by the Foundation Board of Directors or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written, typed, or electronic form, and the accounting books and records shall be kept in either written typed or electronic form or in any other form capable of being converted into written, typed, or printed form.

Section 7.2: Financial Audit

The corporation shall obtain a financial audit for any tax year in which it receives or accrues gross revenue of \$2 million or more, excluding grant or contract income from any governmental entity for which the governmental entity requires an accounting. Any audited financial statements obtained by the corporation, whether or not required by law, shall be made available for inspection by the Attorney General and by the general public within 9 months after the close of the fiscal year to which the statements relate. For 3 years, such statements (a) shall be available at the corporation's principal office during regular business hours and (b) shall be made available either by mailing a copy to any person who so requests in person or in writing, or by posting them on the corporation's website.

ARTICLE 8: INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 8.1: Right to Indemnification

This corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an Officer, Director, or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California

Nonprofit Corporation Law.

Section 8.2: Insurance

This corporation shall have the power and shall use reasonable efforts to purchase and maintain insurance on behalf of any Director, Officer, or agent of the corporation, against any liability asserted against or incurred by the Director, Officer, or agent in any such capacity or arising out of the Director's, Officer's, or agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under Section 8.1 of these Bylaws; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any Director, Officer, or agent of the corporation for any self-dealing transaction, as described in Corporations Code §5233.

ARTICLE 9: CONTRACTS AND LOANS

Section 9.1: Contracts and Fiscal Matters

- (a) The Executive Director of the Foundation or if not a filled position the Secretary/Treasurer shall have authority to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, subject to the financial policies, procedures and requirements of the District and the approval of the Superintendent/President.
- (b) No Director or Officer of this corporation, nor any other corporation, firm, association, or other entity in which one or more of the corporation's Directors or Officers are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this corporation, unless (i) the material facts regarding such Director's or Officer's financial interest in such contract or transaction and/or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes, or are known to all members of the Foundation Board of Directors prior to consideration by the Board of such contract or transaction; (ii) such contract or transaction is authorized in good faith by a majority of the Directors by a vote sufficient for that purpose without counting the vote or votes of such interested Director(s); (iii) prior to authorizing or approving the transaction, the Foundation Board of Directors considers and in good faith determines after reasonable investigation under the circumstances that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; (iv) this corporation enters into the transaction for its own benefit, and the transaction is fair and reasonable to this

corporation at the time the transaction is entered into; and such transaction is approved by the Superintendent/President.

- (c) The provisions of this Section do not apply to a transaction which is part of an educational or charitable program of the corporation if it: (i) is approved or authorized by the corporation in good faith and without unjustified favoritism; and (ii) results in a benefit to one or more Directors or Officers or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

ARTICLE 10: AMENDMENTS

These Bylaws may be adopted, amended, or repealed by a majority vote of the entire Foundation Board of Directors subject to the approval of the Superintendent/President.

ARTICLE 11: CONSTRUCTION AND DEFINITIONS

Section 11.1: Construction and Definitions

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, and the plural number includes the singular.

Section 11.2: Electronic Transmission

Subject to any guidelines and procedures that the Foundation Board of Directors may adopt from time to time, the terms "written," and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions from the corporation, the corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to the corporation, the corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

CERTIFICATE OF SECRETARY

I, the undersigned, the duly elected Secretary of the Delta College Foundation, a California nonprofit public benefit corporation, do hereby certify:

That the foregoing Bylaws consisting of nineteen pages were adopted as the Bylaws of the corporation by the Directors of the corporation on _____, and the same do now constitute the Bylaws of said corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this [date] .

_____*[Signature]*_____

_____*[Typed name]*_____

Secretary

EXHIBIT A

ELECTED MEMBERS OF THE FOUNDATION BOARD OF DIRECTORS

Name	Term Expires Annual Meeting
__[Name]__	__[year]__
__[Name]__	__[year]__
__[Name]__	__[year]__
__[Name]__	__[year]__
__[Name]__	__[year]__
__[Name]__	__[year]__

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