

Minutes of AGF Board Meeting | Tuesday, December 8, 2009

Pursuant to call and notice of the meeting, Carol Peck called the meeting of the Board of Directors to order at 12:00 pm on Tuesday, December 8, at the Rodel Charitable Foundation of Arizona, 6720 N. Scottsdale Road, Suite 380, Scottsdale, AZ.

Directors present included Carol Peck, Lydia Lee, Roy Pringle, Pat Miles, Ed Portnoy, Merl Waschler, Deborah Whitehurst and via conference call Mary Jane Rynd. Marissa Theisen and Erin Dow were also present. Carol chaired the meeting and Erin acted as secretary.

Carol Peck asked board members to share whether or not their organizations had chosen to give pay increases for the next fiscal year. Some members stated they would be providing small increases while others were maintaining current salary levels.

Approval of Minutes

Carol Peck asked for a motion to accept the board minutes from the October 13 meeting.

Upon a motion by Lydia Lee and a second by Roy Pringle, the board approved the minutes of the October 13 board meeting.

Review of AGF Financial Statements

Roy Pringle stated that the Finance Committee had recently met and reviewed AGF's financial statements and the 2010 budget. AGF has a total asset balance of over \$300,000, and the 2009 Profit & Loss statement, reflecting projections for December, shows a net profit between \$25,000 and \$30,000.

Discussion/Action Items

Approve 2010 Budget

Roy Pringle reviewed the draft budget approved by the Finance Committee. He noted that the 2010 budget is similar to previous years but more conservative in revenue and spending projections. Marissa Theisen stated that she had contacted AGF Leadership Circle members to determine if they would be able to continue the same level of grant support of AGF in 2010. All but the Lodestar Foundation responded that they were prepared to do so. She also noted that she is projecting that membership dues revenue will remain the same in 2010. Roy Pringle pointed out that the projections for special event revenue in 2010 were \$11,000 lower than actual revenues in 2009 and more in line with 2008 revenues. He also explained that the increase in the Contractor line item reflected the costs of a strategic planning consultant and a VISTA staffer, and that the Professional Accounting fees were higher, reflecting the additional costs of a Financial Review. Marissa noted that the budget reflected a very small net profit.

Upon a motion by Mary Jane Rynd and a second by Deborah Whitehurst, the board approved the 2010 Budget as proposed by the Finance Committee.

2010 Financial Review

Roy Pringle informed the board that the Finance Committee, at their last meeting, decided that AGF should have a financial review in 2010. He noted that the committee reviewed the options of a full audit or a review and pricing for each and decided that a review would be sufficient. Ed Portnoy asked if AGF should do a financial review every year. Mary Jane Rynd said that she

considered the financial review to be a best practice which AGF should incorporate annually.

Foundations on the Hill

Marissa Theisen noted that it was planning time again for Foundations on the Hill (FOTH) and asked if AGF should organize a contingent of Arizona funders to attend in 2010. She noted that, due to lack of interest and funding, AGF did not participate in FOTH in 2009. Ed Portnoy noted that it was a worthwhile effort, but that Pulliam Charitable Trust had not budgeted for such an expense. Most other board members agreed that their organizations would most likely not attend FOTH in 2010. Marissa Theisen noted that the only major issue likely to be up for discussion next year would be the excise tax. After a brief discussion, the board decided to forgo participation in Foundations on the Hill in 2010.

Information Items

President/CEO's Report

Marissa Theisen reported that the 2010 dues letters and invoices will be mailed out this week.

Marissa Theisen noted that AGF and SVP AZ recently began rent renegotiation with their current landlord, as the lease ends on April 30, 2010. Based on advice from SVP AZ members with legal and real estate expertise, AGF and SVP AZ jointly submitted a letter on Nov. 25th, proposing a new three-year lease which reflected a rent reduction from \$19 SF/YR to \$16 SF/YR. The letter also proposed we have an Early Termination Option we could exercise upon 60 days notice, on or after Dec. 31, 2011. The primary reason to exercise this option would be if the Arizona Community Foundation is able to create a Nonprofit Center by then which can accommodate ACF and SVP AZ as tenants.

Marissa reported that the landlord has conceded to the rent reduction and Early Termination Option but requested that the notification for lease termination be increased to 120 days. Board members felt that was an acceptable request, noting he might have difficulty renting the space even with 120 days notice. Carol Peck requested that, in the future, Marissa share such communications with the board chair, before submitting them to the landlord. Marissa agreed to do so. Marissa Theisen noted that the 2010 budget reflects the reduced rent rate of \$16 SF.

Marissa Theisen reviewed the 2009 Member Satisfaction Survey results. She noted that offering an incentive of gift cards did not increase the survey completion rate. The number of responses and results were similar to 2009 survey results. Roy Pringle noted that the rating scale for some of the questions differed between 2008 and 2009 and may skew any comparison between years. Merl Waschler asked why Affinity Group ratings were lower. Marissa Theisen noted that the wording of the questions may have been interpreted differently than was intended. Merl Waschler suggested keeping a core set of questions and the rating scale the same in order to get a set of data that was comparable over several years. Marissa Theisen reviewed the rest of the survey, noting she had already shared program suggestions with the Program Committee. She also noted that the results reflected a representative sample of members. Carol Peck asked Marissa Theisen what major ideas she'd gleaned from the survey. Marissa Theisen responded that she felt that comments indicated that there might be an interest in more programming specifically for CEOs.

Marissa Theisen highlighted the upcoming Affinity Group meetings and briefly informed the board about the new staff member Tom Torretta. He will begin working with AGF during the

last week of December to receive training from Erin and will possibly attend the Education Funders Meeting and the Annual Luncheon. Marissa Theisen also noted that the Bill & Melinda Gates Foundation has officially joined AGF.

Marissa Theisen stated that Steve Gunderson, President & CEO of the Council on Foundations, will be in Phoenix in January for meetings and expressed interest in meeting with her and other funders. She suggested that any board members who were interested in meeting with Steve at that time were welcome to attend. The board requested that she send out an email when she had a confirmed meeting time.

Committee Reports

Membership Committee

Marissa Theisen reported for Jerry Wissink. She encouraged board members to continue to try to contact the new members they had agreed to call for the phone survey. She expressed her understanding that board members were having difficulties reaching their contacts and noted that she had also had trouble in the past contacting many of the members on the list.

Program Committee

Marissa Theisen reported for Don Snider. She noted that the program committee had set the schedule for the first three months of the year. The January program will be on funder collaboratives, highlighting the Summer Youth Collaborative and the Choose to Help Campaign. The February program will be a half-day workshop with the Nonprofit Finance Fund which will also be open to nonprofits. The March program will center on the impact of the state budget cuts on nonprofits and how the philanthropic sector can mitigate damage done by the cuts. Marissa Theisen will work with Brian Spicker and Jacky Alling to plan this program.

Carol Peck asked if any board members would be interested in taking Don Snider's place as Program Committee Chair. Lydia Lee said she would consider it and would speak with Gene D'Adamo about possibly co-chairing the committee.

Special Events Committee

Marissa Theisen reported for Kerry Blume. She noted that the event was well-attended and well-received. The speaker received a high rating and participants took all money banks and discussion guides left on the tables. Event revenue was up due to a high level of sponsorship. Marissa Theisen thanked Lydia Lee and JPMorgan Chase for their sponsorship of the money banks. Carol Peck noted that she would be integrating some of the ideas from the presentation into the Rodel Mac-Ro math curriculum to promote sharing, saving, and spending for students in the program. Deborah Whitehurst stated that the afternoon workshop with the speaker for ACF donors was very well-received.

Ed Portnoy suggested that AGF consider doing another grantmaker conference in 2011. Marissa suggested it might be a good idea to alternate the conference and the luncheon to keep conference topics fresh and relevant and to keep from interfering with the annual conference held by the Conference of Southwest Foundations. Carol Peck suggested keeping the luncheon because it brings in community members and makes money. Marissa Theisen asked the board for speaker suggestions for next year's luncheon. Carol Peck noted that the speaker and his/her presentation abilities are more important than the topic. She suggested that Marissa Theisen ask

Judy Mohraz for speaker suggestions. Lydia Lee suggested finding a speaker who could present on a topic that was fresh and relevant.

There being no further business to discuss, Dr. Peck called for a motion to adjourn.

Upon a motion to adjourn by Ed Portnoy and a second by Lydia Lee seconded the motion, the board agreed to adjourn the meeting at 1:06 pm.