

San Joaquin Delta College District Foundation

Regular Meeting of the San Joaquin Delta College
Foundation Board
Monday, December 8, 2014
2:00 p.m.
Horton Administration Bldg.
Room 103
5151 Pacific Avenue, Stockton, CA 95207

Agenda

SJDC Foundation Board Members

Dr. Elizabeth Blanchard
Stockton Ports Commissioner
SJDC Adjunct Faculty

Susan Grupe DePolo
San Joaquin A+

Dr. Moses Elam
Physician in Chief
Kaiser Permanente Medical Group

Claudia Moreno
San Joaquin Delta College Board of Trustees

Janet Rivera
Alternate Trustee
San Joaquin Delta College Board of Trustees

Jeff Wright
Lodi Unified School District

Carl Toliver
Retired, SUSD Superintendent

Tom Patti
Businessman
Community Representative

Dr. Kathy Hart
SJDC Superintendent/President

SJDC Foundation Staff

Valerie Stewart-Green
Acting Diversity and Community Engagement
Manager

Shelley Pierce
Senior Accountant
Business Services

I. Call To Order and Roll Call

II. Public Comments

III. Reports/Information

A. Student Fieldtrip to Google/Microsoft Facilities

IV. New Business - Action Items

- A. Approval of September 8, 2014 Minutes (attachment)
- B. 2014-15 First Quarter Financial Reports (attachment)
- C. Listing of New Gifts and Donations (attachment)
- D. Election of Board Vice President for balance of 14-15 year
- E. Auxiliary Services Supervisor (attachment)
- F. Expansion of The Market Vendor Sites (attachment)
- G. State Authorization to Conduct Raffles (attachment)

V. Information

- A. Discussion of possible Foundation supported projects
 - Sponsorship of Selected Fieldtrips

VI. Agenda Items for Future Meetings

VII. 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: Report on Fieldtrip to Google/Microsoft Facilities **DATE:** December 8, 2014

- A. RECOMMENDATION:** It is recommended that the Foundation Board hear a verbal report from student fieldtrip participants.
- B. BACKGROUND:** This event was discussed at the last foundation board meeting and Dr. Hart wanted to provide some follow up on the outcome.
- C. BUDGETARY IMPLICATIONS:** None



SAN JOAQUIN DELTA COMMUNITY COLLEGE FOUNDATION

MINUTES OF THE REGULAR BOARD MEETING Monday, September 8, 2014

The regular meeting of the San Joaquin Delta Community College Foundation was held on Monday, June 9, 2014 at 2:30 p.m. Public Meeting; Administration 103, 5151 Pacific Avenue, Stockton, California.

Members Present: Dr. Kathy Hart; Dr. Elizabeth Blanchard; Carl Toliver; Janet Rivera; Claudia Moreno; Jeff Wright, Tom Patti

Absent: Dr. Moses Elam; Sue DePolo

I. Call To Order and Roll Call

All members were present except Dr. Elam and Sue DePolo.

II. Public Comment

No public comments.

III. Reports/Information

- A. Update on Passport to College Enrollments
- B. Student Demographics

IV. New Business - Action Items

- A. Approval of June 9, 2014 Minutes
Director Wright motioned and Director Moreno seconded to approve the June 9, 2014 minutes as presented. Vote: 6/0; Motion carried. Yes – Moreno, Blanchard, Wright, Toliver, Hart, Rivera
Absent – Elam, DePolo
- B. 2013-14 Year End Financial Reports
Director Toliver motioned and Director Rivera seconded to accept the 2013-14 End of Year Financial Reports as presented. Vote: 6/0; motion carried.
Yes – Moreno, Rivera, Toliver, Wright, Blanchard, Hart
Absent – Elam, DePolo
- C. Listing of New Gifts and Donations
Mike Hill reviewed the list of donations to which

Director Toliver motioned and Director Rivera seconded to accept the New Gifts and Donations as presented. Vote: 6/0; motion carried.
yes – Moreno, Rivera, Toliver, Wright, Blanchard, Hart
Absent – Elam, Wright

- D. Addition of Seats #8, 9 and 10 to Current Board of Directors
Director Toliver motioned and Director Wright seconded to approve the expansion of the current board from seven voting members to ten. In order to maintain a balance relative to the expiration of terms it is further recommended that the initial terms be set as follows:
Seat #8 – September 2014 – June 30, 2017
Seat #9 – September 2014 – June 30, 2017
Seat #10 – September 2014 – June 30, 2017

Vote: 6/0; motion carried.
Yes – Wright, Rivera, Toliver, Blanchard, Moreno, Hart
Absent – Elam, DePolo

- E. Appointment of Director to Seat #8
Director Moreno motioned and Director Wright seconded to approve the appointment of Tom Patti to serve as Director #8 for the initial term of . n September 2014 – June 30, 2017.

Vote: 6/0; motion carried.
Yes – Wright, Rivera, Toliver, Blanchard, Moreno, Hart
Absent – Elam, DePolo

- F. Foundation Investment Guidelines
Director Toliver motioned and Director Patti seconded to approve the investment guidelines as submitted. Vote: 6/0; motion carried.
Yes – Wright, Blanchard, Rivera, Toliver, Moreno, Hart
Absent – Elam, DePolo

V. Information

- A. Foundation Support Request Form
Dr. Hart shared a Resource Request Form she developed for managers to complete when requesting funding and shared examples of requests received to date. Dr. Hart asked the Directors to review the list of requests and decide which one's seem feasible and fit the Foundation's mission. Dr. Hart further suggested that some request may require further explanation or

require having requester come to the Foundation meeting to discuss their request.

B. Fund Raising Opportunities

Dr. Hart discussed some ideas for foundation fundraising she had received from managers and asked the Directors to review these ideas for comments.

VI. Agenda Items for Future Meetings

VII. Foundation Board Member Questions/Announcements
Next meeting – December 8, 2014

Adjourned at 3:07 p.m.

Foundation Board of Directors

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

ITEM IV. B.

SUBJECT: 2014-15 First Quarter Financial Reports

DATE: December 8, 2014

- A. RECOMMENDATION:** It is recommended that the Foundation Board receive the 2014-15 First Quarter 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 board. Those are helpful in measuring performance but the final year-end report is the true representation of the financial condition of the foundation. This is the first such quarterly report for the new fiscal year.
- 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 September 30, 2014.

Revenue and Support

	<u>Actuals</u>
Passport to College	\$ (20,438)
Gladys L Benerd	2,151
Schultz, Earl, and Bianchi	3,528
Fundraising Revenue	29,835
Program Service Revenue	18,802
Other Revenue	5,967
Interest and Investment Income	3,559
Net Realized and Unrealized Gains/Losses	(6,252)
*Other Contributions and Capital Gifts	3,019
Total	<u><u>40,171</u></u>

Expenses

Student Scholarships and Grants	16,900
Student Instructional Program Support	22,318
Beneficiary Payments	1,050
Fundraising Expenses	20,252
Other Program Expenses	7,293
Total	<u><u>67,813</u></u>

Transfers

Other Transfers In	357,448
Other Transfers Out	(231,059)
Total	<u><u>126,389</u></u>

Excess of Revenue over Expenses

Excess of Revenue over Expenses	98,747
Net Assets, Beginning of Year	5,318,443
Net Assets, Period Ending 9/30/14	<u><u>\$ 5,417,190</u></u>

*Detail of Other Contributions and Capital Gifts

District Employee Contributions	\$ 1,205
Business and Corporations	
Individuals, and Estates	4,654
Council Programs	
Total	<u><u>\$ 5,859</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 September 30, 2014.

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Contributions, Gifts and Grants	\$ -	\$ 5,859	\$ 5,859
Program Service Revenue	-	11,474	11,474
Other Revenues	-	5,967	5,967
Unrestricted Contributions, Gifts	-	-	-
Fundraising Revenue	-	29,835	29,835
Sales	-	7,328	7,328
Net Assets Released From Restrictions	-	-	-
Total	-	60,463	60,463
Other Income			
Realized and Unrealized Gain (Loss) On Investments	-	(45,279)	(45,279)
Change In Value of Deferred Gifts	-	-	-
Interest and Dividends	-	24,987	24,987
Total	-	(20,292)	(20,292)
Expenses			
Program Services	-	47,562	47,562
General and Administrative	-	-	-
Fundraising Expenses	-	20,251	20,251
Total	-	67,813	67,813
Transfers			
Other Transfers In	-	357,448	357,448
Other Transfers Out	-	(231,059)	(231,059)
Total Transfers	-	126,389	126,389
Excess of Revenue over Expenses	-	98,747	98,747
Reclassification of fund balance	-	-	-
Net Assets, Beginning of Year	71,503	5,246,940	5,318,443
Net Assets, Period Ending 9/30/14	\$ 71,503	\$ 5,345,687	\$ 5,417,190



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 September 30, 2014.

	Morgan Stanley							
	Shultz, Earl and Bianchi	Academic Scholarship	Benerd	Councils	County Treasury Councils	Bank of Stockton Passport to College	Tiaa Cref (Annuity) Marilyn Jones	Totals
Beginning Market Value 7/01/2014	\$ 772,237	\$ 407,632	\$ 1,422,121	\$ 73,325	\$ 773,751	\$ 1,234,541	\$ 56,090	\$ 4,739,697
Bank Account Contributions	-	-	-	-	-	-	-	-
Bank Account Withdrawals	-	-	-	-	-	-	-	-
Total	772,237	407,632	1,422,121	73,325	773,751	1,234,541	56,090	4,739,697
Investment Income, & Growth								
Interest/ Dividends	5,733	2,916	10,910	450	-	4,784	194	24,987
Sales Proceeds/ Redemptions	-	-	-	-	-	-	-	-
Other Credits (includes sweeps)	-	-	-	-	-	-	-	-
Sub-Total	5,733	2,916	10,910	450	-	4,784	194	24,987
Realized & Unrealized Gains/ Losses								
Unrealized Gains/ Losses	(1,765)	(244)	(17,809)	(4,910)	-	(28,063)	(1,348)	(54,139)
Realized Gains/ Losses	(440)	250	9,050	-	-	-	-	8,860
Investment Income, & Gains/ Losses Totals	(2,205)	6	(8,759)	(4,910)	-	(28,063)	(1,348)	(45,279)
Disbursements								
Fees	(973)	(513)	(1,791)	-	-	(2,931)	(147)	(6,355)
Sales	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	(1,050)	(1,050)
Purchases	-	-	-	-	-	-	-	-
Total	(973)	(513)	(1,791)	-	-	(2,931)	(1,197)	(7,405)
Ending Market Value	\$ 774,792	\$ 410,041	\$ 1,422,481	\$ 68,865	\$ 773,751	\$ 1,208,331	\$ 53,739	\$ 4,712,000
Quarterly Rate of Return	0.33%	0.59%	0.03%	-6.08%	0.00%	-102.12%	-2.32%	-100.58%

* Checking of \$3,019,365 with Investments of \$4,712,000 agrees to \$7,731,365 Statement of Assets.



Foundation

SAN JOAQUIN DELTA COLLEGE

SJDC Foundation Market Quarterly Report

The following is a summary of revenue, expense, and net asset activity for the period ending September 30, 2014.

Revenue and Support

Contributions
Sales and Other Revenue

	Actuals
	\$ -
	<u>200,292</u>
Total	<u>200,292</u>

Expenses

Salaries and Benefits
Supplies, Food, Vehicles, Gas & Oil
Management & Staff Travel
Advertising Promo & Contract Services
Printing, Duplicating & Banking Charges
Refuse Disposal
Security & Fire Systems
Software, Licenses & Equipment Rental
Repairs and Maintenance Services

	33,438
	2,083
	-
	394
	551
	4,178
	4,940
	7,324
	<u>3,745</u>
Total	<u>56,653</u>

Net Market Revenue
Transfer to Passport
Net Operating Results

	143,639
	<u>(143,639)</u>
	<u>-</u>

Net Assets, Beginning of Year
Net Assets, Period Ending 9/30/14

	-
	<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 September 30, 2014.

Endowment/Willis, Trusts & Passport to College	Total	Councils - Restricted Cash and Investments	Total
Benerd Fund - Endowment	\$ 1,422,481	Academic Scholarship Council	\$ 410,041
Schultz, Earl and Bianchi - Willis, Trusts	774,792	Council Investments (Health, Ag, Eng & Culinary)	68,865
Marilyn Jones - Annuity	53,739		
Passport to College - Investments	1,208,331	Other Assets	
Passport to College - Amounts Due	2,622,891	Restricted Savings	712,352
		Amounts Due To Various Scholarships and Councils	396,475
Subtotal	\$ 6,082,234	Unrestricted Operating Cash	61,398
		Subtotal	\$ 1,649,131
		Total Foundation Cash and Investments	\$ 7,731,365

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

Cash and Investments	\$ 7,731,365
Receivables	850
Total Assets	7,732,215
Liabilities	(2,315,025)
Net Assets	\$ 5,417,190

Foundation Board of Directors

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

ITEM IV. C.

SUBJECT: Gifts and Donations

DATE: December 8, 2014

- 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 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 September 30, 2014.*

Donor Name	Account Name	Amount
Monica Fenton	Passport to College	\$ 2,565
Various	Various	3,294
	Total	<u><u>\$ 5,859</u></u>

Foundation Board of Directors

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

ITEM IV. D.

SUBJECT: Election of Board Vice President

DATE: December 8, 2014

- A. RECOMMENDATION:** It is recommended that the Foundation Board elect from its members a new vice president.
- B. BACKGROUND:** In June the Foundation Board elected officers for the 2014-15 fiscal year. Janet Rivera was reappointed as vice president however the college district board chair appoints the district board representative to the foundation board. Janet has served in that capacity for the last 2 years and the chair decided to appoint another board member with Janet as the alternate. That action took place after the Foundation Board met in June. This means the foundation board needs to take action to replace Janet as the foundation vice president.
- C. BUDGETARY IMPLICATIONS:** There are no cost implications for this action.

Foundation Board of Directors

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

ITEM IV.E.

SUBJECT: Auxiliary Services Supervisor Position

DATE: December 8, 2014

- A. RECOMMENDATION:** The administration recommends that the Foundation Board approve the position of Auxiliary Services Supervisor funded 60% by the Foundation.
- B. BACKGROUND:** The Foundation through the master agreement with the District receives net revenues from the operation of The Market. The master agreement addendum #1 further states that the Foundation may utilize and rely upon the District to carry out the operation of The Market. District staff has been doing this as added duties on top of their normal job assignments. In the short run, it was manageable but not sustainable long-term. The rationale for the auxiliary services supervisor is attached. District staff will be present to discuss this agenda item.
- C. BUDGETARY IMPLICATIONS:** The Foundation cost is approximately \$67,912 and will be treated as an operating expense of The Market before determining net revenues. It is anticipated that with greater oversight and time on task that The Market revenues will be enhanced and the cost of the position largely covered. It should be noted that current revenues are trending higher than budget. Further, given the lower than expected participation rates in the Passport Program the loan repayment to the District by the Foundation is made easier putting less pressure on current Market income. While there is a cost associated with this action, the intent is to protect and grow The Market revenues.

SUBJECT: Auxiliary Services Supervisor Position
Additional Rationale

DATE: December 8, 2014

- For the past 3 years the Director of Auxiliary Services has provided management oversight 7 days a week, for Auxiliary Services (Bookstore, Food Services and The Market) which is not sustainable long term. The Director cannot and should not be expected to continue this level of personal involvement, yet not having direct management oversight puts the entire Market in jeopardy.
- This position will provide management backup for the department in the absence of the Director of Auxiliary Services.
- It will provide onsite supervision of The Market, monitor booth tracker rental space booking, payments, safety and security
- It will provide real time resolution to challenges and issues during Market days of operation
- This position will organize, facilitate and maintain The Market Advisory Council consisting of vendors
- If the Market is able to expand due to greater vendor demand and creates additional rental spaces, management presence is even more important.
- Because the cost of the position is shared with the District, the position can attract quality candidates at an affordable cost to both the Foundation and District

SAN JOAQUIN DELTA COMMUNITY COLLEGE

Auxiliary Services Operations Supervisor

*Class specifications are intended to present a descriptive list of the range of duties performed by an employee in the class. Specifications are **not** intended to reflect all duties performed with the job.*

DESCRIPTION

Supervise and provide on-site leadership for the weekly weekend operation of The Market including but not limited to staffing, marketing, planning, and organizing the operation. Assist to supervise the day-to-day operations of Bookstore and Food Services and assume the overall supervision and oversight of all Auxiliary Services operations in the absence of the Director.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from assigned supervisor.

Incumbents assign, coordinate, supervise, and evaluate the work of others.

EXAMPLES OF RESPONSIBILITIES AND DUTIES

Duties and responsibilities may include, but not be limited to, the following:

1. Supervise and provide leadership for The Market operations including but not limited to staffing, vendor relations, purchasing, and coordination with other District departments.
2. Assist the Director to develop and implement short and long-term goals for the Auxiliary Services department with emphasis on the operations of The Market.
3. Supervise, train, schedule, and evaluate the performance of assigned staff; oversee the selection of employees.
4. Assume day-to-day supervision and oversight of the Bookstore and/or Food Service operations in the absence of the Director.
5. Assist to oversee Food Service operations, as requested; schedule, supervise and evaluate staff, review and approve catering requests, coordinate catering events and maintain purchasing and inventory controls.
6. Ensure compliance with State, Federal and local laws, state licensing, and permitting requirements; interpret and enforce regulations and policies as required; develop and implement procedures to ensure smooth operations and compliance with District policies and procedures.

SAN JOAQUIN DELTA COMMUNITY COLLEGE

Auxiliary Services Operations Supervisor

7. Address and respond to vendor and customer issues and concerns, demonstrating superior customer service; investigate issues, develop and implement solutions, and follow up, as required.
8. Coordinate with Campus Police to endure the health and safety of staff, vendors, and the public for The Market operations; develop and coordinate The Market emergency response plans; coordinate with the facilities, maintenance, and grounds departments to ensure that facilities are clean and operational.
9. Supervise booking The Market vendor spaces; ensure compliance with established policies; respond to issues and concerns as required.
10. Supervise, review and sign The Market daily sales and cash reconciliation reports to ensure adherence to District fiscal policy regarding credit cards and cash handling.
11. Monitor the budget for The Market; approve expenditures; review financial reports and statements; manage service contract; oversee and control purchasing of equipment and supplies; coordinate expenditures with the Director to ensure compliance with the budget.
12. Compile data, prepare and submit related reports as required by Fiscal Services, the Foundation, the District, and local, county and federal agencies.
13. Assist to assess the profitability of The Market and implement strategies to increase the profitability of the operation.
14. Market and promote The Market through the use of flyers and advertising; compose and run weekly and distribute flyers, as needed.
15. Attend and conduct a variety of meetings as needed; participate in assigned committees; attend workshops, conferences and training, as required.
16. Perform other duties as directed.

QUALIFICATIONS

Knowledge of:

- Open market concepts and practices.
- Retail operations business management principles and practices.
- Principles of management and supervision.
- Cash management and inventory control methods.

SAN JOAQUIN DELTA COMMUNITY COLLEGE

Auxiliary Services Operations Supervisor

- Standard office practices and procedures.
- Accounting and financial record keeping.
- Inventory practices and procedures.

Ability to:

- Plan, organize and direct the daily operations of an open market business.
- Maintain accurate store records consistent with generally accepted accounting practices.
- Analyze problems, identify alternative solutions, project consequences of proposed actions, and implement recommendations in support of goals.
- Lead, supervise, and evaluate assigned staff.
- Exhibit excellent customer service skills.
- Communicate effectively both orally and in writing.
- Operate standard office equipment including computers and point-of-sale cash registers.
- Work independently with little direction; meet schedules and timelines.
- Consistently work a weekend schedule.
- Work cooperatively with those contacted in the course of business.
- Sensitivity to and understanding of the diverse academic, socioeconomic, cultural, linguistic, ethnic backgrounds and disabilities of community college students and staff.
- Work outdoors in extreme temperatures; exposure to heat, cold, and noise.
- Bilingual Spanish, highly desirable.

Education and Experience Requirements:

Education:

Associate's degree from an accredited college or university with course work in business administration or related field.

Experience:

Two (2) years of related responsible experience in retail or food service management. Experience includes at least one (1) year of leadership or supervisory experience.

Draft 9/19/2014

Revised 9/29/2014

Approved 10/9/2014

Foundation Board of Directors

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

ITEM IV.F.

SUBJECT: Expansion of The Market Vendor Sites

DATE: December 8, 2014

- A. RECOMMENDATION:** The administration recommends that the Foundation Board, in order to expand the Market, approve the berm removal project and proceed upon approval from the District.
- B. BACKGROUND:** The Foundation through the master agreement with the District receives net revenues from the operation of the Market. The master agreement addendum #1 further states that the Foundation may utilize and rely upon the District to carry out the operation of the Market. The vendor demand has continually exceeded the selling spaces available. The District's Director of Auxiliary Services who has been responsible for Market operations has completed the attached analysis of requirements to expand the Market.
- C. BUDGETARY IMPLICATIONS:** After accounting for the cost of the berm removal and measuring the new revenues expected through access to additional vendor spaces, the Market is expected to yield new net revenue to the Foundation.

SUBJECT: Expansion of the Market Vendor Sites
Additional Rationale

DATE: December 8, 2014

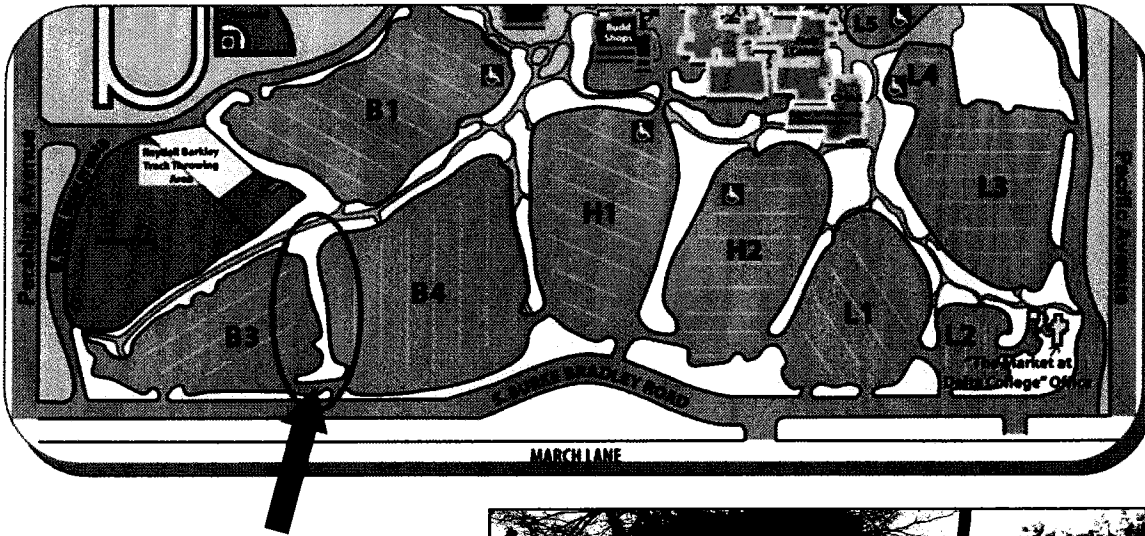
- Removal of the berm between parking lots B3 and B4 will create approximately 220 (198 reserved vendor spaces and 22 daily vendor spaces) additional rental spaces and increased revenue
 - Cost to remove the berm is estimated to be \$300,000 to \$350,000
 - Projected additional annual revenue for new spaces

Reserved vendor pricing: \$10 per space
198 spaces X \$10 X 2 days X 52 weeks = \$205,920
Daily vendor pricing: \$20 per space
22 spaces X \$20 X 2 days X 52 weeks = 45,760
Total potential new annual max revenue \$251,680

- Because the berm removal will have to be paid out of Market proceeds the following multi-year analysis provides a better picture of the impact of the berm removal on Market operations.

New Revenues		Scenario 1	Scenario 2
Year 1	50% vs 60% of max revenue	\$125,840	\$151,008
Year 2	75% vs 80% of max revenue	188,760	201,344
Year 3	95% of max revenue	<u>239,096</u>	<u>239,096</u>
New Revenue over 3 years		\$553,696	\$591,448
Less cost of berm removal		<u>-350,000</u>	<u>-300,000</u>
Available revenue		\$203,696	\$291,448

While the numbers above indicate the costs are more than offset by new revenues there is a further assurance in that Market revenues from the current operation are trending above budget. Further, given the lower than expected participation rates in the Passport Program the loan repayment to the District by the Foundation is made easier putting less pressure on current market revenue.



Proposed removal of berm between Budd Parking Lots 3 and 4 to allow for additional spaces for The Market.



An additional 220 vendor spaces will be created.



12/04/2014 - Auxiliary Services

Foundation Board of Directors

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

ITEM IV.G.

SUBJECT: Authorization to Submit Nonprofit Raffle
Registration Form to State of California

DATE: December 8, 2014

- A. RECOMMENDATION:** It is recommended that the Foundation Board authorize staff to submit if required a nonprofit raffle registration form CT-NRP-1 to the State of California for the purpose of conducting fund raising to benefit the programs of Delta College and the Foundation.
- B. BACKGROUND:** California law prohibits raffles by public institutions. While the foundation is an auxiliary the State Attorney General has determined that it has greater latitude and in some circumstances is viewed as a private entity. Only private non-profits can conduct raffles and to do so must make application to the State Attorney General and provide annual reporting to the state.
- C. BUDGETARY IMPLICATIONS:** Fundraising through raffles is a well established practice for non-profits. It provides an easy, recognized method of seeking funds.

Foundation Board of Directors

San Joaquin Delta Community College District
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ITEM IV. G.

SUBJECT: Application to Attorney General's Office
Registry of Charitable Trusts- Authorization
To Conduct Raffles

DATE: December 8, 2014

ADDITIONAL BACKGROUND: The District is a governmental agency and as such is not permitted to conduct raffles for the purpose of fundraising. District staff has been researching this issue to determine under what circumstances raffles might be permitted. Legal counsel referred them to an Attorney General's (AG) opinion 04-211(2005) which indicated that the courts have generally recognized auxiliary organizations as private versus public entities. The AG's opinion goes on to state that even those created under Education Code 72670 enjoy certain latitude not available to the college district. Based on this information and in a desire to be compliant with the law while affording college departments and student group's access to a long-standing means of fundraising, the logical solution would be for the foundation to act as the umbrella organization for conducting raffles. This involves making application to the state and filing annual reports of fundraising activities.

Procedures will be developed by staff for the careful administration and reporting of such activities including the means by which funds would be credited to the department or group benefited.

BUDGETARY IMPLICATIONS: There is some district staff time necessary to administer the process but to the degree quasi fund raising efforts have occurred in the past the additional workload would not be excessive. Given the prior amount of time spent on attempts to clarify and resolve related issues this will actually be a more efficient and reliable process.

Foundation Board of Directors

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

ITEM V. A.

SUBJECT: Discussion of Possible Foundation Supported Projects **DATE:** December 8, 2014

- A. RECOMMENDATION:** It is recommended that the Foundation Board begin discussions on the types of projects it wants to support through the generation of contributions
- B. BACKGROUND:** The current foundation board has worked to re-establish the foundation, create a stable environment and is now ready to begin the exciting work for which it was created. Earlier in this agenda a report on a student field trip was made. It is one example of how extra-curricular activities can benefit students and the type of event the foundation might want to consider sponsoring.
- C. BUDGETARY IMPLICATIONS:** As projects are identified, costs must be determined as well as funding sources.