

## **Minutes from Board of Directors Meeting August 13, 2009**

Board Orientation for New Members was held from 4:00 pm until 4:50 pm with the following members in attendance: Frank Comfort, Dora McCarty, Susan Storch, Howard Smith, Brenda Smith, Joe Picco, and Robert Hogan. Another session will be held in October starting with the laws that govern community foundations.

Marilyn Bok, CEO, called the regular Board meeting to order at 4:50 pm due to absence of the Chair and the Vice Chair needing to leave early. A quorum was present. Leo Parchesky, Lowell Coolidge, Tom Shannon, Tom Freeman and Bill Ransom, were unable to attend.

**Approval of Minutes:** Susan Storch moved the approval of the minutes of June 11, 2009 Board meeting. It was seconded by Dora McCarty and carried.

Frank Comfort stated that Tom Shannon is still recovering and he hopes to be at our next meeting. Marilyn stated Tom had sent a nice thank you note for the flowers and a get well wishes.

### **Board Governance Issues: Action Items**

**1. New Contracts – Canton Scholarship Fund:** Marilyn reported the PA Attorney General has given approval for the Canton School District to move the remaining scholarship funds into the Foundation. These were funds where there was no living donor or family member. She recommended the Board enter into an Agreement with the Area Canton School District to establish a Scholarship Fund. Susan Storch moved the CFTT enter into an Agreement with the Canton Area School District for the establishment of a scholarship fund to benefit their students. It was seconded by Joe Picco and carried.

**2. Establish Selection Committee for Investment Management Service RFP Review –** Marilyn related the Finance and Investment Committee recommended that members of the CFTT Board also serve on the committee since most of the F&I Committee would have conflicts of interest. Frank Comfort and Howard Smith agreed to serve on the review committee. The members of the F&I committee without conflicts are John Gee, Leo Parchesky and Frank Comfort. Proposals are due the Friday before Labor Day. Once we see how many we have the review committee will decide on how to proceed. The goal is to select three firms who will be asked to do a formal presentation to the review committee in October. Dora McCarty moved the appointment of Frank, Howard and eligible members of the F&I committee to the selection committee. It was seconded by Susan Storch and carried. Both Frank Comfort and Howard Smith abstained from the vote.

### **3. Recommendations of the Finance-Investment Committee –**

**a. Stay the Course with Present Investment Instruments and the Handling of Short and Intermediate Term Capital –**

The Board accepted the recommendation of the committee for no changes to our present investment instruments or handling of short and intermediate term capital.

**b. Adoption of Two Policies: Managing the Operating Reserve Fund and Managing the Capital Expenditure Reserve Fund –**

Marilyn stated that she had previously emailed a copy of the recommended policies to the Board for their review before the meeting. She briefly described the purpose and need for the policies. Frank Comfort moved the adoption of the policies. It was seconded by Bob Hogan and carried

**4. Grantmakers Forum of NY Membership & Conference Registration –** Marilyn reported she felt it was time the CFTT joined this organization and that instead of going to our national conference this year she attend the statewide meeting of the Forum instead. She felt she would get more out of attending this meeting to be held in Ithaca in October. Frank Comfort moved the CFTT become a member of the Grantmakers Form of NY and the CFTT pay for Marilyn's registration fee to the October conference. It was seconded by Susan Storch and carried.

**5. Approval of Hiring Fall Intern –** Marilyn explained she interviewed Paula Wheeler from Lackawanna College who was interested in doing a 10/week internship with us for college credit. It would be for the fall term or approximately 150 hours at no cost to CFTT. Susan Storch moved the CFTT hire the intern from Lackawanna College for the fall term. It was seconded by Howard Smith and carried.

**6. Rescind Approval to Award the Ben Franklin to the Previously Selected Recipient** – Marilyn reported the candidate selected by the Sullivan County Advisory Board has decided not to return to school this fall and therefore is not eligible to receive this scholarship. Dora McCarty moved the CFTT rescind their approval of Kim Decker as a recipient of this scholarship. It was seconded by Frank Comfort and carried. The Sullivan County Advisory Board needs to meet and decide on new criteria and then pick a recipient of these grant funds before the end of this year.

**7. Approval of EITC Curriculum Improvement Grants** – Marilyn reported the Bradford County Advisory Board recommends the following proposals be funded: Tressa Bishop (AASD) for a Summer Leadership program (\$2,500); Pam Mahonski (AASD) for Pennie for Peace program (\$4,000); Rita O'Hara (AASD) for a software based learning program to increase reading skills (\$1,876). The proposal from Sarah Burlingame was a great project but not eligible for funding under the EITC program because it served pre-kindergarten students. This would leave \$624 which Marilyn recommends giving to the Michael Panek proposal to buy music for the choral program at AASD. Susan Storch moved the CFTT recommend these four proposals as outlined to the PA EITC program for funding. It was seconded by Howard Smith and carried.

**8. Approval of Potter County as Full CFTT Member** – Marilyn explained that Potter County is asking to be a full member of CFTT and that it is important for the Board to address this issue soon because we will need to make changes to our by-laws, logo and marketing materials a lot of which we are running out of and need to be reordered. The Board made it clear they will have to come up with three board members, an advisory board and that Board meetings would still take place at the office in Sayre. With these conditions, Dora McCarty moved to accept Potter County as a full member of CFTT. It was seconded by Frank Comfort and carried.

**9. Authorization to Proceed with Preparations of Potter County becoming a Full Member** – Marilyn stated the logo needs to be redesigned to consist of five hands instead of four and Potter County needs to be added to the circle with the CFTT name lowered. In addition, the by-laws will need to be changed. Other organizing documents may also need to be changed. Marilyn was authorized to identify all the documents that will need to be amended and bringing these documents with amendments to the Board for their approval. Quotes will need to be obtained for the reprinting of marketing materials we are running low on. All of this will take several months. Marilyn will inform Potter County of this decision.

**10. Review of Goals for 2009** – **Goal 1:** Annual Reports have been distributed to all professional advisors. Brochures were not sent since we have run out of them. **Goal 2:** To date only \$2,444 has been raised in operating capital. Most operating capital comes in with the fall campaign (usually \$13,000). At this rate we will not meet our goal. **Goal 3:** Electronic Newsletter not worked on yet. Will assign to fall intern. **Goal 4:** We have had great success increasing the amount of funds under management. **Goal 5:** No new pledges have been obtained this year. **Goal 6:** Already this year 13 news releases have been published meeting our goal. **Goal 7:** So far we have 4 of the 7 new funds the goal called for. **Goal 8:** Three of the four advisory boards are continuing to hold luncheons with professional advisors. An award has been established to recognize the Pas who bring us funds. **Goal 9:** Each Advisory Board is encouraged to use the results of our Needs Assessment when deciding the needs of their county and where to allocate grant funds. **Goal 10:** There will not be a part-time Admin Assistant hired this year. Marilyn stated she now feels the CFTT would be better served with a part-time financial person.

**11. CEO Evaluation** – Since Joe Picco had to leave early he left the results of the evaluation process for the Board. He stated only six Board members participated and recommended that the evaluation form be changed for next year with a wider scale range, i.e. 1 (needs improvement) to 5 (superior). The Board asked to place this on the agenda for the next meeting allowing them a chance to review it.

**12. Authorization for Setting up Funds to Benefit Others Outside the CFTT Service Region** – A supporter of the CFTT had asked the Board to consider allowing him to set up two funds: one for Doctors Without Borders and Heifer International. The Board agreed to set a policy of allowing a limited number of funds that would benefit non-profit organizations serving people outside the counties served by the CFTT and to allow no more than five (5%) of grant funds given out each year to be given to such organizations. Frank Comfort moved the adoption of this policy. It was seconded by Susan Storch and carried.

**13. Partners in Philanthropy Award – How to Distribute:** It was suggested that since the award was going to two Tioga County, NY professional advisors that they be given out at the Tioga County, NY Advisory Board meeting or luncheon and a photographer be present.

**DISCUSSION ITEMS – Board Governance Issues**

**1. Correspondence Report** – Bob Hogan reported on the congratulatory note from Linda Quinn on the Hooker estate, the letter to Representative Carney on co-sponsoring the IRA rollover legislation, and the increase in the Sayre School District earned income tax by 1.5%. Brenda Smith took the correspondence for October.

**2. Update on Capital Campaign for Operating Funds** – Board members were directed to the summary sheet in their packet of financial information which showed a pledge total of \$46,110 with \$31,400 in total payments as of June 30, 2009. Fifteen pledges are paid in full.

**3. Review of 2008 Audit** – The Audit report from LaBarr & LaBarr was approved by the Audit committee and the Finance & Investment Committee. The Board on a motion by Susan Storch, seconded by Frank Comfort moved to accept the 2008 Audit. Marilyn is working on the issues raised: we have received a refund from the Department of Labor, the address for donors of \$5,000 or more were provided, a capital expenditure policy has been drafted, Vanguard dividends have now been separated from interest income, the inconsistencies in posting of endowment payouts in respect to checks being posted has been addressed, and quarterly payroll reports were already being sent in.

**4. 2009 Profit & Loss, Balance Sheet, Accounts Receivable, Investments, Budget vs. Actual Income, Expenditures to Date, and Payment of Bills** – The Profit and Loss Statement for all transactions since we started shows total income as of 6/30/09 of \$1,257,461 and net ordinary income of \$1,162,629. For 2009 as of 6/30/09 the total income was \$452,191 and net ordinary income was \$439,801. The Balance Sheet as of 6/30/09 showed total Current Assets of \$1,044,132 with \$142 in our C&N checking account, \$13,506 in our C&N operating fund Money Market account, \$67,732 in our C&N endowment fund money market account, \$354,743 in our Vanguard & American Endowment Accounts, and \$15,763 in Vanguard Money Market Account. There is \$504,368 in Endowment CDs, \$20,976 in CFTT CDs, and \$51,858 in a Keefe CD. Accounts Receivable totaled \$15,044. Total Income received in 2009 was \$442,501. Operating expenses for 2009 total \$12,290. The Budget vs. Actual report shows that for 2009 we have raised 19.8% of budgeted operating income and spent 47.8% of budgeted expenses. The Board accepted and filed these reports for audit. Frank Comfort moved the payment of a bill Marilyn submitted for reimbursement of postage and picture hangers (\$19.33). It was seconded by Howard Smith and carried.

**Adjournment:** The meeting adjourned at 6:15 pm.

**Next Regular Meeting Date:** Will be on Thursday, October 8, 2009 at CFTT Office, 104 W. Lockhart Street, Unit 2 starting at 5:00 pm.

**Board Orientation for New Board Members will be held on Thursday, October 8, 2009 at the CFTT Office starting at 4:00 pm.**

Respectfully submitted as a true and accurate copy of the minutes of the August 13, 2009 Board meeting.

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Dora McCarty, Secretary

Date