



**Executive Committee Meeting
November 17, 2015~ 3:30 PM
945 S. Main Street #207, CA 93940**

AGENDA

1. Call to Order – Rick Kennifer 3:30
2. Approval of Minutes (attached **1- 3**) 3:35
 - September 22, 2015
3. Chair Report – Rick Kennifer 3:40
 - Celebration of Philanthropy
 - Holiday Social with Spouses
 - Board Retreat Agenda Discussion
 - 2016 Schedule of Meetings
4. Treasurer's Report – Tina Starkey Lopez 3:45
 - October Financials (attached **4-11**)
 - 2016 Budget notes (attached **12-14**)
 - Draft budget-(Finance Committee will review prior to Exec meeting) (**15-17**)
5. Grants and Programs Committee – Alfred Diaz-Infante 4:00
 - Grant Approvals
6. Investment Committee – Ken Petersen 4:05
 - Investment Committee Meeting -11/9/2015
 - 2016 Spending Policy
7. Governance Committee – Gail Delorey 4:10
 - Nominating Committee update
 - 2nd - Term Renewals
 - 2016 Officers
8. Resource Development Committee –Greg Chilton 4:20
 - Development Summary October – (attached **18-19**)
 - Professional Advisor Council – meeting update
 - Bubbles and Bags
9. Funds approved electronically since October Board Meeting 4:25
10. New Fund Approvals 4:30
 - Salinas Valley Memorial Hospital Stewardship Fund
11. President/CEO Report – Dan Baldwin 4:35
 - League of California Community Foundations meeting
 - Whistleblower Policy update (attached **20-24**)
 - MC Gives!
 - Chinatown update
12. Executive Session (if necessary) 4:50

Adjourn

Next Executive Committee Meeting: March 22, 2016 - Salinas Office



**Executive Committee Meeting
2354 Garden Road, Monterey, CA
September 22, 2015**

MINUTES

Committee Members Present: Rick Kennifer, Gail Delorey, Tina Starkey Lopez, Greg Chilton, Alfred Diaz-Infante, Ken Petersen

Absent: Steve McGowan

CFMC Staff Present: Dan Baldwin, Laurel Lee-Alexander, Christine Dawson, Diane Nonella, Julie Conrad

CALL TO ORDER – Rick Kennifer

Rick Kennifer called the regular meeting of the Executive Committee of the Community Foundation for Monterey County to order at 3:35 PM, Tuesday, September 22, 2015 at the Foundation's Monterey office.

APPROVAL OF MINUTES

Motion: to approve the July 28, 2015 minutes: Gail Delorey/Greg Chilton second. Motion carried unanimously.

REPORT OF THE CHAIR – Rick Kennifer

Rick Kennifer reported the annual CFMC Celebration of Philanthropy is Wednesday, October 28, from 4:00 to 7:00 PM at Corral de Tierra Country Club. Nancy Ausonio is the 2015 Distinguished Trustee.

Rick led the committee in a discussion of the final draft of the 2015 Strategic Plan. Greg Chilton recommended the full board have a presentation of the final draft before voting to approve the strategic plan. Dan will present the plan at the October 27 board meeting.

Motion: to recommend the draft 2015 Strategic Plan be presented to the board as written at the October 27, 2015 board meeting. Greg Chilton / Alfred Diaz- Infante second. Motion carried unanimously.

The November 24 Executive Committee meeting will be moved to November 17, due to the Thanksgiving holiday. The meeting will be held in the Salinas office.

**TREASURERS REPORT-Tina Starkey Lopez
August 30, 2015**

Assets

Total Assets through 8/31/2015 are \$177,141,786 a 1.90% decrease since August 2014, and a 1.21% decrease since December 2014.

Operating Fund

Total revenue was \$3,856 less than the budget, and total expenses were \$146,432 less than the budget. The actual net operating deficit is \$246,097 compared to a budgeted deficit of \$388,673.

Note: The Expendable Operating Cash-on-Hand is at 5.3 months, excluding the operating reserve of \$250,000 and the building reserve of \$125,000.

Gifts, Pledges, Bequests, Future Funds Greater than \$25,000, and Grants

Total new contributions for the month were \$1,068,578, including \$150,000 from an anonymous donor for the Fund for Homeless Women; \$481,500 from the David and Lucile Packard Foundation for the Community Leadership Project ; \$30,000 from the Carmel Heritage Society for the Carmel Heritage Society Stewardship Fund; \$55,000 from Mr. Robert Haas to establish his fourth Charitable Gift Annuity; \$54,119 from the estate of Mary B. Dawson for the John & Mary Dawson Learning Fund; and \$250,000 from the Central Coast Young Men's Christian Association to establish the Central Coast Young Men's Christian Association Stewardship Fund.

Grants to agencies for the month totaling \$219,000 were approved and recorded.

Interfund activity for the month totaled \$2,346.

Motion: to approve the August 30, 2015 financials. Tina Starkey Lopez / Gail Delorey second. Motion carried unanimously.

Tina reported the fourth draft of 2016 budget will be reviewed at the October 27 Finance Committee meeting. The Finance Committee will add a meeting on November 17 to finalize the budget and present it at the December board meeting.

GRANTS AND PROGRAMS COMMITTEE - Alfred Diaz-Infante

Alfred Diaz-Infante reported the fall Community Impact Grant cycle is in process. There were 59 large (over \$12,000) grant requests and 36 small (under \$12,000) grant requests. There were no grants to approve.

INVESTMENT COMMITTEE - Ken Petersen

Ken Petersen reported the next Investment Committee meeting is November 2. The committee will review the spending policy, investment policy statement and evaluation of Verus.

GOVERNANCE COMMITTEE – Gail Delorey

Gail Delorey reported the Governance Committee met September 16 and selected four candidates and four alternatives to join the board in 2016. The nominees represent a broad cross section of demographic and geographic diversity. The candidates' names will be presented at the October 27 board meeting.

NEW FUNDS APPROVED SINCE LAST MEETING - Dan Baldwin

No funds approved.

NEW FUND APPROVALS - Dan Baldwin

No new funds to approve.

RESOURCE DEVELOPMENT COMMITTEE - Greg Chilton

Greg Chilton highlighted the total contributions for the year are \$9,879,790, with 15 new funds created. The committee has completed the Gift Acceptance Policy which will be presented to the board at the October meeting.

PRESIDENTS/CEO REPORT - Dan Baldwin

Dan Baldwin reported CFMC, the Monterey County Weekly and the Monterey Peninsula Foundation met at the World Theater to inform 141 local nonprofits about the 2015 MC Gives! campaign and matching gift details.

The CFMC Personnel Policy has been reviewed and updated by TPO and CFMC's human resource attorney, Sara Boynes, to comply with current state law. Dan asked for approval of the 2015 Personnel Policy. An executive summary of the policy changes was in the committee packet, and the entire policy was available on the board portal of the CFMC website.

Motion: to recommend to the full board the changes to the CFMC Personnel Policy for approval at the October 27 meeting. Greg Chilton / Alfred Diaz-Infante second. Motion carried unanimously.

Dan described recent staff changes and promotions on the CFMC organization chart.

Dan discussed the current fee structure for agency and stewardship funds and presented two options that would expand the range of fees. (See attached spreadsheet) After discussion about the two structures, the committee settled on structure #1 to recommend to the CFMC board.

Motion: to recommend to the full board the Fee Structure #1 for approval at the October 27, 2015 meeting. Ken Petersen / Tina Starkey Lopez second. Motion carried unanimously.

Executive Session

Rick Kennifer asked for a short Executive Session.

Meeting adjourned at 5:45

Next Executive Committee Meeting is:

- **Tuesday, November 17, 2015 in the Salinas office**

The meeting date has changed due to Thanksgiving Holiday.

Minutes prepared by: _____
Julie Conrad, Administrative Services Manager

Approved by: _____
Rick Kennifer, Chair of the Board of Directors



Here for Good

Community Foundation
for Monterey County

FINANCIAL STATEMENT

For the Ten Months Ended October 31, 2015

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
FINANCIAL REPORTS
For the Ten Months Ended October 31, 2015**

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**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
For the Ten Months Ended October 31, 2015**

Assets

Total Assets through 10/31/2015 are **\$181,389,828** a **1.42%** increase since October 2014, and a **1.16%** increase since December 2014.

Operating Fund

Total revenue was \$51,955 more than the budget, and total expenses were \$166,462 less than the budget. The actual net operating surplus is \$32,431 compared to a budgeted deficit of \$185,986.

Note: The Expendable Operating Cash-on-Hand is at 6.5 months, excluding the operating reserve of \$250,000 and the building reserve of \$125,000.

Gifts, Pledges, Bequests, Future Funds Greater than \$25,000, and Grants

Total new contributions for the month were \$429,630, including stock valued at \$225,720 from Mr. & Mrs. William and Nancy Doolittle for the Doolittle CRT; stock valued at \$31,554 from Mr. Robert Hartmann for the MC Gives Campaign; \$50,000 from Mr. & Mrs. Joel and Dena Gambord for The Joel and Dena Gambord Charitable Foundation.

Grants to agencies for the month totaling \$327,111 were approved and recorded.

Interfund activity for the month totaled \$88,000.

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the Ten Months Ended October 31, 2015 and October 31, 2014

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL October 31, 2015</u> | <u>TOTAL October 31, 2014</u> |
|-------------------------------------|-------------------------------|-----------------------------|--------------------|------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| ASSETS | | | | | | | |
| Cash: | | | | | | | |
| Cash & Cash Equivalents | 2,029,966 | 1,045,825 | 158,599 | 3,970,453 | 0 | 7,204,843 | 6,013,199 |
| Investments at Market-Pool | 0 | 0 | 123,100,802 | 24,861,771 | 0 | 147,962,572 | 146,398,223 |
| Separately Invested Funds | 0 | 0 | 0 | 36,326 | 0 | 36,326 | 114,816 |
| Total Cash & Investments | 2,029,966 | 1,045,825 | 123,259,400 | 28,868,550 | 0 | 155,203,742 | 152,526,239 |
| Accounts Receivable: | | | | | | | |
| Admin Fees & Misc Receivables | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pledges & Contributions Receivable | 0 | 0 | 4,000 | 12,750 | 200,000 | 216,750 | 576,082 |
| Note Receivable | 0 | 0 | 183,862 | 0 | 0 | 183,862 | 192,692 |
| Bequests & Remainder Interest | 0 | 0 | 0 | 0 | 814,615 | 814,615 | 764,615 |
| Due from OPER | 0 | 0 | 1,412,717 | 0 | 0 | 1,412,717 | 1,453,192 |
| Investment in an LLC | 0 | 0 | 38,781 | 0 | 0 | 38,781 | 38,781 |
| Charitable Remainder Trusts | 0 | 0 | 0 | 0 | 21,475,544 | 21,475,544 | 21,320,149 |
| Charitable Gift Annuities | 0 | 0 | 0 | 0 | 263,373 | 263,373 | 202,687 |
| Total Accounts Receivable | 0 | 0 | 1,639,360 | 12,750 | 22,753,531 | 24,405,642 | 24,548,198 |
| Other Assets: | | | | | | | |
| Prepaid Expenses | 6,068 | 0 | 0 | 0 | 0 | 6,068 | 1,945 |
| Property-Net of Depreciation | 1,774,376 | 0 | 0 | 0 | 0 | 1,774,376 | 1,770,522 |
| Total Other Assets | 1,780,444 | 0 | 0 | 0 | 0 | 1,780,444 | 1,772,467 |
| TOTAL ASSETS | 3,810,411 | 1,045,825 | 124,898,761 | 28,881,300 | 22,753,531 | 181,389,828 | 178,846,903 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the Ten Months Ended October 31, 2015 and October 31, 2014

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL October 31, 2015</u> | <u>TOTAL October 31, 2014</u> |
|---|-------------------------------|-----------------------------|--------------------|------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| LIABILITIES & NET ASSETS | | | | | | | |
| Liabilities: | | | | | | | |
| Grants Payable | 0 | 28,874 | 303,100 | 25,100 | 0 | 357,074 | 760,160 |
| Administrative Fees Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingent Liabilities | 0 | 0 | 0 | 0 | 13,336,904 | 13,336,904 | 13,425,822 |
| Funds held as Agency Endowments | 0 | 0 | 4,141,296 | 0 | 0 | 4,141,296 | 3,969,154 |
| Funds held as Stewardship Funds | 0 | 0 | 0 | 9,680,534 | 0 | 9,680,534 | 9,081,360 |
| Loan Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payroll, Misc. and Accts Payable | 1,503,225 | 242 | 0 | 0 | 0 | 1,503,466 | 1,566,455 |
| Total Liabilities | 1,503,225 | 29,115 | 4,444,396 | 9,705,634 | 13,336,904 | 29,019,274 | 28,802,952 |
| Net Assets: | | | | | | | |
| Net Assets-Beginning Balance | 2,274,755 | 126,974 | 120,031,660 | 17,367,912 | 9,908,827 | 149,710,128 | 145,089,304 |
| Change in Net Assets - | | | | | | | |
| Current Year | 32,431 | 889,736 | 422,705 | 1,807,754 | (492,200) | 2,660,426 | 4,954,648 |
| Total Net Assets | 2,307,186 | 1,016,709 | 120,454,365 | 19,175,666 | 9,416,628 | 152,370,554 | 150,043,951 |
| TOTAL LIABILITIES & NET ASSETS | 3,810,411 | 1,045,825 | 124,898,761 | 28,881,300 | 22,753,531 | 181,389,828 | 178,846,903 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the Ten Months Ended October 31, 2015 and October 31, 2014

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL October 31, 2015</u> | <u>TOTAL October 31, 2014</u> |
|---|-------------------------------|-----------------------------|------------------|------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| SUPPORT AND REVENUE: | | | | | | | |
| Contributions | 62,525 | 686,500 | 965,901 | 5,465,267 | 0 | 7,180,193 | 7,371,254 |
| Interfund Gifts | 42,170 | 0 | 49,700 | 548,688 | 0 | 640,558 | 781,017 |
| Pledge Payments Received | 0 | 559,332 | 0 | 0 | 0 | 559,332 | 534,333 |
| Future Contributions-A/R-Pledge-Bequests-CRT | 0 | 0 | 0 | 0 | 323,942 | 323,942 | 529,279 |
| Contributions Received via Bequest | 126,316 | 0 | 5,353,737 | 0 | 4,838,300 | 10,318,353 | 727,328 |
| Change in Value, Split Interest Trusts, Future Assets | 0 | 0 | 0 | 0 | 0 | 0 | 445,122 |
| Gain/Loss on Sale of Property | 0 | 0 | 0 | 0 | 399,697 | 399,697 | 540,720 |
| Oil, Gas & Land Royalties | 0 | 0 | 0 | 0 | 0 | 0 | 102,546 |
| Interest & Dividend Income | 10,624 | 222 | 1,638,448 | 321,936 | 0 | 1,971,231 | 1,909,453 |
| Administrative Fees | 1,744,877 | 0 | 0 | 0 | 0 | 1,744,877 | 1,597,571 |
| Fees from Special Projects | 47,975 | 0 | 0 | 0 | 0 | 47,975 | 60,745 |
| Workshop and Contract Service Income | 31,193 | 3,984 | 0 | 0 | 0 | 35,177 | 22,532 |
| Misc Income/Returned Grants | 37,497 | 3,962 | 14,250 | 1,566 | 0 | 57,275 | 59,683 |
| Total Support and Revenue | 2,103,177 | 1,254,000 | 8,022,036 | 6,337,458 | 5,561,939 | 23,278,610 | 14,681,584 |
| EXPENSES: | | | | | | | |
| Operating Expenses and Distributions: | | | | | | | |
| Salaries & Benefits | 1,420,315 | 49,844 | 0 | 0 | 0 | 1,470,159 | 1,392,901 |
| Administrative Costs | 353,221 | 113,388 | 0 | 9,294 | 0 | 475,903 | 514,128 |
| Occupancy Costs | 149,256 | 0 | 0 | 0 | 0 | 149,256 | 146,018 |
| Development Expenses | 144,961 | 51,032 | 0 | 0 | 0 | 195,993 | 177,321 |
| Board & Committee Expenses | 2,994 | 0 | 0 | 0 | 0 | 2,994 | 4,452 |
| Total Operating Expenses | 2,070,746 | 214,264 | 0 | 9,294 | 0 | 2,294,304 | 2,234,820 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the Ten Months Ended October 31, 2015 and October 31, 2014

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL October 31, 2015</u> | <u>TOTAL October 31, 2014</u> |
|--|-------------------------------|-----------------------------|--------------------|------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| Grants and Grant Related Expenses: | | | | | | | |
| Grants | 0 | 150,000 | 3,145,663 | 3,710,340 | 0 | 7,006,004 | 8,562,563 |
| Interfund Grants | 0 | 0 | 263,870 | 376,688 | 0 | 640,558 | 781,017 |
| Pledge Payments Paid | 0 | 0 | 0 | 0 | 559,332 | 559,332 | 534,333 |
| Bequests Payments/Transfers | 0 | 0 | 0 | 0 | 5,462,997 | 5,462,997 | 678,053 |
| Other Expenses | 0 | 0 | 0 | 12,079 | 0 | 12,079 | 152,034 |
| Other Payments/Transfers | 0 | 0 | 384,835 | (384,835) | 0 | 0 | 0 |
| Grant Related Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 |
| Administrative Fees | 0 | 0 | 1,423,551 | 289,515 | 31,810 | 1,744,876 | 1,597,571 |
| Fees to Managers | 0 | 0 | 113,427 | 21,861 | 0 | 135,288 | 89,084 |
| Total Grants and Grant Related Expenses | 0 | 150,000 | 5,331,346 | 4,025,649 | 6,054,139 | 15,561,134 | 12,395,655 |
| Total Expenses and Grants | 2,070,746 | 364,264 | 5,331,346 | 4,034,943 | 6,054,139 | 17,855,438 | 14,630,475 |
| Excess of Revenues (Expenses) | | | | | | | |
| Before Gains on Investments & Transfers | 32,431 | 889,736 | 2,690,690 | 2,302,516 | (492,200) | 5,423,172 | 51,109 |
| GAINS(LOSS) ON INVESTMENTS: | | | | | | | |
| Realized-Gain (Loss) | 0 | 0 | 31,753 | 2,180 | 0 | 33,933 | (726,184) |
| Unrealized-Gain(Loss) | 0 | 0 | (2,299,737) | (496,942) | 0 | (2,796,679) | 5,629,723 |
| Total Gain/(Loss) on Investments | 0 | 0 | (2,267,984) | (494,762) | 0 | (2,762,746) | 4,903,539 |
| Change in Net Assets | 32,431 | 889,736 | 422,705 | 1,807,754 | (492,200) | 2,660,426 | 4,954,648 |
| Net Assets Beginning of Year | 2,274,755 | 126,974 | 120,031,660 | 17,367,912 | 9,908,827 | 149,710,128 | 145,089,304 |
| Net Assets, End of Period | 2,307,186 | 1,016,709 | 120,454,365 | 19,175,666 | 9,416,628 | 152,370,555 | 150,043,951 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
Combined Operating Fund Budget vs. Actual

For the Ten Months Ended October 31, 2015 and October 31, 2014

| | Year-To-Date | | | YTD Actual |
|---|------------------|------------------|------------------|------------------|
| | Actual | Budget | Variance | 10/31/2014 |
| REVENUE | | | | |
| Contributions - Foundations | 52,500 | 22,500 | 30,000 | 32,400 |
| Contributions - Indiv/Corp | 10,025 | 44,250 | (34,225) | 1,250 |
| Contributions - Interfund | 42,170 | 38,500 | 3,670 | 12,327 |
| Contributions - New Pledges | 0 | 0 | 0 | 41,537 |
| Pledge Payments Received | 0 | 0 | 0 | 0 |
| Bequests Received | 126,316 | 67,500 | 58,816 | 62,836 |
| Admin & Special Project Fees | 1,792,851 | 1,800,452 | (7,601) | 1,658,316 |
| Workshops/Contracts | 31,193 | 15,700 | 15,493 | 21,932 |
| Miscellaneous Income | 37,497 | 58,150 | (20,653) | 53,128 |
| Interest and Dividends | 10,624 | 4,170 | 6,454 | 4,113 |
| Realized Gains/(Losses) | 0 | 0 | 0 | 0 |
| Total Revenue | 2,103,177 | 2,051,222 | 51,955 | 1,887,840 |
| EXPENSE | | | | |
| Personnel | | | | |
| Salaries and Wages | 1,114,808 | 1,133,538 | (18,730) | 1,055,462 |
| Payroll Taxes | 87,132 | 88,246 | (1,114) | 83,268 |
| Insurance and Other Benefits | 218,375 | 240,382 | (22,007) | 199,975 |
| Sub-total | 1,420,315 | 1,462,166 | (41,851) | 1,338,705 |
| Administrative | | | | |
| Supplies | 20,323 | 17,600 | 2,723 | 19,089 |
| Equip / Computer Maintenance | 75,095 | 84,920 | (9,825) | 88,878 |
| Bank Charges | 2,600 | 7,080 | (4,480) | 5,525 |
| Printing | 7,693 | 11,302 | (3,609) | 9,088 |
| Postage / Freight | 8,190 | 10,952 | (2,762) | 10,161 |
| Dues/Subscriptions | 24,923 | 26,228 | (1,305) | 25,937 |
| Services (legal, acct, consult) | 90,370 | 121,047 | (30,677) | 99,576 |
| D&O Insurance | 4,010 | 4,000 | 10 | 3,828 |
| Telecommunications | 13,690 | 16,220 | (2,530) | 14,508 |
| Conferences & Training | 23,715 | 30,450 | (6,735) | 17,598 |
| Miscellaneous | 5,962 | 22,000 | (16,038) | 6,232 |
| Depreciation | 76,650 | 76,650 | 0 | 70,400 |
| Sub-total | 353,221 | 428,449 | (75,228) | 370,820 |
| Facilities | | | | |
| Property / Liability Insurance | 8,958 | 8,500 | 458 | 9,892 |
| Maintenance / Repairs | 7,481 | 3,500 | 3,981 | 5,574 |
| Janitorial | 17,886 | 16,235 | 1,651 | 15,349 |
| Rent | 36,868 | 39,920 | (3,052) | 38,676 |
| Mortgage, Interest & Property Taxes | 49,293 | 49,321 | (29) | 49,003 |
| Utilities | 28,770 | 27,920 | 850 | 1,542 |
| Moving Expense | 0 | 0 | 0 | 25,981 |
| Sub-total | 149,256 | 145,396 | 3,859 | 146,018 |
| Development, Program & Staff | | | | |
| Donor Development | 60,306 | 70,040 | (9,734) | 49,512 |
| Advertising & Promotion | 13,562 | 21,187 | (7,625) | 10,017 |
| Mileage, Meals & Meetings | 6,993 | 24,875 | (17,882) | 10,469 |
| Workshops | 34,563 | 32,680 | 1,883 | 27,785 |
| Annual Meetings | 6,879 | 23,500 | (16,621) | 21,159 |
| Annual Report | 19,058 | 18,750 | 308 | 16,618 |
| Staff Recognition Expenses | 3,600 | 4,645 | (1,045) | 2,227 |
| Board & Committee Expenses | 2,994 | 5,520 | (2,526) | 4,452 |
| Sub-total | 147,955 | 201,197 | (53,242) | 142,239 |
| Total Expenses | 2,070,746 | 2,237,208 | (166,462) | 1,997,782 |
| Net Income / (Loss) | 32,431 | (185,986) | 218,417 | (109,943) |

2016 Operating Budget Notes & Assumptions

2015 YEAR END

Current year-end projection includes net income of \$172,189.

Year-end projections include:

Contribution revenue is over budget, primarily due to the bequest from the Estate of Richard LaSalle, which was not budgeted.

Administrative fee revenue is under budget. Due to the drop in the stock market, the portfolio recorded an unrealized loss of more than \$9 million in the months of August and September, resulting in the 4th quarter admin fees being calculated on fund balances that are much lower than expected.

Special Projects fee is above budget due to the extension of the Girls' Health in Girls' Hands program.

Personnel costs are slightly higher than budgeted due to promotions and salary increases.

Administrative costs are under budget due to the expense for the website being reclassified from Contract Services to a capital expense.

Occupancy costs are over budget due to maintenance costs for the removal of dead trees.

Program and Development costs are under budget due to radio ads expense being less than budgeted, and fewer meetings than budgeted.

OPERATING CASH RESERVE

The unrestricted cash available as of October 31, 2015 is \$1,424,741, representing a reserve of 6.5 months.

2016 BUDGET

2016 includes revenues of \$2,720,385, and expenses of \$2,717,435, for a net surplus of \$2,950.

REVENUE

Contributions

- Bequests Rec'd – Released includes amounts due to the operating fund from known bequests, currently recorded as a bequest receivable
- Bequests Received includes a five-year average for unknown bequests received directly

- Contributions – Individuals, Corporate & Foundations are based on a five-year average
- Contributions – Interfund includes the annual payout from the operating endowment, and a five-year average of contributions received from donor advised funds

Administrative Fees

- 2016 budget based on October 31 fund balances
 - Due to the volatility of the stock market, and its effect on fund balances, this amount is subject to change with each month-end.
- Includes \$40,000 from the MC Gives campaign
- Fees from CRTs include quarterly fees from Kaspick, and monthly fees for the Haber CRT
- Special Program Fees includes amounts paid by third-party funded programs for administrative overhead expenses

EXPENSES

Salaries and benefits

- Assumes 3% global salary increase; the CPI as of September 2015 is 2.6%
- Health plan policy remains Blue Shield Simple Savings 3,500/7,000
- Medical, dental, vision and long term disability paid 100% for the employee
- \$3,250 HSA contribution for all eligible staff
- Retirement includes a 5% 403(b) contribution for all eligible employees

Administrative expenses

- Database maintenance includes FIMS, our operating database, and Foundant, our online grant processing program
- Contract Services includes Donor Central and Crescendo
 - 2015 included \$35,000 for the website, which was reclassified as a capital expense
- Conferences and professional development increased, due to required attendance at conferences for the College Futures Foundation Initiative
- \$88,981 depreciation expense for \$46,000 new capital purchases, plus building depreciation
 - Building and building improvements are depreciated over 39 years

Occupancy

- Monterey includes a 4% increase in loan payments, and property taxes on the land only
- Salinas rent includes a 3% increase

Development & Staff

- Donor Development includes increased amounts for the Women's Fund luncheon, which is offset by the ticket sales and sponsorships and the Legacy Society luncheon, due to anticipated increased attendance

- Mileage, Meals & Meetings reduced
 - 2015 includes \$15,000 for the League of CA Community Foundations meeting hosted by the CFMC
- Workshop & Assemblies increased due to elimination of third-party funding, which supplemented CNE activity in the past
- Annual Events Expense increased due to anticipated increased attendance
- Annual Report expense increased due to increased mailing list

| Community Foundation for Monterey County | | | | | | | | | |
|--|--|-----------|-----------|-----------|------------|-------------------|-----------|-----------|---|
| TOTAL CFMC OPERATING BUDGET | | | | | | | | | |
| 2016 Budget - ROUND 4 | | | | | | | | | |
| | | Year | Year | Year | 2015 | 2015 | Year | % Change | Description |
| | | 2013 | 2014 | 2015 | 2015 | 2015 | 2016 | over 2015 | |
| ACCT | | Actual | Actual | Budget | 10/31/2015 | Year-End Forecast | Budget | Budget | |
| | EXPENSE | | | | | | | | |
| | Salaries & Benefits | | | | | | | | |
| 51100 | Salaries and Wages | 1,151,091 | 1,260,706 | 1,339,630 | 1,114,808 | 1,375,303 | 1,465,802 | 9.42% | Includes new positions in 2016. See below. |
| 51200 | Payroll Taxes | 91,130 | 93,024 | 104,483 | 87,132 | 109,194 | 108,076 | 3.44% | |
| 51300 | Health Insurance Premiums | 151,298 | 165,791 | 204,683 | 149,751 | 181,385 | 209,969 | 2.58% | BS Simple Savings 3500/7000 HSA Compatible with \$3,250 maximum 2016 HSA contribution per eligible employee. |
| 51400 | Retirement Plan | 44,307 | 60,963 | 66,056 | 55,353 | 67,712 | 72,954 | 10.44% | Assumes 5% contribution for all staff |
| 51500 | Workers Comp Insurance | 7,516 | 10,091 | 11,643 | 8,670 | 11,165 | 12,529 | 7.61% | |
| 51160 | Vacation Expense | 2,000 | 4,008 | 4,000 | 3,330 | 4,000 | 4,000 | 0.00% | Increased accrual for added positions and higher salaries. |
| 51600 | Recruitment Expense | 1,446 | 951 | 1,000 | 1,271 | 1,047 | 1,000 | 0.00% | Monterey Bay Jobs postings |
| 51700 | Relocation Expense | 1,000 | 0 | 0 | 0 | 0 | 0 | 0.00% | |
| | Total Salaries & Benefits | 1,449,789 | 1,595,534 | 1,731,495 | 1,420,315 | 1,749,806 | 1,874,330 | 8.25% | |
| | Administrative Costs | | | | | | | | |
| 52100 | Office Supplies | 17,972 | 21,410 | 21,100 | 20,323 | 21,200 | 20,550 | -2.61% | General office supplies, stationery, Alhambra water, toner cartridges, special paper, kitchen supplies |
| 52101 | Office Equip Maintenance | 16,734 | 25,076 | 23,750 | 21,767 | 23,350 | 23,800 | 0.21% | Copy machine leases, postage meter lease and ink cartridges, fire extinguishers |
| 52120 | Computer Maintenance | 28,982 | 35,745 | 39,150 | 29,933 | 39,150 | 41,974 | 7.21% | 34,524 Alvarez (2,877 per month), including backup, 450 SPAM protection, 2,000 Office 365, and 5,000 add'l work |
| 52125 | Database Maintenance | 19,590 | 37,972 | 32,500 | 23,395 | 23,395 | 32,500 | 0.00% | 25,000 FIMS annual support & 7,500 new online grant processing |
| 52130 | Bank Charges | 6,864 | 6,908 | 8,500 | 2,600 | 6,000 | 5,000 | -41.18% | Credit card, returned check and stop payment charges |
| 52200 | Printing/Newsletters | 12,614 | 9,337 | 14,902 | 7,693 | 15,098 | 16,066 | 7.81% | See below |
| 52300 | Postage and Freight | 10,145 | 11,189 | 14,147 | 8,190 | 11,702 | 15,550 | 9.92% | Postage for meter, bulk mail and business reply permits |
| 52400 | Dues/Subscriptions/Publications | 30,205 | 31,383 | 31,898 | 24,923 | 25,826 | 19,647 | -38.41% | See below |
| 52500 | Accounting Services | 37,257 | 37,548 | 42,635 | 43,569 | 43,569 | 48,335 | 13.37% | 35,875 audit; 5,125 tax returns; 3,500 LLC tax returns; 25 Hawaii; 60 Stmt of Info; 250 RRF1; 3,500 Form 5500 |
| 52600 | Contract Services | 40,453 | 67,845 | 86,360 | 43,533 | 52,071 | 47,760 | -44.70% | See below |
| 52700 | Legal | 1,135 | 3,698 | 4,500 | 3,269 | 3,725 | 4,500 | 0.00% | 2,000 Sidney Morris and 2,500 Fenton & Keller for personnel matters |
| 52800 | D&O Insurance | 3,417 | 3,828 | 4,000 | 4,010 | 4,010 | 4,500 | 12.50% | Annual policy premium |
| 52900 | Telecommunications | 19,700 | 17,218 | 19,450 | 13,690 | 17,350 | 17,275 | -11.18% | Local, long distance conference calls and web hosting |
| 52950 | Conferences & Training | 19,215 | 20,863 | 35,450 | 23,715 | 30,223 | 28,500 | -19.61% | LCCF, COF annual conference, GEO, NCPG, FAOG & other conferences/trainings |
| 53000 | Misc Administrative Exp. | 1,858 | 44,838 | 37,000 | 5,962 | 37,409 | 13,315 | -64.01% | WF lunch proceeds, transfer to Women's Fund Endowment; CGA license; Statement of Info filing; Sales & Use tax |
| 53100 | Depreciation Expense | 72,189 | 76,585 | 91,975 | 76,650 | 83,000 | 88,981 | -3.26% | See below |
| | Total Administrative Cost | 338,330 | 451,444 | 507,317 | 353,221 | 437,078 | 428,253 | -15.58% | |
| | Salaries & Benefits includes: An intern for CNE @ 10 hours per week for 48 weeks; and part-time permanent Communications Associate @ 25 hours per week | | | | | | | | |
| | Printing /Newsletters includes: Mrkt = 6,890 2 newsletters @9,166, 1,500 Legacy materials, 1,200 donor direct mail piece, 500 professional advisor piece, 2,600 donor reply envelopes; CNE = 250 graduation invitations, 600 postcards Prog = 250 NGP invitations | | | | | | | | |
| | Dues/Subscriptions/Publications includes: Actg = 300 FAOG dues, 6,500 LCCF dues, 200 GAAP Guide; Admin = 455 newspapers, 125 Costco, 200 notary, 120 Amex, 100 FAOG dues; Devl = 300 AFP, 60 DEN, 75 Chronicle of Philanthropy, 1,300 Rotary memberships, 85 NCPGC; Mrkt = 1,500 various chamber memberships; Pers = 3,500 TPO; Prog = 1,830 GEO, 750 Charity Check, 500 Womens Funding Network,150 Grant Manager's Network, 100 ProNet CNE = 98 Grassroots Fundraising, 300 NAMC, 450 CA Assn Nonprofits, 600 Wikipedia (3 @ 200) LEAD student Wiki, 49 NP Quarterly NOTE: \$21,100 for COF dues was eliminated, the expense may be reinstated if it is decided to renew our membership in April. | | | | | | | | |
| | Contract Services includes: Acctg = 2,000 TMD online contributions; Admn = 400 shredding service, 500 attic movers; Devl = 16,000 Donor Central, 6,000 Crescendo, 1,500 advocacy; Mrkt = 5,000 video production, 900 web audit, 1,000 Constant Contact, 250 web hosting, 3,000 web maintenance; Pers = 4,550 ADP payroll processing Prog = 1,000 interpreter services, 1,250 intern; CNE = 410 designer for LEAD and CNE flyers, 4,000 CNE evaluation | | | | | | | | |
| | Depreciation includes: pre 2016 fixed asset depreciation = 35,850, 46,000 new purchases in 2016 = 9,200 new depreciation expense, leasehold improvements = 18,318, building = 27,782 | | | | | | | | |

| Community Foundation for Monterey County | | | | | | | | | |
|--|---------------------------------------|--|-----------|-----------|------------|-------------------|-----------|-----------|---|
| TOTAL CFMC OPERATING BUDGET | | | | | | | | | |
| 2016 Budget - ROUND 4 | | | | | | | | | |
| | | Year | Year | Year | 2015 | 2015 | Year | % Change | Description |
| | | 2013 | 2014 | 2015 | 2015 | 2015 | 2016 | over 2015 | |
| ACCT | | Actual | Actual | Budget | 10/31/2015 | Year-End Forecast | Budget | Budget | |
| | Occupancy Costs | | | | | | | | |
| 54100 | Commercial Pkg Policy | 9,763 | 9,892 | 10,000 | 8,958 | 9,956 | 9,200 | -8.00% | General liability policy |
| 54200 | Maintenance and Repairs | 12,430 | 9,399 | 4,500 | 7,481 | 7,500 | 12,350 | 174.44% | Plumbing, telephone, HVAC, roofing |
| 54300 | Janitorial/Landscaping Expense | 16,960 | 18,184 | 19,366 | 17,886 | 20,000 | 19,500 | 0.69% | Janitorial, landscaping, window washing, carpet cleaning |
| 54400 | Rent | 44,886 | 45,933 | 47,907 | 36,868 | 47,907 | 49,267 | 2.84% | Salinas only - 2,268 sq feet @ 1.70 + \$3,000 CAM |
| 54450 | Mortgage | 60,062 | 58,681 | 57,128 | 47,721 | 57,128 | 55,394 | -3.04% | Interest only, per amortization schedule |
| 54455 | Property Taxes | 1,482 | 1,542 | 1,600 | 1,571 | 1,600 | 1,600 | 0.00% | Taxes for the land only, the building is exempt |
| 54500 | Utilities/Security | 30,928 | 31,119 | 33,500 | 28,770 | 33,500 | 33,500 | 0.00% | PG&E, Cal Am Water, Monterey City Disposal and First Alarm |
| 54501 | Moving Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | |
| | | | | | | | | | |
| | Total Occupancy Costs | 176,511 | 174,751 | 174,001 | 149,256 | 177,591 | 180,811 | 3.91% | |
| | | | | | | | | | |
| | Program & Development | | | | | | | | |
| 55100 | Donor Development | 44,829 | 65,530 | 78,450 | 60,306 | 78,450 | 75,650 | -3.57% | See below |
| 55200 | Advertising & Promotion | 8,752 | 16,053 | 25,937 | 13,562 | 20,585 | 33,971 | 30.98% | See below |
| 55300 | Mileage, Meals & Meetings | 13,567 | 12,721 | 35,620 | 6,993 | 24,150 | 12,140 | -65.92% | Mileage at .51 per mile and CFMC hosted meetings. 2015 includes \$15,000 LCCF annual meeting. |
| 55312 | Workshops & Assemblies | 21,641 | 37,876 | 39,100 | 34,563 | 38,350 | 50,450 | 29.03% | Center for Nonprofit Excellence workshops and Neighborhood Grants Program assemblies |
| 55400 | Annual Events Expense | 18,399 | 21,307 | 23,500 | 6,879 | 25,500 | 27,000 | 14.89% | 27,000 Celebration of Philanthropy event and 2,000 NGP Awards ceremony |
| 55450 | Annual Report Expense | 15,015 | 16,618 | 18,750 | 19,058 | 19,058 | 21,450 | 14.40% | All expenses related to the annual report, including design, printing, postage and mailing service. Reflects increase in list size. |
| 55501 | Staff Expenses | 4,539 | 4,136 | 7,400 | 3,600 | 7,080 | 6,560 | -11.35% | Staff holiday party, quarterly lunches, staff retreat, staff recognition |
| 55510 | Board & Committee Expenses | 4,676 | 6,560 | 7,260 | 2,994 | 5,073 | 6,820 | -6.06% | See below |
| | Total Program & Development | 131,416 | 180,801 | 236,017 | 147,955 | 218,246 | 234,041 | -0.84% | |
| | | | | | | | | | |
| | Total Expenses | 2,096,046 | 2,402,530 | 2,648,830 | 2,070,746 | 2,582,721 | 2,717,435 | 2.59% | |
| | | | | | | | | | |
| | Excess Revenue over Expenses | 200,147 | 159,489 | 76,329 | 32,431 | 172,189 | 2,950 | -96.14% | |
| | | | | | | | | | |
| | | | | | | | | | |
| | Donor Development includes: | 28,000 WF Lunch - expenses offset by ticket sales and sponsorships, 20,000 Legacy Society, 2,000 CPA bags, 2,000 VPPS/donor lunches, 2,000 other events | | | | | | | |
| | | (WFE, PA, private foundation), 3,500 CEO/donor lunches, 1,100 Rotary lunches CEO, 1,100 Rotary lunches VPPS, 1,100 Rotary lunches Sr. PSO, 1,100 Rotary lunches PSO, | | | | | | | |
| | | 12,000 Corral dues and lunches, 2,500 Salinas Valley development, 500 CPE event, 1,750 misc, 150 IMPOWER, 750 Philanthropy Day | | | | | | | |
| | | | | | | | | | |
| | Advertising and Promotion includes: | Mrkt = 500 Facebook ads, 72 Hootsuite, 30 Animoto video creation service, 5,000 Kim Osborne/TMD, 2,400 photographer, 2,000 cubes, | | | | | | | |
| | | 2,400 legacy, direct mail and NMAT pieces, 1,000 promo items, 5,285 print ads, 6,000 radio, 4,284 Pine Cone, 2,400 Herald and KSBW online, 4,500 Carmel Magazine; | | | | | | | |
| | | CNE = 200 LEAD and CNE social media advertising | | | | | | | |
| | | | | | | | | | |
| | Workshops & Assemblies includes: | 38,395 for full LEAD semester, 8,000 for Center for Nonprofit Excellence workshops; 700 Neighborhood Grants applicant assembliew | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | Board and Committee Expenses include: | Actg = 100; Admn = 800 retreat food, 1,500 board holiday gathering, 100 name tags & manuals, 600 board lunches; | | | | | | | |
| | | Devl = 1,500 WF Council and PA Committee lunches; CNE = 300 SACT, 320 LEAD interview panels; Prog = 1,500 committee meetings, 400 committee gifts; | | | | | | | |
| | | | | | | | | | |

Philanthropic Services Summary
October-15

| Current Activity Report Number of Meetings/Contacts October 2015 | | | | | | | | |
|--|----------------------|------------|----------------------|---------------|------------|-----------|------------|-------------------------------|
| Month | Professional Advisor | Prospects | Current Fund Holders | Presentations | | Events | | Newsletters Crescendo eBlasts |
| January | 5 | 9 | 4 | 1 | *see below | 5 | *see below | 6 |
| February | 5 | 15 | 9 | 2 | *see below | 7 | *see below | 7 |
| March | 7 | 16 | 7 | 1 | *see below | 6 | *see below | 7 |
| April | 10 | 30 | 10 | 1 | *see below | 3 | *see below | 7 |
| May | 5 | 15 | 6 | 3 | *see below | 4 | *see below | 7 |
| June | 5 | 35 | 8 | 1 | *see below | 7 | *see below | 7 |
| July | 5 | 17 | 5 | 1 | *see below | 7 | *see below | 8 |
| August | 5 | 30 | 4 | 1 | *see below | 5 | *see below | 8 |
| September | 5 | 26 | 5 | 8 | *see below | 6 | *see below | 8 |
| October | 6 | 12 | 7 | 3 | *see below | 8 | *see below | 7 |
| November | | | | | | | | |
| Total Activity | 58 | 205 | 65 | 22 | | 58 | | 72 |

January Events: IMPACT Monterey, JA Business Hall of Fame, Women's Fund Leadership Gathering, Planned Parenthood Roe v. Wade luncheon, CHISPA Annual Celebration,

CFMC Professional Advisor Presentations: Merrill Lynch, PMB Helin Donovan, Leach and Walker, Monterey Private Wealth

February Events: Fund for Homeless Women Donor's Event, Rancho Cielo Culinary Round Up, Paisano Club, MC Gives! Check Signing Party, Legacy Society Luncheon
Hispanics in Philanthropy, Noteware Retreat

March Events: FFA Foundation, Natividad National Hero's Award, CCVCF Groundbreaking, DLI Foundation, SMCF- King City, Boys and Girls Club Comics for Kids

April Events/Presentations: Carmel Heritage Society, Ciao Ciapino, CFMC Women's Fund Luncheon

May Events/Presentations: IMPOWER, Hartnell Party in the Library, Sunset Center Gala, LCCF CEO & Board Retreat, Lunch and Learn Estate Planning, Salinas Valley Affiliate
Fund Lunch, Sunrise Rotary Presentation, Castroville Library Stewardship Fund presentation

June Events/Presentations: Merienda, IMPACT Monterey, Rabobank Community Leadership, NCPG-AFP Luncheon, Funders Lunch, Past Chairs Luncheon, AFP-DEN Summit

July Events/Presentations: Rodeo Parade Judge, Rodeo BBQ, Pebble Beach Company Foundation, Sheriff's advisory, Neighborhood Grants Program, MC Board of Supervisors, College Futures Confer.

August Events/Presentations: Center for Photographic Excellence, RM Auction, Strategic Planning, Bright Futures, MBAQ Big Blue Live, Impact Monterey County

September Events/Presenations: Rancho Cielo Board/stewardship fund, Sons In Retirement, Salinas Valley Memorial Hospital/ stewardship fund, CPE Forum, Estate & Gift Planning Seminar,

MC Gives Kick-off, Marina Rotary, MC Gives Lunch and Learn, Wurts Summit, Small Housing Community Discussion, IMPACT MC, Carmel Rotary BBQ, Monterey Jazz Festival

October Events/Presentations: Castroville Rotary, Celebration of Philanthropy, WELI, Anthony Narigi Memorial Fund - Wine Dine & Dice, Professional Advisor Council, IMPACT Monterey,

Buckeye, Fund for Homeless Women, Planned Parenthood, Farm Day

*On-going: Salinas & Monterey Rotary Clubs

| Planned Gifts | |
|--|----------------------|
| New Legacy Society Members | 0 |
| Expectancy Additions Year to Date | \$61,000,000 |
| Legacy Society Members to Date: | 197 |
| Total Expectancies to Date: | \$130,506,003 |

New Funds Created 2015

| Type of Fund | Number of Funds | Establishing Gift |
|---|-----------------|-------------------|
| Donor Advised | | |
| Buchalter/Adler Family Fund | 1 | \$ 3,244.00 |
| Ila Davis Fund | 1 | 10,000.00 |
| Dekker Davidson Foundation | 1 | \$ 10,000.00 |
| Farrell/Allen/LaSalle Carmel Rotary Fund | | |
| | 1 | \$ 5,002,562.81 |
| John and Kristina Magill Fund | 1 | \$ 24,926.00 |
| Affiliate Funds | | |
| | | |
| Agency/Stewardship | | |
| Carmel Heritage Society Stewardship Fund | 1 | \$ 60,000.00 |
| Central Coast Veterans Cemetery Foundation Stewardship Fund | 1 | \$ - |
| Central Coast Young Men's Christian Association | 1 | \$ 250,000.00 |
| Friends of Community Animal Services Fund | 1 | \$ 300,000.00 |
| Friends of the Andy Ausonio Library Stewardship Fund | 1 | \$ 200,000.00 |
| Girls, Inc. Stewardship Fund | 1 | \$ 100,000.00 |
| Anne C. Leach Scholarship Fund | 1 | \$ 25,000.00 |
| Morse Foundation Stewardship Fund | 1 | \$ 90,000.00 |
| Peace of Mind Dog Rescue Stewardship Fund | 1 | \$ 50,000.00 |
| Learning Opportunities Endowment Fund for Scottish Fiddlers of California | 1 | \$ 354,907.00 |
| YWCA Monterey County Stewardship Fund | 1 | \$ 50,000.00 |
| Private Foundations | | |
| | | |
| Corporate Funds | | |
| | | |
| Scholarship | | |
| Morse Foundation Scholarship Fund | 1 | \$ - |
| | | |
| Field of Interest | | |
| | | |
| Designated Fund | | |
| Carl Young Memorial Earth Science Endowment Fund | 1 | \$ 10,100.00 |
| Tassajara Fire Fund | 1 | \$ - |
| New Funds Created Total: | 19 | \$ 6,540,739.81 |

| Total Contributions | | |
|---------------------|----|------------|
| Year 2015 - YTD | \$ | 12,359,491 |
| Year 2014 - YTD | \$ | 8,394,930 |

Community Foundation for Monterey County
Whistleblower Policy and Procedures
Approved January 22, 2011; Revised December 15, 2015

General

The Community Foundation for Monterey County (“Foundation”) is committed to lawful and ethical behavior in all of its activities and requires its officers, directors, volunteers, and employees to act in accordance with all applicable laws, regulations and policies and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

The objectives of the Foundation's Whistleblower Policy are to establish policies and procedures to:

- prevent or detect and correct improper activities;
- encourage each Foundation officer, director, employee and volunteer (reporting individual) to report what he or she in good faith reasonably believes to be a violation of law or policy or questionable accounting or auditing matter by the Foundation;
- ensure the receipt, documentation, retention of records, and resolution of reports received under this policy;
- protect reporting individuals from retaliatory action.

Reporting Responsibility

Each reporting individual has an obligation to report what he or she has reasonable cause to believe is a violation of state or federal statute or a violation of or noncompliance with a local, state or federal rule or regulation, or a violation of a Foundation policy or any questionable accounting or auditing matter by the Foundation, its officers, directors, employees, volunteers, agents or other representatives. Reporting individuals must also notify the Foundation if an action needs to be taken in order for the Foundation to be in compliance with law or policy or with generally accepted accounting practices.

The types of concerns that should be reported include, for purposes of illustration and without being limited hereto, the following:

- providing false or misleading information on the Foundation's financial documents, grant reports, tax returns or other public documents;
- providing false information to or withholding material information from the Foundation's auditors, accountants, lawyers, directors or other representatives responsible for ensuring Foundation compliance with fiscal and legal responsibilities;
- embezzlement, private benefit, or misappropriation of funds;
- material violation of Foundation policy, including among others, confidentiality, conflict of interest, whistleblower, ethics and document retention;

- discrimination based on race, color, religion, sex, sexual orientation, national origin, age, disability, or any other characteristic protected by state and federal law;
- violation of Federal, California, or local laws, rules, or regulations;
- facilitation or concealing any of the above or similar actions.

No Retaliation

This Whistleblower Policy is intended to encourage and enable officers, directors, volunteers, and employees to report serious concerns about the Foundation's compliance with applicable laws or policies without concern of retaliation for making such reports. Reporting individuals are encouraged to report such concerns within the organization to a person with authority over the reporting individual (a "Supervisory Person") for that Supervising Person to investigate and take appropriate action, including reporting the concerns to the President/CEO or the chair of the Executive Committee. This policy is also intended to protect a reporting individual from retaliation for disclosing information to government or law enforcement agencies that the reporting individual has reasonable cause to believe constitutes a violation of state or federal statute, or a violation of or noncompliance with a local, state or federal rule or regulation.

With this goal in mind, all reporting individuals who, in good faith, and with reasonable cause, report a concern or disclose information shall be protected from retaliation and shall not be threatened, discriminated against or otherwise subject to adverse employment consequences as a result of such report or disclosure. A good faith report, concern or complaint is fully protected by this Whistleblower Policy, even if the conduct or activity reported is, after investigation, not substantiated.

Moreover, an officer, director, volunteer or employee who retaliates against someone who, in good faith, and with reasonable cause to believe that a violation of law or policy has occurred has reported such matter or disclosed information to a government or law enforcement agency is subject to discipline up to and including dismissal from their position or, in the case of an employee, termination of employment.

Reporting Retaliation

If a reporting individual believes he or she has been subjected to retaliation as a result of making a report in good faith with reasonable cause to believe the activity reported was appropriate to be reported or disclosing information in good faith that the reporting individual had a reasonable belief should be disclosed, the reporting individual should immediately report such alleged retaliation to the President/CEO or the chair of the Executive Committee or the Board chair. Reports of alleged retaliation will be promptly investigated in a manner intended to protect confidentiality, consistent with a thorough and fair investigation.

Acting in Good Faith

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the matter raised is a serious violation of law or policy, or a material accounting or auditing matter. The act of making an allegation that is made maliciously, recklessly, with gross negligence, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the reporting individual's position or termination of employment.

Reporting and Submitting Concerns

A reporting individual may submit concerns to his/her Supervising Person or to the President/CEO or directly to the chair of the Executive Committee. If the reporting individual is not comfortable reporting to any of these individuals or if he/she does not believe the issue is being properly addressed, the reporting individual may report directly to the Board chair.

Concerns may be submitted anonymously. Because it is impossible to seek additional information from a reporting individual about anonymous reports, it is essential that such reports contain as much specific information as possible.

In addition, the Foundation shall not prevent an employee from disclosing information to a government or law enforcement agency or from providing information or testifying before any public body conducting an investigation, hearing or inquiry, if the employee has reasonable cause to believe that the information he or she will provide discloses a violation of, or noncompliance with, a local, state or federal law. A reporting individual who discloses such information shall also be protected from retaliation as a result of such disclosure.

Handling of Reported Violations

The Foundation will investigate all reports filed in accordance with this policy with due care and promptness. A reporting individual should first report his/her concerns to his/her Supervising Person. If the reporting individual is not comfortable reporting to his/her Supervising Person, the reporting individual shall report such concerns to the President/CEO or to the chair of the Executive Committee. Matters reported to a Supervising Person without initial resolution will be investigated by the President/CEO of the Foundation to determine if the allegations are true, whether the issue is material and what actions, if any, are necessary to correct the problem. The President/CEO may assign the investigation to the Foundation's "Compliance Officer" who shall be responsible for arranging for or conducting an investigation and issuing a full report on all matters raised under this policy. The report shall be provided to the President/CEO and to the Executive Committee. The Executive Committee may conduct a further investigation upon receiving the report.

For matters reported directly to the Executive Committee chair or to the Board chair, the Executive Committee or Board secretary shall promptly (generally within five business days) acknowledge receipt of the complaint to the reporting individual if the identity of the reporting individual is known, and conduct an investigation, either directly or by assigning the task to the Compliance Officer, to determine if the allegations are true and whether the issue is material and what, if any, corrective action is necessary. . The Executive Committee shall have the obligation of overseeing that appropriate corrective action is taken if warranted.

Authority of Executive Committee

The Executive Committee shall have full authority to investigate concerns raised in accordance with this policy and may retain outside legal counsel, accountants, private investigators, or any other resource that the Committee reasonably believes is necessary to conduct a full and complete investigation of the allegations.

Confidentiality

Reports of concerns, and investigations pertaining thereto, shall be kept confidential to the extent possible. However, consistent with the need to conduct an adequate investigation, the Foundation cannot guarantee complete confidentiality. Disclosure of information relating to an investigation under this policy by Foundation staff, directors, or others involved with the investigation to individuals not involved in the investigation will be viewed as a serious disciplinary offense and, with respect to Foundation employees, may result in discipline, up to and including termination of employment.

**ACKNOWLEDGEMENT OF RECEIPT AND REVIEW OF WHISTLEBLOWER
POLICY and PROCEDURES**

I have read, understand and agree to comply with the Whistleblower Policy and Procedures.

EMPLOYEE'S SIGNATURE

DATE

EMPLOYEE'S NAME PRINTED