



ALBUQUERQUE
COMMUNITY
FOUNDATION

Board of Trustees Meeting Minutes
2022 Quarter Three Meeting
Tuesday, September 27, 2022
11:15am-1:15pm
Zoom | ACF Conference Room

TRUSTEES PRESENT:

Beverly Bendicksen, *Chair*
Marcus Mims, *Chair-Elect & Treasurer*
Steve Maestas, *Past Chair*
José Viramontes, *Secretary*
Abinash Akrechar
Emily Allen
Tom Antram
Bob Bowman
Arellana Cordero
Tom Daulton
Michelle Dearholt
Sanjay Engineer
Debbie Harms
Rebecca Harrington
Pam Hurd-Knief
Paul Mondragón
Linda Parker
Charlotte Schoenmann
Walter Stern
Becky Teague
Esther Villas-Wingfield
Lori Waldon

TRUSTEES ABSENT:

Ken Leach
Anne Sapon
Sara Traub

STAFF PRESENT:

Randy Royster, *President & CEO*
Nick Williams, *Chief Financial Officer*
Marisa Magallanez, *VP of Strategy & Equity*
Juaquin Moya, *VP of Philanthropic Advising*
Jeff Carr, *Finance & HR Senior Associate*
Khia Griffis, *Community Impact Director*
Karen Schoepke, *Senior Administrative Associate*
Kate Leung, *Donor Development Senior Associate*
Tiffany Rawls, *Finance Director*
Letisha Spencer, *Grants Associate*
Clarissa Earl, *Communications & Events Associate*
Germaine Mitchell, *Housing Stability Project Manager*

GUESTS PRESENT:

John Michael Ordorica, *Future Fund*
Corrine Zajac-Clarkson, *Carr, Riggs & Ingram*

I. Call to Order & Consent Agenda (Action)

Ms. Bendicksen called the meeting to order at 11:19 a.m.

Minutes, Committee Reports, and other materials were distributed to Trustees prior to the meeting.

The September 27, 2022 Consent Agenda included the following items:

- June 21, 2022 Meeting Minutes
- Financial Statements as of June 30, 2022
- Budget to Actual as of June 30, 2022
- Investment Quarterly Update
- Scholarship Policy
- Approval of Grants
- Approval of Scholarships

Ms. Bendicksen requested the June 21, 2022 Meeting Minutes be removed from the Consent Agenda for further discussion.

Upon motion by Mr. Walter Stern and second by Mr. Pam Hurd-Knief, the Consent Agenda without the June 21, 2022 Meeting Minutes was unanimously approved with no further discussion.

Ms. Bendicksen noted several grammatical errors in the June 21, 2022 minutes including the following:

- VI. Community Impact: Grant Programs – fourth paragraph, second sentence including the phrase “...recommendation provides the nonprofits a due amount of notice...” be changed to “...recommendation provides the nonprofits a *sufficient* amount of notice...”
- VI. Community Impact: Grant Programs – fifth paragraph, second sentence beginning with “Ms. Griffis stated the four nonprofits have receive funds...” be changed to “Ms. Griffis stated the four nonprofits have *received* funds...”
- VI. Community Impact: Grant Programs – seventh paragraph, sentence including the phrase “...as this fund is considered a Foundation competitive process” be changed to “...as the fund is considered *part of the* Foundation competitive process”

Ms. Bendicksen called for a discussion on the level of detail in Board minutes. Board members stated they appreciated the level of detail especially if they missed a meeting. Board members agreed that a high level of detail should be captured in the minutes during meetings, then the Board Secretary can review the minutes before they are posted in the Board package.

Upon motion by Ms. Charlotte Schoenmann and second by Ms. Emily Allen, the June 21, 2022 Meeting Minutes were unanimously approved with the corrected grammatical changes.

II. Committee Updates (*Discussion*)

Ms. Bendicksen encouraged the Board to review Committee Update Reports available in their packet. No other discussion was noted.

III. Audit Presentation (*Information, Action*)

Ms. Dearholt introduced Ms. Zajac-Clarkson from Carr, Riggs & Ingram (CRI) to the Board.

Ms. Zajac-Clarkson summarized the Foundation’s annual financial statement audit for the year ended December 31, 2021. She noted that the audit was performed in accordance with generally accepted auditing standards.

Ms. Zajac-Clarkson informed the Board that there were no audit findings in 2020 but six significant deficiencies were identified in the 2021 audit. The deficiencies were communicated to management and the Audit & Risk Management (ARM) and Finance Committees on September 20, 2022.

Ms. Zajac-Clarkson shared a five-year snapshot of the Foundation's financial statement including the Foundation's total assets, total liabilities, and total net assets. She also noted a healthy growth for the Foundation's pooled investments.

Ms. Zajac-Clarkson reviewed the Foundation's expenses by classification, noting donor interest in how Foundation money is spent.

Ms. Dearholt informed the Board that the ARM and Finance Committees will have joint committee responsibility in terms of moving forward and developing a plan to address the deficiencies identified in the audit.

Ms. Dearholt requested a postponement of a full Board discussion on the plan to address the uncovered deficiencies until the December Board meeting to allow time for the ARM and Finance Committees to meet.

Board members briefly addressed the issue of deficiencies identified. Ms. Harms noted that the same deficiencies will likely be found in the Foundation's 2022 audit as they have not been corrected.

Board members also expressed their concern at the lack of time left in the year to resolve these issues.

Mr. Stern suggested any recommendations from the ARM and Finance Committees require Board action, the Executive Committee act on behalf of the Board between now and the December meeting. Ms. Bendicksen noted that she believed any resolution would fall within the responsibilities of the two Committees but agreed if the Committees required additional approval the Executive Committee would be able to meet before the December meeting.

Board members discussed when the annual audit take place each year and what could be done to ensure a timelier return of the audit to the Board and staff for review. Ms. Zajac-Clarkson stated that CRI could begin internal control processes in March of next year for the 2022 audit.

Ms. Dearholt called for a motion to accept the Foundation's financial statement audit for the year ended December 31, 2021 as presented.

Upon motion and second by the Audit & Risk Management Committee, the Foundation's financial statement audit for the year ended December 31, 2021 as presented was unanimously accepted.

IV. Final Concours du Soleil Comments (Discussion)

Ms. Bendicksen opened discussion and comments on the final Concours du Soleil event that took place on Saturday, September 24, 2022.

Ms. Bendicksen thanked the staff on behalf of the Board for their work on the event.

Mr. Royster informed the Board that there were 336 attendees for the event. He also briefed the Board that the Cinco Amigos endowment was at \$600,000 dollars and almost \$1 million dollars had been granted out from the fund.

Board members reminisced about their experiences at Concours du Soleil over the years but also discussed the need for marquee events to raise awareness of the Foundation and its work, while also providing opportunities for relationship building.

Dr. Achrekar suggested creating a subcommittee to explore an evening marquee event to replace Concours du Soleil. Ms. Hurd-Knief stated she would be happy to join this subcommittee.

V. Strategic Plan – Values & Goals (Information, Discussion, Action)

Ms. Bendicksen moved to open discussion on the Strategic Plan values, goals, and measurements.

Ms. Magallanez shared Strategic Plan Dashboard slides with the Board, which track the progress and key performance indicators of the Strategic Plan. She informed the Board that data will be initially reported in the Q4 Board meeting, regular quarterly reports will be provided to the Board, and progress benchmarks and KPI's will be adjusted annually as the strategic plan evolves.

Ms. Magallanez reviewed the Community Impact 2022 Milestones, highlighting the successful Trust Based Philanthropy workshop, the completed Grantee Feedback Survey, and the in-progress 2023 Application Updates.

Ms. Magallanez also provided an overview of Trust Based Philanthropy Indicators including unrestricted funding, multi-year funding, intentionally supporting BIPOC or Led By/Serving organization, and ease of application and reporting process.

Ms. Magallanez moved to discuss Community Leadership milestones entailing an evaluation process for community leadership activities and an internal Foundation policy for advocacy and public policy. Community Leadership benchmarks including how the Impact Investment portfolio is deployed, dollars re-granted, number of active partnerships, and number of donors contributing to Foundation strategic priorities.

Ms. Magallanez summarized the Endowment Growth milestones including the growth of the existing funds, diversifying the Foundation's donor base, growing and creating new Giving Circles, cultivating professional advisors, and providing investment alternatives and Impact Investment engagement. The key metrics to track endowment growth consist of monitoring the endowment size, number of contributions, fee for service revenue rate, and contributed income as a percentage of the budget.

Board members and staff discussed providing a real time dashboard for Board review in between Board meetings. Mr. Viramontes cautioned against spending staff resources on populating a dashboard with data rather than spending time working towards Strategic Plan goals.

Mr. Royster stated that the dashboard is a draft and may be changed and/or updated as the staff move through this new process.

Ms. Cordero asked how much and how the dashboard will be presented to the broader community. Ms. Magallanez stated that much of this information is published in the form of financial statements and the annual report but is open to more discussion on this topic as part of the Foundation's commitment to transparency and relationship building with the community.

Ms. Magallanez moved to review the Foundation's proposed values. Foundation staff assisted in the values process. Ms. Magallanez asked for staff to share their thoughts on the process.

Staff shared they appreciated having a moment to reflect and be intentional about what the Foundation's values are and how they are represented. Staff also stated their enthusiasm and excitement to be part of the process.

Ms. Magallanez also disclosed challenges during the values process, including creating shared vocabulary, recognizing that the development of values takes time and space, and recognizing that the Foundation's values are more than words on paper and need to lead to actionable change.

The following are the proposed Foundation values:

- We Value **Trust** and we work to build relationships based in authenticity, actionable change, adaptability, and cultural humility.
- We Value **Equity** and we will address ongoing injustice and work to change systems of oppression and harm.
- We Value **Integrity** and we commit to providing high quality service with humility and respect.
- We Value **Accountability** and we will be responsible for and transparent in all the ways we learn, strive, and adapt in our journey toward becoming our community's foundation.

Board members discussed the proposed values. Ms. Bendicksen noted the shift from the Foundation's previous values (Leadership, Legacy, and Trust) to the current proposed values was more reflective of the work being done at the Foundation. Dr. Achrekar expressed his appreciation of how active rather than passive the values were.

Mr. Maestas recommended the leadership team work to apply the values throughout the day-to-day business and instill the values in the entire staff.

Ms. Bendicksen stated that incorporating the proposed values now will provide the Board and staff greater ability to discuss the Strategic Plan with more clarity in the December meeting and moving forward.

Board members and staff discussed the broad nature of the proposed values. Ms. Leung stated she envisioned the staff crafting supplemental materials that dive deeper and provide more details surrounding the values.

Ms. Schoenmann questioned the potential performative nature of the Equity value description. Ms. Magallanez acknowledged that there is always room to be critiqued regarding potentially performative work, especially diversity, equity, and inclusion work, but she stated that is why organizational deep internal work is critical to how the Foundation approaches the implementation of the values.

Board members expressed their support of the updated values and discussed other key terms not explicitly stated in the values such as inclusivity, collaboration, and power sharing.

Board members discussed the possibility of alienating potential and current donors with the updated values. Ms. Cordero asserted that the Foundation is in a position to inform and start conversations around issues of equity with the community.

Board members and staff discussed a Foundation internal policy addressing Advocacy & Public Policy and exploring what funding at a system's level would look like.

Ms. Bendicksen asked the Board if they felt comfortable with the proposed values being incorporated into the strategic plan. There was general agreement expressed. She also informed the Board that there will be a proposal from staff to make some changes to the mission of the Foundation.

Ms. Bendicksen reminded the Board to review the values and strategic plan drafts for the full presentation at the December Board meeting, noting that changes may still be added in the future.

VI. Other Business, Closing Remarks & Adjournment

Ms. Bendicksen called for any additional business. No other business was noted.

Ms. Bendicksen thanked the Board and staff for their time and effort.

The meeting was adjourned at 1:07 p.m.

José Viramontes, Secretary

Date