

Philanthropy Committee Planning Meeting

Minutes

December 19, 2014, 10 am to 2 pm

Boulder Ridge Golf Club, San Jose

- Present: Steve Caplan, Jared Hein, Kirk Pumphrey, Debra Dobbins, Rich Fisher, Cheryl Caplan (scribe)

Guests: Lew Dobbins and Paul Mehus

The meeting began at 10:10 am. Steve welcomed everyone and asked Jared to begin with the Financial Review.

1. Financial Review (last 5 years)

- Morgan Stanley Investment (Endowment) report – Jared
See attached “Reconciliation of Account Investment Balance”
Bottom line: the fair market balance as of Nov 30, 2014 is \$82,628.22 with the cost basis as of November 30, 2014 being \$60,503.21 with \$22,125.01 in unrealized gain.
Discussion followed to understand Reconciliation of Account Investment Balance.
- Status of corpus - Steve
Steve noted that in the past, event(s), in particular the Clear Lake event and STWBC, have raised funds specifically to gift to local not for profits with excess funds from the STWBC being added to the Endowment.
- Kirk gave us the historical background of the financial situation of the club since the beginning which gives the Committee an understanding of where we want to go.
It was agreed that education is key to our success in our decisions made today.
Steve feels the Philanthropy Committee should have the last 5 years of financial information so we can be sure that this is not an erosion of the Chapter’s corpus. Steve and Jared will meet and report back to the Committee at the next meeting.
- It was stated that the Philanthropy Committee carries the responsibility of the financial health of the Chapter as there is no finance committee.
- Grants through Endowment, STWBC, other – Jared and Steve
\$14,950 in grants have been awarded since 2009 from the Endowment. STWBC has granted \$55,000 since 2008, plus an unknown amount from the Clear Lake show and the Bass Lake Show. Steve said probably \$70k, over last 7 years has been awarded between funds raised specifically for gifting and from the Endowment. He stressed that no dues or fees that are collected for events have been used to grant any monies.

2. Review Charter - Steve

- There was discussion regarding reviewing the Charter and the Endowment & Grant Policies. After some discussion it was agreed that the Chapter Board isn’t up to speed on the financial health of the Chapter. Discussion followed regarding adding the First VP as a non-voting member to the Philanthropy Committee so they are up to speed on the finances of the Chapter and what the Committee is considering.

- The 3, 1 year terms as stated in the Philanthropy Committee Charter was discussed. It was agreed that it is hard to get people who are interested and who can contribute to the Committee. Discussion followed and the following motion was put on the floor:

Motion: Rich Fisher moved that the Philanthropy Committee member term shall be changed from 3, 1 year terms to 5, 1 year terms.

Second: Kirk Pumphrey

Discussion: none

Vote: unanimous

It was agreed that the Charter should be reviewed completely at the next meeting. Cheryl Caplan will email the Philanthropy Charter and the Philanthropy Endowment Policies and Grant Policies to all Committee members for their review.

3. Review Grant Guidelines – Steve

This was tabled for discussion at the next meeting.

- Present
- Future (goals)/what/who/how

4. Growing the Endowment - Steve

- Goals - What do we want to do and how do we do it
 - How big an endowment do we want? How much do we want to grant annually? \$10k, \$20k? Jared suggests a gradual stepping of grants from \$3k, to 5k, to 7.5k etc.
 - Discussion followed regarding the health of the organization in the future. Kirk noted that in 2007 the initial deposit into the Endowment was \$50k. He posed the question: "If the Chapter committees cover their costs each year, do we really need to go out and raise money. Kirk noted that philanthropic grants are marketing dollars. Kirk and Jared agreed to make a presentation to the Chapter Board to create a process by which we can ensure financial stability in the future.
 - There was a brief discussion about needing to understand the Chapter cost for Int'l show to assure that Chapter overhead expenses are covered.
- Ideas for Fund Development for Endowment - everyone
 - Boat Show(s) – Steve: There will be discussion about all of the boat shows at the January Planning meeting next month.
 - Auction(s) – Debra: raffle or auction? Debra suggested we get large donations rather than several little ones to make any auction successful. Steve noted that the Chapter used to have a great auction at the annual meeting and they were not only successful financially, but lots of fun. The items were fun and interesting. Steve will endeavor to recruit an auction chair and present the concept at the January 10, 2014 Planning meeting.

- Debra suggested that we might let people know that cars and boats could be donated to ACBS. There is concern as to where they would be held before we sell them as there is a 3 year holding period so the donor gets their full donation write-off.
- Growth of invested funds is of value to grow the Endowment.
- Debra suggested we take a portion of the monies in the Endowment to invest more aggressively. It was discussed that the downside was too great for ACBS NC/LT to do this.

5. Kit Boat Program

- Current status – Sea Scout Ship Challenger is building a second boat in the Chases' garage. They paid for the kit and will keep the boat. The only ACBS involvement is that two members (Lee Chase and Layne Davis) are guiding the building program. The other boat that is owned by our Chapter has been spearheaded by John Lahti. It was our first kit boat and is close to being completed and has an engine and trailer, but needs to be completed. It is currently at Clear Lake. Lee Chase has agreed to take that boat and finish it up so we can sell it.
- Where do we want to go with it – Paul suggested it is hard to build a boat with kids on a once a week basis not to mention that the kids need to spend several weeks learning how to use the tools needed to build a boat. As a result, it takes too long to do. It was agreed that we should abandon boat building projects and perhaps consider building standup paddle boards (SUP).
- SUP – Steve spoke of his experience with the Boys and Girls Club last summer building 3 boards with TMM. He suggested that if we could find someone to lead the project, we could do it as a Chapter project or we could support TMM with their program. Steve will talk to Terry Clapham who is the volunteer leading the TMM project.
- We have specific funds set aside in the Endowment for the purpose of the “Kit Boat Program”.

6. ACBS National Scholarship Endowment Fund – Steve

Discussion was brief and no conclusions were made. Jared suggested that we might want to consider giving a small amount to the fund. There was discussion regarding finding west coast schools for boat building and working with local Sea Scouts and others to fund scholarships.

7. New Members for Committee / Recruiting Status – Steve

Steve asked the members to think about who might be asked to join the Philanthropy Committee. Assuming the Chapter Board approves the motion to change the terms from 3 to 5, there isn't an immediate need.

8. Other thoughts – Everyone

Lew Dobbins asked if the Philanthropy Committee or the Chapter might sponsor another Sea Scout for the Restoration Clinic. The last time that was done a couple of years ago, it was very successful. Discussion followed and Lew will bring up the question at the January Chapter Planning meeting on Jan. 10th.

9. **Approval of last meetings minutes**

Motion: Jared Hein moved that the Minutes of the November 16, 2014 Philanthropy Committee meeting be approved as written.

Second: Debra Dobbins seconded the motion.

Discussion: None

Vote: Unanimous

10. Adjourn

The meeting was adjourned at 2:35 pm.

Respectfully submitted,

Cheryl Caplan, Scribe

December 19, 2014