



MEETING OF THE BOARD OF DIRECTORS  
Wednesday, January 23, 2019 at 3:00 p.m.  
9300 Imperial Highway, ROOM 107  
Downey, California 90242  
AGENDA

- |   |  |
|---|--|
| 1. Call to Order  | Dr. Debra Duardo                           |
| 2. Public Comments  | Dr. Debra Duardo                           |
| 3. Review and Approval of Minutes from 10/23/2018 Board of Directors Meeting (Attachment A) | Dr. Debra Duardo                           |
| 4. Finance  | Dr. Candi Clark                            |
| a. Acceptance of Funds (Attachment B)   |  |
| b. Financial Reports and Budget to Actuals (Attachment C)                                   |  |
| 5. Donations, Grants and Other Income   | Dr. Debra Duardo                           |
| a. Grant Final Reports  |  |
| b. AARP Foundation and Mountain Philanthropies Grants                                       |  |
| 6. Philanthropy Planning Initiative Update  | Mr. Christopher Looney<br>Mr. James Morgan |
| a. LACOE Philanthropy Planning Initiative Activity Summary (Attachment D)                   |  |
| 7. Other Business   | Dr. Debra Duardo                           |
| 8. Adjournment  | Dr. Debra Duardo                           |

The full agenda is accessible through the receptionist at the north east entrance of the above address. Enclosures to the agenda are available for review in the Friends of LACOE 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 Friends of LACOE Board of Directors is available for public inspection at Friends of LACOE Administrative Office in Room EC 106. Procedures for addressing the Board are available in the Board meeting room and posted on the Friends of LACOE website. To request a disability-related accommodation under the ADA, please contact Imelda Winn at 562 803-8298 at least 24 hours in advance.

UNAPPROVED MINUTES  
MEETING OF THE BOARD  
FRIENDS of LACOE: A FOUNDATION for LEARNING  
A California Nonprofit Public Benefit Corporation  
9300 Imperial Highway, EC 107, Downey, California 90242

Tuesday, October 23, 2018

A meeting of the Board of Directors of the Friends of LACOE: A Foundation for Learning was held on Tuesday, October 23, 2018 in EC 107 at the Los Angeles County Office of Education, 9300 Imperial Highway, Downey, California 90242-2890.

Present: Debra Duardo, Candi Clark, Michael Escalante, Emily Hernandez, Gloria Rogers, and Marsha Watkins  
Absent: Monte Perez  
Others Present: Pat Smith, Michelle Sanchez, Jessi Uranga (LACOE staff), Michael O'Day (Quigley & Miron Auditor)

CALL TO ORDER

Dr. Duardo called the meeting to order at 10:00 a.m.

COMMUNICATIONS (PUBLIC COMMENTS)

None.

APPROVAL OF MINUTES

The Board reviewed the meeting minutes for the meetings in June and July.

It was MOVED to approve by Marsha Watkins; SECONDED by Ms. Rogers. Six approved; none opposed.

AUDITED FINANCIAL STATEMENTS AND ANNUAL FILINGS

Michael O'Day of Quigley & Miron (Q&M) presented the draft Audited Financial Statements (AFS) for 2017-18 to the Board noting that there were no findings. Mr. O'Day explained items such as the liabilities in Statement of Financial Position (payments due to contractors for grant-funded work); contributions reported on Statement of Activities; analysis of classifications in Statement of Functional Expenses. Friends of LACOE allocates approximately 72% to program expenses. In the past, Q&M has noted that the standard amount recommended for non-profits is to exceed 65% of expenses for program costs. This is measured on AFS to show the social impact of tax-exempt organizations. Mr. O'Day raised a question regarding a large increase in the calculation of in-kind from LACOE. FOL staff explained a change was implemented in the accounting of time dedicated by staff to FOL related work. In the past, estimates were very modest and efforts were made to more accurately reflect the time spent by staff supporting FOL.

Q&M then presented the draft 990, 199 (California Franchise Tax Board), and RRF (Renewal with California Attorney General's Office).

It was MOVED to approve by Gloria Rogers; SECONDED by Ms. Watkins. All in favor. None opposed.

#### FINANCE

Dr. Clark shared the Acceptance of Funds for the period of July 1, 2018 through September 30, 2018, with the Board for approval. Total income was \$274,822.54.

It was MOVED to approve by Marsha Watkins; SECONDED by Dr. Escalante. Six approved; none opposed.

The Board also reviewed the Statement of Financial Position and Statement of Activities. Dr. Clark informed the board of pledges receivable in the amount of \$17,500.00. These pledges are sponsorships in support of the Superintendents' Professional Collaborative.

It was MOVED to approve by Marsha Watkins SECONDED by Gloria Rogers. All in favor; none opposed.

#### DONATIONS, GRANTS and OTHER INCOME

Dr. Duardo introduced Mr. Chris Looney, Ms. Lindsey Blok, and Mr. James Morgan from CCS Fundraising.

Mr. Looney provided an update on the research and planning currently being done in the planning phase of the initiative. Mr. Looney also provided an update on the status of project deliverables. CCS has conducted strategic conversations with 25 key individuals to date to assist in the development of a fundraising plan. The goal is to conduct 40-50 conversations by phone or in person with local, regional, and national public education stakeholders. These conversations will be used to gather reactions and guidance regarding the Concept Paper and LACOE's strategic priorities.

In addition, Mr. Looney and Mr. Morgan discussed the upcoming meeting of thirty public education stakeholders scheduled for November 1, 2018. The two and one half hour session, co-hosted by LACOE, The California Endowment and the California Community Foundation, is entitled "Los Angeles County Public Education Stakeholder Roundtable: Partnerships and Leveraging for Maximum Impact." Participants will discuss public education issues and how philanthropy can best lead and support in the sector. Among the participating are organizations are the Ballmer Group, Weingart Foundation, the LA Dodgers Foundation, The LA Chargers Foundation, the California Credit Union, Parson Foundation, and the Los Angeles Area Chamber.

Ms. Watkins requested that a copy of the Concept Paper be sent to board members. Mr. Morgan promised to forward a copy to each board member.

#### MARKETING, OUTREACH, AND PROPSOALS FOR FUNDING

Dr. Duardo provided the board with an update of the GAIN Division's Fall Hiring Spree. Dr. Duardo outlined Nathan Auzene's efforts as he secured donations from Costco, the LA Sparks, the LA Clippers, and a donation for Dodger Tickets from Senator Kevin de Leon.

It was also shared that Supervisor Sheila Kuehl is a big supporter of the event and the all the area Supervisors would provide bussing for the participants. In addition, KCAL 9 picked up the event and will be interviewing event committee members during a lunch broadcast on October 30<sup>th</sup>.

Fundraising efforts on behalf of the LA County Spelling Bee and several programs for Larson East PAU were outlined.

#### OTHER BUSINESS

Dr. Duardo shared a change in the dates on the annual calendar of board meetings. There are changes to the dates for the meetings in January and June of 2019, as seen in Attachment F.

Information was also provided to the board regarding the National School Foundation Association Annual Conference. The conference will take place in San Diego from February 11-13, 2019. It was stated that board member attendance at this conference could be of benefit to FOL.

#### ADJOURNMENT

It was MOVED to adjourn at 10:58 a.m. by Ms. Watkins SECONDED by Gloria Rogers. All in favor. None opposed.

Friends of LACOE: A Foundation for Learning  
Acceptance of Funds

<b>Acceptance of Funds: October 1, 2018 through December 31, 2018</b>		
Project	Funder	Amount
Academic Decathlon Student Scholarships/Recognition	LACOE Payroll Deductions	\$30.00
African American Scholarship	LACOE Payroll Deductions	\$135.00
Asian Pacific Heritage Scholarship	LACOE Payroll Deductions	\$60.00
Ed Programs General Fund	LACOE Payroll Deductions	\$150.00
GAIN/Participant Support Services	LACOE Payroll Deductions	\$450.00
History Day	LACOE Payroll Deductions	\$30.00
iPoly Student Scholarships	LACOE Payroll Deductions	\$60.00
Los Angeles County Bilingual Directors Association	Birch Carlson	\$10,008.00
Migrant Education Scholarships	ABC Migrant Ed PAC	\$430.00
Migrant Education Scholarships	LACOE Payroll Deductions	\$105.00
Outdoor Science/Marine Science	LACOE Payroll Deductions	\$30.00
Phoenix Academy	LACOE Payroll Deductions	\$60.00
Road To Success Academy: General Fund	LACOE Payroll Deductions	\$30.00
SARB Scholarship/S Abrams	LACOE Payroll Deductions	\$90.00
Special Ed Student Needs	LACOE Payroll Deductions	\$75.00
Spelling Bee	Scholastic Inc.	\$812.49
Spelling Bee	LACOE Payroll Deductions	\$60.00
Superintendents' Prof Collab Conference	California Credit Union	\$5,000.00
Superintendents' Prof Collab Conference	The Network for Educational Access, LLC	\$500.00
Superintendents' Prof Collab Conference	HMC Architects	\$2,500.00
Superintendents' Prof Collab Conference	Lakeshore Learning Materials	\$1,800.00
Superintendents' Prof Collab Conference	School Innovations and Achievement	\$5,000.00
Superintendents' Prof Collab Conference	BERNARDS	\$2,500.00
Superintendents' Prof Collab Conference	ABM Industries Incorporated	\$5,000.00
Superintendents' Prof Collab Conference	Preferred Meals	\$5,000.00
Unrestricted	LACOE Payroll Deductions	\$210.00
Unrestricted	AmazonSmile	\$63.37
Visual and Performing Arts	LACOE Payroll Deductions	\$60.00
	<b>Total</b>	<b>\$ 40,248.86</b>

<b>Payments Received for Pledges Receivable (2nd Quarter 2018-19)</b>			
Project	Funder	Pledge Completion Date	Amount
Superintendents' Prof Collab Conference	Sports for Learning	10/4/2018	\$2,500.00
Superintendents' Prof Collab Conference	Cambridge Assessment, Inc.	10/19/2018	\$15,000.00
		<b>Total</b>	<b>\$17,500.00</b>

<b>Open Pledges Receivable (2nd Quarter 2018-19)</b>			
Project	Funder	Pledge Date	Amount
Community Schools Director Grant	Mountain Philanthropy Partners	10/17/2018	\$300,000.00



# Friends of LACOE: A Foundation for Learning

## STATEMENT OF ACTIVITY

October - December, 2018

	TOTAL
<b>Revenue</b>	
4100 Restricted Contributions	
4110 Individual	11,433.00
4120 Corporation	771.87
4130 Foundation	300,000.00
4170 Assoc./Non-Profits/Cmnty Groups	930.00
<b>Total 4100 Restricted Contributions</b>	<b>313,134.87</b>
4200 Unrestricted Contributions	
4210 Individual	210.00
4240 Corporate Foundation	63.37
<b>Total 4200 Unrestricted Contributions</b>	<b>273.37</b>
4300 Admin Fees (Unrestricted)	
4320 Corporation	40.62
<b>Total 4300 Admin Fees (Unrestricted)</b>	<b>40.62</b>
4700 Event Revenue	
4750 Sponsorships	26,800.00
<b>Total 4700 Event Revenue</b>	<b>26,800.00</b>
<b>Total Revenue</b>	<b>\$340,248.86</b>
<b>GROSS PROFIT</b>	<b>\$340,248.86</b>
<b>Expenditures</b>	
6270 Program Supplies	214.50
7200 Professional Services	
7210 Consultant	85,214.00
<b>Total 7200 Professional Services</b>	<b>85,214.00</b>
7300 Conference/ Meetings	
7320 Meals and Food	2,712.70
7340 Conf Registration	125.00
7360 Mileage/Parking	50.03
<b>Total 7300 Conference/ Meetings</b>	<b>2,887.73</b>
7760 Bank Fees	290.60
<b>Total Expenditures</b>	<b>\$88,606.83</b>
<b>Change in Net Assets</b>	<b>\$251,642.03</b>

**Friends of LACOE: A Foundation for Learning**  
**Statement of Financial Position**  
As of December 31, 2018

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
SFFCU Savings Account	50.00
CCU Checking Account	213,782.90
SFFCU Checking Account	25.00
PayPal	0.00
<b>Total Bank Accounts</b>	<b>\$ 213,857.90</b>
<b>Total Pledges Receivable</b>	<b>\$ 300,000.00</b>
<b>Total Current Assets</b>	<b>\$ 513,857.90</b>
<b>TOTAL ASSETS</b>	<b>\$ 513,857.90</b>
<b>LIABILITIES AND NET ASSETS</b>	
<b>Net Assets</b>	
Unrestricted	20,558.28
Restricted	493,299.62
<b>Total Equity</b>	<b>\$ 513,857.90</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 513,857.90</b>

Thursday, Jan 17, 2019 10:12:25 AM GMT-8 - Accrual Basis

**Friends of LACOE: A Foundation for Learning**  
**Budget vs. Actual**  
 July - December 31, 2018

	Total	
	Actual	Budget
<b>Revenue</b>		
<b>Restricted Contributions</b>		
Individual	12,005.00	10,000.00
Corporation	14,127.53	60,000.00
Foundation	525,000.00	150,000.00
Local Gov. & School Districts		3,500.00
Assoc./Non-Profits/Cmnty Groups	5,230.00	3,000.00
<b>Total Restricted Contributions</b>	<b>\$ 556,362.53</b>	<b>\$ 226,500.00</b>
<b>Unrestricted Contributions</b>		
Individual	290.00	1,200.00
Corporate Foundation	175.32	
Assoc./Non-Profits/Cmnty Groups		1,500.00
<b>Total Unrestricted Contributions</b>	<b>\$ 465.32</b>	<b>\$ 2,700.00</b>
<b>Admin Fees (Unrestricted)</b>		
Corporation	743.55	
Foundation	25,000.00	
Assoc./Non-Profits/Cmnty Groups	200.00	
<b>Total Admin Fees (Unrestricted)</b>	<b>\$ 25,943.55</b>	<b>\$ 0.00</b>
<b>Event Revenue</b>		
Sponsorships	49,500.00	30,000.00
<b>Total Event Revenue</b>	<b>\$ 49,500.00</b>	<b>\$ 30,000.00</b>
<b>Inkind Contributions</b>		
		37,840.00
<b>Total Revenue</b>	<b>\$ 632,271.40</b>	<b>\$ 297,040.00</b>
<b>Gross Profit</b>	<b>\$ 632,271.40</b>	<b>\$ 297,040.00</b>
<b>Expenditures</b>		
<b>Personnel</b>		
LACOE		16,000.00
<b>Total Personnel</b>	<b>\$ 0.00</b>	<b>\$ 16,000.00</b>
<b>Inkind Expenses</b>		
Inkind Facilities	0.00	180.00
Inkind Professional Services	0.00	11,500.00
Inkind Insurance	0.00	8,400.00
Inkind Utilities	0.00	198.00
Inkind Office Supplies	0.00	62.00
Inkind Salaries & Wages	0.00	15,000.00
Inkind Other	0.00	2,500.00
<b>Total Inkind Expenses</b>	<b>\$ 0.00</b>	<b>\$ 37,840.00</b>
<b>Program Supplies</b>	276.85	2,200.00
<b>Participant Incentives</b>		
Scholarships	10,500.00	14,000.00
Student Awards/Recognition		1,000.00
Prizes		2,500.00
School/District		2,500.00
<b>Total Participant Incentives</b>	<b>\$ 10,500.00</b>	<b>\$ 20,000.00</b>
<b>Office Supplies</b>	139.34	500.00
<b>Equipment Rental</b>		
Printing and Copying	1,724.52	250.00
Dues/Memberships/Subscriptions		250.00
Postage/Delivery		500.00
<b>Professional Services</b>		
Consultant	236,522.00	80,000.00
<b>Total Professional Services</b>	<b>\$ 236,522.00</b>	<b>\$ 80,000.00</b>
<b>Conference/ Meetings</b>		
Facilities	2,005.19	
Meals and Food	2,712.70	
Conf Registration	125.00	
Mileage/Parking	50.03	
<b>Total Conference/ Meetings</b>	<b>\$ 4,892.92</b>	<b>\$ 50,000.00</b>
<b>Travel</b>		22,000.00
<b>Registration, License &amp; Permits</b>		150.00
<b>Bank Fees</b>	445.90	
<b>Total Expenditures</b>	<b>\$ 255,001.53</b>	<b>\$ 230,890.00</b>
<b>Net Operating Revenue</b>	<b>\$ 377,269.87</b>	<b>\$ 66,150.00</b>
<b>Net Revenue</b>	<b>\$ 377,269.87</b>	<b>\$ 66,150.00</b>

LACOE Inkind to be posted at year-end





**LACOE Philanthropy Planning Initiative  
Research and Planning Activity Summary  
January 18, 2019**

In June 2018, the Los Angeles County Office of Education (LACOE) began a philanthropy scoping and planning process. Through a grant from Mountain Philanthropies, LACOE retained CCS Fundraising to review the organization's past and current fundraising efforts, assess opportunities for future strategic partnerships and fundraising efforts, and provide specific recommendations and a plan to enhance strategic partnerships and philanthropic efforts into the future.

A Task Force of fourteen members was recruited to guide and inform the process. The Task Force was chaired by LACOE Superintendent, Dr. Debra Duardo, and included a member of the of the Friends of LACOE Foundation Board, two representatives of the Los Angeles County Board of Education, LACOE administrators, a district superintendent, and two executives from Mountain Philanthropies.

The key activities of the research and planning process included:

- Twenty-two (22) strategic conversations with key internal stakeholders, including LACOE administrators, program directors, and volunteer leaders were completed to better understand the culture of the organization, the strengths and weaknesses of LACOE relative to philanthropy, and identify possible areas for fundraising priorities.
  - a. Participants discussed LACOE's oversight responsibilities, support for districts, and direct education programs. They also talked about LACOE's role in ensuring quality and standards across the districts
  - b. Participants consistently spoke of the desire to do more, the frustrations that come from limited resources, and the possibilities to scale and innovate services to students
  - c. There was an expressed concern about the current Friends of LACOE foundation (FOL) organization's ability to develop and support partnerships and contribute substantially to program funding. They enthusiastically supported the planning process to develop more partnerships and resources
- CCS collected, reviewed, and analyzed budgets, fundraising reports, gift histories, brochures, organizational charts, job descriptions, proposals, and more. These investigations were designed to gain a picture of the various tools and resources available to LACOE and the FOL staff; understand past and current practices and programs; and understand trends based on past and current development results and activities. Findings include:
  - a. FOL needs a structure to develop the capacity to facilitate more significant partnerships, effectively generate philanthropic support from a broad audience of capable and interested funders, and professionally staff the superintendent and others in a relationship development or fundraising capacity

- b. FOL needs fundraising experience, planning, and fundamentals, such as a database of qualified prospects, fundraising volunteer leadership, case statement, and plan to raise substantial philanthropic support for programs
  - c. FOL's current tax status as a 509(a) foundation limits LACOE's ability relative to fundraising, grantmaking, and program support. A direct conversion to a 501(c)(3) foundation would remediate those status limitations
- CCS reviewed other local, regional and national organizations to gain additional perspectives on best practices and new endeavors for local, regional, and national fundraising programs. Aspirational peer groups in New York, Boston, San Francisco, Denver and Philadelphia were examined for mission, organization, capabilities and modeling potential for LACOE.

The key takeaways from the analysis on peer and aspirational peer foundations and community foundations revealed a number of common factors that will enhance the opportunity for a new foundation to succeed. The factors include:

- a. Volunteer board with membership passionate to the mission and values of the institution
  - b. Capable executive leadership
  - c. A close relationship with the public education system the foundation supports
  - d. Staff organizations with clearly delineated responsibilities in partnership development, fundraising, grantmaking, program management, finance, and corporate management
  - e. Clear mission and vision statements
  - f. Clearly articulated and well-promoted program offerings and funding priorities
  - g. Transparent professional financial and investment guidelines and procedures
  - h. Audited financial statements
  - i. Published philanthropic impact statements and fundraising results
  - j. Defined and public processes for distributing funds
  - k. An organizational commitment, from the board through the staff and donors, to the foundation's mission and priorities
- LACOE administrators and CCS and Mountain Philanthropies executives collaborated to develop a Concept Paper describing LACOE's role in public education, the opportunities to enhance philanthropic collaborations, and the idea of an educational community foundation.
    - a. Roundtable participants and conversation participants generally commented that the Concept Paper is a strong document that well describes the landscape, LACOE, and its aspirations
    - b. Anecdotal evidence shows that the Concept Paper has been shared beyond its original audiences
    - c. Two numbers contained within the paper that draw frequent reactions are the two million public education learners in the county and the 80 county districts
    - d. Audiences have asked that the next version provide specificity to both LACOE plans and priorities and the platform/foundation form and structure
  - Forty-nine (49) strategic conversations were conducted local, regional, and national external education experts, philanthropists, foundation executives and officers, advocacy group representatives, public education professional and administrators, and civic leaders. Los Angeles and national philanthropy were complete, to raise awareness of LACOE among key potential

partners, seeks reactions and guidance relative to LACOE's plans, and identify possible partners and funders. Common themes identified during conversations include:

- a. The fundamental importance of public education and urgent need to address issues, challenges, and needs
  - b. The energy and interest within the Greater Los Angeles philanthropic marketplace for ideas and programs that offer opportunities to advance and achieve greater student success, especially for those students that are underserved or have greater needs
  - c. The recognition that philanthropic and private-public partnerships and co-investment can be impactful and are a growing trend
  - d. That successful public education partnerships and supporting organizations exist in Los Angeles County, but there are gaps within the sector. Los Angeles County lacks a comprehensive and central driver for co-investment and collaborations that is exclusively focused on Pre-K to 12 public education
  - e. Interest in the possibilities that may emerge from a specific co-investment platform and a desire to be kept informed as the process moves forward
  - f. The need for LACOE to be specific relative to its priorities and partnership plans
  - g. The challenges of working with some government agencies
  - h. The need exists to make the case for philanthropic leadership and support in public education
- LACOE, The California Endowment, and the California Community Foundation co-hosted a Public Education and Philanthropy Roundtable discussion, with thirty key stakeholders in Los Angeles County public education to consult on education issues and seek guidance relative to LACOE's plans. Several themes emerged through the presentations and discussions during the meeting, including:
    - a. The strong desire among the participants for enhanced and focused public education collaborations and partnerships
    - b. The urgent need to turn around failing schools
    - c. LACOE's role as experts in public education with a county wide perspective and ability to scale programming gives it a leadership role in developing enhanced partnerships
    - d. LACOE's need to increase awareness of its role in public education within Los Angeles County
    - e. LACOE's need to articulate its vision, plans and priorities
    - f. LACOE's potential as a data resource, both for partnership activities and individual private programming to support public education
  - CCS presented a Final Report to the Task Force in December with findings and recommendations. Key among the recommended next steps included:
    - a. Establishing an Advisory Group
    - b. Developing a strong vision statement for the partnership platform and the case for co-investment in public education
    - c. Developing the platforms to support enhanced co-investment opportunities
    - d. Recruiting an executive director to lead the initiative

With the submission of the Final Report, the Task Force concluded its work and the planning phase ended.