

RAP FOUNDATION

BOARD OF DIRECTORS – APPROVED MINUTES

9:00 A.M. Wednesday, March 23, 2016

73-710 Fred Waring Dr., # 115 and 667 N. Lovekin Blvd.
Palm Desert, CA 92260 Blythe, CA 92225

- I. CALL TO ORDER- In attendance: Mark Moran, Joe Hayes, Craig Borba, Claudia Galvez, Rose Mary Ortega, Ricardo Loretta, Rudy Gutierrez, Annica Meza-Dawe, Ann Dew, Bill Kroonen, Jan Pye, Beatriz Gonzalez, Van Tanner, Supervisor Benoit and Michelle DeArmond.**

Excused absence: Tricia Gehrlein.

Absence: Larry Parrish. Brandy was expected to join by video conference but was not able to do so.

II. CHANGES OR ADDITIONS TO THE AGENDA

In order to meet Brown Act requirements, items may be added to the agenda only upon a decision by a majority of the Board of Directors to add the item because of a need for immediate action.

III. PUBLIC COMMENT / PRESENTATIONS

Public Comments: None

CONSENT CALENDAR

A. MEETINGS MINUTES of the February 24, 2016 Board meeting. Action Required

Staff Recommendation: Approve attached (#1) draft minutes as submitted.

Motion: To approve staff recommendation by B. Kroonen Second: A. Meza-Dawe Approved: 14
Opposed: 0 Abstention Name(s): 0

B. GRANT/ PROGRAM OFFICER REPORT – No action.

Staff Recommendation: Receive report (attachment #2) as information only

C. CEO's REPORT – No action.

Staff Recommendation: Receive report (attachment #3) as information only

IV. NEW BUSINESS ITEMS

A. FINANCIAL REPORTS- Action Required

1. Attachment #4 Statement of Revenues and Expenditures, Balance Sheet, Schedule of approved grants for current fiscal year. Stuart McClain is available to address questions.

Staff Recommendation: Accept the Financial reports.

Motion: To approve staff recommendation by R. Loretta Second: J. Hayes Approved: 14
Opposed: 0 Abstention Name(s): 0

B. New Funding Requests – Action Required

1. Focus on Student Success (FOSS) - \$50,000 Requested

FOSS will utilize the Strengthening Families Program, an evidenced based curriculum, to identify at risk kids (ages 6-11) in the Desert Sands Unified School District. The 10 week program will provide mentoring and life skills to 40 youth and their family members. The entire family participates and receives educational resources to improve the family dynamics.

Grants Committee Recommendation: Approve funding in the amount of \$20,000 and require the applicant to raise \$20,000 from other funders. RAP's contribution to go towards budget line items not associated with salaries.

Motion: To approve the Grants Committee Recommendation by V. Tanner

Second: C. Borba Approved: 13 Opposed: J. Hayes Abstention Name(s): 0

2. Riverside County Latino Commission for Alcohol and Substance Abuse Services, Inc. - \$144,000 Requested

To applicant is seeking “start-up” funding to establish two youth residential substance abuse treatment facilities. The program will provide intensive support and resources to youth dealing with substance abuse disorders. One 6 bed boys program will be located in Coachella and one 6 bed girls program will be located in Indio. The program will serve approximately 49 boys and 49 girls a year.

Grants Committee Recommendation: Approve funding in the amount of \$130,000 with the condition that Riverside University Health – Behavioral Health provides a letter to confirm applicant's expectation of future County funding to sustain the program.

The applicant has followed up with HARC, their evaluator and Time Warner to negotiate lower amounts. The new amounts are \$7,000 instead of \$14,000 for HARC and \$5,400/yr for Time Warner (\$225/mo.). The new requested amount is **\$128,768**.

Motion: To approve the Grants Committee Recommendation by C. Borba Second: A. Dew
Approved: 15 Rosemary cast a “yes” vote for Tricia Gehrlein by proxy. Opposed: 0
Abstention Name(s): B. Gonzalez recused herself and stepped out of the room during the discussion and vote.

3. Safe Schools Desert Cities – \$12,680 Requested

Safe Schools serves youth with the GSAs (Gay, Straight Alliance Clubs) from 11 high schools and 3 middle schools at CVUSD, DSUSD and PSUSD. Fifty youth will attend the LGBT Youth Empowerment & Leadership Summit, an annual weekend outdoor camping experience with a focus on leadership, personal enrichment, resilience and community.

Grants Committee Recommendation: Postpone action on application to provide an opportunity to the applicant to address committee member questions and comments.

Motion: To approve Grants Committee Recommendation by J. Hayes Second: R. Gutierrez
Approved: 15 R. Ortega voted “yes” on behalf of T. Gehrlein Opposed: 0 Abstention Name(s): 0

4. CVEP's Health Career Connection Internships - \$41,400 Requested

A ten week intern program for college students in their junior and senior year who are interested in the mental health profession. Five interns would be placed at the Riverside University Health System – Behavioral Health (RUHS-BH) Department and one at RAP. The cost is \$6,900 per intern.

Grants Committee Recommendation: Approve funding for five internships at RUHS-BH for the amount of \$34,500. An additional internship could be considered for funding if RAP identifies a MH project.

Motion: To approve the Grants Committee Recommendation Second: A. Meza-Dawe
Approved: 15, R. Ortega voted yes on behalf of T. Gehrlein Opposed: 0 Abstention
Name(s): 0

5. American Red Cross Coachella Valley/Morongo Basin – redetermination of previously approved \$5,000 grant.

At the January 27, 2016 RAP Board Meeting, the Board approved a \$5,000 allocation for the calendar year 2016. The applicant has informed staff that a donor has committed to covering costs for the remainder of the calendar year.

Grants Committee Recommendation: Request the Red Cross submit a supplemental document to illustrate their expenditures up to June 30. The Red Cross will track eligible expenses and modify their funding request based on information. The period will change to Fiscal year 2016/17.

Motion: To approve the Grants Committee Recommendation Second: A. Dew
Approved: 15, R. Ortega voted yes for T. Gehrlein Opposed: 0 Abstention Name(s): 0

C. Program Payments - \$13,500 – Action Required

Scheduled reports have been received. Amounts are in line with previously amounts authorized by the Board.

El Sol Neighborhood Education Center (Desert Fast Pitch 2015 winner)

2nd of three payments \$13,500

Staff Recommendation: The Grants Manager is recommending the payment to be issued.

Motion: To approve staff recommendation by J. Hayes Second: J. Pye
Approved: 14 Opposed: 0 Abstention Name(s): T. Gehrlein by proxy to R. Ortega

D. Request from the Galilee Center to loan them \$50,000 – Action Required

Galilee is in need of an additional canopy for their expanded facility. They have a quote of \$48,975 for the cost. They have also have a funder, HEDCO Foundation (Attachment #5).

However, the funder is requiring that Galilee pay the amount and submit a “paid invoice” to be reimbursed. Galilee is requesting a loan which will be reimbursed by HEDCO. Gloria anticipates the reimbursement will be provided in approximately 45 days.

Staff Recommendation: To consider loaning Galilee \$48,975 for 60 days so the shade can be provided sooner rather than having to wait for them to raise funds from other sources.

Motion: To approve staff's recommendation but to require provision of a promissory note by C. Borba Second: B. Kroonen Approved: 14 Opposed: 0 Abstention Name(s): 0

No vote for T. Gehrlein.

E. Sponsorship request by the Dr. Carreon Foundation for their Annual Scholarship Event on May 20, 2016 - \$5,000 - Action Required

The Dr. Carreon Foundation provides scholarships to low income students from the Coachella Valley and Blythe communities with Hispanic descent. The scholarships are matched with CVEP Pathways to Success Scholarship. **Attachment #6**

Staff Recommendation: To approve the request for \$5,000 to support the educational aspirations of students who have financial limitations.

Motion: To approve staff recommendation by B. Kroonen Second: R. Gutierrez
Approved: 10 Opposed: J. Pye and R. Gutierrez because of requirement to be of Mexican decent.
Abstention Name(s): R. Loretta and Mark Moran recused themselves and left the room during the discussion and vote.

F. Annual Strategic Plan meeting. Discuss and decide on whether to have a strategic planning meeting on May 25 (regular meeting date) and set aside four hours. 8:00 AM to 12:00 PM. – **Action Required**

Motion: To approve staff recommendation by V. Tanner Second: R. Ortega Approved: 14, R. Ortega voted yes for T. Gehrlein Opposed: Abstention Name(s): J. Hayes will not be available to attend.

G. Discussion and Action on Investment Strategy – Action Required

RAP currently has three investment accounts with an estimated value of approximately \$3M. The Executive and Investment Committee met on March 14 to discuss if there is a need to diversify our investments to include Real Property.

Executive and Finance Committee Recommendation: To discuss with the full Board the potential benefits and disadvantages of investing in Real Property. Staff was directed to create a SWOT Analysis of key items discussed by the Committee. Attachment #7

Motion: C. Borba to approve a change in our investment strategy to include real property.
Second: R. Gutierrez Approved: 15 R. Ortega voted yes on behalf of T. Gehrlein Opposed: 0
Abstention Name(s): 0

H. Resolution No. 2016- 02 Reserve Funds Policy- Action Required

This resolution would replace Resolution No. 2015-03 requiring “an amount of money equal to the annual administration and operations budget of the latest fiscal year shall be established as an operating reserve.”

Joint Executive and Investment Committee Recommendation: Replace Resolution No. 2015-03 with a new Resolution to establish \$1,000,000 as the amount required for our operating reserve. Attachment #8

Motion: To approve the joint committee recommendation, with one minor change to the language in the resolution, replace the word “Management” to “Foundation Board” made by J. Hayes
Second: R. Gutierrez Approved: 15 with R. Ortega voting yes for T. Gehrlein Opposed: 0
Abstention Name(s): 0

I. Resolution No. 2016-03 Investment Policy – Action Required

This resolution would replace Resolution No. 2015-02 which sets the parameters to guide the RAP Foundation’s policies and procedures.

Investment and Executive Committee Recommendation: Replace Resolution No. 2015-02 with a new Resolution deleting the caps to Equities, Fixed Income and Real Estate Trusts and to add real property to Alternative Investments. Attachment #9

Motion: To approve the Investment and Executive Committee Recommendation made by C. Borba. Second: B. Kroonen Approved: 14 Opposed: 0 Abstentions: 0

V. COMMITTEES

- A. EXECUTIVE COMMITTEE
- B. NOMINATION COMMITTEE
- C. MENTAL HEALTH COMMITTEE
- D. TECHNICAL ASSISTANCE PROGRAM
- E. GRANTS COMMITTEE
- F. AUDIT COMMITTEE
- G. FINANCE - INVESTMENT COMMITTEE - Meeting immediately after March 23 Board meeting
- H. POLICIES PROCEDURES/PROCESS COMMITTEE and BYLAWS COMMITTEE

VI. BOARD MEMBER / STAFF COMMENTS

Senior Inspiration Awards Luncheon on March 25 at the JW Marriot Desert Springs in Palm Desert
Confirmed to attend: Claudia G., Ricardo L., Beatriz G., Joe H., Bill K., Larry P., Mark M., Ann D., Rosemary O., Rudy G.,

J. Pye will attend in place of R. Ortega

VII. CLOSED SESSION

**Pursuant to Government Code Section 54956.8
Property - APN 625-121-005**

No reportable action

VIII. ADJOURNMENT: The next regularly scheduled Board meeting will be held at **9:00 A.M. on April 27, 66-016 at the Galilee Center located at 66-101 Hammond Road Mecca, CA.**