

Executive Committee Meeting
July 16, 2019 ~ 3:30 PM - 5:00 PM
945 S. Main Street, Ste. 207, Salinas, CA 93901

AGENDA

1. Call to Order – Birt Johnson, Jr. 3:30
2. Approval of Minutes (1- 3)
 - May 28, 2019
3. Report of the Chair – Birt Johnson, Jr.
 - Celebration of Philanthropy
 - October 30, 2019
 - Distinguished Trustee
 - Impending Board Member Resignation
4. Treasurer's Report – Jan Vanderbilt
 - June Financials Summary (**on portal**)
5. Grants and Programs Committee – Ida Lopez Chan
 - Grant Approvals (if needed) (**4**)
6. Investment Committee – Ken Petersen
 - Next meeting: August 12, 2019
7. Governance Committee – Ken Petersen
 - Nominating process
8. Community Impact Investment Committee – Nolan Kennedy
9. Resource Development Committee – Christine Dawson for Michael Reid
 - Development Summary June – (**5-6**)
10. New Funds – Dan Baldwin 3:50
 - CRAT**
 - The Brooks Charitable Remainder Annuity Trust
11. President/CEO Report – Dan Baldwin 4:00
 - 75th Anniversary of CFMC
 - Advocacy Guidelines (**6-12**)
 - 2019 Pres/CEO goals progress report (emailed separately) (**13-17**)
12. Executive Session 4:45
 - Adjourn**



**Executive Committee Meeting
2354 Garden Road, Monterey, CA
May 28, 2019**

MINUTES

Committee Members Present: Birt Johnson, Jr., Teri Belli, Ida Lopez Chan, Jeff Eikenberry and Ken Petersen, Jan Vanderbilt

Absent: Michael Reid

A quorum was established.

CFMC Staff Present: Dan Baldwin, Laurel Lee-Alexander, Christine Dawson, Diane Nonella and Julie Conrad

CALL TO ORDER – Birt Johnson, Jr.

Birt Johnson called the regular meeting of the Executive Committee of the Community Foundation for Monterey County to order at 3:30 on May 28, 2019 at the Foundation's Monterey office.

APPROVAL OF MINUTES

Motion: to approve the March 26, 2019 minutes as written.

Jeff Eikenberry / Ken Petersen second. Motion carried unanimously

REPORT OF THE CHAIR – Birt Johnson, Jr.

Birt reported on the League of California Community Foundations (LCCF) CEO/Chair retreat that he and Dan attended in Sacramento. One of the topics was AB1338 requiring fiduciary training for community foundation board members. CFMC recruits board members to represent a wide range of diverse professional skills and opposes the requirement for all board members to be certified fiduciaries.

Birt Johnson reviewed the Distinguished Trustee award process and list of recipients. The committee discussed the list, and at the end of the discussion the committee agreed on the first and second choices to recommend to the board. The first choice is Honorable Lydia Villareal and second choice, Joel and Dena Gambord. All the candidates have a long history of community involvement, leadership and give generously throughout Monterey County.

Motion: to recommend to the full board at the June 25, 2019 meeting, Honorable Lydia Villareal as the 2019 Distinguished Trustee at the 2019 Celebration of Philanthropy.

Ken Petersen / Ida Lopez Chan second. Motion carried unanimously.

Birt discussed the idea of allowing more time in board meetings for discussions and education on relevant topics. The agendas will focus on timed and streamlined committee reports.

INVESTMENT COMMITTEE – Ken Petersen

Ken reported on the May 13 meeting of the first quarter portfolio reviews by Kaspick and Verus. The committee is working with Anne Westreich of Verus on updating the Investment Policy Statement, which will be approved at the December board meeting.

RESOURCE DEVELOPMENT COMMITTEE – Christine Dawson for Michael Reid

Christine summarized the success of the 2019 Women’s Fund Lunch. An estimated \$140,000 was raised and 591 people were in attendance, making for the largest luncheon to date.

TREASURERS REPORT - Jan Vanderbilt

Jan Vanderbilt reported the April financial statement will be reviewed and approved at the June board meeting.

GRANTS AND PROGRAMS COMMITTEE – Ida Lopez Chan

Ida Lopez Chan recommended approval for two donor advised grants over \$50,000.

1. Farrell/Allen/LaSalle Carmel Rotary Fund
 Agency: Pacific Repertory Theatre
 Amount: \$50,000
 Purpose: to support the facilities project, coinciding with the capital remodeling project

2. The David and Lucile Packard Foundation Fund
 Agency: CHISPA
 Amount: \$65,000
 Purpose: Salinas Youth Initiative 2019-2020: \$55,000 for program and \$10,000 for technical assistance

 Agency/Organization: City of Salinas
 Amount: \$66,000
 Purpose: Salinas Youth Initiative 2019-2020: Salinas Public Library \$55,000 for program and \$11,000 for technical assistance

Motion: to approve the grants from the Farrell/Allen/LaSalle Fund to the Pacific Repertory Theater for \$50,000 and The David and Lucille Packard Fund grants to CHISPA, \$65,000 and City of Salinas, \$60,000.

Jeff Eikenberry / Teri Belli second. Motion carried unanimously

GOVERNANCE COMMITTEE – Ken Petersen

Ken reported the committee met on May 6 reviewed the board terms and matrix in preparation for board nominations.

Ida Lopez Chan is the chair of the grants and programs committee and the committee recommended Ida’s term be extended for one year to complete the work of the grants and programs Community Impact (CI) evaluation.

Motion: to approve the one-year term extension to Ida Lopez Chan.

Jeff Eikenberry / Teri Belli second. Motion carried unanimously.

Dan discussed the draft of the 2019 board questionnaire that will be presented at the June 25 board meeting. Using a formal survey questionnaire will take the guess work out of the board matrix and provide more accurate information around diversity, geography, age and professional skills for the National Standards compliance.

NEW FUND APPROVALS – Dan Baldwin

- **Non-Endowed Donor Advised Fund**
Clint and Karen Miller Charitable Fund
- **Non-Endowed Designated**
MBD Fund
- **Agency Stewardship Fund**
Kinship Center Stewardship Fund

PRESIDENT/CEO REPORT - Dan Baldwin

2020 Census

Dan reviewed the status of the 2020 Census noting that Monterey County is considered to be a “hard to count” region. The state will distribute approximately \$210,000 into Monterey County that will be regranted to organizations throughout the county that are engaged in educating hard to count populations. There will be a 2020 Census Fund established at CFMC so donor advisors can add to the fund.

Big Sur Affiliate

Dan reported the Big Sur affiliate fund is paused and waiting for more leadership to emerge in the Big Sur area. Christine Dawson is in contact with the group and prepared to move forward when they are ready.

DEI Committee

Laurel Lee-Alexander is the lead for the CFMC staff Diversity, Equity and Inclusion (DEI) team. The committee was created to broaden awareness, support and dialog for the CFMC staff around the issues of DEI.

3200 17 Mile Drive

Dan reported the property is being prepared for potential showing during the US Open tournament with tree maintenance and house cleaning.

EXECUTIVE SESSION

Meeting adjourned at 5:25 for executive session.

Next Executive Committee Meeting is:

- **Tuesday, July 16, 2019 (Rescheduled from July 23)**

Minutes prepared by _____
Julie Conrad, Administrative Services Manager

Approved by: _____
Jeff Eikenberry, Secretary



**BOARD ACTION ITEM: GRANTS AND PROGRAMS
GRANTS OF \$50,000+
July 16, 2019**

Approve Donor Advised, Other Grants and Interfund Transfers of \$50,000+

1. Harles R. Sarment College Endowment Fund (interfund)

Fund: College Futures Monterey County Fund
Amount: \$162,326.66 t Fund to
Purpose: scholarships

2. College Futures Foundation Fund (interfund)

Fund: College Futures Monterey County fund
Amount: \$200,000
Purpose: scholarships



Community Foundation
for Monterey County
Resource Development Summary
June-19

Current Activity Report

Number of Meetings/Contacts
June 2019

Month	Professional Advisor	Prospects	Current Fund Holders	Presentations	Events	Newsletters Crescendo eBlasts
January	5	16	18	3 *See below	11 *See below	4
February	13	32	21	5 *See below	14 *See below	4
March	5	24	20	4 *See Below	11 *See Below	4
April	5	15	14	6 *See below	8 *See below	4
May	10	20	21	7 *See below	5 *See below	4
June						
Total Activity	28	87	73	18	44	16

January Events: Siembra Latinos Fund, HEAP Meeting, AFP Funders Panel, Leadership Council, Sacramento, Noteware, IMPOWER, AFP Eithics Training, AFP Board meeting, SMCf Meeting, Interim, Inc Event, Leadership Monterey County, NCFP Family Learning Styles, Dentistry 4 Vets

February Events: CFMC Legacy Luncheon, Women's Fund Leadership Council, NCFP Monthly Topical Call, Embassy Suites Nonprofit Appreciation Breakfast, Leadership Monterey County, Monterey County Gives! Check Ceremony, CFMC Professional Advisor Council, NCFP Webinar, Junior Achievement Hall of Fame, Arts Council Gala, Planned Parenthood luncheon, Montage Luncheon, Bright Spots Recognition, SVMH Event, Monterey Public Library Event, Core Conveners, LCCF, Los Gatos Home Inspection, AFP Board

March: PG Art Center Exhibit Opening, California Wellness Foundation Reception, Donor Education Event: Design Your Philanthropic Vision, NCFP March Topical Call, NCFP Webinar: Pride of Place, Ventana Wilderness Alliance Day, Fund for Big Sur Meeting, NMCF Meeting, COF Meeting Tucson, Kat Taylor Dinner, Monterey Democratic Women's Luncheon, Land Trust Conference, Fund for Homeless Women Event, Museum of Art, Moss Landing, LCCF East Bay, Sue Antle Memorial

April: Big Sur Community Leaders Meeting, VNA Investment Ctte, LCCF, Kiwanis, AdNET Conf., How Women Lead, Latino Community Foundation, MMA Opening, MMA Gala, Hartnell Reception, MBEP Conf., Southern Monterey County Foundation Event, Read To Me Project Site Visit, Power Tools for Planned Giving Tools Presentation, Restorative Justice Partners Site Visit, Leadership Monterey County

May: Women's Fund Luncheon, North Monterey County Event, Sun Street Centers/Pueblo del Mar Graduation, Leadership Monterey County, MBEP Summer Summit, Gathering for Women, MPW- Fund for Homeless Women, LCCF CEO/ Board Retreat, Narigi Farwell Event, Harmony at Home, Rabobank Community Leadership, AFP, Commission on the Status of Women, Leadership Council

June:

***On-going: Salinas & Monterey Rotary Clubs**

Planned Gifts		
New Legacy Society Members for the Month:		10
Expectancy Additions Year to Date:		7,355,001
Legacy Society Members to Date:		234
Total Expectancies to Date:		\$216,225,673
New Funds Created 2019		
Type of Fund	Number of Funds	Establishing Gift
Endowed Donor Advised Fund		
Antle Family Fund	1	\$3,523,111.94
Non - Endowed Donor Advised		
Clint and Karen Miller Charitable Fund	1	\$500,000
Live and Give Fund	1	-
John and Annette Romans Family Fund	1	\$300,000.00
Scholarship		
John S. Myszak Scholarship for Future Teachers	1	\$5,000.00
Ipson Tulley Cal Memorial Scholarship Fund (name	1	\$25,000.00
Designated Fund		
Anne Throp Memorial Fund	1	\$30,000
MBD Fund	1	\$10,000.00
Agency Stewardship Fund		
Kinship Center Stewardship Fund	1	\$338,339.57
Special Purpose Fund		
Census 2020 Fund	1	\$10,000.00
New Funds Created Total:	10	\$4,741,451.51
New Recievables/CGA/Bequests/Grants		\$100,884.59
Payment on Previously Recorded Recievable		\$3,942,834.79
Total Contributions		
Year 2019 - YTD	\$	13,860,794.77
Year 2018 - YTD	\$	9,622,235.20

Community Foundation for Monterey County
Advocacy and Public Policy Guidelines
June 2019 (Draft 2)

Introduction

Section 3 (Community Leadership) of the 2015 CFMC Strategic Plan states the following:

Grow the CFMC's profile in advocacy when such activity can create a strong environment for the CFMC to prosper, or support initiatives that align with the CFMC's core values. This may be accomplished through participation in the League of California Community Foundations public policy work, working with the Council on Foundations or other national lobbying groups, partnering with local organizations or, when appropriate, developing our own initiatives.

The definition of advocacy is “public support for or recommendation of a particular cause or policy.” The definition of lobbying is “seek to influence (a politician or public official) on an issue.” These terms are often used interchangeably, but there is a clear difference between the two. However, for the purpose of these guidelines these definitions will not be used individually; rather, unless specified, they’ll be conflated into “advocacy.”

IRS codes pertaining to advocacy do not differentiate community foundations from other public charities. However, these guidelines will use “community foundations” rather than “public charities” in order to reinforce that we are referring to allowed/disallowed activities for the CFMC.

The following guidelines outline the methods, parameters and limitations of how community foundations may engage in advocacy work. On the whole, this is not new work for the CFMC, but it has never been guided by a board approved set of guidelines. One can logically anticipate increased advocacy activity for the CFMC, as regulatory threats to philanthropy may become more common. Additionally, in California, increasing usage of the initiative and referendum process also means voters are assuming more responsibility in deciding important policy and fiscal matters, and it will become increasingly likely the CFMC will be asked to provide support on voting initiatives which align with the CFMC’s priorities and values. Locally, whether voting initiatives such as bond referendums or lobbying for or against County or local policy decisions, the voice and stature of the CFMC may be sought. It is important that the CMFC determine the circumstances in which it will engage on these matters. Lastly, advocacy work doesn’t necessarily equate to influencing legislation or taking positions on public referendums. It can also involve educating public officials on the intricacies and nuances of community issues.

For community foundations with a history of involvement in this arena, advocacy is seen as an integral part of their philanthropic strategy. Such support typically covers a range of activities, from defining the problem(s) and framing key issues to research, analysis and advocacy of specific policy actions. For

others, foundation involvement goes beyond grantmaking to encompass institutional leadership on issues that impact their core mission. This is especially important in a region as large as Monterey County, where the multiplicity of jurisdictions can diffuse leadership on issues that affect the entire County. There may be times when the CFMC can help shape public opinion and provide much needed leadership on significant public policy issues.

Precedence exists with other community foundations which have assumed this mantle of public leadership. The Silicon Valley Community Foundation led a legislative initiative to curb predatory payday lending. The California Community Foundation (Los Angeles) has been part of a public/private effort to make a dent in chronic homelessness. Smaller community foundations across California have been leaders in immigration policy and affordable housing. In the area homeless services, the CFMC led a series of meetings that led to structural changes of the Leadership Council (a HUD mandated group that oversees state and federal funding) and convinced jurisdictions and nonprofits to collaborate on projects. Advocacy, even to public entities, does not always involve shaping legislation.

The following guidelines are a framework for the CFMC's decision-making process on institutional leadership on advocacy. The intent is to define the parameters and develop a process that will enable CFMC staff and board to consider the circumstances in which an institutional position would add value to public discourse or shape legislation.

The Parameters

Who can engage in advocacy. All nonprofit organizations, including public charities like the CFMC and, to a limited extent, private foundations, can participate in public policy development and advocacy.

Definition of advocacy. Advocacy is a broad term that encompasses a range of activities designed to educate and influence others through issue analysis, community organizing and relationship-building. Lobbying is just one of many activities in the advocacy spectrum, which includes the following—

- Educating the public (e.g., through informational brochures, flyers, organizing of rallies);
- Educating legislators (e.g., oral/written testimony);
- Researching and analyzing public policy issues;
- Writing letters/email and sending them to partner organizations, public or elected officials;
- Writing and submitting op-ed pieces or letters to the editor of newspapers and other media outlets;
- Convening meetings, community forums, funder briefings;
- Convening and/or participating in press conferences;
- Voter education;
- Developing relationships with legislators;
- Providing testimony at public hearings and meetings;
- Providing technical assistance or guidance to legislators;
- Training nonprofits on how to engage in grassroots advocacy activities;

- Submitting comments on proposed regulations;
- Supporting candidates for public office (**not allowed for 501(c)(3) organizations**);
- Supporting/opposing specific initiatives or bond measures;
- Lobbying

Definition of lobbying. Under the laws applicable to community foundations and other public charities, there are two types of lobbying—direct and grassroots.

a. Direct lobbying consists of opinions or actions that are directed at legislators or legislative bodies intended to influence the outcome of a specific piece of legislation. “Legislator” refers to executive level public officials who participate in the development of legislation (this includes senior legislative staff). Under this definition, members of special purpose boards, such as school boards, planning and zoning commissions, are excluded because their functions are narrowly prescribed, and their role is to interpret or implement existing laws. “Specific legislation” includes existing bills that have been assigned a name and a number, as well as legislative proposals that have not been fully developed, are not yet written and not yet introduced.

Exceptions to the definition of “specific legislation” are:

- (1) rules and regulations;
- (2) enforcement (or lack of enforcement) of existing laws and regulations;
- (3) executive orders from a mayor, governor, or president of the U.S.; and
- (4) pending lawsuits

Community foundations are free to comment or advocate on issues involving any of the exceptions listed above. For example, they can participate as parties to a lawsuit or as “friends of the court” in legal briefs supporting or opposing specific litigation. They can write letters to public officials asking for the enforcement of habitability codes or fair housing laws against landlords who violate these provisions. Community foundation support of nonprofits to engage in these activities is not considered lobbying; and community foundations themselves can participate in these activities.

b. Grassroots lobbying includes communications to the public that expresses a point of view about a particular bill or legislative proposal and asks the public to contact their elected representatives in order to influence their vote on a bill or proposal. Direct calls to action will be treated as grassroots lobbying. An example of a direct call to action would be for the CFMC utilize Facebook to urge readers to call their legislators to oppose or support a piece of legislation.

Exceptions to lobbying. There are four exceptions to the statutory definition of lobbying: (1) nonpartisan research and analysis; (2) discussion and analysis of broad social and economic issues; (3) legislative requests for technical advice or assistance; and (4) self-defense. Community foundations can engage in these exempt activities.

1. Nonpartisan research and analysis. The research or study should present a balanced, complete explanation of the issue that would enable a reader to reach his/her own independent conclusion. It can advocate a particular position or express a point of view as long as the analysis is evenhanded. The report should be widely distributed, not just shared with recipients who agree with the recommendations. And it should not direct readers to contact their elected representatives. Examples of nonpartisan research are the CFMC's *Status of Women and Girls in Monterey County* and studies produced by nonprofits like the Public Policy Institute of California and the California Budget Project.

2. Discussion of broad social and economic issues. Community foundations can convene meetings or community forums to discuss policy issues with government officials and the general public. For example, convenings organized by the CFMC on homelessness and how public and nonprofit agencies can work in a more coordinated fashion led to structural changes in oversight and implementation of public funds. It would be lobbying if the discussions revolved around support or opposition for specific legislation, such as seeking more State funding for homelessness or affordable housing or opposing legislation that reduced funding.

3. Legislative requests for technical advice or assistance. If a legislative or governmental body submits a written request to a community foundation to provide testimony on a particular subject, preparation and presentation of the information are not considered to be lobbying; and the expenses associated with preparing the testimony (e.g., research, writing, production of materials, travel time and costs) are not lobbying expenses. For example, the Assembly Committee on Human Services may send a written request to nonprofit job training providers, asking them to present testimony on the potential effects of federal budget cuts and policy changes affecting state-run welfare-to-work programs. Responding to these written requests is permissible, and the time invested to draft testimony or provide technical assistance is an exempt activity.

4. Self-defense. Communications with a legislator or legislative body regarding a bill or proposal that would affect an organization's existence, powers, tax-exempt status, or tax-deductibility of contributions to the nonprofit is not lobbying. For example, AB1712 in the 2019 California legislature sought to require all donor advised fund sponsors to have active funds policies, submit fund-by-fund reporting to the State Attorney General, and left open any action the AG's office might take if funds didn't adhere to an unspecified reporting outcome. The League of California Community Foundations' actions to make this a two-year bill in hopes of satisfactorily modifying or killing the bill was a position of self-defense, as the bill would have altered the business model of its member community foundations. The CFMC's CEO engaged in self-defense activities on behalf of the League of California Community Foundations. It would have been permissible for the CFMC's CEO speak specifically on behalf of a formalized CFMC position. This would not have been considered lobbying, and any expenses incurred in this activity would not have to be reported as lobbying expenses.

Extent of permissible lobbying. Internal Revenue Service regulations allow community foundations to engage in some lobbying. Community foundations can support educational activities and advocacy

through grantmaking and direct institutional engagement. One of two tests is used to determine the permissible amount of lobbying: the “insubstantial part” test or the “expenditure” test.

a. Insubstantial part test. Under this test, lobbying activities should comprise an “insubstantial” part of an organization’s overall activities. While “insubstantial” is not clearly defined by the Internal Revenue Service, the parameters are generally set at less than five percent of an organization’s total activities.

b. 501(h) expenditure test. Community foundations can elect to be governed under Section 501(h), which permits lobbying up to a certain percentage of their budget. The expenditure limit is generally 20 percent of “exempt purpose expenditures” (often thought of as program budget expenditures within a fiscal year) for all lobbying, of which a quarter of that amount can be spent on grassroots lobbying. In no case can a public charity that has taken the 501(h) election exceed \$1 million a year in lobbying expenses. Application of the test means that a maximum of \$250,000 can be spent on grassroots lobbying, while the remaining \$750,000 can be used for direct lobbying. Community foundations that choose the expenditure test must report their lobbying expenses separately on the IRS Form 990. Some nonprofit organizations that do significant amounts of lobbying may choose to form a separate entity, such as a 501(c)(4) social welfare group or a 501(c)(6) membership association, instead of electing the 501(h) expenditure provision.

Review and Approval Process

Institutional positions. When the CFMC identifies a public policy matter on which it may choose to take a position, or if a request is made to the CFMC to take a position, the following will be considered:

1. The matter furthers the Foundation’s mission and has a significant impact on residents or communities in Monterey County (e.g., housing, education, access to healthcare, etc.)
2. The matter has the potential impact the CFMC’s business model or interfere with or create barriers for donors to participate in community philanthropy through a partnership with the CFMC;
3. The matter has a direct bearing on the CFMC’s programmatic priorities in education, healthcare, neighborhood revitalization or arts and community development; or
4. The matter has received affirmative endorsements from two or more key nonprofit, public or private institutional stakeholders that have participated in the policy discussions and/or helped shape the recommendations and proposed actions;
5. Taking a policy position would further the goals and objectives in the CFMC’s strategic plan; and
6. The CFMC has the potential to impact the matter because--
 - the staff has ample knowledge and expertise on the issue;
 - it has the relationships and partnerships necessary to be credible and proactive in the policy community; and

- financial support can be secured through the CFMC’s own grantmaking funds and/or through solicitation of other donors and/or institutional funders.

Senior management staff and the president/CEO will thoroughly review the matter presented and assess the implications for the CFMC and potential impact on the public policy debate.

Timing and procedures. If time is of the essence and the issue cannot wait for a regularly scheduled board meeting, the president/CEO will consult with the board chair and executive committee members and request a special meeting of the executive committee by conference call to discuss and potentially vote on the matter. If timing is not critical, the issue will be placed on the agenda for a regularly scheduled board meeting. As with all matters put before the executive committee and the board, approval requires a quorum of members and majority of yes votes.

Implementation

If the board or executive committee determines that an institutional position is warranted, the Foundation’s senior management will present recommendations on how that position can be implemented. This can include any or all of the following options:

- attach its name to materials endorsing the initiative;
- provide a public policy grant to a nonprofit or consortium of nonprofits that will work on the issue;
- develop a communications strategy, in collaboration with other stakeholders, to increase public visibility of the issue (e.g. writing op-ed articles, letters to the editor, assisting with press events, etc.)
- implement a variety of civic engagement strategies which may include convenings, forums, briefings and other activities;
- create and/or fund public policy publications, including white papers, issue briefs, and other research and analytical tools to inform and impact the policy debate; and/or
- train nonprofit organizations in public policy and media advocacy.

The specific recommendations will be tailored to each issue. This list of recommended actions is not intended to be exhaustive, but rather, is illustrative of the strategies that the CFMC can consider.

Dan Baldwin, President/CEO
Community Foundation for Monterey County
2019 Goals

1. Advocacy Policy; Community Leadership

Develop a CFMC advocacy policy in conjunction with a growing understanding that the CFMC has a role in facilitating solutions for community issues. The CFMC strategic plan has four pillars: growth, granting, excellence and leadership (this paraphrases the actual SP document). We have formalized systems and quantitative measures for the first three, and while we've instinctively worked in leadership roles, we've not yet put systems, definitions and parameters in place. As our assets, grantmaking and profile grow so will the expectations of the CFMC to lead on important issues. It is time we developed a policy that will assist in defining how/when we engage in public policy work, as well as how we involve ourselves and define our role as a community leader.

Update: Policy document has been through two drafts. Now referring to them as guidelines, as a policy document may be overly proscriptive. Ready for discussion at the July executive committee meeting.

2. Homelessness; Affordable Housing

Be a critical partner in the development of a year-around homeless shelter in Salinas that can be a model other Monterey County communities can replicate. Work with Peninsula communities/providers to locate or build out homeless shelter services.

This may become an evergreen goal, and we should consider utilizing the January board retreat to discuss whether we formalize this as a CFMC priority. We are now considered the trusted broker of conversations between providers, the County, and many municipalities in making sure the right parties are at the table for major decisions.

There may be considerable public funds coming to Monterey County and people are looking to the CFMC to facilitate decisions that are open and effective. My role on the Leadership Council (the HUD mandated entity that oversees the County's formal homeless plan) has helped communicate the CFMC's willingness to be a positive player that brings people together. Homelessness and affordable housing are connected. Our work in 2017/2018 helped bring crucial resources to the Monterey Bay Economic Partnership which is taking a lead role in bringing data and alignment to this issue.

CFMC may find itself in a convening role in 2019. **Update: Little did I know the extent of the convening role the CFMC would have. With more than \$10.4 million in HEAP (Homeless Emergency Aid Program) funds earmarked for Monterey County, the CFMC was very involved in the development of the RFP, scoring process and facilitation of the funding decisions. We have been involved in discussions on the two major capital**

projects for permanent homeless shelters in Salinas and Seaside. I will be assisting with the search for the new executive director of the Coalition of Homeless Services Providers.

3. Community Impact Investing

Now that we have made a first round of Community Impact Investments, we should grow the CFMC's portfolio of Community Impact Investments and assess whether we should modify/expand the policy documents that defines our methods.

2018 was an exciting year for impact investing at the CFMC. A committee was formed, policy documents written and approved, RFP sent, responses vetted, due diligence underwriting performed, loan documents created, and investments made. The CII committee did an outstanding job. We also learned a lot and became much more comfortable with the process as we went along. The committee agreed that we should revisit certain aspects of the policy doc that was created. After the Celebration of Philanthropy, a donor advisor wondered if this was available to him through his fund. This will also be discussed. **Update: This is going well. In 2018 we successfully made two placements, but they were probably the simplest way we could break into impact investing. Early in 2019, the board approved revised CII policy documents so the program could venture into areas of direct investment. The committee has been actively exploring several options.**

4. Investment Policy Statement

The Investment Committee has determined it is time to review the CFMC Investment Policy Statement. This is a large undertaking that will also include Diane Nonella and Verus, our investment consulting firm. It may take much of the year. **Update: An IPS subcommittee has been formed (Ken Petersen, Steve Dart, Dan Baldwin). The subcommittee has been working with Verus on the IPS revision. Very robust conversations. On track.**

5. Dormant Funds Policy

Develop a dormant funds policy. While the CFMC tracks all fund activity, we have not developed an official dormant funds policy. This policy will lay out procedures for contacting donors whose funds have gone dormant and describe steps that can be taken to incorporate these funds, should they be deemed abandoned, into our general endowment; some of these funds may come with instructions on their use after the death of the donor. In those cases, those instructions will be honored. **Update: The CFMC's Active Funds Policy was approved at the April board meeting.**

6. Affiliate Funds

Siembra Latinos

Move Siembra Latinos into a full-fledged working fund with an enhanced public profile and robust fund development plan. **Update: Ongoing.**

Big Sur Affiliate Fund

Explore the willingness of Big Sur residents and donors to create an affiliate fund similar to the ones in North and South County. Should we learn there is enthusiasm for this, move forward with the establishment of an advisory board and fund. **Update: After several meetings in Big Sur, it has been determined that the Big Sur community is not ready for an affiliate fund. Christine is still in conversation with several stakeholders. One of the challenges is that no local leadership emerged to champion the idea.**

7. Irvine Foundation Grant

Successful implementation of the Irvine Foundation grant. (see 2018 year-end goals for progress thus far). **Update: On track.**

8. Operations Upgrades, cont.....

The 2019 budget includes a new staff position: director of strategic initiatives. As we look at overall work flow and seek efficiencies, our involvement in several community ventures (Bright Futures, Impact Monterey County, Bright Beginnings, homelessness, affordable housing, 2020 census) is being shared by many staff and is lacking central coordination. Additionally, the Community Leadership pillar in our strategic plan has no staffing. My goal is to work with the leadership team to review our systems and work flow to identify efficiencies, and, out of this process, develop a job description that centralizes our community leadership work. This will also create clarity around other improvements. Our systems operations manager is currently researching data base systems that are better suited to the 2019 (and beyond) CFMC. We may be looking at a major decision concerning our data bases. We will be looking at all phases of our work. This may be a year of some reorganizing, but that depends on what we learn. **Update: We shifted this goal a bit, after determining that a higher priority was the creation of a grants and data manager position. This position shifts much of the grants data entry away from program and philanthropic services officers, and centralizes oversight of the CFMC's data bases (FIMS, Academic Works, Donor Central, Foundant). By doing so we are freeing up capacity for these positions to participate in external and internal strategic work. An initial direct result is that Mackenzie Little will shift to the Salinas**

office and will grow into a full-time philanthropic services presence for Salinas and South County.

9. Marketing and possible sale of 3200 17 Mile Drive; information sharing with benefiting nonprofits, continued.

While not as time-consuming as it once was, this transaction remains a high priority beyond its size. Our attention is now turning toward communicating the CFMC's unique ability to accept, liquidate and implement complex gifts. **Update: Ongoing. Progress has been reported at each board meeting.**

Ongoing:

Census 2020

The CFMC – and the League of California Community Foundations – has committed to supporting California's effort to create an accurate count for the 2020 Census. We are monitoring an appropriate role for the CFMC in this process. **Update: The CFMC has started to receive external funding for granting to organizations engaged in educating hard-to-count communities on the census. We will soon be reaching out to our donor advisors to see if they want to provide support. Erika Matadamas has been our point person with Monterey County's census efforts.**

Threats to Donor Advised Funds

I spend considerable time through my role as chair of the League of California Community Foundation's public policy committee engaged in developing strategies and responses to the criticisms of donor advised funds. This included a meeting with the CA assistant AG who oversees the state's charitable organizations. I'm also now part of a small group within a national initiative discussing strategy on how to be proactive in telling the positive stories on DAFs. This work will be ongoing throughout 2019. It goes to the heart of the CFMC business model. **Update: This was fully reported at the June board meeting. It was extremely time consuming for me in the first five months of 2019, but important outcomes were achieved.**

College Futures Monterey County

We have seen extraordinary growth in our scholarship funds. We don't know if we've hit a ceiling, but there is no indication we have. The departure of our Scholarship and Program Officer allowed us to relook at the job description, and build in more time for scholarship work. 2019 will be year three of full implementation of our work with the College Futures Foundation. Should they do another round of funding, we want to

remain part of the program. **Update: This continues to grow. Michael Castro, our Scholarship and Program Officer, has been a great addition. Scholarships have taken a spotlight in the CFMC's identity, much to everyone's benefit.**

I look forward to hearing any input or additional suggestions you may have.