



ALBUQUERQUE
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FOUNDATION
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MEMO

To: ACF Board of Trustees
From: Anne Sapon, Governance Committee Chair
Date: April 29, 2024
Re: Variance Power – National Hispanic Cultural Center Foundation Fund

The above-referenced fund is an organizational endowment fund (the “Fund”) established in 2017 by the National Hispanic Cultural Center Foundation (“NHCCF”). An organizational endowment provides an annual distribution to the organization, for it to use as it chooses. The Fund balance is \$136,066.28, including principal and accrued interest as of December 31, 2024. Albuquerque Community Foundation’s (“ACF”) management of the Fund produces approximately \$1,120 annually to operations.

Over the last eight years, NHCCF, has experienced significant turnover of Executive Leadership. The current Executive Director has notified Albuquerque Community Foundation (“ACF”) the fund was established in error as an organizational endowment and that it should have been established as a scholarship fund that the original donor expected to be run by NHCC. The original donor has become so angry about the error that through her attorney, she insists the Fund be transferred to a Fidelity charitable fund. In addition, a significant donor to the Fund, the Robert Wood Johnson Foundation, has joined the original donor in her wishes through its attorney.

The situation is unfortunate for all parties. It is evident that with multiple leadership changes at NHCCF from the time of the original donor’s initial contact with NHCCF, much confusion has existed. Neither NHCC, ACF Staff nor the Governance Committee want the situation to be elevated to legal action. Thus, the Governance Committee moves the Board of Trustees to transfer the Fund as requested as NHCCF’s establishment of the Fund with ACF was in error.