

**Orange Coast College Foundation
Board of Directors Meeting Minutes
Thursday, March 25, 2021, 5 pm
Via Zoom Conference**

Attendees: David Cline, Jeff Hyder, Bill Wood, Eileen Lewis, Blade Gillissen, Derek Sabori, Shana Jenkins, Rush Hill, Marc Harper, Rich Pagel, Madjid Niroumand, Angelica Suarez, Patrick Munoz, Peggy Fort, Diane Nelson Menninger, Doug Bennett, René Kinn, Sean Wellengard, Liz Parker, Jackson Dugan, and Dave Grant

Guest: Cristina Crouth

- A. **Welcome & Introductions:** Bill Wood welcomed the Board to the Zoom conference and introduced Jackson Dugan, the newly elected President of ASOCC.
1. **Approval of Minutes of January 28 as emailed:** Minutes approved.
- B. **Executive Committee Report:** Doug Bennett spoke on the Executive Committee meeting last week with two officers lined up for next year: Dave Cline as Chairman and Marc Harper as Treasurer.
- a. The Executive Committee is currently seeking to fill the seats of Vice Chair and Secretary.
 - b. The Executive Committee is also seeking a Nominating Committee. Jeff Hyder, Dave Cline, Barbara Bullard, and Eileen Lewis volunteered to be a part.
- C. **College Report:** Angelica Suarez stated in the College Report that the College is looking at a very phased approach to courses on campus. There are currently about 1,500 students on campus in programs such as Allied Health and other CTE programs. The College is looking to bring back many of its physical education as well as performance courses. The Visual and Performing Arts have not had any courses since the closing of the campus and is looking to reintroduce some during the summer and fall semesters. As the city moves into the Orange Tier of Covid risk, the College is looking into re-opening some of the Community programs, such as the Planetarium. Scott Mitchell has assembled a re-opening plan for the Planetarium. The College is currently in its third round of stimulus money with very strict spending guidelines. Each round of stimulus has had half of the funds disbursed to the students. The President is optimistic that as the pandemic ends, we will be seeing more students on campus, and enrollment will recover from previous losses.
- D. **Finance & Investment Report:** Marc Harper discussed the Investment Report.
1. **Endowment Performance Update Via Northern:** The investments had an excellent quarter and was up 1.1 million at 4.2% between the 1st of January and the 12th of March with the asset allocation all within caps. So far, a great return for this year.
 2. **Endorsement of 2021 – 2021 Audit as Attached:** Marc made a motion on approval/endorsement of the 2020 – 2021 Audit, which was seconded and passed.

**Orange Coast College Foundation
Board of Directors Meeting Agenda
Thursday, March 25, 5 pm**

Via Zoom Conference - <https://cccconfer.zoom.us/j/92463055361>

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| A. Welcome & Introductions | Bill Wood |
| 1. Approval of Minutes of Meeting of January 28 as emailed | |
| B. Executive Committee Report | Bill Wood |
| 1. Officers for 2021 – 2022 | |
| a. Seeking Vice Chair & Secretary | |
| 2. New Members | |
| a. Establishment of Nominating Committee | |
| C. College Report | Angelica Suarez |
| D. OCC Student Housing Update | Madjid Niroumand &
Rich Pagel |
| E. OCC Guardian Scholars Update | Cristina Crouth, Guardian
Scholars Specialist |
| F. Finance & Investment Report | |
| 1. Endowment Performance Update Via Northern | Marc Harper |
| 2. Endorsement of 2020 – 2021 Audit as Attached | |
| 3. Update on Investment Manager Review | |
| G. Marine Activities Report | Patrick Munoz/Doug |
| 1. Professional Mariners Training Center Update | |
| 2. Boats for Sale & Recently Sold | |
| H. Campus Construction Update | Rich Pagel |
| I. ASOCC Report | Jackson Dugan |
| J. Friends of the Library Report | Eileen Lewis |
| K. Executive Director’s Report | Doug Bennett |
| L. Member Comments | |

Next Meeting -- Thursday, May 27, 5 pm or 6 pm, Location TBA

**Foundation Board Meeting
Thursday, March 25, 2021
5:00 p.m. Zoom**

Call	Name & Phone	Y	N	Call	Name & Phone	Y	N
	Mary Lynn Bergman-Rallis (949) 673-4103	X			OCC Reps – Ex-Officio Voting		
	Barbara Bullard (949)831-7565	X			Michelle Grimes mgrimes@cccd.edu		X
	David J. Cline (949)719-9933	X			Madjid Niroumand	X	
	Peggy Fort (949) 675-0501	X			Rich Pagel	X	
	Marc Harper (760)602-5788 or (714)269-3980	X			Dr. Angelica Suarez	X	
	Rush Hill	X			Blade Gillissen	X	
	Jeff Hyder (962)795-6029	X			SGOCC President - Jackson Dugan – SGOCC President	X	
	Doug Meece (949) 809-1219		X		OCC/Dist Reps – Non-Voting		
	A. Patrick Munoz (714) 641-5100	X			Doug Bennett	X	
	Diane Nelson Menninger	X			Rene Kinn	X	
	Janet Ronnenberg				Liz Parker	X	
	Derek Sabori (949)646-2175	X			Sean Wellengard	X	
	Julie Simer (949) 477-7642		X		Juan Gutierrez		X
	Bill Wood	X			Dave Grant (949) 646-4337	X	
	Eileen Lewis (Rep FOTL)	X					
	Shana Jenkins (Pres. Alumni & Friends)	X			Margaret Gratton-Turner (non- voting emeritus)		X
					Bob Dees (Non-Voting – Emeritus)		X
					Jerry Richards (Non-Voting emeritus)		X
					<u>GUEST</u>		
					Cristina Crouth – Guardian Scholars	X	
					TOTAL (quorum is 13 voting) Table set for 25	25	

Orange Coast College Foundation

Investment Update from Northern Trust

As of Friday, March 12, 2021

Through Friday 3/12/21's market close, the total return year to date net of fees is estimated at **4.2%**. The main fund's market value as of Friday 3/12 COB (without accruals) was **\$26,978,144** vs. 25,856,540 as of December 31, 2020.

The current allocation for the Foundation is listed below:

Asset Class	Weight
Equity - Total	55.7%
Large Cap	23.3%
Mid Cap	4.3%
Small Cap	2.5%
International Dev.	18.9%
Emerging Markets	6.7%
Fixed Income - Total	17.6%
Investment Grade	12.2%
TIPS	0.5%
High Yield	4.9%
Real Assets - Total	12.5%
Real Estate	5.0%
Commodities	7.5%
Alternatives - Total	12.8%
Hedge Fund	4.6%
Private Equity	8.2%
Cash - Total	1.4%
Total	100.0%

Orange Coast College Foundation Executive Brief

March 15, 2021

The following summarizes the status of the investment programs for the Orange Coast College Foundation for the period ending February 28, 2021.

The Foundation's investment policy provides for a well-diversified portfolio with asset allocation guidelines including a policy normal level and available ranges for each asset class. Currently the portfolio holds Equities at 58%, Fixed Income at 18%, Real Assets at 12% and Alternative Assets (private equity and hedge funds) at 10%. The portfolio is in compliance with the investment policy asset allocation guidelines and there are no conditions for attention.

The total return calendar year to date through February has been a positive 1.76% net of fees. Equities returned 2.5%, Fixed Income a negative 0.6% and Real Assets 5.0%. The total value is \$26,310,698 versus \$25,856,840 as of 12/31/20. Over the past five years the compounded annual total return has been 10.28% net of fees. Over that period Equities provided a compound annualized return of 14.1%, Fixed Income 5.1% and Real Assets 10.0%.

The Foundation also retains a secondary investment program allocated exclusively to cash and investment grade fixed income. Total return calendar year to date has been negative 0.9% net of fees. Fixed Income returned negative 0.95% and cash 0.0%. The total value is \$617,142 which is less than the \$622,743 as of 12/31/20. Over the past five years the compounded annual total return has been 3.1% net of fees. Over that period Fixed Income returned 3.7% and cash 1.0%.

Northern Trust's twelve-month view of the general economic conditions is that equities will outperform bonds given the ongoing recovery and increased optimism on herd immunity. The removal of a downside risk on the pandemic is supportive to the outlook – risk cases are now focused on sustained higher inflation and potentially adverse policy impacts on financial markets. Relative performance of the asset classes most damaged by the virus will improve considerably as the recovery continues and investors expect a return towards normalcy starting in mid-2021. However, structurally-advantaged areas of the market will remain attractive longer-term due to better fundamentals.

3. **Update on Investment Manager Review:** The Foundation has received 6 or 7 recommendations for groups to send out RFPs for Investment Management. The Foundation will send out the RFPs and then narrow the prospects down to 2 for live presentations and decide what the next steps are from there. It is recommended that this process is done every 5 years to maintain good corporate hygiene and act as good stewards of the funds.
- E. **OCC Student Housing Update:** Madjid Niroumand presented the OCC Student Housing Update with Rich Pagel. Following the tragedy of 2 students passing at the Harbour, there is a Communication Response Team to monitor and assist in a situation along with Mental Health and Counseling Services provided at the Harbour. There are 16 Resident Assistants and 2 Education Coordinators, which is a healthy ratio for the students at the Harbour as well as a Security Officer. The occupancy of the Harbour is at 50% as of March 2nd. There were 64% of leases signed, but due to events there were no shows and the Harbour is working to assist those students. The Harbour staff is taking Covid precautions and enforcing face coverings with appropriate signage and sanitizing. To this date there has not been any outbreak of Covid at the Harbour. There is also financial support for students in need with about 100 students in that program, receiving about \$400 to \$600 per month.
- F. **Student Housing Financial Update:** Dr. Rich Pagel continued the conversation that the 50% occupancy has hampered meeting the debt coverage ratios and keeping the project financially stable. There have been roughly weekly meetings to discuss the Harbour and ensure that it has enough cash flow. As part of the Long-Term Lease Agreement for the first 7 years, the College does have a financial contribution if the project is suffering financially, which is the case during this time of Covid. The campus therefore needs to make a contribution of approx. \$2 million for the 20-21 academic year. The CARES stimulus funds that have been distributed to the College can go towards that contribution and supporting the Harbour. Next year's budget will also be challenging trying to meet the debt coverage ratio of 1.2 at 93% occupancy. The lease traits detail that the project needs to show 1.2 debt coverage ratio that needs to be submitted to trustees that represent the investors on the project, so where the College affirms no new increase in lease rates, the shareholders and trustees are negotiating for a rate increase. Ultimately, the occupancy needs to be built up to 90%+. The question was posed if OCC has reached out to other nearby colleges regarding filling the occupancy and Dr. Pagel stated that they have as part of the Waterfall Clause in the contract. The question was then posed if incentives or lower rates were offered to prospective occupants during the time of Covid and Dr. Pagel responded that it had not been brought up with Scion.
- G. **Campus Construction Update:** Dr. Rich Pagel segued into the Campus Construction Update by presenting a few video testimonials from faculty and staff using the new facilities, such as the Aquatic Center, Student Union, and College Center as well as a video on the new Language Arts and Social & Behavioral Sciences Building. Construction is also underway for renovating the Adams Parking Lot and installing more solar panels. The new Chemistry Building is going through design work at the moment. The target date for re-opening the OCC Swap Meet is June 1st and the solar panel

instillation will be finished by the end of the summer. The goal for re-opening the Recycling Center is May 1st.

- H. **OCC Guardian Scholars Update:** Cristina Crouth, Guardian Scholars Specialist, delivered the OCC Guardian Scholars Update. The Guardian Scholars is a comprehensive campus support program for students who have been affiliated with the foster care or juvenile justice system or have had similar experiences. Guardian Scholars are fortunate to have multiple funding sources. As the students involved in the program are such high need, the funding allows the Guardian Scholar Specialists to provide intensive case management and a support community allowing them to be successful through their education and beyond. In terms of program impact, all students have an Ed plan and the graduation rate for OCC Guardian Scholars is 4 times higher than the national average for foster youth and it is continuing to rise. The students have come from hard circumstances to achieve amazing things through the help of the Guardian Scholars Program. Over the past 20 years that the program has operated, there have been over 86 Guardian Scholars who have graduated and the program is on track to hit 100 this year with 16 scholars graduating and transferring which is a record number particularly during the time of Covid. This past Fall 2020, the Guardian Scholars Program served 101 students, a 14% increase from the previous Fall 2019. The past semester saw 157 specialist appointments, 135 academic counseling appointments, and numerous phone calls, emails, and text messages. The Guardian Scholars created a Canvas page to allow scholars to have community interaction during Covid as well as having drive throughs for food and school supplies and a Zoom virtual front desk. Technology support has also been a major focus for the Guardian Scholars, such as accessing laptops, having steady wi-fi, and navigating classes online. Guardian Scholars who are graduating this year have been accepted to CSUF, CSULB, and UC Santa Cruz and it is joyous to see the students recognized for their hard work. May is Foster Care Awareness Month and the Guardian Scholars use this time to promote and grow alliances and understanding for the Foster Care community with the theme this year being “Brave Enough to Be It” inspired by Amanda Gorman’s poem spoken at the Presidential Inauguration.
- I. **Marine Activities Report:** Doug Bennett iterated the Marine Activities Report as the Marine Committee met last Monday and took a tour of the new facilities at the Waterfront Campus. Dave Grant took pictures on the tour, which were presented.
1. **Professional Mariners Training Center Update:** Displaying the photos, Doug Bennett spoke on the completion of the bridge across PCH, the reception area in the Professional Mariners Training Center, a student lounge, and a beautiful conference room that looks out over the bay. The Marine Committee is currently working on Fundraising Outreach for naming opportunities to rooms in the new facility. A brochure will come out in about a month. The navigating classroom received a gift for \$40K thanks in part to Dr. Rich Pagel’s presentation to the Kiwanis Club. The Marine Committee plans to install a Donor Wall to the cost of \$50K taken from boat sales. The opening date will be late July 2021.
 2. **Boats for Sale & Recently Sold:** The boat market continues to be active and things are going well. Since last meeting, the boat *Good Call* was chartered with an option to purchase \$790K which made for a very profitable deal for the

Foundation. There have not been any offers on Nordic Star, but there is an interested party.

- J. **ASOCC Report:** Jackson Dugan spoke on behalf of ASOCC. The ICC started a Recycling Competition this month and submissions are due April 19th, which is getting students involved in healthy living and eco-friendly activities. The College Life Committee hosted a Virtual Game Night that engaged students. Tomorrow, a Virtual Open Mic Night will be held. A Mental Health Awareness Week was hosted by ASOCC and promoted through Instagram and social media. The Fiscal Affairs Council is diligently working on the ASOCC Annual Budget process, interviewing various programs seeking funding from ASOCC. The Student Senate and Executive Board have been discussing nominations for the Friends of the Students Award. Last week they also participated in the Educational Master Plan. One of the main goals of ASOCC this semester is to work towards implementing a plan or proposal for intramural sports once students are back on campus.

- K. **Friends of the Library Report:** Eileen Lewis conducted the Friends of the Library Report and has been busy driving people to donating books since January and posted on Next Door as of March, while getting positive feedback for taking donations and directions to the collection center.

- L. **Executive Director's Report:** Doug Bennett closed out with the Executive Director's Report in that there is a sense of optimism of returning to campus as the numbers are going down and more and more people are getting vaccinated. Tomorrow the Foundation staff will be meeting with the Scholarship Committee to determine scholarship allocation for the 2021 OCC Scholarships to be awarded at the Virtual Honors Night.

Meeting adjourned at 6:26 pm.

Upcoming Events & Meetings

- Foundation Board Meeting, ~~Thursday, May 27~~ **June 3, 5 pm** Location TBA