

# The Rotary Club of Redondo Beach Community Foundation Annual Report to the Membership FY 2019-20

## Overview

The Rotary Club of Redondo Beach Community Foundation (Foundation) is a 501(c)3 Public Charity that works as a distinct organization - in concert with The Redondo Beach Rotary Club (Club), a 501(c)4 Social Welfare organization, to fund charitable projects. As a 501(c)3 Public Charity, contributions to the Foundation are tax deductible. Its purpose is: "...to spend charitable funds received for charitable purposes as deemed appropriate"

The focus of the Club is to develop and facilitate charitable projects. The focus of the Club Foundation is financial management and compliance with foundation tax regulations.

## Accomplishments

2019/20 was a challenging year. The onslaught of the COVID crisis triggered the cancellation of our annual fundraising event and disrupted many of our activities and projects.

Thanks to the generosity of our donors, sponsors and supporters, along with the success of an on-line auction we were able to raise over \$52,000 to support the upcoming year. This is equivalent to funds raised in previous years.

While some projects went on hold, new needs escalated - food for elders, domestic violence escalation, income losses to name a few. Club Board of Directors identified the needs and facilitated new projects. The Foundation allocated funds to support these needs.

In the midst of the disruption, the Foundation:

- Generated and approved a set of five policies to regulate the operations of the Foundation, including the Financial Policy to manage reserve, project and endowment funds.
- Established an Endowment Fund and invested its assets. Fourteen Founders contributed \$5,000 each to fund the new Endowment.
- Completed the transition to a new board structure.
- Completed a complete review of our Bylaws, Financial Policy and Operating Instructions and are now in discussions with the club to assure a smooth working relationship.
- Streamlined the payment request and accounting system - moving to a web-based system.
- Managed 92 payment requests and three matching contributions from three other organizations in support of 38 charitable projects.

## Rotary Charitable Projects

The magic of Rotary is in the personal connections and involvements in a variety of projects. Not reflected in charitable project budgets is the passion, skills and large number of hours of service freely donated by Rotarians to make a difference in the world.

Rotarians live their motto “Service above Self”.

## 2019/20 Projects

In the year completed in this past June the Foundation funded 38 projects – ranging from student eye glasses to intercity student haven and food for the needy to a district wide project in Mexico. The majority of the projects funded also involve Rotarian’s volunteered time and expertise.

It’s worth noting that, in addition to the projects requiring financial backing, the Club also supports or manages six other projects with their time and passion – projects like delivering meals to the elderly, helping the city count the homeless or managing a music project for the elderly.

## Projects Budgeted for 2020/21

- COVID Relief fast response fund
- Vision to Learn eyeglasses for students
- Feed the Hungry
- Domestic violence (1736 Crisis Center, RBPD Program, Salvation Army)
- Camp Pendleton family support
- Beach City Symphony
- Police Reserve
- Children’s Dental Health



## Rotary Club of Redondo Beach Community Foundation

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- Perry School nutrition
- Young Professional projects
- District student arts contest
- Police and Fire recognition
- Vocational Scholarships
- Interact high school Rotary service club
- Project ECHO high school entrepreneurial competition
- RYLA high school leadership training
- STEM Education Initiative
- Outbound Rotary exchange student stipend
- High School scholarships
- Mama Hill – intercity haven
- People for Community Improvement
- Buddy Benches – conflict resolution
- Costa Rica Humanitarian Project
- Guatemala Literacy
- Amorak Project – teach mothers to teach their kids
- La Paz Project in conjunction with La Paz Rotary
- Kenya Clothe the Children
- Nigeria ITI Peace Builders
- Kuna Village Clean Water
- Peace Film Festival

### Governance

The Foundation is governed by the following documents.

- Bylaws
- Financial Policy
- Operating Policy
- Conflict of Interest Policy
- Compensation Policy
- Record Retention Policy
- Whistle Blower Policy

You can find all of these documents in the Foundation's documents section of our Club Runner Website.

## Endowment Fund

The goal of the Endowment Fund of the Rotary Club of Redondo Beach Community Foundation (Endowment Fund) is to provide long term financial stability for the support of projects funded by the Foundation. The intention is to grow this fund to a point at which the net investment income can make a significant impact on the total Club Foundation Area of Service Budget. The Endowment Fund is a separate fund invested in securities and managed under the policies laid out in the Rotary Club of Redondo Beach Community Foundation Financial Policy (Financial Policy) a copy of which is attached.

The following founding members of the Endowment Fund made donations or donation commitments to establish the fund.

- DP & Connie Agarwal
- Walter Campbell
- Bob Hockberger & Patty Pickles
- Vera Jimenez & Brian Herlihy
- Sue Johnson
- Bill & Colette Paul
- Vicki Radel & Peter Lattey
- George & Anna Schane
- Jean Scully
- Anne Shea
- Conrad & Gail Siegel
- Jim & Mary Ann Stickler
- Jeff & Karen Weigel
- Nancy Weisel

In addition, a growing list of Rotarians are including a donation to the Endowment Fund in their wills and trusts.

A one-page information sheet for legacy giving to either or both the club foundation's Endowment Fund and to Rotary International is available to all club members upon request.

## Charitable Projects

The current focus of the Club Foundation is to provide financial support for service projects proposed by and managed by the club's areas of service. Contributions and fund-raising activities are clearly held distinct from club social and operating costs. Except for some minor foundation costs (state registration, tax return preparation, bookkeeping) all contributions go directly to charitable projects and are acknowledged, where appropriate, as 501(c)3 donations.



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### Charitable Program Support 2020-21 Year

Area of Service	Cash In	Allocation Percentage	Allocation of Charitable Fund Raising	Total Charitable Budget
Community Service	\$ 21,329.29	30.9%	\$ 16,111.50	\$ 37,440.79
International Service	\$ 1,750.00	24.4%	\$ 12,722.35	\$ 14,472.35
Vocational Service	\$ 812.66	9.0%	\$ 4,692.67	\$ 5,505.33
Youth Service	\$ -	25.7%	\$ 13,400.18	\$ 13,400.18
Peace & Conflict Resolution	\$ -	9.0%	\$ 4,692.67	\$ 4,692.67
President's Fund	\$ 412.51	1.0%	\$ 521.41	\$ 933.92
<b>Total</b>	<b>\$ 24,304.46</b>	<b>100.0%</b>	<b>\$ 52,140.79</b>	<b>\$ 76,445.25</b>

### 2020-21 Foundation Financial Summary

Operating Budget	Amount
Tax Preparation & Accounting Fees	1,992
Computer Software	75
Bank Charges	0
State Filing Fees	70
<b>Sub total operating expenses</b>	<b>\$2,137</b>

Financial Status June 30, 2020	Amount
Bank Balance	127,352
Less: Charitable Funds 2020 fund raiser	52,140
Less: LA City Club donation	3,727
Less: Funds rolled over from 2019-20	3,826
Less: Projected operating expenses	2,137
<b>Projected reserve funds</b>	<b>\$65,522</b>



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## Board of Directors 2020-21

### Director Name

- President – Jeff Weigel
- Secretary – Bob Hockberger
- Treasurer – Jim Stickler
- Past Club President -Faisal Hashmi
- Member at Large – Vicki Radel
- Member at Large - Walter Campbell
- Member at Large – Michael DeSantis

### Service Completion

June 30, 2021  
June 30, 2022  
June 30, 2023  
June 30, 2021  
June 30, 2021  
June 30, 2022  
June 30, 2023

### Governance Committee Members

(to be determined at Aug 5 board meeting)

**Respectfully submitted**

**Robert Hockberger**

Secretary

Rotary Club of Redondo Beach Community Foundation

(The vote to approve will take place at our annual membership ZOOM meeting, at 12:30 on Wednesday, August 19).

**(attachment – Financial Policy approved at the 8/5 Board Meeting**