



## Grand County Library Foundation Meeting

Tuesday, October 10th, 2017

Granby Library

Community Meeting Room

5:30 PM

**Public present: Chris Manguso, Elizabeth Gall, Marla Gall, and Marilyn Hunter**

I. Call to Order

Leclair called the meeting to order at 5:30 pm.

II. Roll Call

All directors are present: Leclair, Douden, Schlichting, Davis, Knoohuizen and Sloan.

III. Consensus Items

a. Approval of Agenda

b. Approval of Past Meeting Minutes

Carol Hunter sent letter to S. Ralph suggesting changes to the July, 2017, minutes. Ralph brought letter to the board that suggested amendments to the July 2017 minutes. Name changes Lisa Jonas and Carrie George. On p. 3, change names of different drafts to by-laws. Draft 1 created by Mary Chance and Noriyuki, draft 2 created by Tara Ingle and Carol Hunter.

Leclair called for motion to accept Davis so moved, Douden seconded, all approved, motion carried.

Leclair called for motion to accept consent agenda, Knoohuizen so moved, Douden seconded, all approved, motion carried.

IV. Reports

a. Financials 2017-09 Profit & Loss and Balance Sheet

Tara Ingle provided financial report. Profit and Loss: Income provides \$1000 in kind from legal services. In 8400 for gross profits, \$2300 in contribution includes City Market reward program, Amazon Smile program, and Grand Mountain Bank donation of \$100. We have spent 99.6% of foundation budget. We have about \$13 to spend for rest of 2017.

Grand Foundation grant of \$3500

Balance sheet: Earning about 10% on investment which is continuing to grow. Temp restricted asset line of \$192.00. There was \$66,000 restricted for capital expenses.

There is \$37,000 in unrestricted funds which is available for capital expenses.

b. Investments

10% growth on investments. Really nothing to report except we are experiencing growth.

c. Community Action Group Report

Sometimes appears as CAG acronym. Douden reported that the marketing committee morphed into the Community Action Group.

CAG set up the Colorado Gives program and are now in place for December 5 event; wanted to reach out to the community; and wanted to examine planned giving which includes, Amazon Smile, and the City Market Reward program. During the discussion of the CO Gives application it was clear that the foundation's role as a 501c3 needed to be examined. It became clear that community would like to help the library in a different way. People said that people were uncomfortable donating to a "pass through" foundation. They want their funds to be 100% tax deductible. Hunter wanted to be sure that GCLF goals did not conflict with the strategies of The Friends and to focus on role of Foundation as a fund-raising group.

Noriyuki gave reasons for the background of GCLF and what it might become as a fund-raising entity. Carol Hunter gathered a group of citizens together to discuss creating a different kind of foundation—a "lean and mean" organization focused on fund-raising.

Mission and vision of foundation and the by-laws of the foundation all needed to be rewritten.

Currently the only trustees on the foundation were also the trustees of the GCLD board. The CAG wanted to create a foundation with a vision of possibilities—to re-energize GCLF.

Douden attended the Sept. 19 workshop as a volunteer—a participant of the group—and knew very few of those who attended. Douden realized that there was a lot of expertise, involvement, and determination to work on the part of those present. There was a feeling of excitement, logic, and determination for GCLF. There is a desire for CO Gives entry to be productive.

At the workshop on September 28, this was as part of the preliminary discussion on the GCLD response to the GCLF MOU.

Ralph stated that the issue of trustees serving on both boards - "wearing two hats" does not work well and creates communication confusions. At the Sept. 28 workshop meeting, the BoT of GCLD had first opportunity to examine the MOU as presented by the CAG. Sloan had reviewed the first version of the MOU with Hunter. The CAG suggested an intense timeline for complete separation of GCLD/GCLF by end of December. Before that time: finalized and reviewed versions of the By-Laws and Mission statement need to be presented to the GCLF and GCLD Boards and voted upon, new foundation members sought and installed as well as a discussion on a financial transfer.

Sloan stated that the foundation must be a stand-alone, separate entity working for the benefit of the district.

Schlichting stated that she understood that Murphy recommend tabling the MOU until January.

Douden reiterated that GCLF must not be a "pass-through" foundation which requires legal work which is very necessary.

d. Carol Hunter resigned from the GCLD Board that automatically removes her from the GCLF board.

Ralph reported that Noriyuki had resigned as legal counsel for both GCLD and GCLF. Ralph suggested that there is separate legal counsel for GCLD and GCLF.

V. Action Items/Discussion

a. Discussion on CAG proposals

i. Foundation By-Laws and Mission Statement proposed

Sloan was asked to review changes in by-laws which are being proposed. He was unable to examine the by-laws prior to the meeting. The by-laws were reviewed and edits suggested during the CAG group meeting on Sept. 19. Sloan was not a part of that meeting. Douden stated that the mission statement was new. It clarified that board should have a minimum of five board members.

Ralph stated that we there were two proposed by-laws for foundation from the July meeting and now another proposed set of by-laws. All propose a varying levels of separation. We also now have different proposed mission statements. Recommended a committee to review and finalize the bylaws, mission, and MOU and then report back to the foundation board. Leclair appointed Sloan and Douden to the committee to review and recommend to foundation board.

Knoohuizen The GCLF MOU, proposed by the Community Action Group underwent a preliminary discussion at the September 28 GCLD workshop. The GCLF By-Laws and Mission statement have not been reviewed by the Foundation. It is of the greatest importance that the Foundation considers the changes. Sloan and Douden agreed to form a committee to undertake this work and report back to the Foundation Board. Sloan asked others to bring questions, concerns, and comments to committee. Timeline: report back to GCLF board in December.

Davis requested a new meeting schedule, meeting more frequently than quarterly. Next meeting of GCLF board will be November 21.

ii. MOU proposed

Discussion tabled until January, 2018

b. Designating a Representative to represent the Foundation at GCLD Meetings

Darcy Schlichting appointed as the representative of the Foundation to GCLD for now.

b. Discussion on Conflict of Interest

Davis explained: conflict of interest is: A situation in which a person can derive personal benefit or gain from actions or decisions made in their official position.

Davis discussed conflict of interest in terms of GCLD and GCLF trustees being the same. In the past, not a big problem. With move toward separation, we are in a position for potential conflict. Foundation's purpose hoped to be two-fold entity—accepting 501 c3 funds and a fund-raising group for the community. If completely separate, does the district appoint foundation directors or not? If district appointed 2 board members to the foundation, it would not constitute a public meeting for GCLD and also allows other members of the community to guide the foundation. The GCLD trustees do not hold too much influence, then, on the foundation board. The overall goal for each director is to see the foundation become a variable organization. The task before the Foundation at this time is to ensure that Foundation documents and procedures are properly examined and considered and then move forward.

d. Foundation budget for 2018

Ingle reported that the report is a formality as the foundation doesn't create a separate as organized now. Will capture the donation and investment gain--\$12,000. Very limited activity expected with a net gain of \$10,000 in 2018.

Davis: The budgetary process will be simple going into 2018. Then, if complete separate occurs, the foundation will then create a more detailed budget. Note: there is no fixed date for separation of GCLD/GCLF.

Ralph asked if there is accommodation for foundation to get legal advice in 2018. Ingle stated that we will discuss that at hearing in November.

e. Acceptance of restricted donations

Ingle: In July meeting, there was a check brought for \$192 from Charles Schwab for Fraser Valley Library for children's programs. Another check for \$500 for use by Juniper Library, still restricted by designation of particular library.

Discussion followed regarding restricted or unrestricted donations.

Consensus of the foundation is that unrestricted donations are best. Ingle will contact donors and request that donor change to an unrestricted donation.

VI. Adjournment

Leclair called for motion to adjourn.

Davis moved to adjourn, Douden seconded, all approved, motion carried.

The meeting adjourned at 6:43 pm.

DRAFT