



# IRVINE VALLEY COLLEGE

**MINUTES OF THE BOARD OF GOVERNORS – IRVINE VALLEY COLLEGE FOUNDATION  
HELD AT IRVINE VALLEY COLLEGE  
ON TUESDAY, JUNE 6, 2017 AT 7:30AM**

A meeting (the “Meeting”) of the Board of Governors for the Irvine Valley College Foundation (“Board of Governors”) was held at 7:35 AM PST on Tuesday, June 6, 2017 at Irvine Valley College, 5500 Irvine Center Drive, Irvine, CA, 92618. The following Board of Governors members were present constituting a quorum:

Peter Gluck  
Lisa Greenberg  
Bill Hewitt  
Damien Howard  
Candace Huie  
Dean LeBeau  
Tammy Livingstone  
Jeannie Luong

Rod Pierce  
June McLaughlin  
Stephen Rochford  
Eric Roark  
Glenn Roquemore  
William Woollett  
Betty Jo Woollett

The following Board of Governors members were not present: David Barnhill, Robert Chow, Bill Crosby, Michael Drennen, Ahmad Ibrahim-student, Barbara Jay, Eric Johnson, Cynthia Lenahan, David Martin, Brandon Moody, Diane Oaks, Stephen Prince, Al Rajput, Arie Shen, Bob Vu.

Julie Scholl, Interim Development Assistant served as meeting secretary.

Present, by invitation were Elissa Oransky, Executive Director of the Irvine Valley College Foundation (“IVC Foundation”), Karen Orlando, Interim Director of Annual Giving/Development Services and Karen Martin, Development Associate and Kathy Schmeidler, Biology faculty.

## **PUBLIC COMMENT**

None.

## **APPROVAL OF MEETING MINUTES FROM APRIL 11, 2017**

After discussion and upon motion duly made by William Woollett and seconded by Dean LeBeau, the minutes from the April 11 meeting were unanimously approved by the board of governors.

## **EXECUTIVE COMMITTEE RECCOMENDATIONS**

- **2<sup>nd</sup> Vice President**

Bill Hewitt informed the board of governors that David Martin will be unable to serve as 2<sup>nd</sup> vice president, however he will continue to serve as a governor of the board. The executive committee recommended Arie Shen as a replacement. Upon motion duly made by Lisa Greenberg and seconded by Stephen Rochford, the board of governors unanimously approved of Arie Shen becoming 2<sup>nd</sup> vice president.

- **Stewardship Fee Exemption: Veteran's Center Grant from the Orange County Community Foundation, Orange County Community Foundation Veterans Initiative Grant \$50,000**

Bill Hewitt explained that a grant that supports the Veterans Center does not allow for fees and is requesting an exemption. After discussion and upon motion duly made by Stephen Rochford and seconded by Lisa Greenberg, the board of governors unanimously approved of the stewardship exemption for the grant.

- **Investment Policy**

Elissa Oransky highlighted the recommended changes to the investment policy. Upon motion duly made by Betty Jo Woollett and seconded by Dean LeBeau, the board of governors unanimously approved of the investment policy changes (see attached).

## **FINANCIAL REPORTS**

Candice Huie reviewed the financial documents. A request was made to add a line to page 11 to highlight PRO IVC for future meetings. Elissa Oransky stated that the board of governors made a goal to raise \$1 million in the 2017-2018 fiscal year and announced that it is very close to being reached for the 2016-2017 fiscal year.

## **FRANK M. AND GERTRUDE R. DOYLE FOUNDATION APPROVAL**

Elissa Oransky gave a brief overview of the grant, including getting board approval to submit an application. If awarded, it will provide additional funding to the existing IVC Summer Bridge Program. Upon motion duly made by Damien Howard and seconded by Betty Jo Woollett, the board of governors unanimously and enthusiastically approved to support the submission of the grant application and the grant itself if awarded.

## **RECOGNITION OF OUTGOING BOARD MEMBERS**

Betty Jo Woollett recognized Kathy Schmeidler, Candice Huie and Bill Hewitt for their dedication to the board of governors.

## **REPORT FROM IVC PRESIDENT**

Glenn Roquemore thanked the board for their support and Bill Hewitt and Elissa Oransky for their leadership. He provided updates on the following items:

- Scholarship Ceremony
- Commencement

- Enrollments
- ATEP Construction
- Foundation House
- Partnership with Woodbridge HS: CubeSat Model

### **REPORT FROM EXECUTIVE DIRECTOR**

Elissa Oransky gave an update on the scholarship ceremony. Betty Jo Woollett reminded the board of the importance that they all attend the scholarship ceremony. Elissa Oransky thanked the board of governors for their support and dedication over the last two years.

### **ASG OF IVC PRESENTATION**

Out of session. No report.

### **COLLEGE PRESENTATION**

June McLaughlin gave an overview of IVC's Paralegal Studies program and her role as director. It currently includes a certificate of achievement and an associate's degree.

Upon motion duly made by Tammy Livingstone and seconded by Dean LeBeau, the board of governors approved to extend the meeting by 10 minutes.

### **CALENDARS**

Bill Hewitt reviewed the draft calendar for 2017-2018. He encouraged all of the board of governors to participate and get others to participate in the events this year. Upon motion duly made by Betty Jo Woollett and seconded by Lisa Greenberg, the board of governors unanimously approved of the meeting dates.

### **OPEN DISCUSSION/COMMENTS/QUESTIONS**

Kathy Schmeidler announced that the LunaFest will be held June 8<sup>th</sup>, 2017 in the IVC Performing Arts Center at 7:00 PM PST.

Upon motion duly made by Tammy Livingstone and seconded Lisa Greenberg the meeting was adjourned at 9:11 AM PST on June 6, 2017.

IRVINE VALLEY COLLEGE FOUNDATION  
BOARD OF GOVERNORS

## INVESTMENT POLICY

### I. Investment Authorization

In accordance with the Irvine Valley College Foundation (“Foundation”) Bylaws, **Article V, Section 14 (C)**, the Board of Governors is authorized “to adopt and control the operation, budget and financial plan of the Foundation and conduct the financial affairs of the Foundation in a responsible manner.” In accordance with **Article VII, Section 3 (C)**, the Finance Committee “shall oversee all financial, planned giving and investment activities of the Foundation.”

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### II. Responsibility

Board of Governors – By adopting this Investment Policy, the Board of Governors assigns responsibility as follows:

Finance Committee – Responsible for proposing investment policies to the Executive Committee, reviewing the implementation of the Investment Policy, researching, evaluating and selecting suitable investments, and advising the Executive Director and Treasurer on financial matters.

Executive Committee – Reviews and approves changes in the Investment Policy as submitted by the Finance Committee. Submits such changes to the Board of Governors for final approval.

Foundation Executive Director – Responsible for day-to-day management of the Foundation portfolio, following this Investment Policy. Reviews status of Foundation portfolio and anticipated cash flow needs. Initiates additional purchases and/or sales of investments to meet liquidity needs of Foundation and notifies the South Orange County Community College District Office (SOCCCD) to make investments on behalf of the IVC Foundation, or makes the investments directly if this authority has been delegated by the SOCCCD. ~~Prepares~~ ~~Provides~~ periodic financial and investment reports showing balances, cash flows and investment performance.

Treasurer – Receives copies of trade confirmations and monthly account statements. Reviews investment activity for reasonableness and ensures compliance with the Investment Policy. Approves periodic financial and investment reports and presents them to the Board of Governors on a quarterly basis, as a minimum. Serves as Chair of the Finance Committee.

Investment Committee – May, or may not, be formed by the Treasurer to advise on or review investments. Shall be an advisory body with no decision making authority. ~~Members~~ ~~The majority of members~~ shall be members of ~~either~~ the IVC Board of Governors ~~or of the Advisory Committee of the Board of Governors.~~

### **III. Statement of Objectives**

The investment objectives of the Foundation are to have funds available to pay all obligations when due and to maximize investment return within reasonable and prudent levels of risk.

### **IV. Investment Policy and Asset Allocation**

A. Endowment Funds: Since the purpose of endowments is to provide scholarships and other benefits in perpetuity, endowment funds are invested with a long term perspective. The policy is to protect the principal, over the long term, and yet maximize the investment earnings so as to maximize the benefit provided by the endowment. Accordingly, funds are to be invested as follows:

1. Fixed Income Funds: These funds shall constitute 30% - 70% of the total Endowment Funds portfolio. Funds may be invested in government bond or corporate bond mutual or exchange traded funds with an average credit quality rating of "A" or higher and a minimum of \$250 million in assets each. Investments can be domestic and international funds. No more than 50% of the Fixed Income fund portfolio shall be invested in any single fund.
2. Equity Funds: These funds shall constitute 30% - 70% of the total Endowment Funds portfolio. Funds may be invested in domestic or international mutual or exchange traded funds composed of primarily large or mid capitalization companies which feature growth, value or blended investment styles. No more than 30% of the Equity portfolio shall be invested in a single fund, unless it is an S&P 500 index fund, in which case up to 50% of the Equity portfolio can be invested.
3. Cash or Cash-Equivalents: These funds shall constitute 0% - 10% of the total Endowment Funds portfolio. Funds may include money market, certificates of deposit, treasury bills and commercial paper. The purpose of these funds is to accumulate sufficient cash to meet needs during the year, such as endowment scholarships issued in a Scholarship Awards ceremony.

B. Non-Endowment Funds: Non-endowment funds are generally, but not always, used for short term needs throughout the year. Accordingly, sufficient funds are to be maintained in cash or cash equivalents to meet day-to-day operating needs (herein named "Operating Funds"). Excess funds are to be invested in "Investment Funds." The Foundation Executive Director will determine the amount of the Operating Funds on an on-going basis by projecting cash flows in consultation with key college departments/account sponsors, historical cash flow patterns and other factors. The Operating Funds are to be sufficiently large so that the probability of a need to liquidate funds from the Investment Fund to meet operating needs is nominally less than 10%, as estimated by the Foundation Director.

1. Operating Funds:

Funds are to be placed in FDIC insured checking accounts or in liquid money market accounts having a rating of "A" or higher by a nationally recognized rating service.

2. Investment Funds:

A. Fixed Income Funds: These funds shall constitute 30% - 70% of the total Investment Fund portfolio. Funds may be invested in government bond or corporate bond mutual or exchange traded funds with an average credit quality rating of "A" or higher and a minimum of \$250 million in assets. Investments can include both domestic and international mutual or exchange traded funds. No more than 50% of the Fixed Income Fund portfolio shall be invested in any single fund.

B. Equity Funds: These funds shall constitute 30% - 70% of the total Investment Fund portfolio. Funds may be invested in domestic or international mutual or exchanged traded funds composed of primarily large or mid capitalization companies which feature various investment styles such as growth, value and blended. No more than 30% of the Equity portfolio shall be invested in a single fund, unless it is an S&P 500 index fund, in which case up to 50% of the Equity portfolio can be invested.

## V. Allocation of Returns and Disbursements

A. Endowment Funds: The total returns on these funds (interest, earnings, and appreciation, as applicable) will be reinvested in each endowment account on a pro rata basis. Disbursements from these funds will be made in accordance with each endowment's direction. If no endowment direction is available, an annual disbursement will be made to IVC scholarships, or other purposes as directed by the endowment. The approximate amount of this disbursement will be based on the annual rate of return less the annual national CPI, provided such amount is a positive amount.

The Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 5 percent annually. Actual returns in any given year may vary from this amount.

The Foundation expects to appropriate for distribution each year 3 percent of endowment fund's average fair value over the prior 12 quarters the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 2 percent annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provided additional real growth through new gifts and investment return.

B. Non-Endowment Funds: The total returns on these funds will be allocated to the Discretionary Fund of the Foundation. Disbursements from non-endowment funds will be made as directed by each fund sponsor.