



ANNUAL MEETING OF THE BOARD OF DIRECTORS
Greater Los Angeles Education Foundation
Thursday, February 29, 2024, at 8:30 AM – 2:00 PM
University Club of USC, 705 West 34th Street, Los Angeles, CA 9008

AGENDA

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| <i>Dr. Monte Perez</i> | 1. Call to Order |
| <i>Dr. Monte Perez</i> | 2. Approval of the Agenda |
| <i>Dr. Monte Perez</i> | 3. Public Comments |
| <i>Dr. Monte Perez</i> | 4. Board Membership <ul style="list-style-type: none">a. Introduction of New Board Memberb. Board Nomination and Election |
| <i>Dr. Monte Perez</i> | 5. Review and Approval of Minutes <ul style="list-style-type: none">a. December 20, 2023 (Attachment A) |
| <i>Dr. Monte Perez</i> | 6. Endowment Investment Policy Discussion and Vote (Attachment B) |
| <i>Ms. Kerry Franco</i> | 7. President's Report |
| <i>Ms. Nadia Funn,
Facilitator</i> | 8. Board Retreat <ul style="list-style-type: none">a. GLA Visioning Exerciseb. GLA Core Functions: Overview & Discussion<ul style="list-style-type: none"><i>Kerry Franco, GLA President and Chief Deputy of Strategic Partnerships & Innovation</i><i>Sam Gelinas, GLA VP of Programs, Strategy and Development</i>c. Breakd. GLA Core Functions Gallery Walk and Discussione. Break for Working Lunchf. Governance Update<ul style="list-style-type: none"><i>Kerry Franco, GLA President and Chief Deputy of Strategic Partnerships & Innovation</i><i>Nadia Funn, Facilitator</i>g. Reflections |
| <i>Dr. Monte Perez</i> | 9. Adjournment |



The full agenda is accessible through the receptionist at the northeast entrance of the above address. Enclosures to the agenda are available for review in the Greater LA Education Foundation office during business hours 8:30 a.m. – 5:00 p.m. Any material related to an item on this Board Agenda distributed to the Greater LA Education Foundation Board of Directors is available for public inspection at Greater LA Education Foundation's office at 9300 Imperial Highway, Downey. Procedures for addressing the Board are available in the Board meeting room and posted on the Greater LA website. To request a disability-related accommodation under the ADA, please contact Kristina Romero at kromero@greaterlaedfund.org least 24 hours in advance.



UNAPPROVED MINUTES
MEETING OF THE BOARD OF DIRECTORS
Greater Los Angeles Education Foundation

Wednesday, December 20, 2023

A meeting of the Board of Directors of the Greater Los Angeles Education Foundation (GLA) was held on Wednesday, December 20, 2023, at the Los Angeles County Office of Education Board Room.

Present: Dr. Monte Perez, Dr. Debra Duardo, Ms. Gloria Rogers, Ms. Elizabeth Graswich, Mr. Chris Steinhauser
Others Present: Ms. Kerry Franco, Mr. Sam Gelinas, Ms. Kristina Romero, Ms. Alexandra Roosa, Ms. Alex Halpern, Ms. Jessica Catalan, Mr. Phil Waara, Ms. Daisy Esqueda

CALL TO ORDER

Dr. Monte Perez called the meeting to order at 1:31 p.m.

COMMUNICATIONS (PUBLIC COMMENTS)

NONE

APPROVAL OF THE AGENDA

Dr. Perez reported that there were no changes to the Board agenda.

It was MOVED by Ms. Rogers, SECONDED by Ms. Graswich. All approved; none opposed.

APPROVAL OF MINUTES

September 20, 2023 – The minutes were approved as presented.

It was MOVED to approve the September 20, 2023, minutes as presented by Dr. Duardo, SECONDED by Mr. Steinhauser. All in favor; none opposed.

October 10, 2023 – The minutes were approved as presented.

It was MOVED to approve the October 10, 2023 minutes as presented by Ms. Graswich, SECONDED by Ms. Rogers. All in favor; none opposed.

October 30, 2023 – The minutes were approved as presented.

It was MOVED to approve the October 30, 2023 minutes as presented by Mr. Steinhauser, SECONDED by Ms. Graswich. All in favor; none opposed.



FINANCE

Ms. Rogers summarized the financial reports provided for the period from July 1, 2023 through September 30, 2023. Ms. Rogers shared that the total assets increased in Q1, and the foundation ended Q1 with a total favorable budget variance. She also shared that the anticipated projected cash flows after end of Q2 will be forecasted after the receipt of the anticipated new grants.

ACCEPTANCE OF FUNDS

Dr. Perez requested a motion to approve the Acceptance of Funds for the period of July 1, 2023 through September 30, 2023. It was MOVED to approve the Acceptance of Funds by Dr. Duardo; SECONDED by Mr. Steinhauser. All in favor; none opposed.

BOARD COMMITTEE REPORT

FINANCE COMMITTEE

Ms. Roosa provided an update on the Finance Committee meeting. She shared that Phil Waara of eCIO presented first drafts of both an investment policy and endowment spending policies at the board's Finance Committee meeting, and after a robust discussion the Finance Committee recommended both policies be presented to the full board for further review and discussion.

Ms. Roosa reminded the board that, at the last board meeting, GLA staff was tasked with completing eCIO reference checks, which included seven one-hour interviews with either board members or nonprofit executive staff of eCIO clients. The individuals and nonprofit organizations they represented were diverse in terms of the types of portfolios they had managed by eCIO and the size of the nonprofits. All references provided high remarks for eCIO.

Mr. Waara shared that as part of eCIO's onboarding process, there are three main steps the company take with nonprofits. The first is already being completed with GLA, which is the paperwork and opening of the accounts. The next step is drafting and finalizing the investment policy statement. In conjunction, eCIO will work with the board to determine the investment portfolio, which will come in January.

Mr. Waara presented the draft investment policy to the board. Dr. Perez asked Mr. Waara to explain what the 5% per year spending limit means. Mr. Waara shared that GLA would average past quarterly balances and multiply that by 0.05% and that's what GLA would be able to sustain to give out to programs that support the mission. Mr. Waara share that 5% is typical.

Dr. Perez shared that a survey will be sent out to the board for input on strategic use of GLA's portfolio.

Mr. Waara presented the draft spending policy to the board. Mr. Steinhauser asked if the donor said they never wanted the corpus to be spent down, would we just change that part of the spending policy, and would the same happen if the donor said they want it spent within 20



years? Mr. Waara shared that yes, it can be as specific as the board would like and clarified that the addendums are really meant to be agreement between GLA and that donor.

GOVERNANCE COMMITTEE

Ms. Franco shared that the Governance Committee met on November 13th to discuss the two priorities it will focus on the remaining of fiscal year 2024. The first priority is a review of the bylaws which will include an assessment of best practices and implementation recommendations, The committee will present recommendations in June 2024 board meeting. The second priority is board development, which will include the recommendation of new board members and strengthening board engagement to support governance and leadership.

PRESIDENT'S REPORT

Ms. Franco provided the following updates to the board:

- Fundraising Report
 - GLA has received over \$23 million in grants. The most recent gift is an anonymous endowment that will focus on the city of Inglewood.
 - Broad Foundation granted GLA a \$3.64 million grant to support the foundations dual enrollment and expanded learning efforts. The grant will fund three full-time positions at LACOE to focus on dual enrollment efforts.
 - W.M. Keck Foundation awarded GLA a \$475K grant to support the mandated reporter initiative that was started last year with LACOE.
 - The majority of GLA's funding is grants, but the team is building out its sponsorship platform for next round of events.
 - GLA's individual giving is not listed on report that have given less than \$2,500. Individual giving is part of the foundation's area for growth.
 - GLA donor, Eric Alegria, increased donation from \$15K to \$25K.
 - Dr. Duardo shared that she would like to see more detail for individual giving, including how many people have given, and outline goals and objectives for individual giving.
 - Dr. Perez shared that he is interested in capacity building around scholarships. The organization needs staffing and expertise to carry out scholarship programs and individual giving.
- Office Space
 - The team has intentions to apply for a capacity grant from the Ahmanson Foundation in early 2024.
 - GLA has the idea and has been talking to Eric Rowan, LACOE's Executive Director of Human Resources, and Karen Kimmel to look at what it would cost if the entire Annex were renovated.
- Consultant Update
 - GLA has plans to enlist external consultants to support the foundation over the next several months to become a full-fledged organization and permanent partner to LACOE.



- The team has identified some organizations and would like to move forward with a full compensation study that benchmarks where the organization is in the market, so that it can offer current and future staff fair and competitive compensation packages for the long-term growth of the organization.
- Ms. Graswich recommended that the team should identify what is sustainable in the communications plan that was developed by the consultant and dial it back.
- Dr. Perez recommended that the group needs to pace itself in terms of how to expose the organization's brand and develop a strategic rollout.

BOARD MEMBER NOMINATIONS AND ELECTIONS

Dr. Perez introduced prospective board member, Ms. Andrea Foggy-Paxton.

Dr. Perez requested a motion to nominate Ms. Foggy-Paxton as a Director of the Greater Los Angeles Education Foundation Board. It was MOVED to nominate Ms. Foggy-Paxton by Dr. Duardo; SECONDED by Mr. Steinhauser. All in favor; none opposed.

Dr. Perez asked for a vote to elect Ms. Foggy-Paxton to the Board of Directors. All in favor; none opposed.

Ms. Franco shared one more prospective nomination, Mr. Gary Newman. Mr. Newman, nominated by Mr. David Stanford, is interested in a board position. Ms. Franco will meet with Mr. Newman in early February.

OTHER BUSINESS

GLA PROGRAM UPDATE

Mr. Gelinas directed the board to attachment M, GLA program updates, and summarized upcoming events and new programs.

Dr. Perez shared that he would like to engage in the conversations around GLA's new funding for dual enrollment to ensure efforts are aligned with community colleges.

LACOE UPDATE

Dr. Duardo provided an update on LACOE initiatives and shared the following:

- LACOE is hosting the first differentiated assistance convening for all districts and charters that have been identified by the state as in need of differentiated support.
- As part of the mandated supporter work, LACOE is finding a real disparity in black children and children of color that are struggling with poverty and need support and resources.
- LACOE has been giving a grant by the California Department of Healthcare services to lead some of the work around children behavioral health, to develop systems so that school districts can work with managed care providers to provide behavioral and mental health support to children.



BOARD MEMBER UPDATES

Dr. Duardo was recognized for receiving the McGraw Hill Liberty Award.

BOARD MEETING CALENDAR

Dr. Perez shared that the next board meeting on February 29th, a full-day meeting to dive deeper into strategy and board leadership.

ADJOURNMENT

It was MOVED to adjourn at 3:19 PM by Mr. Steinhauser; SECONDED by Ms. Rogers. All in favor; none opposed.



**The Greater Los Angeles Education
Foundation**

Investment Policy Statement

I. Statement of Purpose

The Greater Los Angeles Education Foundation is the premier philanthropic partner of the Los Angeles County Office of Education and the school districts served throughout the county. The mission of the Greater Los Angeles Education Foundation is to advance deeper collaboration between schools and communities to disrupt inequity and meet the needs of today's diverse learners across Los Angeles County.

The portfolios listed in section three were created to provide financial support to The Greater Los Angeles Education Foundation (the "Institution"). The purpose of this Investment Policy Statement (the "Policy") is to establish guidelines for the investment portfolio (the "Portfolio"). The Policy also incorporates accountability standards that will be used for monitoring the progress of the Portfolio's investment program and for evaluating the contributions of any Investment Advisor(s) hired on behalf of the Institution and its beneficiaries.

II. Roles and Responsibilities

Role of the Finance Committee (the "Committee"): The Committee is acting in a fiduciary capacity with respect to the Portfolio and is accountable to the Board of the Institution for overseeing the investment of all assets owned by, or held in trust for, the Portfolio.

The Committee's primary responsibilities are as follows:

- Ensure the management and disbursement of the Fund's assets are consistent with the mission of the Institution.
- Formulate investment policies for the Portfolio that are consistent with the Institution's anticipated financial needs and in consideration of the Institution's tolerance for assuming investment and financial risk, as reflected in the majority opinion of the Committee.
- Retain, evaluate, and replace, if necessary, the Investment Advisor and/or Investment Manager(s).
- Review performance and fees, at least annually.
- Review this Investment Policy Statement at least once per year.

Role of the Investment Advisor: The Investment Advisor exercises investment discretion over the Portfolio within the guidelines established by this Investment Policy Statement, including the selection of holdings and the implementation of the purchase and sale of those holdings. The Investment Advisor's primary responsibilities are as follows:

- Act in a co-fiduciary capacity in managing the assets.
- Adhere to the Investment Policy Statement.
- Present quarterly reports including portfolio activity, valuations at market, strategy updates and investment performance versus appropriate benchmarks.

III. Investment Objective and Spending Policy

Endowment Fund:

Endowment Funds are to be invested with the objective of maintaining purchasing power in perpetuity by emphasizing total return, that is, the aggregate return from capital appreciation, dividends, and interest income. Please see each respective endowment's spending policy addendum for complete information on how the funds are to be utilized and spent. If a donor makes an endowed gift without a specific spending policy, please see the general endowment spending policy below.

The Finance Committee is authorized to spend up to 5% per year to support the Greater Los Angeles Education Foundation's mission. Spending above 5% per year can be supported with the approval of the board. To determine the annual distribution amount, the spend rate (5%) will be multiplied by the average market value for each of the past 12 quarters. The Finance Committee will review its spending needs annually for the purpose of determining whether any changes to the investment objective or asset allocation are needed.

Cash Management Fund:

The primary objectives of the Cash Management Fund are preservation and protection of capital while generating interest income for the organization. This account will be used to manage excess cash for operations from the checking account and will experience inflows and outflows as determined appropriate by the Greater Los Angeles Education Foundation's executive staff.

IV. Portfolio Asset Allocation Policy and Guidelines

The Committee recognizes that the strategic allocation of the Funds assets across broadly defined financial asset and sub-asset categories with varying degrees of risk, return, and return correlation will be the most significant determinant of long-term investment returns and portfolio asset value stability.

The Committee expects that actual returns and return volatility may vary from expectations and return objectives across short periods of time. While the Committee wishes to retain flexibility with respect to making periodic changes to the Portfolio's asset allocation, it expects to do so only in the event of material changes to the Institution's needs and objectives, to the assumptions underlying the Portfolio's spending policies, and/or to the capital markets and asset classes in which the Portfolio invests. Outlined below are the long-term strategic asset allocation guidelines, determined by the Committee to be the most appropriate, given the Funds objectives.

Endowment Fund:

Asset Classes	Lower Limit	Strategic Allocation Target	Upper Limit	Benchmark
Cash and Equivalents	0	0	10	90 Day T-Bill Index
Fixed Income	30	40	50	Bloomberg Aggregate Index
Equities	50	60	70	MSCI All Country World Index

Cash Management Fund:

Permissible Investments (Cash Management Fund Only)

- U.S. Treasury securities with maturities of 0 to 5 years
- Certificates of deposit with maturities of 0 to 5 years
- Money market funds
- Bank deposits

V. Diversification Policy (Endowment Fund):

Diversification across and within asset classes is the primary means by which the Committee expects the Portfolio to avoid undue risk of large losses over long time periods. To protect the Portfolio against unfavorable outcomes within an asset class due to the assumption of large risks, the Committee will take reasonable precautions to avoid excessive investment concentrations.

With the exception of fixed income investments explicitly guaranteed by the U.S. government, ETFs and mutual funds, no single investment security shall represent more than 5% of the Portfolio's total assets (at time of purchase).

VI. Rebalancing Policy (Endowment Fund):

It is expected that the Portfolio's actual asset allocation will vary from its strategic allocation target as a result of the varying periodic returns earned on its investments in different asset and sub-asset classes. The Portfolio will be rebalanced to its strategic allocation targets using the following procedures:

- The Investment Advisor will rebalance using incoming cash flows (contributions) or outgoing money movements (disbursements) of the Portfolio to realign the current weightings closer to the target weightings for the Portfolio.
- The Investment Advisor may rebalance when asset allocations deviate from target allocations, including following large shifts in market performance that cause the allocations to shift from target.

VII. Prohibited Security Policy (Endowment Fund):

The selection of specific investment vehicles (stocks, bonds, other marketable securities) should be made with consideration of the objectives of the Fund.

Prohibited Assets:

- Closely held business interests
- Real or personal property
- Unlisted stock or other securities
- Options

Prohibited Transactions:

- Short selling
- Margin transactions
- Private loans

VIII. Performance Measurement and Review (Endowment Fund):

The Portfolio's total investment performance will be measured against investment return goals over a full market cycle. Individual strategies within the Portfolio will be measured against the benchmarks listed in the Asset Allocation Guidelines. Performance shall be monitored and reported by the Investment Advisor quarterly. The Committee shall evaluate the Portfolio and comparative benchmarks over a full market cycle to see if a change in the asset allocation is warranted to meet the investment goals.

IX. Socially Responsible Investing

Our policy is to invest in opportunities that are consistent with the mission of the Greater Los Angeles Education Foundation and the individuals we serve. When there are appropriate options, we will look to invest in companies and investment vehicles that follow socially responsible investment principles.

X. Investment Policy Statement Review

To assure continued relevance of the purpose and guidelines of the Fund and of capital market expectations as established in this Investment Policy Statement, the Committee should review this Policy annually. If any material changes occur that impact the Institution or its Fund, a review of the Policy should be conducted promptly.

This Investment Policy Statement was adopted in ___February 2024___, by the Greater Los Angeles Education Foundation.