

**MINUTES OF THE  
LA JOLLA GOLDEN TRIANGLE ROTARY CLUB FOUNDATION  
ANNUAL BOARD OF DIRECTORS MEETING ON  
December 4, 2015  
La Jolla Marriott  
San Diego CA**

**BOARD MEMBERS**

<b>PRESENT:</b>	Steve Brown	President
	Eric O. Freeberg	Secretary
	Pam Russell	Treasurer
	Alex Monroe	Vice-President
	Bruce Geier	Director
	Antonio Grillo-Lopez	Director
	Ron Kohl	Director
	Linda Stouffer	Director

**GUESTS:** Sharon Council  
Marty Rosenstein  
Bev Fritschner  
Brett Morey

**ABSENT BOARD MEMBERS:** NONE

Meeting was called to order by Steve at 9:00 am, after Eric reported we had not only a quorum but 100% attendance by all directors.

Please note that all references to exhibits herein refer to the exhibits attached to the Agenda or attached hereto.

1. M/S/C to ratify the Board's prior approval of both the February 20, 2015 Minutes of the 12-5-14 Annual Board Meeting (**Exhibit 1a**) and the Minutes of the 5-29-15 Annual Meeting of the Membership of the Foundation (**Exhibit 1b**).
2. After explanation by Treasurer Russell and President Brown, the Board reviewed, and had no objections to **Exhibit 2**. **Exhibit 2** is a one page Summary of the Foundation Account Balances as of June 30, 2015.
3. The Board reviewed, and had no objections to, **Exhibit 3** which is the 2014-2015 Club Avenue of Service Projects Fund Allocations by the Foundation which specifies the Club's Avenues of Service ("AOS") expenditures .
4. The Board reviewed, and had no objections to **Exhibit 4a** which is the Register Report for the Torrey Pines Bank checking account maintained by Pam Russell from 7/1/2014 – 6/30/2015. The Board reviewed, and had no objections to **Exhibit 4 b i** which is the Register Report for the Torrey Pines Bank checking

account for the one Global Grant in the amount of \$63,523.40. The Board reviewed, and had no objections to **Exhibit 4 b ii** which is the Register Report for the Torrey Pines Bank checking account for the now closed and fully funded Global Grant in the amount of \$15,003.98. Steve discussed the fact that RI will no longer require separate checking accounts for each Global Grant and they will be able to be consolidated into one Special Projects Account much to the relief of Pam and Steve.

5. The Board reviewed, and had no objections to, the check register for the Del Mar Checking Account for 7-1-14 to 6-30-15 maintained by Steve Brown and specifies chronological payments and deposits (**Exhibit 5a**). The Board reviewed, and had no objections to, the *Itemized Categories* Summary of the “Special Accounts Checking Account” maintained by Steve Brown which itemizes all expenditures and deposits by Project from the period of time 7-1-14 to 6-30-15 (**Exhibit 5b**). The Board reviewed, and had no objections to, **Exhibit 5c** which is a “snapshot” of the Special Projects as of 6-30-15. The Board reviewed, and had no objections to, the Global Grants Status Report (**Exhibit 5d**).

In regard to **Exhibit 5c** Steve discussed the open status of the line item “Dormitory Project” in the amount of \$19,395.68. This amount relates to the construction of a school dormitory in Afghanistan which has been completed. Steve is unable to get the contractor to respond in order to confirm that this matter has been resolved and what final payment if any is due to the contractor. The Board considered this issued and concluded no action was necessary at this time, and the Board would revisit this issue next year unless the issue surfaces prior to that time.

Please note that that the Torrey Pines Account located at the UTC Branch is maintained by Treasurer Pam Russell and is for (i) the deposit of members’ contributions fulfilling Paul Harris pledges by our Club members, (ii) funds to be added to our endowment, and (iii) funds earmarked for next year’s projects, (iv) funds from Global Grants and (v) The Torrey Pines Account located at the Del Mar branch is maintained by President Brown and is for donations that have been earmarked to specific projects, fund-raising outside the club, and an occasional Global Grant.

6. After explanation by Pam Russell, the Board reviewed, and had no objection to, the Foundation Drive Statistics as of 6-30-15 (**Exhibit 6**).
7. After explanation by Pam Russell, the Board reviewed **Exhibit 7** which constitute the Treasurer’s Annual Report on involvement of club members for the time FY 2014-15 by specifying (i) New Paul Harris Fellows; (ii) New Multiple Paul Harris Fellows; (iii) Members of the Paul Harris Society; (iv) New Major Donors; (v) New Foundation members; (vi) New Benefactors/Bequest Society Members; and (vii) and a breakdown of every Club member as to their participation in the all of the above Life to Date.

8. Board reviewed, and had no objection to, **Exhibit 8** that reflected the FY 2015-16 AOS previously approved funding.
9. The Board reviewed, and had no objections to, the Statement from the San Diego Foundation (**Exhibit 9**). Alex discussed his meeting with the Foundation and his approval of the management of the Foundation Account by the San Diego Foundation. Alex reported that SD foundation has advised contributions to date totaled \$256,594; distributions to date totaled \$171,226 with the fund having an October 31, 2015 balance of approximately \$441,000.
10. M/S/C that all email votes by the Board in the prior year were formally ratified and approved, including but not limited to those email votes specified on **Exhibit 10**.
11. M/S/C that Alex Monroe be the official liaison with the San Diego Foundation to take the place of Carl Lower. M/S/C that Alex Monroe be elected to the position of Vice President to take the place of Carl Lower.
12. M/S/C that \$1,226.00 be taken from the budget of the ISC from the “New Member line item”, and \$274.00 be taken budget of the ISC from the “Contingency” line item and be used to support the Uganda Water Project.
13. M/S/C that \$1,500 be reallocated within the Community Service Budget to be used to support the Police Project.
14. Steve discussed the generous \$25,000.00 future endowment to be made by Dory Beatrice to the San Diego Foundation to support the Club ISC.
15. Steve discussed the status of the Baumgartner Bequest to the Foundation for a partial interest in the remainder of that trust that will be distributed to the Foundation endowment many years from now. The value of this future distribution was valued as of December 31, 2014 at \$1,041,326 but is likely to diminish as distributions are made over the next several years to lifetime beneficiaries.
16. The authorization for the existence of the Special Committee consisting of Pam Russell, Steve Brown and Eric Freeberg that was previously appointed for the limited purpose of approving Modifications to the Club Committee Budgets needs to be reaffirmed do to the expired terms of this Special Committee. M/S/C that any prior actions of this Special Committee are ratified by the Board. M/S/C that this Special Committee be reappointed. The Certificate of Resolution of The La Jolla Golden Triangle Rotary Club Foundation consistent with that motion is attached hereto.
17. Steve discussed the tax return and the work done by the accountant retained by the Foundation. It was agreed that although a nuisance, it was appropriate to ensure that our Foundation be managed consistent with best practices Deborah

Brennan which resulted from the complexities of our current tax return. This led to a discussion of enforcement of Board Policies and in particular the Conflict of Interest Policy. Eric will investigate and recommend appropriate procedures in the future.

18. Linda asked about D & O coverage for the Board, and Steve agreed to investigate to confirm his recollection that RI provides such coverage. Steve has since been advised by Rotary headquarters as follows:

The U.S. Rotary Club & District Liability Insurance Program ("Program") provides general liability (GL) and directors' & officers'/employment practices liability (D&O/EPL) insurance coverage automatically to active U.S. Rotary Clubs & Districts and its foundations (subject to policy terms and conditions).

Eric reviewed the explanation of the RI policy and pertinent portions are attached as **Schedule 1** to these minutes, and believes that the Foundation Board Directors have D & O coverage as defined by the RI guidelines. This is not a legal opinion by Eric for the benefit of any Director, the Foundation or the Club.

19. Eric discussed the need for the more "seasoned" members of the Board to continue to seek out and mentor club members for future leadership roles in the Board such as Alex.
20. The Board thanked Sharon Council for her tireless commitment to keeping the financial records of the Club in order, and Pam Russell for her tireless commitment to keeping the financial records of the Foundation in order. Both are thankless jobs and both the Club and Foundation are dependent upon their dedicated contributions of time and energy.

There being no further business, the meeting was adjourned.

Submitted by:



Eric O. Freeberg  
Secretary  
December 6, 2015

These minutes were approved by the necessary vote of the Board of Directors by email vote as of December 14, 2015.

Submitted by:

A handwritten signature in blue ink, appearing to read "Eric O. Freeberg". The signature is fluid and cursive, with a large initial "E" and "F".

Eric O. Freeberg  
Secretary  
December 14, 2015