



ALBUQUERQUE  
COMMUNITY  
FOUNDATION

**Board of Trustees Meeting Minutes**  
**2023 Quarter Three Meeting**  
Tuesday, September 26, 2023  
10:00AM - 4:30PM  
Zoom | ACF Conference Room

**TRUSTEES PRESENT:**

Marcus Mims, *Chair*  
José Viramontes, *Chair-Elect*  
Beverly Bendicksen, *Past Chair*  
Arellana Barela Levenson, *Treasurer*  
Debbie Harms, *Secretary*  
Dr. Abinash Achrekar  
Emily Allen  
Tom Antram  
Bob Bowman  
Brian Colón  
Tom Daulton  
Michelle Dearholt  
Monique Fragua  
Jason Galloway  
Rebecca Harrington  
Pam Hurd-Knief  
Paul Mondragón  
Anne Sapon  
Charlotte Schoenmann  
Walter Stern  
Becky Teague  
Sara Traub  
Esther Villas-Wingfield  
Lori Waldon

**TRUSTEES ABSENT:**

Sanjay Engineer  
Linda Parker

**STAFF PRESENT:**

Randy Royster, *President & CEO*  
Nick Williams, *Chief Financial Officer*  
Marisa Magallanez, *Chief Operating Officer*  
Jeff Carr, *Finance & HR Senior Associate*  
Denise Nava Wyrick, *Marketing & Development Director*  
Khia Griffis, *Community Impact Director*  
Celia Yapita, *Community Leadership Director*  
Tiffany Rawls, *Finance Director*  
Letisha Spencer, *Grants Senior Associate*  
Clarissa Earl, *Communications & Marketing Manager*  
Dominic Garcia, *Scholarship & Grants Senior Associate*  
Danielle Griego, *Governance & dEi Senior Associate*  
Julie Aragon, *Executive Assistant*  
Kathy McDonald, *Bookkeeping & Data Entry Associate*  
Liana Schmader, *Housing Stability Project Manager*  
Sam Bicknell-Hernandez, *Marketing & Development Associate*

**GUESTS PRESENT:**

Amanda Aragon, *Future Fund*  
Kelsey Martin, *Community Member*

**I. Call to Order, Welcome, Consent Agenda & Committee Updates (Action)**

Mr. Mims called the meeting to order at 10:02 a.m.

Ms. Yapita read a land acknowledgement.

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

The September 26, 2023 Consent Agenda included the following items:

- June 27, 2023 Meeting Minutes
- Financial Statements as of June 30, 2023
- Budget to Actual as of June 30, 2023
- Investment Quarterly Update
- Approval of Grants
- Approval of Scholarship Awards

Committee Updates and other information were also included for the Board:

- Community Impact
- Investment
- Impact Investment
- Philanthropic Advising/Advancement
- Executive Committee – Actions on Behalf of the Board, including Denison Ministries & Passion City Church Recommendations
- NMCT Update

Mr. Mims encouraged the Board to review Committee Update Reports available in their packet.

Ms. Bendicksen asked to remove the June 27, 2023 Q3 Board meeting minutes from the Consent Agenda.

**On motion by Ms. Harms and second by Ms. Hurd-Knief, the Consent Agenda without the June 27 minutes was unanimously approved with no further discussion.**

Ms. Bendicksen provided edits to the June 27 meeting minutes including a change on page 7, in the fourth paragraph from the top, with the last sentence to read as follows: “The Executive Committee also included the Executive staff in the CEO performance review for the first-time last year.”

**On motion by Ms. Bendicksen and second by Mr. Stern, the amended June 27, 2023 Q3 Board meeting minutes were unanimously approved.**

Ms. Allen asked if there will be discussion regarding the Foundation’s endowment goal.

Mr. Viramontes asked for more information from the Impact Investment Committee about the type of work Inspired Resources and Ingenuity Ventures does. Dr. Achrekar stated Inspired Resources is a local business that provides a line of credit for film financing. Ms. Bendicksen shared that Ingenuity Ventures is a limited partnership engaged in venture capital in early-stage New Mexico companies.

## II. Trustee & Staff Recognition (Information)

Mr. Royster moved to highlight Trustees and staff recognition. Trustee recognition included Mr. Daulton who was awarded the University of New Mexico's 2023 Distinguished Service Award for swimming and water polo. Mr. Royster also congratulated Ms. Dearholt on Nusenda Credit Union being named Best Credit Union for the 10<sup>th</sup> Consecutive Year and named Best Bank for the third consecutive year.

Mr. Royster shared that Ms. Allen and Mr. Dominic Garcia are part of the third cohort of the Changemakers Education Fellowship. Mr. Royster added that Ms. Magallanez and Ms. Yapita will be presenting at the upcoming summit of the New Mexico Commission on the Status on Women. Mr. Royster also congratulated Ms. Magallanez on becoming the Foundation's first Chief Operating Officer.

Lastly, Mr. Royster introduced two new staff members to the Board including Ms. Sam Bicknell-Hernandez, the new Marketing & Development Associate and Ms. Kelsey Martin who will be joining staff as the Development Manager.

## III. Governance Committee (Information, Discussion, Action)

Ms. Harrington moved to discuss two new Trustee approvals to the Board: Mr. Brian Colón and Mr. Jason Galloway.

Mr. Royster provided additional background information on both new Trustees.

**On motion by the Governance Committee, Mr. Brian Colón and Mr. Jason Galloway as new Trustees to the Foundation Board, effective September 26, 2023, was unanimously approved.**

## IV. Audit Presentation (Information, Discussion, Action)

Mr. Daulton and Mr. Williams reviewed the 2022 audited financial statements with the Board. Mr. Williams informed the Board the 2022 financial audit is complete, and the Foundation received an unmodified opinion, with no findings noted.

Mr. Williams shared with the Board the Foundation also completed a single audit for the first time this year due to the Housing Stability program. A single audit is required when an organization has over \$750,000 dollars in Federal funds expended. The Foundation expended over \$9.4 million funds for the Housing Stability program.

Mr. Williams reviewed trends in the Foundation's assets, liabilities, and net position. Mr. Williams stated the Foundation's total assets have risen to \$147 million dollars. Total liabilities have also increased, due to the increased funds the Foundation holds for local nonprofits. He noted that all organizational funds are recorded as liabilities. Mr. Williams stated the Foundation's net position is the difference between assets and liabilities, with a total net position of \$121 million dollars.

Mr. Williams informed the Board in 2021, the Foundation has six significant deficiencies but shared all deficiencies previously found have been resolved.

Mr. Daulton informed the Board the Carr, Riggs & Ingram (CRI) staff were complementary of Mr. Williams and his team. He also reminded the Board that the six deficiencies were mainly timing differences and safeguards to prevent the same issues happening again have been upgraded.

**On motion by the Finance Committee, approval of the 2022 Foundation audit was unanimously approved.**

**V. CEO Remarks (Information)**

Mr. Royster shared remarks on the nature of change and the evolution of the Foundation with the Board.

**VI. Groundwater Reflections (Discussion)**

Ms. Allen opened the discussion on Trustee and staff reflections on the Groundwater Institute training.

Staff and Trustees spoke about their experience of participating in the Groundwater Institute training.

Ms. Yapita informed the Board that an anonymous survey will be sent to Groundwater training participants by the end of the year.

Mr. Royster reminded the Board that Trustees are highly encouraged to participate in at least 3 hours of dEi training a year. The Groundwater Institute training fulfills this requirement.

**VII. Board Assessment (Information, Discussion)**

Ms. Harrington and Ms. Sapon thanked Trustees for participating in the first Board self-assessment.

Trustees shared feedback of their impressions of the Board self-assessment survey results.

Ms. Harrington informed the Board that today's assessment activity would focus on the first section of the assessment which overviewed the Board's roles and responsibilities.

Trustees and staff moved into separate activity groups. Activity groups were asked to identify 1-2 top priorities to focus on over the next 1-2 years from the survey feedback.

After completing the activity, Trustees and staff returned to the room to report out each activity group's 1-2 top priority areas.

Staff recorded each group's 1-2 top priority areas. Ms. Magallanez informed the Board that this information will go to the Governance Committee, led by Ms. Harrington and Ms. Sapon, to determine next steps regarding the Board self-assessment survey results.

Ms. Harrington encouraged Trustees to reach out to her regarding any feedback from today's activity or the Board self-assessment results in general.

#### **VIII. Proposed ACF Mission Statement (Information, Discussion, Action)**

Mr. Royster shared the proposed mission statement with the Board and moved to open discussion.

Ms. Yapita reviewed Trustee feedback regarding the proposed mission from the March Forum including what resonated with Trustees and concerns with the proposed mission. She informed the Board that a staff mission workgroup reviewed Trustee feedback while preparing the additional mission statement context present today.

Ms. Nava Wyrick and Ms. Earl presented the sample mission, vision, and values webpage with the Board. Staff reminded the Board, only the mission statement is up for approval as the vision and values were approved by the Board at the end of 2022.

Ms. Nava Wyrick reviewed the What We Do section, noting this section has been expanded section to show how the Foundation provides support to the community.

Ms. Hurd Knief suggested adding diversification/diversity of donors in the second bullet under the What We Do section.

Dr. Achrekar suggested hyperlinking other areas in the What We Do section including the impact investment portfolio and/or public policy and advocacy information.

Mr. Royster moved to review mission statement best practices from other New Mexico foundations and similarly sized community foundations across the nation.

Mr. Mims called for a motion to approve the mission statement as presented.

Ms. Schoenmann asked how the mission statement changed from the version presented at the March Forum. Mr. Royster stated the staff was charged with providing additional supplemental information that would support the existing proposed mission statement.

Ms. Schoenmann asked for clarification if the staff considered changing some of the words on the mission. Ms. Magallanez stated staff were principally concerned with providing additional supplemental contextualizing information and not a rephrasing of the proposed mission statement.

Mr. Stern shared that he appreciated the mockup sample webpage and the thought and care from staff regarding this process.

**On motion by Mr. Stern and second by Ms. Hurd-Knief, the proposed mission statement as presented was unanimously approved.**

**IX. Equity in Action: Values Aligned Policy Initiative Update & Case Study (Information, Discussion)**

Mr. Stern moved to review the Values Aligned Policy Initiative update with the Board. Mr. Stern provided a brief history of the Foundation's dEi journey and the more recent policy revision work.

Mr. Stern stated several committees including the dEi, Community Impact, and the Advancement Committee, have been reviewing the Donor Advised Fund agreement, gift acceptance policy, and grant distribution policies to ensure the Foundation's policies align with its mission/vision/values.

Mr. Stern invited Trustees to join in thoughtful consideration of the proposed policies once the drafting process is complete.

Ms. Magallanez reviewed the Values Aligned Policy Initiative timeline with the Board. She highlighted the policies being reviewed, informed Trustees of the upcoming Horizon Forum trainings in October, and noted staff are optimistic about presenting the proposed policies to Trustees in the December Board meeting but may need to present the policies in the 2024 Q1 Forum.

Mr. Viramontes and Mr. Stern endorsed the proposed timeline.

Ms. Magallanez moved to review the draft definition of hate with the Board. She noted the draft definition of hate was a working definition and encouraged Trustees to share their feedback.

Ms. Allen asked if Horizon Forum provided a definition of hate. Ms. Yapita stated to her best knowledge, Horizon Forum does not provide a definitive definition of hate as they believe each organization should craft their own definition.

Ms. Magallanez briefed the Board on the activity discussion scenarios and questions. She informed the Board the scenarios were provided by the Council on Foundations.

Board and staff participated in Council on Foundations Values Aligned Scenarios and discussion questions activity.

At the end of the activity, breakout groups reported on their group discussion. Multiple groups noted the complex and nuanced discussion each scenario led to.

Mr. Colón noted he would like the Foundation to identify a structure which centers marginalized communities when engaging in values aligned policy work.

Trustees discussed the responsibility of a foundation regarding variance requests from donors.

Trustees and staff discussed internal and external communications regarding the Values Aligned Policy Initiative. Mr. Royster shared with the Board that communications and policy rollout are not solidified as the policies are still in draft form and have not been presented to the Board for approval yet.

Ms. Magallanez thanked Trustees for their thoughtful dialogue around the scenarios.

**X. Strategic Plan: 2023 Update (Information, Discussion, Action)**

Ms. Magallanez moved to review 2023 Strategic Plan progress with the Board.

Leadership staff reviewed Community Impact, Community Leadership, and Organizational Sustainability & Endowment Growth dashboards with the Board.

Mr. Williams reviewed the updated organizational sustainability and endowment growth goal projections with the Board. Mr. Williams highlighted the 2026 endowment projections at just under \$190 million and at \$204 million by 2027.

Mr. Williams stated that fee-for-service revenue, in addition to management fees, are a path to reach organizational sustainability by 2026. He added that fee-for-service revenue also allows the Foundation to diversify its revenue sources.

Trustees and staff discussed the relationship between the endowment projections and New Mexico Community Trust (NMCT) expenses, the MOU between the Foundation and NMCT, and the alignment of the Foundation's and NMCT's mission/vision/values.

Ms. Magallanez informed Trustees that staff will be asking for Board representation on the NMCT Strategic Plan Committee.

Mr. Williams moved to review RVK's spending policy evaluation, noting the Foundation has a 41% chance of reaching \$200 million dollar endowment by the end of 2026. Mr. Williams acknowledged that if the economy entered a massive recession, the Foundation may not achieve its goal of \$200 million by 2026 but will still be in a solid financial position.

Ms. Bendicksen, Mr. Mims, and Mr. Viramontes presented the updated Organizational Sustainability & Endowment Goal to the Board.

Mr. Mims reviewed the current endowment growth goal and a brief history of its inception.

Ms. Bendicksen spoke on the evolution of the organizational sustainability and endowment growth goal and the recommended modification to the goal.

Trustees discussed balancing internal organizational sustainability and growing the endowment to make more grants and do more good work for the community.

Mr. Viramontes reviewed the two proposed growth goal options.

Option 1 stated: "Become a self-sustaining organization by the end of 2026, through intentional growth of the endowment to \$200 million and developing strategically aligned fee for service revenue streams, allowing the Foundation to fully fund its operations without relying on donations to support operations."

Option 2 read as: "Become a self-sustaining organization by the end of 2026, through intentional growth of the endowment and developing strategically aligned fee for service revenue streams, allowing the Foundation to fully fund its operations without relying on donations to support operations. *Internal: The endowment growth goal target is \$200 million by 2026.*"

Mr. Viramontes informed the Board that the Executive Committee recommends Option 2 and summarized the Executive Committee's conversation regarding their decision.

Trustees discussed the two goal options while keeping in mind the need to balance the urgency to address critical community needs versus holding in perpetuity endowments.

Mr. Williams shared the Foundation is starting pilot program for quasi endowments, which have less strict structures regarding in perpetuity endowments. He added that staff will have an update for the Board on the pilot program in 2024.

Ms. Allen shared she was comfortable approving Option 2 and like the flexibility it allowed the Foundation to reach its goal. Ms. Hurd-Knief agreed.

**On motion by Ms. Hurd-Knief and second by Ms. Traub, Option 2 of the proposed modification to the Organizational Sustainability & Endowment Growth Goal was unanimously approved.**

**XI. Community Impact: Strategic Grantmaking Lens (Information, Discussion, Action)**

Ms. Allen moved to review the Strategic Grantmaking Lens update with the Board.

Ms. Griffis shared historical context for the strategic grantmaking lens "Access to Economic Opportunities" with the Board. Ms. Griffis stated the current grantmaking lens was adopted by the Board in 2016 and was aligned with the Foundation's mission and values at that time.

Ms. Allen shared with the Board, as the Community Impact Committee continues its journey with Trust Based Philanthropy, the Committee has worked to evolve its grantmaking practice and to listen to the organizations it serves and funds.

Ms. Allen shared the current strategic grantmaking lens has received overwhelming feedback from nonprofits, grant panelist and Committee members, stating the current lens no longer fits within the current grantmaking perspective of Trust-Based and Values-Aligned Philanthropy.

Ms. Allen informed the Trustees that the Community Impact Committee is only proposing to remove the Access to Economic Opportunities strategic grantmaking lens. The Committee is not proposing to replace the strategic grantmaking lens at this time.

Ms. Allen reminded the Board the Foundation still has the Access to Economic Opportunity Field-of-Interest in the Annual Grant Cycle.

Ms. Allen open the floor for discussion. Mr. Stern provided historical background on the 2016 adoption of the Access to Economic Opportunities strategic grantmaking lens. He added that he supported the Committee's recommendation.

**On motion by the Community Impact Committee, the recommendation to remove the current Access to Economic Opportunities strategic grantmaking lens in the Foundation's Annual Grant Cycle was unanimously approved.**

**XII. Other Business, Closing Remarks & Adjournment**

Mr. Mims called for any additional business. No other business was noted.

Mr. Mims thanked the Board and staff for their time and effort.

The meeting was adjourned at 4:08 p.m.

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Debbie Harms, Secretary

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Date