Eau Claire Public Schools Foundation Minutes
April 30, 2019
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Chair Blenda Yun called the meeting to order at 12:00 p.m.

Trustees Present: Jeff Jones, Flo Sheridan, Becky Nolan, Kim Hill, Blenda Yun, Heather Market-Sullivan, Dave Morley, Jim McDougall, Jenny Fesenmaier, Ned Donnellan, Mike Emberson, Dustin Wiesner.

Absent: Grant Beardsley.

Ex-Officio present: Mary Ann Hardebeck and Lori Bica (arrived at 12:35 p.m.)

Staff present: Sarah French. Recording Secretary: Patti Iverson.

<u>Financial Report</u>

Dustin Wiesner shared the Financial Report for the quarter.

Jenny Fesenmaier moved, second by Jim McDougall, to approve the Financial Report as presented. Carried by unanimous voice vote.

Dustin Wiesner said the Finance Committee discussed the fee structure, particularly the pass-through funds. He said there hasn't been consistency with handling the funds. To help compensate the Foundation for the work it does, they recommended charging all pass-through funds retroactive, and in the future, a 5% fee. The Community Foundation has been discussing their fees and are recommending that they lower the fee they charge to 2.5% due to their new software. It is felt it will make the work more efficient. The Community Foundation wanted to wait to make a decision until ECPSF discusses it. Dustin reached out to several different school foundations. He heard back from a few of them. Madison said that all their funds are charged a flat 10% fee for pass-through funds. He will continue to gather information from other school districts.

Mike Emerson felt that 3% was not a workable number to operate on. Dustin explained that pass-throughs are short term so ECPSF does not make much on those. The earnings on the more endowed funds are going towards annual scholarships. He said ECPSF isn't touching principal, just interest. There is not enough money being made now to cover ECPSF's costs. He said ECASD contributes $50,000 annually for ECPSF, and if that funding is lost, the ECPSF would have to disband. Dr. Hardebeck felt it would be helpful to communicate how that $50,000 supports the Foundation and sustains the work thus far noting that they money from ECASD covers Sarah French's salary. It was suggested that the Board set of goal of being able to cover the costs of ECPSF from the endowment.

Dustin talked about agency endowment funds, which are held for other non-profits. He said ECPSF will get rid of that type of fund. The group discussed increasing the Golden Apple event to make it more profitable to supplement costs. A larger venue would be needed if the event grows by having more guests.

Dustin explained that ECPSF needs $25,000 from the Fund for Tomorrow to help with payroll costs for the next two quarters.

Jim McDougal moved, second by Ned Donnellan, to approve recommendations 1, 2 or 4 as written. Carried by unanimous voice vote.

Development Committee Report

Jim McDougal thanked those involved with the Golden Apple event. Development Committee will take the Financial Committee's recommendation under advisement to increase ticket sales and table sponsors for the Golden Apple and perhaps look at a different venue. It was noted that Wild Ridge has not charged for the use of their facility for this event.

Marketing Committee Report

Mike Emberson said the committee has a template ready and needs to upload some more contacts so that marketing materials can go out. They have been trying to get the word out about ECPSF through the graduation ceremonies. The Partnership Coordinators at each high school understand their role for engaging with students as they graduate. He suggested that the Trustees talk about how to market ECPSF at its summer retreat. There is a strong desire to grow the Foundation to have it be inclusive and dedicated to raising money for kids.

The Marketing Committee has discussed having a second event on April 9, 2020 that would involve high school music groups and perhaps a big-name headliner. The goal would be to raise $50,000 through ticket sales for the concert at the Pablo, a social hour with silent auction items sponsored by businesses, etc. He said there is interest in this from parent volunteers and community members. There would be main stage sponsors and sponsors for each group. The event would provide instruments for the music program.

High school band teachers, Eric Dasher and Scott Hensiak, have committed to the April 9, 2020 date. It is hoped this event will expand to more than just bands and perhaps include choral groups and artwork. It would be for high school age students, but they would like to engage the middle and elementary schools too. Mike acknowledged it would be a big project, which would likely require another committee to work on it. He said they liked coining the phrase "All in for Kids" for the event title.

Dave Morley moved, second by Jenny Fesenmaier, to commit to hosting a second ECPSF event in April 2020. Carried by unanimous voice vote.

Nomination Committee

Wayne Willie has been suggested as a potential trustee. He is the Vice President at US Bank and does wealth management and trusts. He was interested in serving on the Board. Although no one is rotating off at this time, it would bring the number of trustees back to the original number.

Jim McDougall moved, second by Mike Emberson, to approve adding Wayne Willie as a trustee of the ECPSF Board. Carried by unanimous voice vote.

Personnel Committee

Sarah French stepped out of the room. Dustin Wiesner said Sarah is consistently working more than the 20 hours per week that ECPSF pay her. The committee recommended that her hours be changed from 20 to 25 hours per week as soon as feasible with payroll. She has been working on the Ulrich estate, getting a Memorandum of Understanding with the ECASD and planning a second event; the committee felt justified to increase her hours. The committee will work with her to set more intentional goals to align her hours with the goals of ECPSF. She will be asked to track her time to identify ways to off load the less administrative tasks and focus her energy on work that is the highest value to ECPSF. Longer-term goals will also be set that align with the Board's goals. Dustin said with the increased hours, there will be more specific performance goals to grow the Foundation.

There was a discussion about the role of the Foundation compared with the role of the District's budget. It was noted that the School Board has a responsibility to provide for District programs. This led to a discussion on what would be appropriate things for ECPSF to raise money for that aren't supplanting the District budget. A question was asked, "Is it our mission to raise more money for grants or projects or to manage donations that people want to give and help with different and larger projects above what the District could cover in the regular budget?"

Dr. Hardebeck said that a philosophical question for this group to explore and perhaps discuss at a work session is how to target efforts. She said the more the Foundation supports the curricular or equipment needs of the District such as musical instruments, for instance, the more it appears that the District can make do. She said that in other districts the foundation provides grants for educators to do something above and beyond the curriculum. She added that it is wonderful that the Foundation provides support for the District's music program but felt it could be a sticky situation.

Jim McDougall said the ECPSF's mission includes fostering supportive relationships with the school district, raising funds to provide learning opportunities, and awarding grants for innovative projects. He felt that the activities Sarah has been involved with and even working with the Trustees to answer the types of questions raised warrants increasing her hours.

Mike Emberson moved, second by Jen McHugh, to approve the Personnel Committee's recommendation to increase Sarah French's hours by five hours per week. Carried by unanimous voice vote.

Executive Committee Report

As discussed at the last Trustee meeting, the Ullrich estate was considering a substantial donation to the District, and although it seemed to be moving forward, setbacks occurred. A meeting was set up with those representing the estate and several trustees. It seemed there was a recurring issue with the estate trying to pit the ECPSF against the ECASD. Sarah French went to a conference and participated in a session about the importance of establishing a Memorandum of Understanding between districts and area foundations so that relationships are clearer, and everyone is on the same page. The Foundation talked to the School Board's liaison, Lori Bica, and it was decided that establishing a MOU would go to the District's Budget Development Committee. Dr. Hardebeck explained that rather than going to Budget Development, it will go to the Policy & Governance Committee because it would involve a policy about accepting gifts.

Sarah French and Jim McDougall met with Tom Fielder and Dave Richie to talk about what these agreements might look like. It was noted that ECPSF's only goal is to support ECASD, so the two entities need to work together to make that happen and not create confusion in the community about donations. Jenny Fesenmaier said a foundation's purpose is to create endowments for perpetual giving.

If you donate to the school district, their goal is to spend the money.   She said that pass-through funds are great for marketing, but don't sustain the Foundation.

Dr. Hardebeck said ECASD wants to do everything to support the Foundation. But when someone says they don't want to work through the ECPSF but want to benefit ECASD students, it is hard to say the District can't take their money. She said it creates hard feelings for the District and those that must deliver that message. She said if the donor comes in and indicates they don't want to pay the 'administrative fee,' that is awkward for her.

There was discussion by Trustees about this topic. Jim said that many other foundations is to handle all non-profit giving to the district. That is how this foundation was founded. It was to receive all giving. Flo and Kim didn't think so. Flo—we must have good idea of what our foundation is for. It is the frosting on the cake. The district takes care of needs of students, other money comes in and it is frosting on cake but not for instructional needs.   Jim—not arguing how it should be defined but context for why it is a tough conversation. Kim—historically it wasn't founded so all funds would come through the foundation. Was founded with purpose. PTA's could still donate.   Why do we feel like in competition when we shouldn't? What's our purpose? Equity is important. The board and administration drive the equity ship as they should to ensure that all kids get equitable education. That gets mixed up sometimes in allocations committee too.   For foundation to be organization to build the endowment so money available for the frosting or special opportunity, that makes sense. I have struggled with the fees and pass-through. We don't want to create ill-will either. If you funnel through foundation, it could be 10 gifts. Jenny—if you have drive like library did to raise money. Not sure if school district or foundation to have. Are we housing for campaign? I'm thinking of random person to donate $100 for crayons. Why would foundation step into that? Why isn't the district doing that? Why muddy financials with pass throughs? Because they built trust with donors, are good for things when collecting, building, growing and giving.

MAH "it feels icky to say we can't take your money. To tell them we have a foundation." Becky "it should be transparent. ECPSF is the arm that does the fundraising. There are costs to any donation ECASD receives. If you have one unit of operations set up to deal with it, that's best place to put it. ECASD doesn't have time to deal with those kinds of donations but we do. Why we are taking pass-through is because we are in initial stage and we need to get awareness in community that we exist. Pass through is how we do that." Jenny—There shouldn't be a point where you tell them you can't take their money but go through foundation. A dialogue of elevator speech of options of what they can do. Blenda-we talked about that, so we are all communicating in the same way. Jenny—even a principal can hear that pitch too. So, they can say other ways you can give. Blenda—people maybe having even thought of other ways to give. Mike—it is confusing from marketing. Identifying some script to delineate. With this estate we have a perfect example. What if I did this? What about this? For us to have message that is consistent, and funds go through us, 5% goes back to help support the schools. Not spending it. I think it all goes through the foundation. We could flat line, but you won't be able to raise money if you say go to the district for this but not this. It is dangerous. MAH—we have numbers of groups in community that raise money for our kids—athletic boosters, PTA, choir boosters that provide us with money to support grants. When you talk about only being able to donate through ECPSF there may be some unintended consequences. Jeff-if someone gives money to ECASD is it deductible, yes, so no difference than giving to us. Our job is fundraising. Hard to say we want money for our endowment. I was looking for specific thing to go to someone to raise money for specific project. What is our purpose is a tough answer that hasn't been answered in my mind either? Why are we doing what we are doing? Jenny---why we do (the grants we give out). The fine line of funding the district for things it should be paying for and for things above and beyond general curriculum. We historically go through what grant does and how much we give every year. The story is we are doing so many different things. Every school has its own fund and pass throughs make for a hard story. Need to work on definition of that. If define how we bring money in. if there is no understanding, that's issue. Sarah—there isn't an understanding. I have sample MOUs with their foundation. We referred the MOU to Steve weld's office. Grant has been our person. Jenny—what are next steps?

Dr. Hardebeck explained that the Policy & Governance Committee would be asked to discuss this topic as it would change how the District accepts gifts. They would study the issue, make a recommendation and then take it to the full Board. Sarah French asked how the Foundation could get people at that table to discuss a MOU. She said that Grant Beardsley from Weld, Riley has been representing the District and would draft the MOU. President Yun said that Grant indicated he would have a conflict of interest doing so. It was suggested that the Foundation be clear with what it wanted to ask of the District. The Executive Committee will make a recommendation.

Kim Hill moved, second by Flo Sheridan, to approve scholarship committee report. Motion carried by unanimous voice vote.

Jenny Fesenmaier moved, second by Becky Nolan, to approve interfund grant transfers. Motion carried by unanimous voice vote.

Flo Sheridan moved, second by Ned Donnellan, to approve the quarterly grant disbursements as presented. Motion carried by unanimous voice vote.

Sarah French reminded everyone of the Rock the River Front event on June 22, 2019.

Jenny Fesenmaier moved, second by Mike Emberson, to adjourn. Carried by unanimous voice vote.

Meeting adjourned at 1:35 p.m.

Submitted by Patti Iverson