

MEMORANDUM

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EXECUTIVE DIRECTOR
Eileen Hill

DATE: June 5, 2024

TO: David Heald, Spencer Russell

FROM: Karen Semingson, Chair

STAFF: Eileen Hill, Patrick Andrews and Nancy Machado

GUEST: Ben Leavitt, Partner, CWDL

SUBJECT: **Audit Committee Agenda**
Wednesday, June 12, 2024
10:30 am to 11:30 am

Item	Responsibility	Page
A. Regular Open Session		
1. Welcome and Call to Order	K. Semingson	
2. Approval of Agenda	K. Semingson	
<i>We reserve the right to change the order in which agenda items are discussed and/or acted upon at this meeting. Subject to further action, the agenda for this meeting is to be approved as presented. Items may be added to this agenda for discussion or action only as permitted by the Brown Act.</i>		
3. October 18, 2023 Meeting Minutes	K. Semingson	3 – 5
B. Public Comment		
1. Public Comment Opportunity	K. Semingson	

Item	Responsibility	Page
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C. Reports

- | | | |
|--------------------------------------|---------|-------|
| 1. Cabrillo College President Report | E. Hill | |
| 2. Executive Director Report | E. Hill | 6 – 8 |

D. Informational Items

- | | | |
|----------------------------------|------------|---|
| 1. Review 2023-24 Audit Schedule | N. Machado | 9 |
| 2. Discuss 2023-24 Audit | B. Leavitt | |

E. Adjournment

- | | |
|----------------|--------------|
| 1. Adjournment | K. Semingson |
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NEXT MEETING

October 2024

TBD

Audit Committee Attendance Chart

Audit Committee Members	10.6.22	1.23.23	4.10.23	4.24.23	6.9.23	10.18.23	6.12.24
David Heald	P	P	P	P	P	P	
Spenser Russell	N/A	N/A	N/A	N/A	P	P	
Karen Semingson	P	P	P	P	P	P	

A=Absent, P=Present, N=Not on Committees

Attendance is based on the Audit Committee meeting minutes. Please call Nancy Machado at 479-5032 if you believe this chart is in error.

Cabrillo College Foundation

Audit Committee Meeting

Minutes of October 18, 2023, distributed to Audit Committee October 24, 2023

Present: David Heald, Spenser Russell, and Karen Semingson

Absent: Barbara Scherer

Staff: Eileen Hill and Nancy Machado

Guests: Kyle Holtz and John Dominguez, CWDL

Call to Order – K. Semingson called the meeting to order at 10:02 a.m.

Approval of Agenda

Motion: MSC:D.Heald/K. Semingson: The Audit Committee members unanimously approved the Audit Committee agenda.

Approve Audit Committee Minutes:

Motion: MSC: D.Heald/K. Semingson: The committee voted unanimously to approve the Audit Committee Minutes of June 9, 2023.

Public Comment Opportunity

There were no members of the public in attendance.

Cabrillo College Report & Executive Director Report

Eileen gave a brief update on the College and fundraising for the Foundation.

Review 2022-23 Board Communication Letter

Board Communication Letter:

The Cabrillo College Foundation Audit Committee received an unmodified opinion for 2022-23.

Review 2022-23 Board Communication Letter

The Auditors informed us that we should be following FASB and recording the OPEB and Pension liabilities. Kyle Holtz informed us that a beginning balance adjustment was made to record the Unfunded pension obligation and other post-employment benefit liability.

The following changes will be made to the Audit Draft where necessary:

- Letter: remove paragraph "other reporting required by Government Auditing Standards"
- Note 5, replace paragraph under Spending Policy with this (our policy changed this last year):

- Spending Policy and How the Investment Objectives Relate to Spending Policy: The Endowment's spending policy has a target distribution rate of 4.0% will be calculated over a trailing 12-quarter period for endowment funds with a current market value that is greater than or equal to 80% of the historical gift balance. This policy provides for more consistent and predictable spending for the programs supported by the Foundation and has the benefit of mitigating extreme market outcomes. To meet the target distribution rate of 4% and preserve the long-term, real purchasing power of assets, the Endowment will seek a 7% - 8% target return (4.0% distribution rate + CPI + 1.5% management fee. The average U.S. inflation rate as measured by CPI over the last 30 years is 2.5%).
- Note 5 - under Endowment fund corpus 2nd paragraph, Update to As of June 30, 2022 and 2023
- Note 12 2nd paragraph – Update the percentage set aside for the OPEB from 48% to 100%.

Audit Committee Acceptance

Motion: MSC: D.Heald/K. Semington: to accept and recommend the 2022-23 Audit Draft with minor changes that will be shared with Audit Committee prior sending to the Board of Directors for acceptance.

Nancy Machado reviewed the Audit timeline.

Committee Calendar & Roster

No meeting date has been set for May 2024. Nancy Machado will send an email with possible dates for the meeting.

Adjournment

Meeting adjourned at 10:26 a.m.

Respectfully submitted,



Nancy Machado
Accounting & Human Resources Manager

Upcoming Meetings:

May 2024
TBD

Audit Committee Attendance Chart

Audit Committee Members	10.7.21	5.25.22	10.6.22	1.23.23	4.10.23	6.9.23	10.18.23
David Heald	P	P	P	P	P	P	P
Spenser Russell	N/A	N/A	N/A	N/A	N/A	P	P
Barbara Scherer	P	P	A	P	P	P	A
Karen Semingson	P	P	P	P	P	P	P

A=Absent, P=Present, N=Not on Committees
 Attendance is based on the Audit Committee meeting minutes. Please email namachad@cabrillo.edu or call 479-5032 if you believe this chart is in error.

Executive Director Report: June 2024

Fundraising

- \$9,635,917 raised so far this fiscal year!
- Scholarships and Emergency Grants: ongoing fundraising and stewardship for over 425 scholarships and over 700 donors.
- President's Circle Campaign: \$516,974 raised, exceeding goal!
- Women's Educational Success Campaign: \$285,092 raised, \$115,000 to award this year, launching new campaign
- Proposals and reports:
 - Sutter/PAMF Allied Health \$30,000
 - New Heat Pump Certification (advanced HVAC) \$25,000
 - MPF Stroke and Disability Learning Center \$130,000
 - Engineering Abroad Program \$3,000-\$100,000
 - Cabrillo Stage \$7,500-\$35,000
 - Baskin Girls in Engineering \$28,000
- Fundraising support for special groups: Guardian Scholars, CAP, Umoja, Veterans, Rising Scholars, Cabrillo Stage, Stroke and Disability Learning Center, Chicano Latino Affairs Council, Internships for Undocumented students, Title V matching opportunity.
- Scholarships and Emergency Grants: ongoing fundraising and stewardship for existing and new scholarships
- Legacy Giving: developing MOCIs for existing donors, including two new unbooked planned gifts of \$2.1M.



Upcoming Events

- Ceramics Masterclass (\$15,000+)
May 29, 4:00 – 6:00 pm, McBride Ceramics Studio
- Cozy Dinner Party at the Home of a Foundation Supporter (\$10,000+)
June 26, 5:00 – 7:00 pm, Santa Cruz
- President's Circle Party and Cabrillo Stage Musical (\$1,000+)
July 21, 12:00 – 4:00 pm, Sesnon House and Crocker Theater



DATE: June 5, 2024

TO: Audit Committee

FROM: Eileen Hill

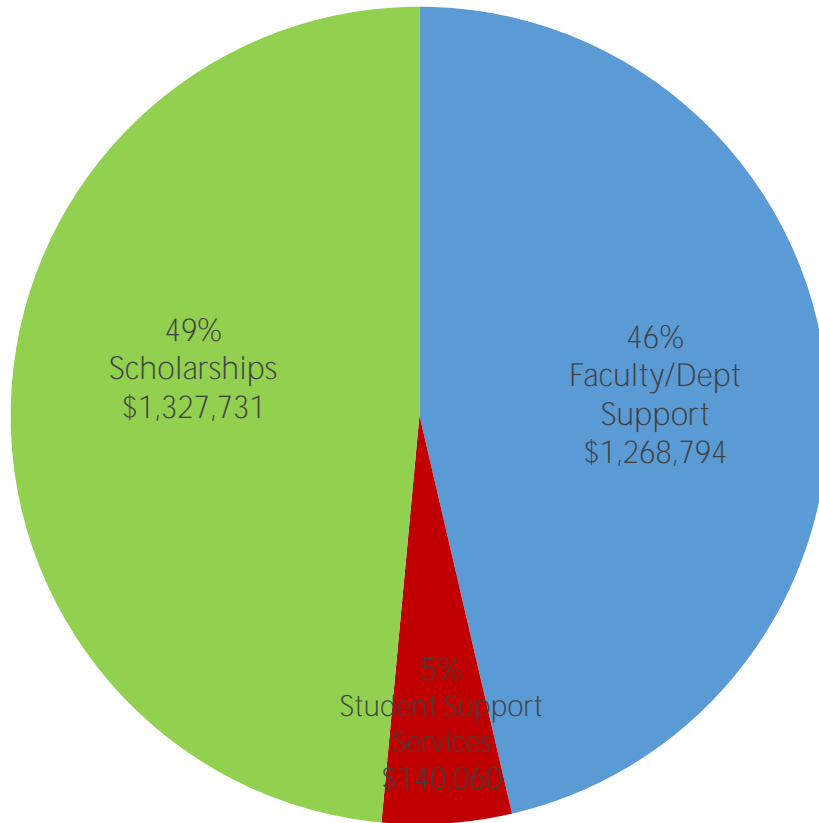
July 1, 2023 to June 5, 2024	\$ 7,535,917
Outright Gifts	
Unbooked Revocable Planned Gifts	\$ <u>2,100,000</u>
Total	\$ 9,635,917

2023-24 Goal for Outright and Unbooked Revocable Planned Gifts	\$ 3,200,000
Recorded Gifts 07-01-23 to 06-05-24	
Estate of Tom Sourisseau (Scholarships, Faculty Grants)	\$ 3,350,000
Estate of Peter Weber (Scholarship)	\$ 450,000
Anonymous Donor (Umoja Program)	\$ 399,500
Anonymous Donor (Guardian Scholars)	\$ 384,500
The Barbara Samper Foundation (CAP)	\$ 250,000
Estate of Glenn McConkey (Unrestricted)	\$ 154,450
Anonymous Donor (Rising Scholars Program)	\$ 133,975
Monterey Peninsula Foundation (Stroke and Disability Center)	\$ 130,000
Paul & Pat Shirley (Scholarship, CAP)	\$ 100,000
Amazon (BACCC)	\$ 57,245
Joan Griffiths (Scholarships, Stroke Center, WES, Nursing,	
Pajaro Valley Community Health Trust (Scholarships)	\$ 54,200
Tutoring)	\$ 53,020
Comcast (Scholarships)	\$ 45,000
Brian & Patti Herman (WES, Scholarship)	\$ 42,550
Rachel Wedeen (WES, Scholarship, President's Circle, Veterans)	\$ 42,219
Kathryn Shephard Cowan (Scholarships, Veterans, President's	
Circle, WES)	\$ 41,470
Vertical Raise (Baseball, Volleyball, Football)	\$ 41,442
Genentech (Biology)	\$ 39,463
The Peggy & Jack Baskin Foundation (WES, Girls in Engineering)	\$ 38,000
Anonymous (WES, Pickleball Court Project)	\$ 36,250
Linda Lou Mosgrove (WES, President's Circle)	\$ 36,000
Claire Biancalana & William Kelsay (Stroke Center, Cabrillo	
Stage, Scholarship, President's Circle)	\$ 31,801
Nancy Fetterman (WES, CAP, Scholarship)	\$ 26,400
Teri & Brad Handzel (WES, Scholarship)	\$ 25,100
Cabrillo Classified Employees Union (CCEU Emergency Grants)	\$ 25,000
Kathy & Alfred Herbermann (CTE Program)	\$ 25,000
Leestma Family Foundation (Emergency Grants)	\$ 25,000
Ow Family Properties (Scholarships)	\$ 25,000
Julie Packard (WES, President's Circle)	\$ 25,000
Karen Cogswell & John Maenchen (President's Circle, WES,	
Scholarship)	\$ 23,000
Gifts under \$23,000 (1,260 of 1,290 total donors)	\$ 1,425,332
Total Outright Gifts	\$ 7,535,917
Total Unbooked Revocable Planned Gifts	\$ <u>2,100,000</u>
TOTAL	\$ 9,635,917

- Notes:**
1. For 2023-24, the Cabrillo College Foundation has been notified of three planned gifts
 2. The cumulative unbooked revocable planned gifts total is \$29,025,868.

Cabrillo College FOUNDATION

Disbursements to Cabrillo College and Students
July 1, 2023 to March 31, 2024
Total: \$2,736,585



Faculty/Department Support Allied Health, Athletics, VAPA, Early Childhood Education	46%	\$1,268,794
Student Support Services Internships, Foster Youth, CAP, Umoja, Tutoring	5%	\$140,060
Scholarships	49%	\$1,327,731
	TOTAL	\$2,736,585

MEMORANDUM

DATE: June 5, 2023
TO: Audit Committee
FROM: Nancy Machado
SUBJECT: 2023-24 Cabrillo College Foundation Audit Schedule

The following is a projection for the 2023-24 Cabrillo College Foundation audit process:

March 20 th -27 th	Staff uploaded audit requests to the CWDL portal
June 12, 2024	Auditor meets with Audit Committee to review how the audit will be conducted. Ben Leavitt from CWDL will attend meeting.
June through August 6th	Staff uploads audit requests to the CWDL portal
Week of August 19, 2024	Cabrillo College Foundation remote audit.
Week of September 9th	Foundation receives proposed audit adjustments and audit draft for review by Patrick Andrews and Eileen Hill
September 14, 2024	Foundation receives final audit draft for review by Patrick Andrews and Eileen Hill
TBD	Audit Committee meets to review/accept audit draft. Representative(s) of Audit firm will attend meeting.
October 15, 2024	Executive Committee receives e-mail audit draft for review prior to Executive Committee meeting.
October 22, 2024	Executive Committee receives recommended audit draft for review and acceptance.
November 1, 2024	Cabrillo College Foundation staff e-mails Audit Committee members a red-line draft Audit so they are made aware of any changes made to the Audit Report after the Executive Committee meeting.
November 12, 2024	Cabrillo College Foundation Board of Directors meet to accept audit. Representative(s) of audit firm will attend meeting.