

**Lowell Alumni Association
Minutes of the Thursday, September 3, 2015
Board of Directors Meeting*
Main Library**

Call to Order

Vice-President, **James Rosenthal** called the LAA Board meeting to order at 7:00 p.m. **James** welcomed everyone back to a new school year and welcomed guests **Diana Sosa** from Bregante + Company LLP, **Pamela Rand '60**, **Tony Lee '69** and PTSA President **Joyce Tom '81**.
(IZ announcement)

Approval of minutes

A motion was made by **Leon Blum** to approve the minutes of the May 21, 2015 board of directors meeting. **Vera Poon** seconded the motion. The motion passed by voice vote.

Treasurer's Report

Treasurer, **Leon Blum** reviewed the Investment Performance Report for the second quarter of 2015 (provided in the advance materials mailing to board members) and reported that our stocks are okay and as of the last financial report we are basically even; this means that we are doing okay. The Stock Market itself is volatile, we will have to wait and see how things turn out. United States investments are our best bet. We have a little over \$4.3 million as of June 30; this number is probably a little bit higher as of now in September (\$4.3 is the combination of the totals of the scholarship fund and general fund investments).

There was a motion by **Joseph Ehrman** to approve the Treasurer's Report; it was seconded by **Bill Black**. The motion passed by voice vote.

Reports of Standing Committee

Finance Committee:

Audit

Consultant, **Diana Sosa C.P.A.** Partner of Bregante + Company LLP performed a summary review of the audit performed by her company. **Diana** stated that there is a team of about 35 members in Bregante + Company. They work with non-profit organizations as well as other types/categories.

The results of the audit were presented in three documents (all of which were provided to board members as part of the advance materials mailing): Financial Statements (Modified Accrual Basis) for the year ended December 31, 2014 (15-page document); Management Recommendation Letter dated July 31, 2015 (5-page document); and Auditor's Communication Letter dated July 31, 2015 (2-page document).

Bill Black explained that the work done by Bregante + Company is not a forensic audit.

Diana presented a detailed review of the results of the audit *and answered numerous questions from board members.*

Mark Budak asked how best to address *the recommendations enumerated in the Management Recommendation Letter*. **Mike Ugawa** mentioned that we could start by referring recommendations to the Finance Committee. **Terry Abad** said that in corporations there is a time line for reporting back. How about in a non-profit? **Diane Sosa** suggested doing some sort of quarterly reporting back. There was a discussion about methods of addressing the issues and suggestions in the audit.

Bill Black made a motion that the Executive Committee have a meeting to address each management recommendation, choose steps that the Executive Committee will take and/or delegate remaining suggestions. There was no second to this motion. The motion was lost.

Terry Abad made a recommendation regarding how to address each suggestion category discussed by the audit by assigning each recommendation to a specific committee. **Terry** then reviewed each category and recommended the specific committee which should respond.

- 1) Accounting Procedure Manual: Develop an accounting procedure manual –**Finance Committee**
- 2) Investment Policy Statement: Investment Policy Statement needs to be updated - **Finance Committee**
- 3) Document Retention and Destruction: Develop and implement a document retention and destruction policy. Should keep documents for 10 years. – **Records/Archives Working Group**
- 4) Other Policies and Procedures: There is a lot of work involved with maintaining small gift endowments. Suggest a gift acceptance policy. - **Executive Committee**

Other Matters for Consideration

- 1) Accounting System Access and Backups: - **Finance Committee**.
- 2) Oversight of the accounting function and financial reporting. – **Finance Committee**
- 3) Segregation of Duties: In volunteer organizations have to get people to give blocks of time. – **Finance Committee**
- 4) Cash management. – **Finance Committee**
- 5) Donated Securities. – **Finance Committee**
- 6) Scholarship Awards: Be more invested as to how that is done. Look to implement recommendation made by Bregante+Company as indicated in the letter of July 31st. **Scholarship Committee**.
- 7) Executive Director Duties: **Terry Abad** does a large amount of work. Should get someone to do the data entry and other day-to-day transactional activities. **Executive Committee & Finance Committee**
- 8) Worker Classification: In relation to the Executive Director – given the amount of time that he works directly for the organization would most likely be classified as an employee rather than an independent contractor should the relationship come under audit. – **Executive Committee**
- 9) Sharing of Board Minutes and Financial Reports: **Records/Archives Working Group**.

Mike Ugawa made a motion for each category suggested in the audit to be assigned to the committees in the allocation recommended by **Terry Abad**. Eight clearly fall to the Finance Committee; one to scholarship; two go to Strategic Workshop Committees; the other two are to be dealt with by the Executive Committee. Report back by next meeting. The motion was seconded by **Irving Zaretsky** and **Bill Black**. The motion was passed by voice vote.

Executive Director's Report

Terry Abad opened with an update of a report stated at the May Board meeting regarding the 2015-16 Lowell budget. The head count conducted on the tenth day of class came in at a total enrollment of 2,685 students which is only 3 students short of the projected 2,688 enrollment figure used by the San Francisco Unified School District to generate the preliminary 2015-16 site budget, which means that the site budget is solid. (The school will have no problem funding the existing faculty/staff/programs.)

There was a problem with the Advanced Placement (AP) United States History exam administered at Lowell this past May. One of the proctors gave some of the students 15 minutes more time than should have been allowed. The students will have to re-take the exam on September 19th. The Lowell faculty will conduct special extra sessions on their own time for the students involved. Lowell receives \$600 in site funding for every AP exam. If these 200 students fail to take the re-test, Lowell will lose \$120,000 in funding.

Terry reported that former Lowell security guard **Ron Hodges** passed away. **Ron** had worked over 30 years and had retired in 2014. His funeral was last week.

Claudia Eshoo stated that the student newspaper, "The Lowell" reported that 700 red lockers will be installed. The school finished an earthquake retrofit over the summer. The new lockers will be available at the end of the month.

Terry reported that the new permanent building foundation has been set. Plan is for fall 2016 to ultimately have 12 or 14 new classrooms to replace the portable classrooms that are on the basketball court. For the first time in many years there would be no bungalows.

President's Report

Vice-President, **Jim Rosenthal** performed the President's Report on behalf of President **Lisa Clay**. **Jim** reported that **Lisa Clay** appointed **Mike Ugawa** as the third board member to work with **Wendy Shinbori** and **John Trasviña** on the Low Gift Committee. Thanks to **Mike** for agreeing to serve on this committee.

Mike Bower has resigned his seat on the LAA Board.

Congratulations to **John Trasviña** for receiving the prestigious Ohtli Award at the Hispanic National Bar Association Annual Convention. (This award honors the contributions of Mexican, Mexican-American or Latino leaders whose altruistic work and efforts have contributed significantly to the prosperity and empowerment of Latino communities.)

Jim Rosenthal reported that the Executive Committee approved interim funding for the Hebrew language program for the 2015-16 school year in the amount of \$16,000.

The Executive Committee approved granting **Lisa Clay** authority to enter into an amended agreement with Essex & Drake to increase the total consulting fees for the ongoing Strategic Plan from \$4,600 to \$10,000. Also total approved budget from \$6,000 to \$12,000.

Vice-President - Development

Jim Rosenthal discussed the 2014-15 Annual Campaign, reporting that that the goal of \$350,000 was met. The number of donations as of June 30, 2015 was stable at 1,785. Temporarily, the goal for the 2015-16 campaign is the same as last year.

Old Business

Chair of the Bylaws Working Group **Mike Ugawa** reviewed his report of the July 11 strategic plan meeting at the Jewish Community Center to craft a mission statement for the LAA. The meeting was attended by nearly all of the board members. The mission statement options were created as part of the brainstorming activity following best practices and using **Mark Budak's** examples. There were two options created for consideration by the board:

Option 1

The Lowell Alumni Association maintains and enhances relationships that serve and support our alumni, students, school and the Lowell community.

Option 2

The mission of the Lowell Alumni Association is to build relationships that serve the Lowell community.

There was a motion made by **Vera Au Poon** to vote for one of the options presented for consideration. The motion was seconded by **Georgette Petropoulos**. The motion passed by voice vote.

A vote was taken on the options by a show of hands and by voice vote by those in attendance by teleconference.

Option 1 was chosen by a majority vote of 13 and adopted as the Lowell Alumni Association's Mission Statement.

Working Groups Committee Updates

Bylaws:

Chairperson, **Mike Ugawa** stated that the group has met several times. There are 16 Articles to review. The group is working through the 9th article. We are using the spiral approach in which we will go through a review of the bylaw articles once and then will go through them again in order to have a report to bring to the board.

Committees:

Chairperson, **Jim Rosenthal**. This working group has met several times over the summer with the most recent meeting occurring on August 5th. The group continues to review the structure of the Board standing committees and discussion regarding non-standing Committees: Governance,

Audit and Reunion. Reviewing committee composition, selection and responsibilities. Have done an initial review of the: Executive, Finance, Development & Planning, Scholarship, Grant, Reunion, Nominations and Governance and currently working on in depth reviews. Once the process is complete the committee will then have recommendations to bring to the board.

Old Business Continued

There was a discussion about the contract with Essex & Drake for services related to the strategic planning process. Copies of the signed contract, amendment and invoices will be sent out.

Bill Black asked about the status of the new conference phone equipment. **Mike Ugawa** responded that when he checked on the phones that they are on a backordered status.

New Business

Hebrew Funding Update: There was a discussion about the discontinuation of the Hebrew language program announced in the student newspaper "The Lowell". The LAA has existing designated gifts on hand to pay about half of the projected 2015-16 cost for Hebrew program, leaving a funding gap of \$16,000. The Executive Committee has approved the \$16,000 to bridge that gap, if ongoing fundraising efforts are unsuccessful. Board member **Irving Zaretsky** is involved in a fundraising effort for the program. **Irving** reported that the fund raising goal is large and may need to do an endowment.

Grant Committee:

Chairperson, **Mark Budak**, reviewed an emergency grant request from the English Department: 17 journalism students and two teachers will attend the Journalism Educators Association and National Scholastic Press Association's Fall National High School Journalism Convention in Orlando, Florida in November 2015. The former advisor for the program has offered to chaperone. The grant request is for covering a partial cost of \$9,157 for the trip. **Mark Budak** made a motion to approve up to \$9157.18. The motion was seconded by **Jack Anderson**. The motion was passed by voice vote.

Mark Budak announced that he was stepping down as chairperson of the Grant Committee in order to pursue other interests. **Mark** thanked **Cathy Brash** for being a wonderful host for their meetings. **Mark** also thanked **Terry Abad** for his outstanding work.

Jim Rosenthal thanked **Mark Budak** for all of his work.

Guest, **Pamela Rand '60** announced that alumni of the Forensic classes of the late '50s and '60s are planning an event to raise money for the Forensics and the Visual & Performing Arts program. This event will honor **Jack Anderson's** 85th birthday. The ceremony is tentatively scheduled for Sunday, January 24th in the Carol Channing Theater at 2:00 p.m. The steering committee will meet next on September 17th at 4:00 p.m.

□ **Irving Zaretsky** announced (at the beginning of the meeting) that **James Bennett** Class of '59 passed away. **James Bennett** lived in Israel.

Adjournment

Jim Rosenthal announced that it was **Lisa Clay**'s birthday. He adjourned the meeting at 9:38 p.m.

Call of the Meeting

The next regular meeting will take place on Thursday, November 5, 2015.

Attendance

Board and Executive Directors present unless otherwise indicated (T = Attended via Teleconferencing, E = Excused, A = Absent)

Abad	Anderson	Au Poon	Black
Bleiweiss	Blum	Brash (<u>T</u>)	Budak
Clay, A. (A)	Clay, L (E)	DeAndreis (A)	Ehrman
Eshoo	Genolio (A)	Ishibashi (A)	Kromydas (A)
Lip (<u>T</u>)	Lucey (A)	Miller (<u>T</u>)	Payton
Petropoulos	Rosen-Park (<u>T</u>)	Rosenthal	Shinbori (E)
Spiegelman (E)	Steiner (E)	Tam (E)	Trasviña (E)
Ugawa	Wax (<u>T</u>)	Yee (T)	Zaretsky

Guests:

Tony Lee '69
Pamela Rand '60
Diana Sosa
Joyce Tom '81

Respectfully Submitted
Anita K. Payton

Secretary, Lowell Alumni Association
**Corrections/additions are in italics*