



ALBUQUERQUE
COMMUNITY
FOUNDATION

Board of Trustees Meeting Minutes
2023 Quarter Four Meeting
Tuesday, December 5, 2023
11:15AM - 1:45PM
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
Tom Daulton
Michelle Dearholt
Sanjay Engineer
Monique Fragua
Jason Galloway
Rebecca Harrington
Pam Hurd-Knief
Paul Mondragón
Anne Sapon
Charlotte Schoenmann
Walter Stern
Becky Teague
Sara Traub
Esther Villas-Wingfield

TRUSTEES ABSENT:

Brian Colón
Lori Waldon

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*
Kelsey Martin, *Development Manager*

GUESTS PRESENT:

Linda Parker, *Trustee Retiree*
Bev McMillan, *Guest*

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

Mr. Mims called the meeting to order at 11:18 a.m.

Ms. Yapita read a land acknowledgement.

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

The December 5, 2023 Consent Agenda included the following items:

- September 26, 2023 Meeting Minutes
- Financial Statements as of September 30, 2023
- Budget to Actual as of September 30, 2023
- Investment Quarterly Update
- Approval of Grants
- 2023 Restated Bylaws & Memo

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

- Community Impact – not included, no activity since last meeting
- dEi – no report, included on agenda
- Finance – no report, included on agenda
- Governance – no report, included on agenda
- Investment
- Impact Investment
- Philanthropic Advising/Advancement
- Risk Management - not included, no activity since last meeting
- Executive Committee – no report, included on agenda
- NMCT Update – no report, included on agenda
- Strategic Plan Dashboards

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

On motion by Ms. Hurd-Kneif and second by Ms. Fragua, the Consent Agenda was approved with no further discussion.

II. Executive Session (Information, Discussion)

The Board entered Executive Session to discuss 2024 Strategic Plan addendum, 2023-2024 Team Goals, bonus pool, and Mr. Royster's evaluation and compensation package. Staff left the conference room.

Executive session ended at 11:58 p.m. Staff rejoined the meeting.

III. Trustee & Staff Recognition (Information)

Mr. Royster moved to highlight Trustees and staff recognition. Trustee recognition included Mr. Colón who was recently inducted into the NMSU College of Business Hall of Fame. Mr. Royster also shared that Ms. Griffis is participating in Leadership ABQ.

Mr. Royster recognized retiring Trustees: Ms. Bendicksen, Ms. Hurd-Kneif, Ms. Parker, and Mr. Stern. Mr. Royster thanked the retiring Trustees for their time and talent while serving on the Board.

Mr. Royster also thanks Ms. McMillan for her service as the Special Advisor on the Executive Committee this past year.

IV. **Finance Committee (Information, Discussion, Action)**

Mr. Daulton and Mr. Williams moved to review the 2022 990 . Mr. Daulton reminded the Board the Finance Committee previously approved the 990 and the review is for informational purposes only.

The 990 included detailed information about the Foundation's activities, including revenue, expenses, assets, and liabilities. Mr. Williams noted Page 2 of the 990 outlined the Foundation's mission and grant programs and Page 6 provided a checklist of governance, management, and disclosures that confirm the Foundation is in compliance with IRS standards.

Mr. Williams shared Schedule A in the 990 is the public charity status and public support section, which requires at least a third of the Foundation's support comes from public support. The Foundation met the threshold.

Mr. Williams stated the Foundation had zero tax liability for its investment income. Mr. Daulton noted the IRS requires 990 to be made public and is already on the Foundation's website.

Ms. Rawls moved to review the 2024 Proposed Budget with the Board. Mr. Daulton noted the Finance Committee recommended the Board approve the 2024 Proposed Budget.

Ms. Rawls shared with the Board that staff took a conservative approach to the proposed budget's revenue for a realistic budget.

Ms. Rawls highlighted the endowment management fee line item, noting staff anticipated a \$50,000 change from their projected 2023 to 2024 proposed budget. Ms. Rawls reviewed the process for determining the endowment management fee line item.

Ms. Rawls noted the increase in donor relations and donor development line item, stating the increase was due to changes in events and staff anticipating more donor touches in 2024.

Overall, for 2023, Ms. Rawls shared there will be a carryover of \$286,000, with an anticipated \$198,000 deficit in 2024. The total operating reserve is \$2.2 million dollars, which equals a 9-month reserve for the Foundation.

Mr. Daulton reiterated the Foundation has good continue growth and has extremely strong reserves.

Trustees and staff discussed the anticipated decrease in corporate contributions due to a pause in the Great Grant Giveaway and the absence of funds from the Employee Retention Act.

On motion by the Finance Committee, the 2024 Proposed Budget was unanimously approved.

V. **Governance Committee (Information, Discussion, Action)**

Ms. Harrington moved to review the Trustee 3-hour dEi learning expectation with the Board. She reminded the Board the 3-hour dEi learning expectation was a joint proposal approved by the dEi Committee at the end of 2022.

The proposed learning expectation stated Trustees are encouraged to complete three hours of dEi learning annually.

Ms. Harrington noted informed the Committee staff are working on providing a variety of options and modalities for Trustees to complete their yearly learning expectation.

On motion by the Governance Committee, the 3-hour dEi learning expectation was unanimously approved.

Ms. Harrington moved to review Trustee renewals with the Committee. She shared the following list of Trustee renewals including Mr. Viramontes for his third term, Mr. Daulton for his second term, Ms. Allen for her second term, Mr. Bowman for his second term, Dr. Achrekar for his second term, and Ms. Dearholt for her second term.

On motion by the Governance Committee, the slate of Trustee term renewals as stated was unanimously approved.

Ms. Harrington moved to review the 2024 elected Executive Committee members including Ms. Debbie Harms as Treasurer, Ms. Lori Waldon as Secretary, and Ms. Emily Allen as Chair-Elect.

On motion by the Governance Committee, the 2024 elected Executive Committee members as presented were unanimously approved.

Mr. Viramontes introduced the full 2024 Executive Committee to the Board including Ms. Allen as Chair-Elect, Mr. Mims as the Immediate Past Chair, Ms. Harms as Treasurer, Ms. Waldon as Secretary, Mr. Stern serving as the Special Advisor, Ms. Dearholt serving as the Member-At-Large, and himself as the incoming 2024 Board Chair.

Mr. Royster moved to review the Wilhelmina Neat Coe, Peace Foundation '57 for Greater Albuquerque Habitat for Humanity Fund variance request memo with the Committee.

The purpose of the fund was to develop affordable housing in the southwest quadrant of Bernalillo County as the boundaries existed as of March 1, 1996.

Mr. Royster informed the Committee, that due to the current conditions/limitations of affordable land, and availability of land in general in the southwest quadrant, Habitat for Humanity Board President, Mr. Mark Lujan, and Executive Director, Mr. Douglas Champlin, requested the quadrant restriction be expanded to read “to the Greater Albuquerque Metropolitan Area as the boundaries exist as of October 31, 2023.”

Mr. Royster shared the Governance Committee recommended the Board of Trustees to use its variance power to approve the request to expand the purpose of the Fund.

On motion by the Governance Committee, Wilhelmina Neat Coe, Peace Foundation '57 for Greater Albuquerque Habitat for Humanity Fund variance request was unanimously approved.

Mr. Royster moved to review the Sussman Miller Education Assistance Fund (“SMEAF”) variance request with the Board.

Mr. Royster provided some background information about the fund, noting that SMEAF provides financial assistance to address the “gap” in financial aid packages for both students graduating from high school and those continuing their higher education.

In letters from Ms. Ina Miller, who has served as SMEAF’s advisor after her parents passed away, and one committee member, have requested to move SMEAF to the Santa Fe Community Foundation (“SFCF”) where they have been depositing new funding received since the Foundation’s enforcement of IRS regulations, National Standards, and best practices. Ms. Miller stated the fund at SFCF focuses on students in rural communities and they wished to provide more scholarships to students in rural communities.

Mr. Royster shared with the Committee that SMEAF has always granted scholarships outside of Albuquerque, including to rural communities, so the reasoning to move the fund is not sound. Mr. Royster added that SFCF also follows IRS regulations, National Standards, and best practices so he was unsure what Ms. Miller is expecting if the funds move to SFCF.

Mr. Royster also noted that moving the SMEAF funds to the SFCF fund would not allow Ms. Miller to provide any more scholarships than they could otherwise accomplish with two funds in two different community foundations. Mr. Royster stated it is not uncommon for a donor, individual or organization, to have multiple funds in different community foundations.

Mr. Royster shared the Governance Committee recommended the Board of Trustees deny the request to move the SMEAF fund to SFCF.

Board members discussed communicating with the fund holder regarding national standards and Board decisions regarding the variance request.

On motion by the Governance Committee, the declination of the Sussman Miller Education Assistance Fund variance request was approved. Ms. Traub opposed the motion.

VI. 2024 Great Grant Giveaway Update (Information, Discussion)

Mr. Royster updated the Board on Great Grant Giveaway (“GGG”) for 2024. Mr. Royster shared with the Board that, after months of thoughtful discussions and meetings amongst all levels of staff, the Foundation has decided to pause on the Great Grant Giveaway in 2024.

Mr. Royster added the decision was driven by the desire to maintain excitement and relevance, align with the Foundation’s new mission, vision, and values, and on a pragmatic level, two of the Foundation’s lead staff for the event will be out on family leave during the first and second quarters of 2024. Mr. Royster reiterated the time commitment required of staff to organize and execute GGG.

Mr. Royster shared that staff plan to engage with Foundation stakeholders including Trustees, donors, nonprofit partners, past GGG recipients, corporate partners, and community members, to gather insights and input to help shape the next iteration of GGG.

Trustees discussed the decision to pause GGG in 2024 and the potential decrease in grantmaking.

Despite the pause, Mr. Royster reassured the Board that staff plan to continue giving to the community through other grantmaking and events. Ms. Nava Wyrick added that staff are looking at updating corporate partners benefits for other events in lieu of GGG.

Ms. Hurd-Knief noted that other organizations and Boards are also looking at reimaging their events moving forward. She expressed her approval to pause GGG.

Board members and staff discussed the importance of continuing to have a signature event.

Trustees discussed communicating to nonprofits about the GGG pause and potential reputational ramifications for the Foundation.

Ms. Nava Wyrick stated staff are crafting messaging about the pause and are actively reaching out to key stakeholders and donors.

Mr. Mims encouraged Trustees to continue to provide feedback on the topic. Mr. Royster stated that Trustees could reach out to him, Mr. Bowman or Ms. Nava Wyrick, with additional questions or feedback.

VII. Values Aligned Policy Initiative (*Information, Discussion, Action*)

Mr. Stern stated the dEi, Advancement, and Executive Committees are seeking three Board actions: approval of the proposed Anti-Hate Policy as recommended by the dEi Committee, approval of revisions to the Donor Advised Fund (“DAF”) agreement as recommended by the Advancement Committee, and approval of an interim delegation of authority to the Executive Committee to make final decisions on grant rejections, as recommended by the Executive Committee.

Mr. Stern stated that the Anti-Hate Policy and revised DAF agreement have gone through several iterations with staff and Committees reviewing and revising the documents.

Mr. Stern add the proposed policy of delegating authority to the Executive Committee to make final decision of grant rejections would only be an interim policy as the Executive Committee anticipates revisions to the Grantmaking and Gift Acceptance policies that the Board will take up next quarter will address the delegation issue as it relates to the rejection of a request from a donor.

Mr. Stern encouraged Board members to read the Why and Why Now memo and other staff driven documents including the draft communications plan, a draft posting the website announcing the updated policies, and the informational document on staff processes to review and considers controversial proposed donations. He added that all documents can be found on the Board Portal or in their printed packets.

Ms. Schoenmann asked if the DAF agreement will be retroactive for current donors. Mr. Stern stated that the revisions to the DAF agreement will be used for prospective donors. Mr. Stern noted the Board has not historically approved revised DAF agreements and does not anticipate the Board will continue to approve future revised DAF agreements.

Ms. Magallanez clarified the Anti-Hate Policy is applicable for all grant distributions moving forward.

On motion by the dEi Committee, the Anti-Hate Statement as proposed was unanimously approved.

On motion by the Advancement Committee, the revised Donor Advised Fund (DAF) Agreement was unanimously approved.

On motion by the Executive Committee, the interim delegation of authority to the Executive Committee to make final decisions on grant rejections, was unanimously approved.

VIII. NMCT Update & Trustee Appointment (*Information, Discussion, Action*)

Mr. Mims and other members of the Executive Committee shared an update on the New Mexico Community Trust (NMCT).

Mr. Mims and Mr. Viramontes shared several Foundation Trustees and staff met with the NMCT Board to develop clarity around NMCT through an internal strategic assessment to develop goals, clarity about NMCT's mission and vision, and to ensure alignment between the Foundation and NMCT; discuss the expansion of NMCT's Board and update the Foundation/NMCT MOU to remove the end date of the agreement to ensure a longer, more stable partnership between the two entities.

Ms. Bendicksen spoke about potential staffing issues as both organizations continue to grow, as the Foundation's staff is also NMCT's staff.

Mr. Royster reminded the Board that NMCT is an LLC with one member, the Albuquerque Community Foundation. As such, the Foundation has great control over the direction of NMCT including the ability to make decisions about NMCT's Board.

Ms. Harrington moved to review Foundation Trustees to be appointed to the NMCT Board. Criteria developed for NMCT Board appointments included NMCT historical knowledge, statewide work/experience, commitment to dEi & Foundation mission, vision, values and strategic direction, and demographic diversification.

The names put forth to the Governance Committee for recommendation to be appointed to the NMCT Board based on the above criteria included Mr. Stern, Ms. Bendicksen, Mr. Mims, Ms. Allen, Mr. Colón, and Ms. Barela Levenson.

Ms. Harrington added the NMCT Board appointees' terms will be staggered with the goal of bringing in statewide members to the NMCT Board.

On motion by the Governance Committee, the proposed slate of NMCT Trustee appointees was unanimously passed.

IX. Other Business, Closing Remarks & Adjournment

Mr. Royster thanked Mr. Mims as serving Board Chair.

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 1:35 p.m.

Debbie Harms, Secretary

Date