

Joint Meeting of the BBCS Advisory Council and the BBCS Education Foundation

Minutes

August 21, 2018

Start: 7:04 p.m.

End: 8:27 p.m.

Present: Advisory Council: Amy Rodriquez, Celine Gayan, Carolyn Hoy, Mike Hoy

Pastors: Fr. Mike Woempner

Others: Angela Oller, Jeanette Asam, Sheila Caswell, Marci Ellis, Wendy Decker-McMillan, Stephanie Covitz

Foundation Board: Jerry Brien, Pat Covitz, Eileen Sparpana, Bruce LeBlanc, Doug Sage

Absent: Dianne Gauthier, Jen Raiche, Angela Fornetti, Fr. Joe Gouin, Fr. Janusz Romanck, Msgr. Kaczmarek

1. Opening Prayer led by Fr. Woempner
2. Jerry Brien provided some history of the Education Foundation and how it was started in the mid 1980s. The Foundation is a Juridical Person under canon law of the Catholic Church. However, the Foundation does not have a unique tax identification number with the IRS. For that reason all donors are encouraged to make their donations of any amount by check payable to BBCS which does have a IRS identification number.
 - A. Article 3 of the Foundation By-Laws states its purpose is to receive, hold, manage, invest and reinvest funds for the sole benefit of BBCS.
 - B. The Foundation is a self-perpetuating third source of revenue for BBCS.
3. Both endowed and non-endowed funds are managed by the Foundation. Any Donation may be restricted by the donor in either the form in which it may be managed, such as an endowment, or in how the proceeds may be spent such as for tuition assistance or building maintenance. In the case of an Endowment, only the distributed earnings may be spent. Donations without restrictions may be preferred since spending priorities are left to the discretion of School Administration according to the established policies for school expenditures.
4. Parish subsidies are received from the four parishes to support the school. Parishioners want to know that the School is managed in a prudent and frugal manner.

5. Regular School Newsletters and Parish Bulletin inserts are an excellent way to keep your supporters informed. In November 2013, after the completion of the Capital Campaign, a parish bulletin insert was used to let parishioners know what was happening at the school, how the money was spent, what improvements had been made and (most importantly) to say THANK YOU for the many ways the parishioners had supported the School.
6. Jerry Brien reviewed the BBCS Investment Funds Summary at June 30, 2018. This report is produced quarterly for the Foundation Board meetings.
7. A November, 2011 Joint Resolution spelled out the shared responsibilities of the Advisory Council and the Education Foundation Board. This resolution should be updated to provide for the funds added through bequests in recent years and those that may be added in the future. Since the Foundation does not have a clerical staff or public reporting of its own, the Advisory Council agreed that summary investment data would be included in its Financial Statements. The Foundation Board will provide descriptive information from its quarterly minutes as needed.
8. Regular meetings between the Advisory Council and the Foundation Board would be beneficial to all. Perhaps an annual meeting would be sufficient. The Council would provide information on how restricted funds were spent. The Foundation Board would provide information on how the distributions are determined and the different factors that are considered in the decisions.
9. Improved accounting functions are needed.
 - A. Records must be maintained accurately and in a timely manner
 - B. Management needs to have information regarding the accounting records and to have confidence in the process of maintaining those records
 - C. The Foundation Board encourages the start of long-range planning as soon as possible.
10. It was suggested that the school work closely with the Diocese of Marquette regarding accounting functions.
 - A. Be clear and demanding with the Diocesan staff
 - B. Insist on accurate information
 - C. Insist on receiving information in a timely manner
11. Initiate, develop and nurture a Finance Committee for BBCS
 - A. Suggested Members: Marty Fox, Erick Hackstock, Scott Pirkola, Dave Knoke, Dan Wentarmini

B. Angela Oller (principal) will reach out to individuals to invite them to join the BBCS Finance Committee

12. The Anita Bonkowski Trust, started in 2009 was discussed by Jerry Brien. The initial \$100,000 gift was received in August, 2009 from the Trust with a letter from Zigmund Bonkowski, Anita's husband. In his letter, addressed to Fr. Zaloga, it is stated that the funds are to be used for the direct benefit of the students and are not intended for any building maintenance. He also requested an annual report stating how the funds were used.

A. The primary purpose of the Anita Bonkowski Trust was to provide support for Zigmund. In 2017, Mr. Bonkowski died at the age of 103, and the Trust Administrator moved to liquidate the Trust. BBCS received \$141,088.60 from the Trust. Jerry Brien contacted the known heirs of Anita Bonkowski to determine their wishes for the Gift. The heirs asked that the gift be managed locally and for the long term benefit of the students of BBCS as stated in Zigmund's letter of 2009. They also asked for an annual report stating how the monies were used.

13. Discussion ensued on the Endowment Challenge from the Diocese of Marquette.

A. The most attractive option appears to be: Raise \$10,000 locally to get an additional \$100,000 from the Diocese in the form of an endowment.

B. The Endowment should have a broad purpose, not restricted, for the general support of BBCS

C. Jerry Brien suggested that we use \$10,000 of the Bonkowski gift to start the Endowment Fund with UPCF.

D. The Existing UPCF fund is restricted to tuition assistance and building maintenance. This new endowment should be unrestricted in its purpose.

E. Bruce LeBlanc suggested we set up a projected plan to re-pay the \$10,000 of the Bonkowski gift used to start the Diocese Endowment over a period of years. The repaid \$10,000 would be invested with the original gift.

F. The consensus was to borrow \$10,000 from the the Bonkowski gift to start/accept the Diocese Challenge from the Diocese of Marquette.

G. A motion was made by Jerry Brien to borrow \$10,000 to use as "seed money" for a new endowment with the UPCF to gain \$100,000 from the Diocesan Challenge. The new Endowment will be used for the general operating expenses of BBCS and the direct benefit of its students. The intent is to pay back the loan of \$10,000 into the Bonkowski Fund over a period of years. Marci Ellis seconded the motion. The motion was passed unanimously. Not voting - Sheila, Jeanette, Marci, Stephanie, Wendy

H. Jerry Brien moved that the Bonkowski Gift be added to the BBCS Endowment Fund which is administered and managed by the BBCS Education Foundation Board

and is invested in the Pooled investment account of M.C.C. It's distributed earnings are used for the general support of the school.

Celine Gayan seconded the motion and was passed unanimously by the Foundation Board. The Advisory Council members deferred their vote to their next meeting to be held on Sept. 25, 2018 as many members were missing.

14. The handling of monetary gifts to the School was discussed. The donor legally controls where the money goes for investment and who manages the investment. Funds managed by the local volunteer Foundation Board result in more earnings to benefit the School. MCC Pooled Investment Account Managers invest the money and there are no added administrative fees. Funds managed by UPCF are subjected to administration fees of 75 basis points or 3/4 of 1%.
15. The next Advisory Council Meeting is scheduled for Sept. 25. Jerry Brien will discuss the information presented above.
16. Plans were discussed to have more frequent joint meetings for the purpose of exchanging information
17. The meeting was adjourned at 8:27 p.m. with a group prayer of the Our Father.