SHANTI BOARD MEETING AGENDA
JULY 22, 2003
730 Polk Street
San Francisco, CA

1. CALL TO ORDER – 5:45

2. APPROVAL OF JUNE 22, 2003 MINUTES – 5:47

3. EXECUTIVE REPORT –5:50

4. REPORT FROM THE CHAIR 6:20
   ➢ PROPOSAL TO ACCEPT CLARA SHAYEVICH

      BREAK (10 MIN.) 6:40

5. STANDING COMMITTEE REPORTS 6:50
   ➢ DEVELOPMENT COMMITTEE
   ➢ FINANCE COMMITTEE
   ➢ GOVERNANCE COMMITTEE

6. ANNOUNCEMENTS, SCHEDULE UPDATES 7:30
   ➢ No Board meeting in August.
   ➢ Next meeting September 23
   ➢ August 17th Josephine’s event at the Plush Room
SHANTI BOARD OF DIRECTORS
MEETING JUNE 24, 2003
730 POLK STREET
SAN FRANCISCO, CA

Members Present: William Dawes, Ron Dial, Charles Garfield, Barb Henderson, Joshua Levenberg, Josephine Lott, Stu Smith

Members Absent: Greg Casillas, William Olds, Paul Pedrazas, Robert Rybicki, Koren Stonebreaker, Dennis Stradford

Staff Present: Kevin Burns, Bill Jones, Carol Kleinmaier, Hywel Sims – Executive Director
Eileen McFarlane – Minutes

CALL TO ORDER: 5:50 PM – without a quorum

EXECUTIVE DIRECTOR’S REPORT

Part One
• Due to the City budget cuts, five Shanti staff people will lose their positions.
• Shanti will be represented at the City Hall meeting Wednesday evening.
• City Supervisors are trying to find ways to restore some of the funding. We are hoping that HIV will be one of the services with reinstated funding.
• In the interim applications are being made to other funding sources in the hopes of retaining and redesigning the Client Services/Peer Support Programs.

Part Two – PowerPoint Presentation
*Please see PowerPoint attachment of the presentation
• Hywel worked with the Finance team looking at where we stand currently, what the projected fiscal year end will be and trends that Finance staff have tracked.
• We will end with a $300,000 deficit and will be $90,000 into our credit line. This is not unusual for service agencies during the current financial climate.
• One reason for this position is that we have not received any large grants at the end of the fiscal year, as in the past.
• This is not necessarily a bad thing, or atypical, but it is something that needs to be addressed.
• The agency needs greater stability especially, in cash reserves.
• Program directors will be directly involved in drawing up a balanced budget for 2004.
• There is a need to consider other agency programs as a source of fee-for-service.
• Next fiscal year investment will be made in the infrastructure.
• Emphasis will be on strong development, communication and marketing, as discussed at the retreat.
The public needs to be made aware of what we are as an agency...now.

Worthy of investments are major donor programs and a strategic plan to enhance grant writing and specific strategic guidelines for development.

Bill Jones reported that we have had a lapse of development leadership and that it will take time to see concrete results.

Bill said that immediate opportunities will be connection with past donors, the Charles Garfield Society redefinition and careful tracking of grants and their renewal dates.

APPROVAL OF MINUTES FROM APRIL 22, 2003

Motion to Approve: Stu Smith
Second: Barb Henderson

Discussion: The change in the financial status from April to June was discussed.

Vote: Unanimous

REPORT FROM BOARD CHAIR

- Charles Garfield thanked the Shanti Directors for attending the retreat and for their reports.
- Admiration and praise was given to Kevin Burns and his staff for their professional response while under duress of budget cut-backs.
- Hywel Sims was also praised for his untiring work on behalf of the agency.
- Barb Henderson handed out a checklist of Board Responsibilities.

BOARD COMMITTEE REPORTS

Development Committee

Members of the Committee are: Chairperson Stu Smith, Dennis Stradford, Paul Pedrazas, Eileen McFarlane, Debra Gonzales, Doren Martin, Bill Jones, Henry Lucero

- Priority focus of the committee will be to redefine the Charles Garfield Society and Major Donor program.
- Josephine Lott gave a final report of the successful fashion show.
  - Over 200 people are now introduced to Shanti.
  - Several tangible contacts for Board recruitment were made.
  - Praise was given to Doren Martin for his skill, attention to detail and patience.
  - Josephine is also planning another event at the Plush Room on August 17th; she hopes Board members will attend.
- Bill Jones gave out a list of non-members of the current Charles Garfield Society and asked that Board members contact him regarding and information they could give regarding those on the list.
- An up-date was given on the Annual Gala:
  - It will be held at the Julia Morgan Ballroom
  - The theme will be “To/From Russia With Love:”
  - The Italian Consul(represented at the 2002 Event) will be asked to write or call the Russian Consul to promote the event.
  - Lily Tomlin might be willing to be involved.
FINANCE COMMITTEE
Members of the committee are: Chairperson Bill Dawes, Ron Dial, Koren Stonebreaker, Bob Rybicki
- They have had their first meeting.
- Priorities will be to get a draft budget from Hywel and his team.
- To see where the short-term challenges are and to strategize on how to plug the gap
- Re-investing returns from the Transportation Program into other programs will be studied. They will look quickly into the viability of expanding Transportation to areas outside of San Francisco, to off-set the drop in donations and City funds.
- Stu Smith is a member of the Muni Paratransit Council and stated that grants are available for equipment and finances.

GOVERNANCE COMMITTEE: BARB HENDERSON
Members are: Chairperson Barb Henderson, Bill Olds, Joshua Levenberg
- The first meeting will be July 9th.
- Their priorities will be to address:
  - Full scope of Board responsibilities
  - Board composition and diversity
  - Recruitment of new members
  - Board management
  - Absenteeism – Josephine Lott has given the Committee a letter that might be used regarding those who aren’t fulfilling the attendance requirement.
- Hywel mentioned that Joe Fera has been hired for the Director of Community Support position. Joe has excellent credentials for leading a workshop on board structure and learning organizations.
- Northern California Grantmakers might provide grant funds for recruitment of members.
- The trend for future government funding appears to be in areas relating people of color.

ANNOUNCEMENTS AND UPDATES
The next Board meeting will be held on September 23. There is no meeting in August.
FINANCE
News and
Updates

June 24, 2003
2003 Budgeted Revenues

- Contracts: 38%
- In Kind: 11%
- Donations: 7%
- Special Events: 6%
- Other: 1%
- Service Fees: 17%
2003 ACTUAL REVENUES (w/June Projected)

- Contracts: 43%
- Service Fees: 16%
- Special Events: 5%
- Other: 1%
- In Kind: 13%
- Donations: 6%
- Grants: 16%
2002 Revenue Actuals

- DONATIONS - IN KIND: 12%
- OTHER INCOME: 1%
- SERVICE FEES: 17%
- SPECIAL EVENTS: 6%
- DONATIONS: 13%
- GRANTS: 19%
- CONTRACTS: 32%
## Five Year Growth

<table>
<thead>
<tr>
<th>(in thousands)</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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<tbody>
<tr>
<td>Net Revenues</td>
<td>$2,937</td>
<td>$3,557</td>
<td>$3,888</td>
<td>$4,303</td>
<td>$4,121</td>
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<tr>
<td>Total Expenses</td>
<td>2,888</td>
<td>3,424</td>
<td>3,811</td>
<td>4,285</td>
<td>4,497</td>
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<tr>
<td>Program Expenses</td>
<td>2,168</td>
<td>2,742</td>
<td>3,148</td>
<td>3,652</td>
<td>N/A</td>
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<tr>
<td>% Spent on Programs</td>
<td>75%</td>
<td>80%</td>
<td>83%</td>
<td>85%</td>
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<tr>
<td>% Spent on Fundraising</td>
<td>18%</td>
<td>15%</td>
<td>14%</td>
<td>9%</td>
<td>N/A</td>
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<tr>
<td>Cash &amp; s/t investments</td>
<td>$224</td>
<td>$404</td>
<td>$33</td>
<td>$49</td>
<td>$2</td>
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<tr>
<td>Total Assets</td>
<td>1,047</td>
<td>1,213</td>
<td>1,438</td>
<td>1,497</td>
<td>1,357</td>
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<tr>
<td>Total Debt</td>
<td>233</td>
<td>266</td>
<td>414</td>
<td>455</td>
<td>575</td>
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</table>
Shanti's Sources of Revenue 1997

- Contracts: $1,400,000
- Grants: $1,200,000
- Donations: $1,000,000
- In Kind Gifts: $800,000
- Special Events: $600,000
- Transportation Fees: $400,000
- Fees: $200,000
- $0
Shanti's Revenue Sources 2002

- City contracts
- Grants
- Donations
- In Kind Contributions
- Special Events
- Service Fees

Revenue:

- $1,600,000
- $1,400,000
- $1,200,000
- $1,000,000
- $800,000
- $600,000
- $400,000
- $200,000
- $0
Shanti's Revenue Sources 2003

- City contracts: $1,800,000
- Grants: $1,600,000
- Donations: $1,400,000
- In Kind Contributions: $1,200,000
- Special Events: $1,000,000
- Service Fees: $800,000
# MASTER BUDGET
FISCAL YEAR 2003/2004

## Support and Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Donations</td>
<td>268,000</td>
</tr>
<tr>
<td>Grants</td>
<td>750,599</td>
</tr>
<tr>
<td>Reimbursement Contracts</td>
<td>2,112,174</td>
</tr>
<tr>
<td>Sales and Service Fees</td>
<td>650,000</td>
</tr>
<tr>
<td>Special Events</td>
<td>265,000</td>
</tr>
<tr>
<td>Other Income</td>
<td>15,800</td>
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</table>

**Total Support & Revenues (net)** 4,061,573

## Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Personnel</td>
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<tr>
<td>Operating</td>
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**Surplus(Deficit)** (226,459)

## Receivable from Grants Booked in Prior Years

<table>
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<th>Description</th>
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<tbody>
<tr>
<td>State Office of AIDS</td>
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<tr>
<td>Globe Foundation</td>
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<tr>
<td>Driscoll Foundation</td>
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**Cash Surplus (Deficit)** 13,541
<table>
<thead>
<tr>
<th>Revenue</th>
<th>Detail</th>
<th>Amount</th>
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<tr>
<td>Donations</td>
<td>General/Thrift</td>
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<tr>
<td>Donations</td>
<td>Bequests</td>
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<td>Donations</td>
<td>Direct Mail</td>
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<td>Donations</td>
<td>Donor Choice</td>
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<td>Donations</td>
<td>Major Donors</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>$268,000</strong></td>
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<tr>
<td>Grants</td>
<td>LifeLines</td>
<td>$130,000</td>
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<tr>
<td>Grants</td>
<td>Pelosi</td>
<td>$290,599</td>
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<tr>
<td>Grants</td>
<td>LIFE</td>
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<tr>
<td>Grants</td>
<td>General</td>
<td>$130,000</td>
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<tr>
<td>Grants</td>
<td>SNTI</td>
<td>$100,000</td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$750,599</strong></td>
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<tr>
<td>Positive LIFE</td>
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<td>$302,760</td>
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<tr>
<td>CCC</td>
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<td>Transportation</td>
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<td>St Mary's</td>
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<td>Emotional Practical Support</td>
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<td>SF Women's Services (LifeLines)</td>
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<td>Planning Council</td>
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<td>HRSA</td>
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<tr>
<td>Reimbursement Contracts</td>
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<td><strong>$2,112,174</strong></td>
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<tr>
<td>Sales</td>
<td>General</td>
<td>$2,000</td>
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<tr>
<td>Sales</td>
<td>Under One Roof</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>$10,000</strong></td>
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<tr>
<td>Special Events</td>
<td>Annual Dinner</td>
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<td>Special Events</td>
<td>Performance</td>
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<tr>
<td>Special Events</td>
<td>Fashion Show</td>
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</tr>
<tr>
<td>Special Events</td>
<td>TO BE DETERMINEI</td>
<td>$40,000</td>
</tr>
<tr>
<td>Special Events</td>
<td>Ride For Life</td>
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</tr>
<tr>
<td>Special Events</td>
<td>3rd Party</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>$265,000</strong></td>
</tr>
<tr>
<td>Service Fees</td>
<td>Transportation</td>
<td>$625,000</td>
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<tr>
<td>Service Fees</td>
<td>SNTI</td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$650,000</strong></td>
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<tr>
<td>Interest Income</td>
<td></td>
<td>$800</td>
</tr>
<tr>
<td>Misc.</td>
<td></td>
<td>$5,000</td>
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</table>
## SHANTI BUDGET

### Support & Revenues:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>268,000</td>
</tr>
<tr>
<td>Grants</td>
<td>750,599</td>
</tr>
<tr>
<td>Interest Income, Sales, Misc.</td>
<td>15,800</td>
</tr>
<tr>
<td>Reimbursement Contracts</td>
<td>2,112,174</td>
</tr>
<tr>
<td>Service Fees</td>
<td>650,000</td>
</tr>
<tr>
<td>Special Events</td>
<td>265,000</td>
</tr>
</tbody>
</table>

**Total Support & Revenues (net)**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,061,573</td>
</tr>
</tbody>
</table>

### Operating Expenses:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
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<tr>
<td>Payroll Taxes &amp; Benefits</td>
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<tr>
<td>Advertising</td>
<td>15,000</td>
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<tr>
<td>Outreach</td>
<td>20,000</td>
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<tr>
<td>Accounting/Legal</td>
<td>38,000</td>
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<tr>
<td>Bank Chgs/PR Fees/Service Chgs.</td>
<td>8,000</td>
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<tr>
<td>Client Activities</td>
<td>1,000</td>
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<tr>
<td>Community Act./Outreach</td>
<td>1,000</td>
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<tr>
<td>Computer Supplies</td>
<td>10,000</td>
</tr>
<tr>
<td>Contract Serv.-Collab. Subcontractor-BCA</td>
<td>41,628</td>
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<tr>
<td>Contract Serv.-Collab. Subcontractor-IFR</td>
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<tr>
<td>Contract Serv.-Collab. Subcontractor-POH</td>
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<tr>
<td>Contract Svcs-Consult.</td>
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<tr>
<td>Direct Mail</td>
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<tr>
<td>Discretionary - Executive Dir.</td>
<td>7,500</td>
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<tr>
<td>Dues, Subscriptions and Licence fees</td>
<td>1,000</td>
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<tr>
<td>Educational Supplies(Pos LIFE)</td>
<td>7,500</td>
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<tr>
<td>Fundraising-Major Donor Campaigns</td>
<td>3,000</td>
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<tr>
<td>Insurance - Liability, D &amp; O, Vehicle</td>
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<tr>
<td>Interest</td>
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<tr>
<td>Janitorial</td>
<td>6,048</td>
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<tr>
<td>Meals &amp; Entertainment</td>
<td>5,000</td>
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<tr>
<td>Miscellaneous, asset disposition, bad debt</td>
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<td>Newsletters</td>
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<tr>
<td>Category</td>
<td>Amount</td>
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<tr>
<td>---------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Printing - non program</td>
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<tr>
<td>Program Evaluation</td>
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<tr>
<td>Promotional Act.</td>
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<td>Rent - Van Parking</td>
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<td>Repairs, Improvements</td>
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<tr>
<td>Retreat</td>
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<td>Special Events</td>
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<td>Program Supplies</td>
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<tr>
<td>Supplies - Office / Sundries</td>
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<tr>
<td>Telephone</td>
<td>29,000</td>
</tr>
<tr>
<td>Telephone - non program</td>
<td>29,000</td>
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<tr>
<td>Training Materials</td>
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<tr>
<td>Training - Staff</td>
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<tr>
<td>Travel/Lodging/Per Diem</td>
<td>30,000</td>
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<tr>
<td>Travel - non program</td>
<td>5,000</td>
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<tr>
<td>Vehicle expense (fuel)</td>
<td>50,000</td>
</tr>
<tr>
<td>Vehicle Maintenance/Licenses</td>
<td>40,000</td>
</tr>
</tbody>
</table>

| Total Operating Expenses (net)        | 4,260,032|
| Depreciation & Amortization expense  | 82,000   |
| TOTAL EXPENSES                        | 4,288,032|

Surplus(Deficit) (226,459)
Attached is information for tomorrow's meeting (July 22)....5:45 in the 4th Floor Shanti Conference room. We hope to see you there.

Eileen McFarlane
Development Assistant
415-674-4759
demcfarla@shanti.org
THE VOICES OF PEOPLE

Living with life-threatening diseases have been at the heart of Shanti for almost thirty years. Therefore, this seems to me to be a particularly troubling moment, since it appears that right now silence predominates. Silence about the true and continuing burden of HIV, the unexplored impacts of breast cancer, the human cost of homelessness. And, as those of us raised in AIDS work well remember, silence equals death. At Shanti, we aim to break these many silences—many ways. 

Breaking the silence can take many forms, including volunteering more or speaking out in the press (which has provided so little coverage of the recent cuts in the City’s AIDS budget) by writing letters to editors. Last month, Shanti clients, Board members, volunteers, and staff joined people from other HIV agencies in a rally at City Hall to protest cuts in funding. All ways of breaking the silence. 

Raising voices has worked before. Last month saw the twentieth anniversary of ‘The Denver Principles,’ a groundbreaking document which established the tone for much of the work in the AIDS epidemic. The document, agreed to by a small group of People With AIDS at the Second National AIDS Forum in Denver, urged involvement, demanded respect, and insisted that people be allowed to die, and to live, with dignity. Breaking the silence now—on behalf of all people affected by life-threatening disease—honors Shanti’s years of service and ensures that the Denver pioneers will never be forgotten. On a personal note, I’m very privileged to join with the incredible staff, volunteers, and supporters of Shanti, as we work together to change lives. Thank you for the warm welcome you have given me to Shanti, and I look forward to meeting many more friends of Shanti in the coming months.

—Hywall Sim, Executive Director

SHANTI VOICES

ROLLING OUT SHANTI

The first phase in expanding the L.I.F.E. Program’s impact has begun, with L.I.F.E. Programs now running in six cities in California. housed in local HIV clinics, and led by local staff trained in the L.I.F.E. Program’s principles, this expansion is the next step in spreading the word about the immune-enhancing practice which L.I.F.E. is pioneering.

Last month saw the start of the Shanti National Training Institute’s new California Peer Educator Project. Over the next three years, Shanti staff will provide training and technical assistance to peer educators serving HIV-positive people of color. The Project (funded by the federal government) is one of five nationwide.

Locally, Shanti launched a new community-building initiative, the Community Support Department, which will provide training, technical assistance and administration to one of San Francisco’s most important peer-led groups, the HIV Services Planning Council.

SHANTI’S services and mission continue to move forward. Six months ago Hywall Sims, a man of great skill and deep experience, joined us as our new Executive Director. Hywall ran the first AIDS hospice in Southern California, was executive director of Santa Monica’s AIDS service organization, directed a national drug and alcohol support organization in the United Kingdom, and has consulted on HIV programs in Africa. We are excited about the leadership he brings to Shanti.

Bob Biyikci ended an extremely productive four-year tenure as Executive Director and has joined our Board of Directors.

After nearly 30 years of serving men and women left out of society’s safety net—the sick, hungry and homeless, who are often the social crosses whose presence we’ve convinced ourselves is normal since “they’ve always been with us,” I’ve learned from Shanti that these neighbors of ours are far more like us than they are different.

Our society needs community of skilled and compassionate caregivers and educators more than it needs men and women who work primarily on their own behalf. Shanti is committed to its chosen role as a caring community and will continue our dedicated service to those who need us most.

Charles Garfield, Ph.D.
Founder & Board Chair

STAFF NEWS

We say goodbye to Scott Elshar, Deputy Executive Director & CFO for the past six years, who has left to become Managing Director at the Edgewood Center for Children & Families in San Francisco. Charles Garfield said, ‘Scott’s work with Shanti has allowed us to diversify our programs and to financially support cutting-edge service programs in San Francisco and beyond. His intelligence and concern for Shanti and its values were very important to us in a time of health growth.’

Thank you, Scott, for your good work!

ON THE REVERSE:

Shanti clients (clockwise from top left) True Denis Harris, Richard Jumont, Jared Schwartz, and Charles Garfield, as part of a photography workshop conducted through Shanti’s Art&Activities program.

“IN YOUR DREAMS”

A Fashionable Success

To Shanti’s kick-off events, we now add a fashion show. That’s right. Our first fashion show and luncheon, featuring the designs of Max Napper, was held on May 14 at the Four Seasons Hotel, and raised more than $40,000 in support of Shanti’s programs.

Josephine Callow, a new member of the Shanti Board of Directors, chaired the event. She was delighted: “My dream goal is to introduce as many people as possible to the wonders of Shanti. I was gratified to see hundreds of people who had responded to my invitation to ‘In Your Dreams’. I am proud of the show’s success. ‘My dreams’ will continue.”

IN THE LAST TWELVE MONTHS:

• The Lifelines Program (our unique support service to uninsured and underinsured people with breast cancer) added 20 new clients living with breast cancer, and trained 39 volunteers.

• Peer Support Volunteers (practical assistance for people with HIV/AIDS) provided more than 25,000 hours of help.

• 83 people with HIV/AIDS graduated from L.I.F.E., (our innovative health-enforcement program).

• Staff from 250 organizations throughout California participated in Shanti National Training Institute’s in the Spirit of Service workshops.

• Shanti’s Transportation program offered over 18,000 rides to San Franciscans with mobility problems.

Leanne Bastian

THE BOARD CHAIR

Save the Dates

Ride for Life
Saturday October 11, 2003
Our seventh annual motorcycle ride from San Francisco to the Hudson River.
Shanti’s 29th Annual Gala
Thursday, October 23, 2003
Join our celebration of the Shanti spirit as we gather together for an evening of music, food, and good cheer.

WAYS TO SUPPORT SHANTI: SHOP, TRAVEL & READ

1. SHOP AT UNDER ONE ROOF
Under One Roof is the gift store that gives 100 percent of its profits to AIDS service organizations. It gives you a way to contribute by doing something you do anyways shop. Under One Roof brings volunteers, donors, vendors and customers together with AIDS service organizations—all under one roof. HINT: Look for the word Shanti on the price label.

1159 Centre Street (between 18th & 19th Streets), San Francisco
www.underoneroof.org

2. TRAVEL ON AMERICAN AIRLINES
It’s easy to earn miles for yourself and Shanti—all at once. When you book a flight online or through your travel agent, follow these steps:
• Obtain an AAdvantage number when making a reservation
• Provide Shanti’s AAdvantage number when making a reservation
• Provide Shanti’s Business Extra number 527598 on the reservation
That’s all. American Airlines will match the air miles you earn on that reservation and donate them to Shanti. Information: (415) 677-5007

3. READ, THEN DONATE YOUR BOOKS
Up to 100 clients visit Shanti’s Drop in Service Center every day. It’s open. They meet with a counselor, enjoy a cup of coffee—and read. Help us support them by donating your unwanted fiction books. Contact Elliot at (415) 674-4759 or emfar@shanti.org.

VISIT US ONLINE AT www.shanti.org

Visit Us Online at www.shanti.org

OUR VISION

Transforming the art and practice of health, environment, and community building.

OUR BOARD OF DIRECTORS

• Scott D. Marks, MD (left)
• Charles Garfield, Ph.D.
• Danielle Rand, RN

Published by Shanti Programs, Inc.

Published by Shanti Programs, Inc.

Published by Shanti Programs, Inc.
July 22, 2003

Dear Friends,

More than 600 guests will be enjoying fine caviar, champagne and iced vodka as we celebrate our 29th year of providing services to people in need. The Shanti 29th Annual Awards Gala “To Russia with Love” will be held on Thursday, October 23, 2003 in the Julia Morgan Ballroom of the Merchants Exchange Building in San Francisco. Your support as an Auction Sponsor will have a tremendous impact on people living with HIV/AIDS, Breast Cancer and other life-threatening illnesses.

Numerous items of rare wines, fine dining, hotel packages, trips, gift items, celebrity pieces, original artwork and one-of-a-kind gifts will be on display and up for bid in the auction. Please be part of the auction by submitting an item. In addition to the auction, our guests will enjoy an evening of Russian-theme music and entertainment, an elaborate gourmet buffet, fine spirits and wine tasting and cocktails. During a brief awards ceremony, we will pay tribute and honor a few of the thousands of volunteers who have provided caring support to people living with life-threatening illnesses for more than 29 years. We will also recognize the generous financial contributions made by Janet and Clint Reilly and Dun and Bradstreet.

Shanti is a pioneering nonprofit which specializes in providing expert assistance to individuals living with HIV/AIDS, Breast Cancer and other life-threatening illnesses through direct services, educational programs, and highly-trained peer support volunteers.

Founded in 1974 with the original mission of assisting cancer patients, Shanti now provides services and training to a diverse group of individuals and organizations through its five divisions:

**HIV/AIDS Services** – compassionate professional and volunteer assistance to men and women living with HIV/AIDS;

**LifeLines** – an innovative continuum of support for women living with Breast Cancer;

**The L.I.F.E. Institute** – immune-boosting education for people living with life-threatening illnesses;

**The Shanti National Training Institute** – nationwide training and consultation to organizations wanting to implement new or improve existing volunteer programs; and

**Transportation Services** – van rides for clients to and from medical and other necessary appointments provided by drivers trained in Shanti’s emotional support methods.

730 Polk Street, San Francisco, CA 94109 • (415) 674-4700 • (415) 674-0371 • info@shanfi.org • website: www.shanfi.org
Shanti continues its role as one of America’s leading nonprofits in its area of expertise, employing 50 staff, managing 250 volunteers, and serving 500 clients each day.

Thank you for taking the time to consider this request. Your participation will mean a great deal to the clients we serve. Please submit the item or a gift certificate plus a brochure we can use to prepare a display as soon as possible. Call Doren Martin, Shanti Special Events Manager at (415) 674-4764 if you have additional questions.

Sincerely,

2003 Shanti Annual Event Committee

Stu Smith, Event Chair
Janet Reilly
Paul Pedrazas

Barb Henderson
Bill Olds
Bill Dawes

Shomali Burke
Debra Gonzalez
Shanti

AUCTION

To Russia with Love

Polk Street, San Francisco, CA 94109
Shanti
Governance Committee Meeting
July 9, 2003
Meeting Notes

Attending: Committee members Josh Levenberg, Bill Olds and Barb Henderson; Executive Director Hywel Sims

1. Board governance policies:
   a. Josh will revise the document "Shanti Board Governance Policies Final Draft dated September 13, 2002 and we will present to board on 7/22
   
   b. Changes/additions to include
      • Three-year term for board members
      • Cap number of board members at 20
      • Parliamentary procedures section
      • Finish community impact statement

2. Board member responsibilities:
   a. We will create an orientation packet to be given to each new board member that will specify responsibilities. Barb with work with Hywel/Eileen to pull together a sample packet for the 7/22 board meeting.
   
   b. We do not recommend sending a letter to members concerning their attendance/participation but do recommend setting up private conversations with board members who have not met attendance requirements in order to determine level of interest and to reiterate responsibilities.
   
   c. We recommend assessing board members' participation/value on an individual basis.

3. Board member recruitment and composition of the board:
   a. We recommend becoming strategic about taking on new board members.
   
   b. We recommend seeking new board members who offer one or more of the following:
      • Can provide significant financial assistance through personal contributions or access to donors
      • Has a well-recognized name that offers Shanti visibility by association
      • Is a member of a minority community, which give us a board that is more representative of the Bay area community
      • Lives outside the city, which gives us broader geographic representation and reach
      • Is suited for a board position and also under the age of 40, which brings us the perspective of that demographic
      • Brings special expertise or relationships that benefit Shanti
   
   c. We will brainstorm board member suggestions via e-mail and ask the full board to make recommendations based on the criteria above.

B. Henderson 7/15/2003
d. Individuals who express an interest in serving on the Shanti board will be asked to participate on a committee and/or in fundraising activities prior being nominated for the board unless there is a skill or service this individual possesses that is not being met with the existing board members.

e. Barb will talk with Charlie about following up with Paul Gamba, who is interested in serving on the board, concerning Paul’s participation on a committee.

f. Prospective member. The governance committee has met with and reviewed the qualifications of Clara Shayevich for a board position and recommended to her to the chairman for a vote of the board on her nomination. Josephine Lott recommended Clara, who was an enthusiastic and generous supporter of Josephine’s successful fundraiser – the fashion show. Clara is currently serving on the events committee for the October 23rd annual event. She’s also met with Charlie, Hywel and Barb to discuss Shanti and board member responsibilities.

4. Leave of absence for Koren Stonebreaker. The current by-laws allow the chairman of the board to make this decision so Barb is sending this back to Charlie but the entire governance committee recommends offering Koren a leave of absence. Barb will phone Koren and ask her to send Charlie a letter.

5. Future meetings for Governance committee. The committee will take care of as much work as possible by phone and e-mail. Meetings will be held every other month or as needed. Meetings scheduled for 2003 are:

- Wednesday, September 17, noon at Publicis Dialog office
- Wednesday, November 12, noon at Heller Ehrman
Shanti decided this year to send out Requests for Proposals for audit services. This action came as a result of the responsible shift in direction in deciding how an audit firm should be selected. Ideally, this is a decision that should be made by a Board of Directors upon recommendation from its Finance Committee.

Many audit firms have experienced a number of problems recently with respect to audits performed of both public companies and non profit organizations. There have been a number of non profits called into question as a result of their accounting practices. It has been over 7 years since Shanti sent out an audit RFP. All of these facts have served to bolster the decision to be proactive and send out RFP’s this year.

Five RFP’s were sent out to:
Grant Thornton, LLP
Hood & Strong, LLP ( current auditors of Project Open Hand)
Harrington & Associates ( a Pasadena firm recommended by the auditors of Project Inform)
Good & Fowler, LLP ( current auditors of Jewish Family and Children’s Services)
Odenberg, Ullakko, Muranishi & Co., LLP, a local firm selected from the Yellow Pages.

All but Good & Fowler responded.

Of the four RFP’s received, Grant Thornton and Hood & Strong offered a longer listing of client references of non profit organizations that they have currently audited. Both firms submitted fee summaries that are within our budget for the coming year.

<table>
<thead>
<tr>
<th></th>
<th>Grant Thornton</th>
<th>Hood &amp; Strong</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Audit</td>
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<td>$31,700.00</td>
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<tr>
<td>Review 990</td>
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<tr>
<td>(Goodwill)</td>
<td>$</td>
<td>$ (7,140.00)</td>
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<tr>
<td>First Yr Audit costs</td>
<td>$</td>
<td>$8,000.00</td>
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<tr>
<td></td>
<td>$35,200.00</td>
<td>$44,850.00</td>
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</table>
I felt that Grant Thornton did a thorough job of stepping in as first year auditors for us last year, completing both the general audit and the A-133 requirements in a timely manner. I personally give them the edge since they would not need to perform any additional first year audit procedures. I was pleased with the expert advice given by their tax department last year as I prepared the 990. I recently spoke with Molly Singer, a candidate for Shanti’s CFO/COO, and she concurred that she had been associated with organizations who used GT in the past and were pleased with their work. We both thought their newsletter NFPerspectives offered current information for us with respect to tips on such relevant topics as tax issues and strategic planning. They have also offered to do a complimentary governance and independence workshop for our Board members.
# MASTER BUDGET
## FISCAL YEAR 2003/2004

### Support and Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Donations</td>
<td>268,000</td>
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<tr>
<td>Grants</td>
<td>750,599</td>
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<tr>
<td>Reimbursement Contracts</td>
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<tr>
<td>Sales and Service Fees</td>
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<td>Special Events</td>
<td>265,000</td>
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<tr>
<td>Other Income</td>
<td>15,800</td>
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**Total Support & Revenues (net)** = **4,060,823**

### Expenditures

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<td>Operating</td>
<td>1,110,669</td>
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**Surplus (Deficit)** = **(226,459)**

### Receivable from Grants Booked in Prior Years

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<th>Foundation</th>
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<tr>
<td>State Office of AIDS</td>
<td>90,000</td>
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<tr>
<td>Globe Foundation</td>
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<tr>
<td>Driscoll Foundation</td>
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**Cash Surplus (Deficit)** = **13,541**
## REVENUE DETAIL

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<td>Donations</td>
<td>Bequests</td>
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<td>Grants</td>
<td>LifeLines</td>
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<td>Grants</td>
<td>Pelosi</td>
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<td>LIFE</td>
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<tr>
<td>Grants</td>
<td>General</td>
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<tr>
<td>Grants</td>
<td>SNTI</td>
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<td><strong>Total</strong></td>
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<td>Positive LIFE</td>
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<td>$302,760</td>
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<td>CCC</td>
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<td>Emotional Practical Support</td>
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<td>SF Women's Services (LifeLines)</td>
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<td>Sales</td>
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<td>Sales</td>
<td>Under One Roof</td>
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<td><strong>Total</strong></td>
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<tr>
<td>Special Events</td>
<td>Annual Dinner</td>
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<td>Special Events</td>
<td>Performance</td>
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<td>Special Events</td>
<td>Fashion Show</td>
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<td>Special Events</td>
<td>TO BE DETERMINED!</td>
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<td>Special Events</td>
<td>Ride For Life</td>
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<tr>
<td>Special Events</td>
<td>3rd Party</td>
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<td><strong>Total</strong></td>
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<tr>
<td>Service Fees</td>
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<td>Service Fees</td>
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<td><strong>Total</strong></td>
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<td>Interest Income</td>
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<tr>
<td>Misc</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$4,060,823</strong></td>
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## SHANTI BUDGET
### FISCAL YEAR 2003/2004

### Support & Revenues:

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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Donations</td>
<td>268,000</td>
</tr>
<tr>
<td>Grants</td>
<td>750,599</td>
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<tr>
<td>Interest Income, Sales, Misc.</td>
<td>15,800</td>
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<tr>
<td>Reimbursement Contracts</td>
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<td>Service Fees</td>
<td>650,000</td>
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<tr>
<td>Special Events</td>
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**Total Support & Revenues (net)** 4,061,575

### Operating Expenses:

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<td>Payroll Taxes &amp; Benefits</td>
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<tr>
<td>Outreach</td>
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<tr>
<td>Accounting/Legal</td>
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<td>Bank Chgs/PR Fees/Service Chgs.</td>
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<td>Client Activities</td>
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<tr>
<td>Community Act./Outreach</td>
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<td>Computer Supplies</td>
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<td>Contract Serv.-Collab. Subcontractor-BCA</td>
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<td>Contract Serv.-Collab. Subcontractor-PCH</td>
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<td>Discretionary - Executive Dir.</td>
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<td>Dues, Subscriptions and Licence fees</td>
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<tr>
<td>Educational Supplies(Pos LIFE)</td>
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<td>Fundraising-Major Donor Campaigns</td>
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<td>Insurance - Liability, D &amp; O, Vehicle</td>
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<td>Interest</td>
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<td>Meals &amp; Entertainment</td>
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<td>Miscellaneous, asset disposition, bad debt</td>
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<td>Printing - non program</td>
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<tr>
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<td>Vehicle expense (fuel)</td>
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**Total Operating Expenses (net)** 4,206,032

### Surplus/(Deficit)

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<tr>
<td>Surplus/(Deficit)</td>
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### TOTAL EXPENSES

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<th>Amount</th>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
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</tr>
</tbody>
</table>
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# Monitoring the Executive Director's Performance

## ED Operating Policies

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PREAMBLE

The Board of Directors of Shanti has engaged in this process to clarify how it will function. If ever there is a conflict between the organization’s bylaws and these policies, the bylaws will take precedence.
GOVERNANCE POLICY GROUPS - DESCRIPTION

Reason for Existing Policies - instructs the executive director about the difference that the organization wants its programs and activities to make in the communities it serves. These policies include the organizations' mission, vision, values, recipients (intended clients), organizational services and programmatic impacts and outcomes.

Board Operating Policies – defines the Board’s roles and responsibilities and how it will carry out and monitor its own task.

Board-ED Relationship Policies – specifies how the Board will delegate authority through the Executive Director to the staff for the operations of the organization as well as the Executive Director’s role, authority and accountability.

ED Operating Policies – establishes the boundaries within which all Executive Director decisions and organizational activities must take place.
Reason for Existing Policies

VISION, MISSION, AND VALUES

Vision Statement
Transforming the Art and Practice
of Health Enhancement,
Volunteerism,
and Community Building.

Mission Statement
Shanti advances its vision of healthy individuals, organizations, and communities through exemplary training and education, volunteer services, practical and emotional support, counseling, research and publications, and transformative leadership.

Values Statement
We embrace the Shanti Model of Peer Support which advocates listening, speaking, and acting from the heart in service to other people.

We create relationships based on the Shanti model that are actively demonstrated by Mutual Respect, Positive Regard, Non-Judgmental Behavior, Genuineness, Acceptance of Differences, Empathy, and Intention to be of Service.

We acknowledge the unique value that each of us contributes to the success of Shanti, and we respect each other as individuals.

We assert that mindful, honest communication accelerates, enhances and enriches our potential as individuals and as an agency, and we are committed to listening to each voice.

We celebrate diversity as a strength, and we encourage learning from others who may be different from us. We provide a safe place for diversity to flourish.

We share in this community of Shanti as an inclusive agency; we also respect that at times we each need to set boundaries without fear of being cast out.

We take pride in our commitment to our work and we honor the generous gifts of time, energy, and humor that our colleagues bring to our mission.

We affirm that each department and program at Shanti acts as a pillar that supports an architecture of Compassion.

ADOPTED BY THE BOARD ON: July 27, 2002
AUDIENCES AND IMPACTS

(Reason For Existing Policies, Continued)

Individual Clients
Current clients include people with HIV/AIDS, cancer, the disabled, and the frail elderly.

Impact: Individual clients experience enhanced physical, emotional, and spiritual health.

Volunteers
Current volunteers include those supporting our existing clients and mission.

Impact: Volunteers fulfill a deeply felt need to serve, learn new life skills, and experience personal transformation.

Leaders of Volunteers
Current leaders of volunteers include those staff and Board members of service organizations utilizing volunteers to accomplish their missions.

Impact: Leaders of volunteers embrace values-based management, experience renewed commitment to service, benefit their organizations, and advance the field of volunteerism.

Community
Current community builders include clients, peer educators, community health workers, social service professionals, Board members, contributors and supporters and anyone connected with Shanti who makes an effort to help others consciously form vision-driven groups.

Impact: Community builders are drawn to the spirit and work of Shanti and used their enhanced capacity to lead or guide others with common interests and shared values in the conscious formation of scaleable groups and communities for mutual support, personal growth, active learning, or social change.

ADOPTED BY THE BOARD ON:
Board Operating Policies

GOVERNING STYLE

Governance Principles

The Board will govern with an emphasis on:

- Outward vision
- Future and present focus
- Strategic leadership more than administrative detail
- Clear distinction of Board and executive director roles
- Encouragement of diversity in viewpoints
- Collective rather than individual decisions
- Proactivity rather than reactivity

Governance Objectives

Accordingly, the Board will:

1. Operate in all ways mindful of its civic trusteeship to serve the public interest.

2. Define and enforce a decision making process that specifically encourages the expression of diverse viewpoints, results in a collective decision, and allows the Board to speak with one voice. The Board will use the expertise of individual members and staff to enhance the ability of the Board as a whole, rather than to substitute individual judgments for the Board's decisions. Individual Board directors will be responsible for contributing their unique views and perspectives while the Board is considering any issue or policy, and prior to the adoption of collective policy decisions. The Board will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.

3. Direct, guide and inspire the organization through the establishment of the broadest written policies reflecting the Board's values and perspectives about its reason for existing (Reason for Existing policies) and its operating constraints (ED Operating policies). The Board's major focus will be on the critical issues affecting the organization's clients, the challenges facing its programs and its Reason for Existing, not on the administrative or programmatic means of attaining those effects.

4. Commit to govern with excellence in matters such as:

   - Policy-making, respect of roles, and ensuring the continuity of the governance process, policies and procedures
   - Continual redevelopment including orientation of new directors in the Board's governance process, periodic Board discussion of process improvement
   - Self-monitoring of its compliance with its Board Operating and Board-ED Relationship policies

ADOPTED BY THE BOARD ON: July 27, 2002
The Board Directors serve as trustees of the organization for the communities it serves. The Board as a whole is responsible for all outcomes of the organization including:

- The organization’s operations and performance through the development, monitoring and enforcement of the organization’s governance policies
- The future direction and outcomes of the organization (its *Reason for Existing* Policies) by partnering with staff to determine the critical issues facing the communities it serves and the challenges facing the organization’s programs
- The fiscal health of the organization, working with staff to assure that the organization has the necessary resources
- Assuring that the organization has the necessary resources by partnering with staff to develop and implement the annual fundraising plan
- Assuring that the organization has the leadership and management to achieve its *Reason for Existing* Policies by employing the executive director and monitoring and evaluating the executive director and the organization’s performance at least once a year

The Board shall consist of no more than twenty (20) Directors at any one time. New Directors shall be elected, by a vote of the majority of then-existing Directors, to a three-year term of service. The term of service shall be measured beginning with the first Board meeting attended by a newly-elected Director, and for three years after that time.

At least two months prior to the completion of each Director’s three-year term of service, the Board Governance Committee shall consult with the Director whose term is nearing completion to determine whether that Director intends to seek another term as a Director. If the Director expresses commitment an interest in seeking another term, the Board Governance Committee will advise the Board and call for a vote prior to the expiration of the Director’s term.

The existing Board shall endeavor to recruit and retain Directors who reflect the diverse communities served by Shanti. The Board should strive to achieve and maintain racial, gender and other forms of diversity on the Board and within the organization.

**ADOPTED BY THE BOARD ON: **July 27, 2002

**Related Policies:**
- Reason for Existing policies  
  Pages 3-4
BOARD DIRECTORS' ROLES AND RESPONSIBILITIES

(Board Operating Policies, Continued)

Board directors are expected to exercise fidelity, fidelity and diligence in their conduct. This commitment includes proper use of authority and respect for fellow Board directors, organizational members, staff and volunteers when acting as Board directors.

Accordingly:

1. Board directors are expected to support Shanti’s *Reason for Existing* policies (values, mission, vision, impacts and outcomes, and programs). This accountability supersedes the personal interests of any Board member acting as an individual client or recipient of Shanti’s services.

2. Board directors are expected to keep abreast of major issues that affect the organization’s *Reason for Existing* policies by attending Board meetings and retreats and reading organizational update materials and articles distributed by Shanti.

3. Board directors are expected to attend and actively participate in Board meetings, committee meetings and Board retreats. Board directors are also expected to actively serve on at least one Board committee. Board directors should notify the Board chair for Board meetings or committee chairs for committee meetings if he/she is unable to attend.

4. Board directors are expected to cover their own personal expenses in connection with participating in Board meetings, committee meetings, Board retreats, and other organizationally related functions. Board directors shall contact the Board chair if such expenses will cause them a financial burden.

5. Board directors must avoid any undisclosed conflict of interest. If a Board member has any perceived conflicts, they should be disclosed to the Board.

   A. Board directors will annually disclose to the Board at the beginning of each fiscal year their involvements with other organizations, vendors, or other associations that might produce a real or perceived conflict of interest.

   B. Any self-dealing or any conduct of private business or personal services between any Board member and the organization must be disclosed to the Board (unless it was disclosed at the beginning of the fiscal year). The Board will determine if the transaction(s) is a conflict and if so, will propose what actions need to be taken to resolve the conflict.

   C. When the Board is to decide upon an issue, about which a director has an unavoidable conflict of interest, that director shall recuse herself or himself from not only the vote but also from the deliberation unless asked to stay by the Board.

   D. Board directors must not use their positions to obtain employment in the organization for themselves, family members or close associates.
E. If a Board Director is hired by the organization, he/she must resign from the Board.

6. Board directors may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

A. Board directors’ interactions with the executive director or with staff must recognize the lack of authority in any individual Board director except when explicitly Board authorized.

B. Board directors who desire to give any performance feedback on staff will contact the executive director or the Board chair if the feedback is about the executive director. The executive director’s performance will be assessed only by the Board’s official process (stated in the Monitoring ED’s Performance policy; p.19).

7. Board directors will respect the confidentiality appropriate to issues of a sensitive nature especially in all matters discussed in “Executive Session,” and concerning staff personnel issues.

8. Board directors may only speak for the organization to the press and the community on sensitive and proprietary issues when authorized by the Board, the chair or the executive director. Once the Board has reached a decision on any organizational issue, the Board will speak with one voice.

9. A Board member may be removed from office if he or she misses three Board meetings (including Board retreats) within a year or has not fulfilled his/her duties as stated in the organization’s governance policies or bylaws. The Board governance committee shall recommend to the full Board the removal of Board directors.

10. Board directors ensure that when interacting with other Board directors, staff and volunteers of the organization, their actions comply with all applicable organizational policies (i.e. Sexual Harassment Policy, Health and Safety Policy, Conflict of Interest Policy, Drug Free Workplace Policy and other workplace conduct regulations).

11. Board directors may request a leave of absence by submitting it in writing to the chair. The chair may authorize leaves of absences for up to six months or until the end of the Board member’s term, which ever comes first, except when it will leave the Board without a quorum.

12. Board directors are encouraged to share their professional expertise when called upon.

13. Meetings of the Board of Directors require a quorum to make binding decisions, including approval of the minutes from prior Board meetings. A quorum shall consist of at least 50% attendance (or live participation) of the membership of the Board. Directors may participate at Board meetings in person or, if not present in San Francisco, telephonically.

14. In order to make binding decisions at regularly scheduled Board meetings, the Chair (or acting Chair) shall obtain an affirmative vote of a majority of the Board members participating in the meeting, assuming a quorum of at least 50% of the members of the Board are participating in the meeting.

ADOPTED BY THE BOARD ON: July 27, 2002
Related Policies:
- Board Fundraising Responsibilities Page 9
- Board Committee Principles Page 10
- Board Committees Pages 11-13
- Chair’s Role Page 15
- Monitoring the Executive Director’s Performance Page 19
- Communications and Counsel to the Board Page 27
1. All Board directors are expected to support the organization’s development activities annually by:
   - Making a gift of personal significance to the organization, making it one of their top annual contributions to a nonprofit organization
   - Following the *Treatment of Donors* policy
   - Referring potential donors to the development staff
   - Assisting in the cultivation of donors
   - Identify at the beginning of each fiscal year the fundraising activities with which he/she will be involved

2. All Board directors are expected to support the organization’s fundraising activities by doing at least two of the following annually:
   - Serving as a Host at the Annual Dinner and two other fundraising events that result in significant contributions to the organization
   - Buy or sell at least one table at the Annual Dinner
   - Assist staff in the cultivation of at least 2 major donors by accompanying the executive director and/or the development staff to a major donor lunch solicitation
   - Participate in the development of the organization’s annual development plan if requested by the executive director or development staff
   - Solicit at least $2,000 in donations and/or in-kind gifts

The Board understands the importance of having some Board Directors with the ability to give major gifts to the organization. Often these individuals do not have the time to carry out all of the roles and responsibilities of the organization’s Board directors. Therefore, Board directors who annually give $100,000 or more to Shanti are exempt from policies # 3 and 9 of the *Board Directors Roles and Responsibilities* policy and *Board Fundraising Responsibilities* policy and must attend at least 2 Board meetings annually.

**ADOPTED BY THE BOARD ON: July 27, 2002**

**Related Policies:**
- Board Committees
- Treatment of Donors
- Fundraising Activities

Pages 11-13
Page 24
Page 25
BOARD COMMITTEE PRINCIPLES

(Board Operating Policies, Continued)

Board committees exist to assist the Board. Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Staff shall set up their own committees to carry out their roles and responsibilities

Accordingly,

1. Board committees shall assist the Board by:
   (a) Preparing policy alternatives and implications for Board deliberation; and
   (b) Implementing activities authorized by the full Board.

2. Board Committees shall not exercise authority over the executive director except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the full Board or the chair.

3. This policy applies to all Board committees including ad hoc committees formed by Board action.

4. All committee meetings are open to all Board directors unless determined otherwise by the chair or committee. Only Board directors on the committee will be allowed to vote at committee meetings (this does not include ex-officio committee members).

5. The executive director, deputy executive director and/or the executive director’s designate shall be an ex-officio member of all Board committees. He/she may be asked to leave if a committee deems it necessary to hold an executive session (Board directors only).

6. The chair or Board committees may invite non-Board directors to serve on Board Committees as non-voting members.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
☐ Board Directors’ Roles and Responsibilities Page 7
☐ Board Committees Pages 11-13
☐ Communications and Counsel to the Board Page 27
BOARD COMMITTEES

(Board Operating Policies, Continued)

A committee is a Board committee only if its existence and charge comes from the Board, regardless of whether Board directors sit on the committee. The only Board committees are those set forth in this policy.

1. Board Governance Committee

   A. Roles and Responsibilities

      1. Recommend new Board directors and Board directors for re-election.
      2. Recommend candidates to fill Board director and officer vacancies.
      3. Recommend changes in the process for nominating and electing Board directors and officers.
      4. Recommend changes in the terms and rotations of Board directors and officers.
      5. Recommend changes in officer positions and duties.
      6. Recommend changes in the existence, structure, and duties of Board committees.
      7. Monitor and recommend changes in all Board Operating policies.
      8. Provide a comprehensive orientation for new Board directors.
      9. Monitor, on an ongoing basis, Board Director performance and recommend to the full Board, when necessary, the removal of Board directors.

   C. Authority

      1. Makes recommendations and reports to the Board on the Roles and Responsibilities listed in 1.A above.

   C. Committee Size and Selection

      1. At least three voting members selected by the Board chair. The executive director or his/her designate will be a non-voting member.

   D. Committee Chair

      1. Appointed by the Board chair.
2. Finance Committee

A. Roles and Responsibilities

Monitors the financial oversight of the organization by:

1. Recommending for Board approval a firm of Certified Public Accountants (CPAs) to perform the organization’s annual fiscal audit.

2. Approving the overall specifications of the audit prior to engaging the CPA firm.

3. Reviewing and recommending the annual budget to the Board.

4. Monitoring and recommending changes in the following ED Operating policies: *Financial Condition* (p.31), *Financial Planning and Budgeting* (p.30), *Asset Protection* (p.32), *Fundraising Activities* (p.25), and *Funding Agreements* (p.29).

B. Authority

1. Makes recommendations and reports to the Board on the *Roles and Responsibilities* listed in 2.A above.

D. Committee Size and Selection

1. Size of the committee and appointment of its members are at the discretion of the Board chair in consultation with the committee chair.

2. The committee must include members with financial backgrounds and extensive knowledge of nonprofit accounting practices.

3. The committee may include up to two non-Board directors but non-Board directors may not comprise more than 50% of the committee.

4. The executive director, CFO and/or the executive director’s designate will be a non-voting member.

E. Committee Chair

1. Vice chair and treasurer.

3. Board Development Committee

A. Roles and Responsibilities

1. Assist the staff in the development of the organization’s annual fundraising plan

2. Coordinate the Board’s fundraising activities
3. Monitor the Board’s and Board directors’ fundraising roles and responsibilities as per its governance policies and the organization’s fundraising plan and report the results to the Board at least once a quarter.

B. Authority

1. Makes recommendations and reports to the Board on the *Roles and Responsibilities* listed in 3.A above.

C. Committee Size and Selection

1. At least three voting members selected by the Board chair. The executive director or his/her designate will be a non-voting member.

D. Committee Chair

1. Appointed by the Board chair.

4. Ad Hoc Committees

Ad Hoc Committees will be formed from time to time as the Board deems necessary.

A. Roles and Responsibilities

1. Determined by the Board.

B. Authority

1. Determined by the Board.

C. Committee Size and Selection

1. Size of the committee and selection of its members are at the discretion of the Board chair in consultation with the committee chair.

D. Committee Chair

1. Appointed by the Board chair.

**ADOPTED BY THE BOARD ON: July 27, 2002**

**Related Policies:**
- Board Directors’ Roles and Responsibilities  Page 7
- Board Fundraising Responsibilities  Page 9
- Board Committees  Page 11-13
- Vice Chairs’ Roles  Page 17
- Fundraising Activities  Page 25
- Communications and Counsel to the Board Page 27
- Financial Planning and Budgeting Page 30
- Financial Condition Page 31
The chair assures the integrity of the Board's process and occasionally represents Shanti to outside parties. The chair and executive director are the primary spokespersons for the organization.

Accordingly:

1. The role of the chair is to ensure that the Board behaves consistently with its own rules (i.e., Board Operating policies) and those legitimately imposed upon it from outside the organization. He/she shall:

   A. Plan for and conduct meetings of the Board ensuring that the content of the meetings will only be those issues that, according to Board policy, clearly belong to the Board to decide, not to the executive director.

   B. Assure that Board deliberation will be fair, open and thorough, but also efficient, timely, orderly, and kept to the point.

   C. Be an ex-officio member of all Board committees.

2. The authority of the chair consists of making decisions that fall within the topics covered by Board policies on Board Operating and Board-ED Relationship, except where the Board specifically delegates portions of this authority to others. The chair is authorized to use any reasonable interpretations of the provisions in these policies.

   A. The chair is empowered to chair Board meetings with all the commonly accepted power of that position (e.g., ruling, recognizing).

   B. The chair has no authority change policies created by the Board within Reason for Existing and ED Operating policy areas.

   C. The chair is empowered to communicate with and advise the executive director within the Reason for Existing and ED Operating policies, but does not supervise the executive director. The executive director reports to the Board as a whole.

   D. The chair may represent the Board to outside parties announcing Board-stated positions and in stating chair decisions and interpretations within the areas delegated to him or her. The chair may delegate this authority but remains accountable for its use.

   E. The chair is empowered to decide on the disbursement of Board discretionary funds.

   F. The chair shall appoint committee chairs in accordance with the by-laws and governance policies.

   G. The chair is empowered to grant Board directors leaves of absences as long as it does not leave the Board without a quorum.
ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
- Board Job Description                  Page 6
- Board Directors’ Roles and Responsibilities  Page 7
- Board Committees                        Pages 11-13
- Delegation to the Executive Director     Page 18
- Monitoring the Executive Director’s Performance  Page 19
- Communications and Counsel to the Board  Page 27
VICE CHAIRS’ ROLES

(Board Operating Policies, Continued)

1. Vice Chair – Board Fundraising and Community Outreach

He/she shall coordinate all Board activities concerning the Board’s fulfillment of its fundraising policies and the organization’s annual plan. He/she shall chair the Board Development Committee. He/she shall notify the Board chair and the Board when the Board or a Board member(s) is not in compliance with its fundraising policies or carrying out its roles and responsibilities as per the organization’s annual fundraising plan.

He/she shall also develop and coordinate, in conjunction with the executive director, all Board outreach activities such as marketing, corporate outreach, and public relations that enhance the organization’s visibility in, and links to, the communities it serves.

This vice chair is not responsible for coordinating the development activities of the organization.

2. Vice Chair – Finance and Treasurer

He/she shall chair the finance committee and coordinate all Board activities concerning the organization’s financial matters.

3. Vice Chair – Board Governance and Secretary

He/she shall coordinate all Board activities concerning the Board's fulfillment of its Board Operating policies. He/she shall chair the Board Governance Committee. He/she shall notify the Board chair and the Board when the Board or a Board member(s) is not in compliance with its Board Operating policies.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:

- Board Committees

Pages 11-13
The executive director is accountable to the Board as a body (whole). The Board will instruct the executive director through (1) written policies that prescribe the organization’s impact goals (*Reason for Existing* policies) and operational guidelines (*ED Operating* policies), (2) Board minutes, (3) executive director job description, (4) executive director employment contract (if applicable) and (5) the Board chair. The executive director is empowered to make all further operating and policy decisions and reasonable policy interpretations as long as they fall within the *ED Operating* policies and move the organization toward accomplishing its *Reason for Existing* policies.

Accordingly:

1. The executive director is the official link between Board and staff so that all authority and accountability of the staff is the responsibility of the executive director.
   - The Board will not give supervisory directions to staff (except to the executive director).
   - Board directors desiring to give input on staff performance should first direct their comments to the executive director and then, if necessary, to the Board chair.

2. Decisions or instructions of individual Board directors, officers, or committees are not binding on the executive director unless the Board has specifically authorized such exercise of authority. The executive director shall notify the Board chair of any such decisions or instructions.

3. If a Board member or Board committee requests information or assistance, which the executive director feels that a material amount of staff time or organizational resources required do not justify the request or are not available, he/she shall notify the Board member or Board committee and if appropriate, the Board chair.

**ADOPTED BY THE BOARD ON: July 27, 2002**

**Related Policies:**
- Reason for Existing Policies
- ED Operating Policies
MONITORING THE EXECUTIVE DIRECTOR'S PERFORMANCE

(Board-ED Relationship Policies, Continued)

The Board as a whole shall be responsible for the executive director's performance and salary review. Monitoring of the executive director's job performance will be based upon his/her expected job outputs: (1) Board approved annual goals and objectives, (2) organizational accomplishments of the Board’s Reason for Existing policies, and (3) compliance with its ED Operating policies.

Accordingly:

1. An assessment of the executive director's performance and salary review will occur annually within 60 days of the end of the fiscal year or as indicated in his/her employment contract. An ad hoc Board committee will prepare a written performance evaluation including any salary adjustment recommendations for the full Board to review and approve. The assessment will be based on monitoring data including feedback from Board directors and staff. The committee may also gather input from volunteers, donors, clients and/or other stakeholders as deemed appropriate. The Board chair and a designated Board member will meet with the executive director to present and discuss his/her Board approved evaluation and salary adjustment.

2. The executive director's employment contract (if applicable) will take precedence in any instance where a governance policy conflicts with the contract.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
- Reason for Existing Policies Pages 3-4
- ED Operating Policies Pages 20-33
ED OPERATING POLICIES

GLOBAL EXECUTIVE DIRECTOR OPERATING POLICY

The executive director shall be responsible for all operations of the organization to provide programs and activities that achieve its Reason for Existing policies within the boundaries established by the ED Operating policies. The executive director shall not cause or allow any practice, activity, decision, or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted non-profit and professional ethics.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:

- Reason for Existing Policies  Pages 3-4
- ED Operating Policies  Pages 20-33
TREATMENT OF CLIENTS

(ED Operating Policies, Continued)

All clients shall have equal access to all programs for which they are eligible without regard to race, color, creed, religion, national origin, age, marital status, disability, public assistance status, veteran status, gender or sexual orientation.

With respect to interactions with clients or those applying to be clients, the executive director shall ensure that conditions, procedures, or decisions are safe, dignified, not unnecessarily intrusive, fair, or inconsistent with the organization’s values.

Accordingly, the executive director shall assure that the organization:

1. Establish with clients a clear understanding of what may be expected and what may not be expected from the service offered.

2. Provide appropriate confidentiality or privacy.

3. Only elicit information for which there is a clear necessity.

4. Maintain facilities that provide a reasonable level of privacy, both visual and aural.

5. Use methods of collecting, reviewing, transmitting, or storing client information that protect against improper access to the material elicited.

6. Inform clients of this and other client policies, and provide a grievance process to those who believe they have not been treated appropriately.

ADOPTED BY THE BOARD ON: July 27, 2002
TREATMENT OF STAFF

(ED Operating Policies, Continued)

With respect to the treatment of paid staff, the executive director shall establish and maintain conditions that are fair, ethical, dignified, and otherwise consistent with the organization’s values. All staff shall be treated equally without regard to race, color, creed, religion, national origin, gender, age, marital status, disability, public assistance status, veteran status, or sexual orientation.

The executive director shall ensure the maintenance of a respectful, supportive climate that fosters trust, open communication and ongoing learning.

Accordingly, the executive director shall:

1. Ensure compliance with all applicable laws and regulations related to the staff.

2. Avoid creating policies or implementing personnel practices that will put the organization’s “At Will” employment status at risk.

3. Not take punitive actions against any staff member for expressing ethical dissent.

4. Acquaint staff with all written operating and personnel policies and procedures that affect their employment in the organization.

5. Maintain when possible, a culturally diverse staff reflecting the communities the organization serves and operates in.

6. Provide training and professional development opportunities for staff whenever possible.

7. Respect confidentiality of information about staff and conversations with staff that should remain confidential.

8. Create, maintain and enforce personnel procedures that clarify personnel rules for staff, provide for a fair and equitable grievance procedure, and protect against wrongful conditions including discrimination and harassment.

9. Allow staff directors to bring to the Board (or a designated Board committee) grievances when internal grievance procedures have been exhausted.

10. Advise the Board of significant changes to personnel policies and benefits.

ADOPTED BY THE BOARD ON: July 27, 2002
Related Policies:
- Compensation and Benefits

Page 28
TREATMENT OF VOLUNTEERS

(ED Operating Policies, Continued)

With respect to the treatment of volunteers, the executive director shall establish and maintain conditions that are fair, ethical, dignified, and otherwise consistent with the organization’s values. All volunteers shall be treated equally without regard to race, color, creed, religion, national origin, gender, age, marital status, disability, public assistance status, veteran status, or sexual orientation. The executive director shall ensure the maintenance of a respectful, supportive climate that fosters trust, open communication and ongoing learning.

Accordingly, the executive director shall:

1. Operate within written policies and procedures that clarify rules for volunteers.
2. Acquaint volunteers with all written policies and procedures concerning volunteers.
3. Maintain when possible, a culturally diverse pool of volunteers reflecting the communities the organization serves and operates in.
4. Provide training and enrichment opportunities for volunteers whenever possible.

ADOPTED BY THE BOARD ON: July 27, 2002
TREATMENT OF DONORS

(ED Operating Policies, Continued)

With respect to the treatment of donors, the executive director shall assure that all donors and prospective donors are treated in a respectful, ethical and dignified manner in accordance with the organization’s policies and values.

Accordingly, the executive director shall:

1. Value the privacy, freedom of choice, interests, and opinions of all donors and prospective donors.

2. Use contributions in accordance with the donor’s intentions.

3. Ensure proper donor acknowledgment.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:

☐ Board Fundraising Responsibilities

Page 9
FUNDRAISING ACTIVITIES

The executive director is responsible for overseeing and orchestrating all development activities in a legal and ethical manner consistent with the Reason for Existing policies of the organization and established industry standards for non-profit fundraising.

The executive director and development staff in consultation with the Board or its representative(s) will develop an annual plan for the entire organization and will work with the Board’s development committee to coordinate the fundraising activities of the organization.

Accordingly, the executive director shall:

1. Disclose privileged, internal information only to authorized, outside parties. All internal information concerning donors and prospective donors held by or created by the organization is confidential and shall not be transferred or utilized except on behalf of the organization and unless authorized by the executive director or his/her designate.

2. Use solicitation and reporting materials that accurately reflect the organization’s Reason for Existing policies, programs and activities and use of the solicited funds.

3. Not misrepresent the organization in any way.

4. Comply with all applicable laws and regulations and avoid the appearance of any misconduct.

5. Assist Board directors and Board committees in carrying out their fundraising roles and responsibilities.

6. State fundraising results and ratios to the Board via accurate, consistent and timely reporting methods.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
- Board Fundraising Responsibilities
- Board Committees
- Treatment of Donors
EMERGENCY ACTING EXECUTIVE DIRECTOR

(ED Operating Policies, Continued)

In order to protect the Board from sudden loss or prolonged absence of the ED’s services, the ED shall assure that the deputy executive director is familiar with Board issues and overall day to day operations to assume the role of acting executive director in his/her absence. In the absence of the ED, the acting executive director and the chair will designate a staff member to be the emergency acting executive director.

ADOPTED BY THE BOARD ON: July 27, 2002
COMMUNICATION AND COUNSEL TO THE BOARD

(ED Operating Policies, Continued)

With respect to providing information and counsel to the Board, the executive director shall notify the Board of matters that significantly affect the organization.

Accordingly, the executive director shall:

1. Keep the Board aware of relevant trends, anticipated litigation, adverse media coverage, or material external and internal changes that alter the assumptions upon which any Board policy has been established or effects the Board’s deliberation concerning direction, goals or objectives of the organization.

2. Provide the Board with enough information from staff and external points of view on relevant issues and options in, as would be needed by the Board to make informed choices and decisions.

3. Submit monitoring data required by the Board in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.

4. Present information or give advice to the Board in a concise, clear, timely manner.

5. Receive Board approval for all items delegated to the executive director that are required by law or contract to be Board-approved.

6. Report to the Board, in a timely manner, any actual or anticipated noncompliance of a Board policy, contract or legal requirement.

7. Advise the Board chair if, in the executive director's opinion, the Board is not in compliance with its own policies on Board Operating and Board-ED Relationship, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the executive director.

8. Provide a mechanism for official Board, officer or committee communications.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
- Board Directors’ Roles and Responsibilities Page 7
- Board Committees Page 11-13
COMPENSATION AND BENEFITS

(ED Operating Policies, Continued)

With respect to compensation and benefits to employees, consultants and contract workers, the executive director shall maintain the fiscal integrity of the organization.

Accordingly, the executive director shall:

1. Not change his/her own compensation and benefits without Board approval.

2. Not promise or imply permanent or guaranteed employment.

3. Establish current compensation and benefits which:
   A. Maintain compatibility with the geographic or professional market for the skills employed or from that which is comparable to other non-profit organizations providing similar types of services and of comparable size in the community;
   B. Are sustainable within current revenue projections; and
   C. Do not commit the organization to current and deferred employee benefits without an expressed cap on such benefits.

4. Establish or change pension benefits which:
   A. Are approved by the Board
   B. Do not cause unfunded liabilities to occur which commit the organization to incur unpredictable future costs.
   C. Allow existing employees to keep benefits already accrued (or vested) from any foregoing plan.
   D. Treat all comparable employees the same.
   E. Are in compliance with all applicable laws and regulations.

5. Only enter into contracts with consultants, contract workers and employment agencies, for less than one year (unless approved by the Board or the Board finance committee).

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
☑ Board Committees

Page 11-13
FUNDING AGREEMENTS

(ED Operating Policies, Continued)

The executive director may not apply for or accept any grant or other funding agreements or accept any gifts that fail to help the organization achieve its Reason for Existing policies or violate any ED Operating policy.

Accordingly, the executive director shall:

1. Only allow funds to be used for expenditures that are prudent, lawful, and ethical, or in compliance with a grant or contract agreement.

2. Provide, or cause to be provided, required reports when due.

3. Execute all grants and contracts in accordance with their terms.

4. Seek Board approval for grants and other funding agreements of more than $250,000 that are not budgeted.

ADOPTED BY THE BOARD ON: July 27, 2002
FINANCIAL PLANNING AND BUDGETING

(ED Operating Policies, Continued)

Budgeting for any fiscal year or the remaining part of any fiscal year shall support the organization’s Reason for Existing policies and ED Operating policies, and maintain the organization in a sound fiscal condition.

Accordingly, the executive director shall prepare budgets which:

1. Contain sufficient information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

2. Makes every effort to avoid a year-end deficit.

3. Allows for prudent cash reserves including cash, cash equivalents and available lines of credit to cover at least two months of operating expenses.

4. Provides for Board prerogatives such as costs of fiscal audit, Board development activities, Board and committee meetings, and Board legal fees.

5. Are in compliance with all funding contracts.

Budget must be submitted to the finance committee for approval at least 30 days prior to the beginning of a new fiscal year and then to the full Board for approval at least 10 days before the start of a new fiscal year. If the finance committee determines that the budget will result in an aggregate material variance then the executive director must submit a revised budget to the finance committee and the Board for approval within 30 days thereafter.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
- Board Committees
FINANCIAL CONDITION

(ED Operating Policies, Continued)

With respect to the actual, ongoing condition of the organization’s financial health, the executive director may not cause the development of fiscal jeopardy or allow a material deviation of actual expenditures from Board priorities established in Reason for Existing policies.

Accordingly, the executive director shall:

1. Only make financial obligations which can be expected to be reasonably fulfilled when due.

2. Make tax payments or other government-ordered payments or filings when due.

3. Maintain an accounting system and internal controls that appropriately provide for compliance with generally accepted accounting principles and prudent business practices and government regulations.

4. Pursue receivables after a reasonable grace period.

5. Settle payroll and any other fiscal obligations in a timely matter.

Accordingly, the executive director shall notify the Board finance committee when:

1. “Year to date revenues” in any major classification vary more than 10% from budget projections or total “year to date expenses” in any major classification vary from budget projections by more than 10%. Certain revenue and expense areas which are highly variable and are calendared to be accounted for at specific times during the year are exempt.

2. Cash, cash equivalents and line of credit fall below a level to cover at least two months operating expenses.

3. Significant change occurs in a financing, lease, or loan agreement.

4. The organization is unable to comply currently or in the immediate future with any finance, lease, loan agreement, or other significant financial commitment.

5. Material bad debt exists.

Accordingly, the executive director shall seek finance committee and Board approval when:

1. Entering into a non-budgeted commitment of funds for a single project or expenditure over $50,000.

2. Acquiring, encumbering, disposing of real property or a capital asset of in excess of $50,000.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:

[ ] Board Committees  Pages 11-13
ASSET PROTECTION

(ED Operating Policies, Continued)

The executive director shall not allow assets to be unprotected, inadequately nor unnecessarily risked.

Accordingly, the executive director shall:

1. Insure against property losses to replacement value and against liability losses to Board directors, staff or the organization in amount consistent with reasonable business practices.

2. Maintain all plant and equipment, replacing equipment when necessary.

3. Disclose to the Board any known actual or potential claims of liability.

4. Protect intellectual property, information, and files from loss or significant damage.

5. Receive, process or disburse funds under controls that sufficiently meet the standards of the organization’s independent auditors.

6. Manage cash reserves and operating capital in a manner consistent with the Board’s written investment policy that addresses the organization’s liquidity needs, risk tolerance, and return objectives.

ADOPTED BY THE BOARD ON: July 27, 2002

Related Policies:
☐ Communications and Counsel to the Board

Page 27
ADDITIONAL EXECUTIVE DIRECTOR OPERATING POLICIES

(ED Operating Policies, Continued)

The executive director shall:

1. Not knowingly jeopardize the organization’s 501(c)(3) status.

ADOPTED BY THE BOARD ON: July 27, 2002
BOARD GOVERNENCE POLICIES
SUGGESTED MONITORING SCHEDULE

REASON FOR EXISTING POLICIES

☐ Mission, Vision, and Values
☐ Audiences and Impacts

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EXECUTIVE DIRECTOR OPERATING POLICIES – NON FINANCIAL

☐ Global Executive Director Operating Policy
☐ Treatment of Clients
☐ Treatment of Staff
☐ Treatment of Volunteers
☐ Treatment of Donors
☐ Fundraising Activities
☐ Emergency Acting Executive Director
☐ Communications and Counsel to the Board
☐ Compensation and Benefits
☐ Additional Executive Director Operating Policies

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<td>Ad Hoc ED Review Committee</td>
<td>Review Staff Compliance Report</td>
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EXECUTIVE DIRECTOR OPERATING POLICIES – FINANCIAL

- Funding Agreements
- Financial Planning and Budgeting
- Financial Condition
- Asset Protection

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BOARD-EXECUTIVE DIRECTOR RELATIONSHIP POLICIES

- Delegation to the Executive Director
- Monitoring the Executive Director’s Performance

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BOARD OPERATING POLICIES

- Governing Style
- Board Job Description
- Board Directors Roles and Responsibilities
- Board Fundraising Responsibilities
- Board Committee Principles
- Board Committees
- Chair’s Role
- Vice Chairs' Roles

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SHANTI BOARD MEETING AGENDA
October 28, 2003
730 Polk Street
San Francisco, CA

1. CALL TO ORDER – 5:45


3. EXECUTIVE REPORT –5:50

4. REPORT FROM THE CHAIR 6:20

   BREAK (10 MIN.) 6:40

5. STANDING COMMITTEE REPORTS 6:50
   ▶ DEVELOPMENT COMMITTEE
   ▶ GOVERNANCE COMMITTEE

6. EXECUTIVE SESSION
   ▶ FINANCE COMMITTEE
PRESENT: Charles Garfield, Barb Henderson, Josephine Lott, Paul Pedrazas, Robert Rybicki, Stu Smith, Dennis Stradford

ABSENT: Gregory Casillas, William Dawes, Ron Dial, Joshua Levenberg, William Olds

LEAVE OF ABSENCE: Koren Stonebreaker

STAFF: Hywel Sims (Executive Director), Kevin Burns (Director of Programs), Bill Jones (Development Consultant), Jeff Leiphart (L.I.F.E. Institute Director), Fred Vanhoose (L.I.F.E. Program® Manager), Eileen McFarlane (Development Assistant/Minutes)

CALL TO ORDER: 5:50 without a quorum

EXECUTIVE DIRECTOR REPORT:

- Hywel Sims reported that the City budget cuts have been added back. This was due in part to the support Shanti received from clients and staff who emailed, rallied and made presentations at the Board of Supervisor meetings. Their tenacity made a difference.
- A video tape will be available of those presentations.
- The challenge now is to diversify our funding away from City fund dependency.
- Shanti needs to develop a national presence and cultivate non-political means of funding.
- Federal Ryan White dollars are reauthorized every few years. The dollars are under threat by lobbyists trying to tip the dollars towards medical programs versus psycho-social ones.
- Topline item on the Finance Committee’s agenda is the budget.
- Hywel reported that a decision was made not to move the location of Shanti. Negotiations are in progress with Open Hand. It would be of benefit to clients if we remain at 730 Polk Street.
- Panel presentation interviews for the CFO position are scheduled.
VOTES – Board at Quorum

Budget
The fiscal year 2003-04 Budget was presented to the Board.
Motion: by Bob Rybicki to approve the budget
Second: Stu Smith
Discussion: The Board is willing to approve the budget, as presented, with the condition that a contingency plan be devised that will guarantee the budget will be met.
Vote: Unanimous

Approval to continue with Grant Thornton for current audit
Motion: by Dennis Stradford
Second: Stu Smith
Discussion: None
Vote: Unanimous

Approval of July 22, 2003 Minutes
Motion: by Stu Smith
Second: Barb Henderson
Discussion: None
Vote: Unanimous

REPORT FROM THE CHAIR:
- Charles Garfield acknowledged the exemplary work of the staff, clients, and volunteers in their efforts to restore the City funding.
- Clara Shayevich was presented for Board approval as a new member
  Clara has a background in healthcare and client issue knowledge. She has strong connections with the Russian community.
Motion: by Stu Smith
Second: Paul Pedrazas
Discussion: None
Vote: Unanimous
  - The Governance Committee will inform her.
  - Eileen McFarlane will send Clara relevant Board and agency information.

COMMITTEE REPORTS

Development Committee
- Bill Jones reported that the agenda priority is the renewal of the Charles Garfield Society.
- Donor levels and designations are being evaluated.
- A reception is being planned, with the help of former Board Chair, Jim West, to reach out to former Board members, introduce them to Hywel Sims, and re-connect with Shanti.
- Events are being evaluated and re-defined. The aim is to promote community awareness and donor participation.
- There are opportunities to get Shanti’s name out in the Chicago area in the form of jazz club and opera events.
Viva Variety’s 33rd show has Shanti as the beneficiary.

The Hob Nob event at the Plush Room has been set for December 16.

Shanti’s 29th Annual Gala will have a Russian Theme and will be held in the Julia Morgan Ballroom on October 23. Board participation is requested.

There will be large auction held at the Gala and the Board is urged to secure items.

Finance Committee:
No committee representative was present. Report was included in the Executive Report.

Governance Committee:
- Barb Henderson passed out copies of draft revisions. Joshua Levenberg is writing revisions.
- Discussion was held regarding Board participation issues. It suggested that too stringent rules would lead to a loss of perspective.
- Extenuating circumstance should always brought into consideration.
- The members were asked to email Joshua or Barb if they have any issues about the Policies.
- Final resolution for the Governance Policies will be done at the next Board meeting.
- Board term limits were discussed. They have been set as three years.
- The committee feels that the maximum member goal be set at 20.
- The negative aspects of proxy voting were discussed.
- Koren Stonebreaker is to present a letter requesting a leave of absence which will be for two to three months.

Announcements:
Programs:
- Jeff Leiphart explained the L.I.F.E. Program potential for revenue.

Inter-departmental brainstorming is taking place to synergize the programs and collaborations are being proposed.

- A three-way collaboration may be possible in France among Pasteur Institute, UNESCO, and the University of Paris regarding the L.I.F.E. Program and the French National Health Programs on behavioral health.

- Packets of newsletters were made available for Board members to distribute.
- A reception will be held on August 25 at Shanti to honor and thank the spokespersons during the funding crisis.
- Josephine Lott’s benefit for Shanti to be held at the Plush Room, August 17, was announced.
- There is no Board meeting in August. Next meeting is September 23.
SHANTI BOARD OF DIRECTORS MEETING

SEPTEMBER 15, 2003
333 Bush Street
San Francisco, CA

Present: Gregory Casillas, Charles Garfield, Barb Henderson, Joshua Levenberg, Paul Pedrazas, Robert Rybicki, Stu Smith, Dennis Stradford
Absent: Josephine Lott, Clara Shayevich
Teleconference: William Dawes, William Olds
Leave of Absence: Koren Stonebreaker
Staff: Hywel Sims (Executive Director), Molly Singer (CFO/COO), Jeff Leiphart (L.I.F.E. Institute Director), Kevin Burns (Director of Programs), Eileen McFarlane (Minute recorder)

CALL TO ORDER AT 5:55
• The approval of the July 2003 Minutes will take place at the October meeting.

Committee Reports:
• The Governance Committee reported that they are working on the final wording for the Governance Policies and recruitment of new Board members.

EXECUTIVE SESSION
All participants remained the same, with the exception of Eileen McFarlane, who left the meeting at this point.
Charles Garfield – Board Chair
• Acknowledged the hard work that has gone into the restructuring process
• Emphasized that the financial necessity for a balanced budget prompted the re-organization
• The restructuring will provide an opportunity to really re-invent Shanti, making our values instrumental, and with a commitment to peak performers and high achievers in every position

Hywel Sims – Executive Director
• Narrative, Financial Report, and Objectives copies were made available.
• A balanced budget is necessary for fund-raising and line of credit use.
• Molly Singer, CFO/COO, has been doing an “archaeological dig” which raised some questions about the proposed budget figures.
• The current scene had been set; Shanti has been operating with no reserves, no endowments, and that placed the agency in a vulnerable position.
• Traditional corporate funding for events has been declining, pressing the need for a planned response.

Objectives and observations of this response are:
• To have no reduction to direct services, locally and regionally
• It is a fact that programs shine when they work together. They are at their creative best when they are flexible.
• Budget management will be shared across the agency.
• There is a need to trim and track all sources of income, not just government contracts.
• A proposal for a strategic plan is to be created for formal presentation to the Board of Directors in the spring of 2004.
• Development needs structure. The hiring of a Development & Communications Director is in process.
• Shanti needs to maximize the occasion of its 30th Anniversary in 2004.
• The Line of Credit should only be used in the instance of unexpected interruption in revenues due from contracts.

Hywel thanked the Senior Management Team for its hard work.

Molly Singer, CFO/COO
• Abbreviated versions of the previously emailed Financial Report were passed around, and Molly explained the figures over the past few years.
• The plan is to stem the deficit this year and balance the budget. The second year plan to payoff the Line of Credit and begin to build up a reserve.
• Past financial difficulties was often the result of late payments from State contracts, and the fact that there has been no Director of Development.
• Our expenses have grown faster than income, which was negative impact on assets.
• For a portion of 2003, the Transportation has been losing $11,000 per month. The early use of multi-year contract money caused a lower cash figure when there were no further contracts forthcoming. The delay in payment for the contract caused Transportation to carry the fixed costs for months.
• The aim for this year is to balance the cash and to pay off as much of the Line of Credit as possible. The plan is to have the Line of Credit paid off the following fiscal year after which we can concentrate on building a reserve.
• The goal is to have a 3-month operating reserve by the end of 2006/2007.
• This goal includes working with the Board and its structural support in fund raising and the strategic role of its committees.
• To balance the budget, it was decided to reduce Shanti staff by 11 positions. This reduction will result in a $360,000 saving, the full impact of which will be seen in the next fiscal year.

Eliminated positions:
SNTI Director, Carol Kleinmaier
Special Events/Marketing Manager, Doren Martin
Development Assistant, Eileen McFarlane – To be offered opportunity to apply for Office Administrator position.
SNTI Program Assistant, Jaden Davies
Executive Assistant, Jessica Berman – to become full-time Grant Writer
Manager of Volunteer and Care Coordination Services, Kris Johnson
SNTI Staff Trainer, Nancy Ogilvie
Office Manager, Silvia Muniz – to be offered opportunity to apply for Office Administrator position
Human Resources/MIS Manager, Todd Blatt
Transportation will eliminate two driver positions.
Two positions will go to 2/3 time:
  • Staff Accountant: Francene Gachette
  • Creative Services Manager: Michael Carr

Hywel Sims
• The original proposal was to eliminate the Senior Management Team. It was decided that this route would severely hamper our Programs and the intellectual capital of the agency.
• If merely the unfunded positions of the agency were to be cut, the feeling was that would lead to the end of Shanti as a manageable entity.
• An events consultant may be recruited for major events. Smaller events would be the responsibility of the Director of Development, a position to be filled.
• There are no resources to provide severance packages, which is one reason for giving the staff this advance notice.
• There will be an offer made to pay COBRA for two months, or a cash-out for the two months insurance.
• Resources will be made available to aid transition for those losing their position.
• Directors have each contributed one-month’s salary.
• There will be a focus on the Transportation Program, which has lately experienced a loss of revenue due to direct expenses, such as the increase of gas prices and compensation costs.
• Special events will be studied closely. Expected revenue from events has not been realized. This has been a common experience for all non-profit agencies.
A structural organization chart was presented and explained.  
- All information will be presented to managers on September 16, and to the staff on September 17.  
- There will be two Directors of Programs: Jeff Leiphart and Kevin Burns  
- They will be working on researching other sources of non-traditional types of funds  
- With the Pelosi money, LifeLines will expand to include a volunteer development position.  

**There will be two areas of grouped programs, building on a partnership already in progress:**  
SNTI and L.I.F.E.  
L.I.F.E. and LifeLines  
- The new management structure is viewed as one of the strongest points of this new model.  
- External messages regarding the re-structuring will be closely managed.  
- A major donor campaign will soon be launched.  
- The anticipated end result of the re-structuring is, that at the end of two years Shanti will be a sustainable institution with the Programs working closely together, resulting in new benefits and new opportunities. The flexibility of Programs working together will bring out the true uniqueness of Shanti.  
- Handed out were key messages for external questions. The prominent key message is that there is to be no reduction in the regional and local services to clients.  
- Hywel requested that the Board participates in the approval of this plan, and play an active role in the two year sustainability program plan.  
- The Board support can come from investing in the new structure, identifying new sources of funding, and helping to promote the Shanti’s profile.

**VOTE:**  
**MOTION TO ACCEPT:** Dennis Stradford  
2ND: Stu Smith  
**DISCUSSION:** A thank you from the Board to those developing the re-structuring.  
**VOTE:** Unanimous

**Other Business**  
- Discussion was held on the possibility of flat fee use of the vans and possibly ending the Paratransit Program.  
- Bill Dawes praised Jeff Leiphart and Kevin Burns for their positive demeanor and forward-looking attitude. He said that this will be felt by the staff, and effective transition will be enhanced by this “can do” attitude.  
- Jeff and Kevin will be looking closely for any duplication of work and services. The team studied the allocation of tasks from eliminated positions very carefully.  
- A new public relations campaign will be previewed at the Annual Event.  
- The Board was urged to support Shanti events, in particular the Annual Gala, with the sale of tables and securing auction items.  
- Board Pledges will be on a future agenda.  
- Dennis Stradford will postpone the reception for potential major donors that was to be held in his home on October 15.  
- Stu Smith gave a quick status re-cap of the Annual Gala. It is hoped that the auction will generate $25,000 in revenue.
Announcements:
The next Board meeting will be held at 730 Polk Street on October 28.

Attachments to this document:
Restructuring Rationale
Shanti Sustainability Plan
Powerpoint September 2003 Presentation
Key Messages
Organization Chart
Executive Director’s Report  
Board of Directors meeting; October 28th, 2003

Overview:

Shanti has spent a month in transition from old structure to new. While it is too early to comment substantively on the new structure, staff report that the transition has been handled with sensitivity and a commitment to transparency. No adverse publicity was generated, despite national coverage of changes. Staff continue to monitor progress towards financial and strategic goals; the Senior Management Team will spend a planning day together soon to agree focus for the remainder of the fiscal year.

Strategy:

- I am currently discussing Shanti’s forthcoming strategic planning process with consultants, and will bring a recommendation to the Executive Committee by year-end.
- Shanti and Academy of Friends will co-host a series of roundtable meetings for Executive Directors of HIV-related agencies.
- The Shanti Transformation Campaign will be implemented as soon as corporate underwriters are secured.

Fund Development:

- 40 letters have been sent to prospective and renewing members of the Charles Garfield Society.
- 12 grants, worth $75,000, have been written in the last month.
- Members of the Board of ‘Love is the Cure’ (a fund raising non-profit focused on breast cancer) will be invited to present about their unique project at January’s Board meeting.
- Prudential Realty is considering Shanti as the beneficiary of a national cause-related marketing program.
- A candidate for Development and Communications Director will meet the Senior Management Team next week. Other candidates are sought.
- Bill Jones will coordinate a full debriefing of last week’s event which will, in turn, inform the new Development Director’s recommendations on whether and how to continue with events at Shanti.
- Board pledge letters have been issued – several Board members have already responded.
Hi Fellow Board and Staff,

A few comments on the Annual Event that I'm proud to have been a part of. First, my thanks to Doren Martin who has pulled these annual events together with little if any assistance from the board for many years. Eileen McFarlane was right at Doren's side as a member and coordinator for the committee and staff from the beginning. The committee consisted of the following people, who were tremendous in spirit and practice from our first meeting:

Barb Henderson, Kelly Kreuger, Debra Gonzalez, Shonali Burke, Janet Reilly, Janelle Marie, Eileen McFarlane, Betty Sullivan, Terri Ferrari, Bill Dawes, Bill Olds, David Simmons, Henry Lucero, Doren Martin and me and we had a series of luncheons where we plotted and plodded to try and make this event a smashing success.

The theme, decor, food and beverage, program, entertainment and general tone of the evening was celebratory and everyone I've polled thought the event was excellent from every perspective. We set goals that we didn't quite reach but will perhaps help committees in the future to achieve higher standards with greater participation from board, staff, volunteers and our major donors. Shanti's annual event is always a great party, and I think much of that is simply carrying forward the Shanti mission and message that is shared with love by all who attend each year. I was saddened by the poor attendance of fellow board members, and thankful for those who couldn't attend yet made substantial contributions to the event through auction items and ticket sales. I am hoping that the event will wind up generating close to $140,000.00 for Shanti.

The Development Committee did not meet this month due to the work load of the annual event and because we don't have an announcement of the appointment of the new Development and Communications Director. We met last month and reviewed progress Bill Jones and Hywel have made bringing new life and commitment to the Garfield Society and each of you should have received the new Shanti newsletter and seen what outstanding progress has been made. Doren Martin created an outreach event to former and current board members at a fine art gallery where former board chair Matt O'Grady offered assistance and guidance in developing a working program code named "The Board Emeritus Program" with former board members Tosca Lee and Claire Rappaport to bring together former and current board members to widen the Shanti circle of influence.

Upcoming events are the two "Teddy Cares" shows at the Plush Room December. **Stu Smith's Annual Holiday Hob Nob** December 16 at the Plush Room featuring Spencer Day, Spider Saloff, Tim Hockenberry, Kim Kuzma, Bob Sarlatte, The Dick Bright Orchestra, KCBS personality Al Hart and the Examiner's Bruce Bellingham.

Stu Smith, Board Development Committee Chair
E. If a Board Director is hired by the organization, he/she must resign from the Board.

6. Board directors may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

A. Board directors’ interactions with the executive director or with staff must recognize the lack of authority in any individual Board director except when explicitly Board authorized.

B. Board directors who desire to give any performance feedback on staff will contact the executive director or the Board chair if the feedback is about the executive director. The executive director’s performance will be assessed only by the Board’s official process (stated in the Monitoring ED’s Performance policy; p.19).

7. Board directors will respect the confidentiality appropriate to issues of a sensitive nature especially in all matters discussed in “Executive Session,” and concerning staff personnel issues.

8. Board directors may only speak for the organization to the press and the community on sensitive and proprietary issues when authorized by the Board, the chair or the executive director. Once the Board has reached a decision on any organizational issue, the Board will speak with one voice.

9. A Board member may be removed from office if he or she misses three Board meetings (including Board retreats) within a year or has not fulfilled his/her duties as stated in the organization's governance policies or bylaws. The Board governance committee shall recommend to the full Board the removal of Board directors.

10. Board directors ensure that when interacting with other Board directors, staff and volunteers of the organization, their actions comply with all applicable organizational policies (i.e. Sexual Harassment Policy, Health and Safety Policy, Conflict of Interest Policy, Drug Free Workplace Policy and other workplace conduct regulations).

11. Board directors may request a leave of absence by submitting it in writing to the chair. The chair may authorize leaves of absences for up to six months or until the end of the Board member’s term, which ever comes first, except when it will leave the Board without a quorum.

12. Board directors are encouraged to share their professional expertise when called upon.

13. Meetings of the Board of Directors require a quorum to make binding decisions, including approval of the minutes from prior Board meetings. A quorum shall require the attendance (or live participation) of a simple majority of the membership of the Board. Directors may participate at Board meetings in person or, if not present, telephonically.

14. In order to make binding decisions at regularly scheduled Board meetings, the Chair (or acting Chair) shall obtain an affirmative vote of a majority of the Board members participating in the meeting, assuming a quorum of a simple majority of the members of the Board are participating in the meeting.

ADOPTED BY THE BOARD ON: July 27, 2002
BOARD DIRECTORS' ROLES AND RESPONSIBILITIES

(Board Operating Policies, Continued)

Board directors are expected to exercise fidelity, fidelity and diligence in their conduct. This commitment includes proper use of authority and respect for fellow Board directors, organizational members, staff and volunteers when acting as Board directors.

Accordingly:

1. Board directors are expected to support Shanti’s Reason for Existing policies (values, mission, vision, impacts and outcomes, and programs). This accountability supersedes the personal interests of any Board member acting as an individual client or recipient of Shanti’s services.

2. Board directors are expected to keep abreast of major issues that affect the organization’s Reason for Existing policies by attending Board meetings and retreats and reading organizational update materials and articles distributed by Shanti.

3. Board directors are expected to attend and actively participate in Board meetings, committee meetings and Board retreats. Board directors are also expected to actively serve on at least one Board committee. Board directors should notify the Board chair for Board meetings or committee chairs for committee meetings if he/she is unable to attend.

4. Board directors are expected to cover their own personal expenses in connection with participating in Board meetings, committee meetings, Board retreats, and other organizationally related functions. Board directors shall contact the Board chair if such expenses will cause them a financial burden.

5. Board directors must avoid any undisclosed conflict of interest. If a Board member has any perceived conflicts, they should be disclosed to the Board.

   A. Board directors will annually disclose to the Board at the beginning of each fiscal year their involvements with other organizations, vendors, or other associations that might produce a real or perceived conflict of interest.

   B. Any self-dealing or any conduct of private business or personal services between any Board member and the organization must be disclosed to the Board (unless it was disclosed at the beginning of the fiscal year). The Board will determine if the transaction(s) is a conflict and if so, will propose what actions need to be taken to resolve the conflict.

   C. When the Board is to decide upon an issue, about which a director has an unavoidable conflict of interest, that director shall recuse herself or himself from not only the vote but also from the deliberation unless asked to stay by the Board.

   D. Board directors must not use their positions to obtain employment in the organization for themselves, family members or close associates.
The Board Directors serve as trustees of the organization for the communities it serves. The Board as a whole is responsible for all outcomes of the organization including:

- The organization’s operations and performance through the development, monitoring and enforcement of the organization’s governance policies
- The future direction and outcomes of the organization (its *Reason for Existing Policies*) by partnering with staff to determine the critical issues facing the communities it serves and the challenges facing the organization’s programs
- The fiscal health of the organization, working with staff to assure that the organization has the necessary resources
- Assuring that the organization has the necessary resources by partnering with staff to develop and implement the annual fundraising plan
- Assuring that the organization has the leadership and management to achieve its *Reason for Existing Policies* by employing the executive director and monitoring and evaluating the executive director and the organization’s performance at least once a year

The Board shall consist of not less than three (3) and no more than twenty five (25) Directors at any one time. New Directors shall be elected, by a vote of the majority of then-existing Directors, to a three-year term of service. The term of service shall be measured beginning with the first Board meeting attended by a newly-elected Director, and for three years after that time.

At least two months prior to the completion of each Director’s three-year term of service, the Board Governance Committee shall consult with the Director whose term is nearing completion to determine whether that Director intends to seek another term as a Director. If the Director expresses commitment and interest in seeking another term, the Board Governance Committee will advise the Board and call for a vote prior to the expiration of that Director’s term.

The existing Board shall endeavor to recruit and retain Directors who reflect the diverse communities served by Shanti. The Board should strive to achieve and maintain racial, gender and other forms of diversity on the Board and within the organization.

**ADOPTED BY THE BOARD ON: July 27, 2002**

**Related Policies:**

- Reason for Existing policies  
  Pages 3-4
AUDIENCES AND IMPACTS

(Reason For Existing Policies, Continued)

Individual Clients

Current clients include people with HIV/AIDS, cancer, the disabled, and the frail elderly.

Impact: Individual clients experience enhanced physical, emotional, and spiritual health.

Volunteers

Current volunteers include those supporting our existing clients and mission.

Impact: Volunteers fulfill a deeply felt need to serve, learn new life skills, and experience personal transformation.

Leaders of Volunteers

Current leaders of volunteers include those staff and Board members of service organizations utilizing volunteers to accomplish their missions.

Impact: Leaders of volunteers embrace values-based management, experience renewed commitment to service, benefit their organizations, and advance the field of volunteerism.

Community

Current community builders include clients, peer educators, community health workers, social service professionals, Board members, contributors and supporters and anyone connected with Shanti who makes an effort to help others consciously form vision-driven groups.

Impact: Community builders are drawn to the spirit and work of Shanti and used their enhanced capacity to lead or guide others with common interests and shared values in the conscious formation of scaleable groups and communities for mutual support, personal growth, active learning, or social change.

ADOPTED BY THE BOARD ON: ________________
Shanti - Financial Results as of September 30, 2003

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Current Year Forecast</th>
<th>Current Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year-to-Date 9/30/2003</td>
<td>Full Year 2003-04</td>
</tr>
<tr>
<td>Total Donations</td>
<td>33,534</td>
<td>268,000</td>
</tr>
<tr>
<td>Total Grants</td>
<td>43,250</td>
<td>603,349</td>
</tr>
<tr>
<td>Total Reimburse. Contracts</td>
<td>515,416</td>
<td>2,111,424</td>
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<tr>
<td>Total Service Fees</td>
<td>142,189</td>
<td>605,000</td>
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<tr>
<td>Total Special Events</td>
<td>60,545</td>
<td>225,000</td>
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<tr>
<td>Other Rev - Sales, Interest</td>
<td>1,101</td>
<td>1,101</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>796,035</strong></td>
<td><strong>3,849,174</strong></td>
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<table>
<thead>
<tr>
<th>Expenses</th>
<th>Current Year Budget</th>
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</thead>
<tbody>
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<td></td>
<td>Full Year Budget 2003-04 Variance to Budget</td>
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<td>Personnel</td>
<td>702,801</td>
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<tr>
<td>Other Operating</td>
<td>280,503</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>983,303</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Change in Net Assets</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Current Year Forecast</td>
</tr>
<tr>
<td>Cash</td>
<td>39,324</td>
</tr>
<tr>
<td>Line of Credit</td>
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</table>

**General Comments**

Current year projections are tracking to the budget and restructure plan. The forecast for grants and special events have been lowered and there is some risk in the forecast for these line items. However, these decreases have been offset by increases in revenues associated with the LIFE program implementation across other states. Proposals are being sent to several pre-qualified state agencies. Funding decisions are expected by early calendar year 2004 with implementation to follow shortly after acceptance. There may be more upside potential from this program. The Department of Health and Human Services (Pelosi) grant was formally awarded to the Breast Cancer Fund at the end of September. Shanti expects to receive the funds by the end of October.

The line of credit was drawn down by $200,000 over the first quarter, as anticipated in the budget. October will be a transitional month when most of the staff reductions will take place. Cash requirements remain extremely tight with the possibility needing to draw down the full line of credit over the next few months.
## Shanti - Financial Results as of September 30, 2003

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Current Year Forecast</th>
<th>Current Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year-to-Date 9/30/03</td>
<td>Full Year Forecast 2003-04</td>
</tr>
<tr>
<td>General/Thrift/Bequests</td>
<td>6,360</td>
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<td>Direct Mail/Newsletter/Telemark</td>
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<td>30,000</td>
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<tr>
<td>Donor Choice</td>
<td>4,334</td>
<td>28,000</td>
</tr>
<tr>
<td>Major Donors</td>
<td>18,340</td>
<td>175,000</td>
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<td>% (YTD of Donations)</td>
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</tr>
<tr>
<td>Grants</td>
<td>43,250</td>
<td>312,750</td>
</tr>
<tr>
<td>Grants - Pelosi</td>
<td>-</td>
<td>290,599</td>
</tr>
<tr>
<td><strong>Total Grants</strong></td>
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</tr>
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<td>% (YTD of Grants)</td>
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<tr>
<td>Transportation</td>
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<tr>
<td>Ride for Life</td>
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<tr>
<td>Third Party/Perform /Other</td>
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<td><strong>Total Special Events</strong></td>
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<td><strong>Total Expenses</strong></td>
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<tr>
<td><strong>Change in Net Assets</strong></td>
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<td>(81,896)</td>
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<td>Cash</td>
<td>39,324</td>
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<td>Line of Credit</td>
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<tr>
<td>Staffing (FTE) at Period End</td>
<td>51</td>
<td>46</td>
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Comments:
- Some risk attaining budget target
- Firm full year forecast by month-end Jan 2004
- Lowered forecast based on current outlook
- Grant awarded in October, payment by end-of-month
- Program in review
- Increase revenues for LIFE program purchase by state agencies
- Upside for LIFE program revenue from state agencies
- Expect budget shortfall
- Budgeted for Spring 2004
- Expect budget shortfall
- No change from budget
- No change from budget
- Budget assumes full draw on line of credit
<table>
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<th>Revenues</th>
<th>Current Year Forecast</th>
<th>Prior Year Actuals</th>
<th>Variance</th>
<th>% Var to Prior Year</th>
<th>Comments</th>
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<td>Other Rev - Sales, Interest</td>
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<td>100%</td>
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<td>Expenses</td>
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<td>(81,896)</td>
<td>81,896</td>
<td>(485,215)</td>
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</tr>
</tbody>
</table>

**Comments**

- No telemarketing campaign planned for current year
- Current year impact of Charles Garfield Society participation
- Prior Year Q1 included grants for vans ($141K) and CA Wellness -SNTI grant ($150K)
- Current year includes full-year contract period for HRSA (CA Peer Education Project), Planning Counsel
- Loss of paratransit route
- Current year increase in LIFE program revenue
- Less participation
- Prior year included $11K from Casino
- Prior Year included $18K in voucher revenue, $8K of insurance rebate adjustments
- $75K workers comp/benefits increase; $46K headct/salaries Cur/YTD includes higher travel for CA Peer Ed Training, higher consultant fees, audit bill. Full yr prior year includes $200K of bad debt and assets write-offs.

**Pr.Yr staffing increases - 1-CPEP trainer,3-Planning Council, 1-ED, 2-admin(exec,SNTI),1-Lifelines, 2-drivers**
CALL TO ORDER WITHOUT A QUORUM AT 5:50 PM

REPORT FROM CHAIR – CHARLES GARFIELD
- Charlie announced that he would be stepping down as Board Chair. In regards to a new strategic plan, he feels the Board needs leadership with a set of new skills.
- He emphasized that he is not leaving his involvement with Shanti and will still be available in an advisory capacity.
- Personal and family matters are also proving a challenge in his time management.
- The original interim, three month, chair term has run quite longer than expected.
- Vice-chairs of Board committees are able to step in to chair meetings as set up in the succession plan of the Governance Policies.
- Two things are on the table: Hywel’s employment contract and performance review.
- Charlie presented certificates of appreciation to Bob Rybicki and Ron Dial for their years of service to Shanti and the Board.

EXECUTIVE DIRECTOR’S REPORT – HYWEL SIMS
- Hywel thanked Charlie for his service to the Board.
- He emphasized that these are dangerous times for non-profits due to State and Federal funding cuts, Medicare cutbacks, and funding for HIV/AIDS.
- Jessica Berman is collecting client stories.
- Re-development plans are progressing successfully.

APPROVAL OF MINUTES FROM OCTOBER 2003 (QUORUM PRESENT)
- Proposal to accept the Minutes: Barbara Henderson
- 2nd: Joshua Levenberg
- Discussion: None
- Vote: Unanimous to accept

COMMITTEE REPORTS
Development Committee – Bill Jones
- Year-end emphasis is on the Charles Garfield Society donors.
- The year-end presents maximum opportunities for donations.
- Charles Garfield Society recruitment/renewal letters have been sent.
- A direct mail appeal of 3,100 pieces is at the printer’s.
• A time-line has been set up to ask for renewal donations.
• The Board was asked to personally contact major donors they know and urge them to renew their Garfield Society membership.
• A grant is being submitted for the City Community Support Contract for the Prevention Task Force.

Finance Committee – Molly Singer
• Results should soon be evident from the implementation of the re-structuring plan.
• It has been learned that the Pelosi Grant will be awarded quarterly instead of in a lump sum.
• Bill Dawes reported that the Cash flow has been affected by learning that the Susan G. Komen grant is not recurring. Modest re-structuring action might have to be implemented to offset this.
• More specifics will be available in January.
• Bill Dawes will assume Board Treasurer duties.

Governance Committee – Barbara Henderson
• The governance policies are now complete.
• Board members were urged to complete 2003 Board pledges.
• Board recruitment is being pursued. Hywel is going to have a meeting with Janet Reilly for her suggestions regarding prospective members. Jeff Leiphart and Stu Smith are talking with Karl Keesling as a prospective member.
• A proposal was made for Board terms to be set for three years. Three members are up for re-election: Stu Smith, Dennis Stradford, and Bill Dawes. Paul Pedrazas will be deciding soon if he wishes to stay for another term.
• A list of members and terms was given to members.

Motion to accept renewed term for Bill Dawes was made by Paul Pedrazas
2nd: Bob Rybicki
Discussion: None
Vote: Unanimous to accept (when Bill Olds rejoined by teleconference)

Motion to accept renewed term for Stu Smith was made by Paul Pedrazas
2nd: Bill Dawes
Discussion: None
Vote: Unanimous to accept (when Bill Olds rejoined by teleconference)

Motion to accept renewed term for Dennis Stradford was made by Bob Rybicki
2nd: Paul Pedrazas
Discussion: None
Vote: Unanimous to accept (when Bill Olds rejoined by teleconference)

ANNOUNCEMENTS
• There is no Board meeting in December. Next meeting will be January 27, 2004.
**SHANTI BOARD OF DIRECTOR MEMBERS** – November 25, 2003

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASILLAS, GREGORY L.</td>
<td>ABSENT</td>
</tr>
<tr>
<td>DAWES, WILLIAM</td>
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</tr>
<tr>
<td>GARFIELD, CHARLIE</td>
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</tr>
<tr>
<td>HENDERSON, BARB</td>
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</tr>
<tr>
<td>LEVENBERG, JOSHUA</td>
<td>PRESENT</td>
</tr>
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<tr>
<td>OLDS, WILLIAM</td>
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<td>PEDRAZAS, PAUL</td>
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<tr>
<td>RYBICKI, ROBERT</td>
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<td>SHAYEVICH, CLARA</td>
<td>ABSENT</td>
</tr>
<tr>
<td>SMITH, STU</td>
<td>ABSENT</td>
</tr>
<tr>
<td>STONEBREAKER, KOREN</td>
<td>LEAVE OF ABSENCE</td>
</tr>
<tr>
<td>STRADFORD, DENNIS</td>
<td>ABSENT</td>
</tr>
</tbody>
</table>

**STAFF:** JESSICA BERMAN, MOLLY SINGER, BILL JONES, RON DIAL, HYWEL SIMS, JEFF LEIPHART, KEVIN BURNS, EILEEN MCFARLANE
<table>
<thead>
<tr>
<th>NAME</th>
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<th>3-YEAR TERM</th>
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<tr>
<td>CASILLAS, GREGORY</td>
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<tr>
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<td>September 2000</td>
<td>Re-elected November 2003</td>
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<tr>
<td></td>
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<td>September 2006</td>
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<tr>
<td>DIAL, RON</td>
<td>September 2000</td>
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<td>July 2005</td>
</tr>
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<td></td>
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SHANTI BOARD MEETING AGENDA
NOVEMBER 25, 2003
730 Polk Street
San Francisco, CA

1. CALL TO ORDER  5:45

2. APPROVAL OF OCTOBER 28, 2003 MINUTES  5:47

3. EXECUTIVE REPORT  5:50

4. REPORT FROM THE CHAIR  6:15

   BREAK (10 MIN.)  6:30

6. STANDING COMMITTEE REPORTS  6:40
   ➢ DEVELOPMENT COMMITTEE
   ➢ FINANCE COMMITTEE
   ➢ GOVERNANCE COMMITTEE

7. ANNOUNCEMENTS, SCHEDULE UP-DATES  7:15
   ➢ Next meeting January 27, 2004
<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td>CASILLAS, GREGORY L.</td>
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STAFF: JESSICA BERMAN, MOLLY SINGER, BILL JONES, RON DIAL, HYWEL SIMS, JEFF LEIPHART, KEVIN BURNS, EILEEN MCFARLANE
SHANTI BOARD OF DIRECTORS
MEETING MINUTES
OCTOBER 28, 2003
730 POLK STREET – SAN FRANCISCO, CA

Present: William Dawes (teleconference), Charles Garfield, Barb Henderson, Joshua Levenberg, Robert Rybicki, Stu Smith, Dennis Stradford

Absent: Gregory Casillas, Ron Dial, Josephine Lott, William Olds, Paul Pedrazas, Clara Shayevich

Leave of Absence: Koren Stonebreaker

Staff: Hywel Sims (Executive Director), Molly Singer (CFO/COO), Kevin Burns (Director of Programs), Jeff Leiphart (Director of Programs), Eileen McFarlane, (Office Administrator/Minutes)

CALL TO ORDER: 5:50 PM

APPROVAL OF JULY 22, AND SEPTEMBER 15, 2003 MINUTES:
Motion to Accept: Stu Smith
2nd: Joshua Levenburg
Discussion: None
Vote: Unanimous

EXECUTIVE REPORT:

- Hywel Sims stated that the month of October was a month of transition for the agency.
- The Senior Management Team has a retreat planned for Wednesday of the following week. They will begin work on strategic planning.
- There has been no negative feed-back from press releases on the restructuring.
- Hywel has met the new executive director of the Academy of Friends, there is a plan to co-host a series of round-table discussions with other HIV/AIDS agencies, using a World AIDS Day breakfast as a start.
- The Board was encouraged to follow up on contacts made at the Annual Gala. In specific, Carl Keesling, at UCSF, was mentioned as person to whom we should send a Charles Garfield Society letter and or/ initiate personal contact.
- New ad campaign is ready to go; Hywel is working on securing corporate underwriting.
Regarding fund development:

- Letters have been sent to renewing & prospective donors of the Charles Garfield Society. Charles and Cindy Garfield have generously offered a matching grant.
- Grants Writer, Jessica Berman has written 12 grants, worth $75,000, in her first month as full time writer.
- Hadley Dynak, our contracted grants writer, is also working on some large grants.
- We could possibly become a beneficiary of a Los Angeles group called, Love Is The Cure. Their focus is on people living with breast cancer. Their Board will be invited to make a presentation at our January Board meeting.
- Prudential Realty is considering Shanti as a beneficiary of a national marketing program
- The search for a Development Director is still in progress.
- Bill Jones, Development Consultant, will coordinate a full debriefing of the Annual Gala for the new Development Director’s use.
- General comments were made regarding how things are going since the re-structuring has begun.
  Relief that the press/media did not present the news out of proportion
  There is a feeling of optimism for the future.
  It has been a hard month of adjustment due to the staggered termination dates for various positions.

REPORT FROM THE CHAIR:

- Charles Garfield mentioned the enjoyable Annual Gala.
- Board Pledge letters have been mailed, and members who have already made their pledge were thanked.
- Follow-up was urged for contacts, with an invitation for them to observe November’s Board meeting.
- Praise was given to The L.I.F.E.® Institute for the national and world validation of the Program.

COMMITTEE REPORTS:

Development Committee

- Stu Smith gave an event wrap-up of the Annual Gala and the outreach event to former Board members.
- Former members, Matt O’Grady, Claire Rappaport and Tosca Lee have offered guidance in developing a program code named “The Board Emeritus Program”.
- Two events are up-coming in December at the Plush Room...Teddy Cares (a two-program event) and Stu Smith’s Annual Holiday HobNob. Popular entertainment has already been lined up for the HobNob.
Governance Committee

- Barb Henderson reported that recruitment of new members is in process, and that some prospects might be invited to the next meeting.
- Josh Levenberg highlighted the three sections of the Governance Policies that need Board approval.
  1) Community Statement
  2) Board Description and Composition
  3) Specifics of quorum and binding decisions
- Copies of these sections were made available to all Board members.

VOTE:
Motion to accept: Dennis Stradford
2nd: Stu Smith
Discussion: None
Vote: Unanimous

The adoption of the above sections now makes the Governance Policies a finalized document from its previous draft status.
A question was raised regarding the non-attendance of Board members. The Governance Committee has this on their agenda, along with officer election and terms of service.

AT THIS POINT THE BOARD OF DIRECTORS WENT INTO EXECUTIVE SESSION.
Executive Director's Report
Board of Directors meeting; November 25th, 2003

Overview:

The re-launch of the Charles Garfield Society has so far produced little response. Past analysis shows that around 40% of Shanti's individual donations are received in December; next month will be critical to the success of the restructuring approved by the Board recently. If donation targets are not met, further restructuring may prove necessary; at the very least, the smaller agency created by the elimination of Paratransit services may demand a different management structure for Shanti.

Fund Development:

- 3 grants, worth $140,000, were written in the last month
- The Annual Dinner failed to meet target (netting $106k against a projected $132k), but provided a stage for the preview of Shanti's proposed re-launch campaign
- The Charles Garfield Society launch has yet to produce results, though recipients may respond as part of their year-end giving. It is critical that Board members respond, or encourage response from others, by year-end.
- Love is the Cure (the breast cancer fund-raising group) has agreed a cause-related marketing link with weddingchannel.com. First income for Lifelines from this group is expected in around 12 months.
- Meetings will begin soon with prospective underwriters of Shanti's forthcoming campaign. Board members are invited to suggest prospects; staff will then arrange meetings at which the campaign would be presented and underwriting opportunities discussed.
SCHWARZENEGGER’S PROPOSED CUTS TO AIDS DRUG ASSISTANCE PROGRAM INHUMANE, COSTLY AND SHORTSIGHTED

Advocates shocked by Governor’s reversal of campaign promises

(San Francisco, CA) Project Inform, a national HIV/AIDS treatment and advocacy organization that serves more than 20,000 Californians, strongly criticizes Governor Arnold Schwarzenegger’s request for mid-year budget cuts to essential health, human service and education programs. The cuts were proposed in spite of promises that he would not balance the state’s budget on the backs of the most vulnerable Californians.

Proposed cuts to the State’s AIDS Drug Assistance Program (ADAP) and Medi-Cal, the State’s health insurance program for low-income people are of particular concern to people living with HIV/AIDS. The request to close enrollment in California ADAP as of January 1, 2004 is unprecedented and would mean that for the first time, Californians living with HIV may not be able to access the prescription drugs that can prolong and even save their lives. In addition, the proposed reduction in reimbursement to Medi-Cal providers comes on top of a 5% cut already made in the 2003-2004 budget, and would likely mean that many health care providers will no longer be able to serve these vulnerable individuals.

ADAP provides prescription drugs to fight HIV and its associated diseases to some 26,000 low-income Californians who can’t otherwise afford them. Forty-six percent of ADAP beneficiaries earn less than $8,860 per year; seventy-seven percent earn less than $17,720 per year. As part of a set of budget cuts he asked the Legislature to make half-way through the current budget year, Governor Schwarzenegger proposed closing enrollment in the program to new participants, denying HIV medications to an estimated 720 people with HIV or AIDS from January 1 to June 30, 2004.

“Access to ADAP is the difference between life and death for many low-income, HIV positive Californians,” said Anne Donnelly, Director of Public Policy. “Governor Schwarzenegger is seeking to balance the budget by cutting essential programs, contrary to his campaign promises. We urge the Governor to reconsider this ill-advised course of action and instead affirm a commitment to low-income people who depend on these life-saving health care programs.”

The cuts to Medi-Cal providers are equally destructive since approximately 27,000 low-income and mostly disabled Californians living with HIV rely on this program for the health care they need to stay alive. Decreasing already low reimbursement rates will mean that beneficiaries will have a much more difficult time locating a doctor who can afford to take Medi-Cal patients, and may also lead some providers to drop existing Medi-Cal patients. Studies have shown that people living with HIV who get their health care from a doctor specializing in HIV care live longer. Making it more difficult for the poorest and the sickest individuals to find HIV specialty care is unconscionable.

The Governor’s proposals are not only bad public health, they are bad fiscal policy. People who can’t get care and medications will get sicker, and the resulting increased demand for emergency and acute care services will end up costing the State more.

Project Inform urges Governor Schwarzenegger to rethink his current proposals to slash health and human services programs and instead work with the Legislature to develop more productive and humane solutions to the State’s budget problems.

Established in 1985 as a national non-profit community-based organization, Project Inform is the nation’s leading independent HIV/AIDS treatment information and advocacy resource. Relied upon for information about optimal treatment strategies, access to care and treatment, and advances in research, Project Inform is committed to an integrated approach to treatment education and advocacy. Our mission is to: Provide vital information on the diagnosis and treatment of HIV disease to HIV-infected individuals, their caregivers, and their healthcare and service providers; Advocate for enlightened regulatory, research, and funding policies affecting the development and delivery of effective treatments; and Inspire people to make informed choices and to choose hope over despair.
Shanti - Financial Results as of October 31, 2003

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Current Year Forecast</th>
<th>Current Year Budget</th>
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<tbody>
<tr>
<td></td>
<td>10/31/2003</td>
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<tr>
<td>Total Donations</td>
<td>59,267</td>
<td>268,000</td>
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<td>Total Grants</td>
<td>63,250</td>
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<tr>
<td>Total Reimburse. Contracts</td>
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<td>Total Service Fees</td>
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<td>Total Special Events</td>
<td>106,232</td>
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<tr>
<td>Other Rev - Sales, Interest</td>
<td>2,578</td>
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<th>Change in Net Assets</th>
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<td>(84,797)</td>
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<td>Cash</td>
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<tr>
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Changes from prior forecast

**General Comments**

The current forecast has been revised for (1) a reduction in grant funding expectations and (2) the discontinuation of the paratransit program by the end of January. Grant funding was reduced in the prior forecast by $33,500. The current forecast incorporates an additional downward adjustment of $67,500 resulting in a $101,000 shortfall to budget. The change reflects (a) not being eligible for another round of Komen funding this fiscal year ($50,000) plus actual grants declined (including Adobe, CHW - St Francis).

The grant shortfall will be offset by savings from the discontinuation of the paratransit program. The paratransit program was losing over $11K per month. The net savings will come from personnel reductions (10 drivers) and lower insurance, fuel and maintenance expenses.

Risk continues in the donations, annual dinner, and grant revenue line items. These risks should be fully quantifiable at calendar year-end.

A final concern is the distribution of the "Pelosi" grant. The grant was anticipated as a single lump sum cash disbursement. The grant may now be treated as a "reimbursement" award. If the grant is paid-out on a reimbursement basis, additional cost actions will be necessary to meet budget goals. Planning has begun for this contingency.
Shanti - Financial Results as of October 31, 2003

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Current Year Forecast</th>
<th>Current Year Budget</th>
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</thead>
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<tr>
<td></td>
<td>Year-to-Date 10/31/2003</td>
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<td>Major Donors</td>
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<tr>
<td><strong>Total Donations</strong></td>
<td>59,267</td>
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</tr>
<tr>
<td>% (YTD of Donations)</td>
<td>22%</td>
<td>100%</td>
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<tr>
<td>Grants</td>
<td>63,250</td>
<td>225,000</td>
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<td>Grants - Pelosi</td>
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<tr>
<td><strong>Total Reimburse. Contracts</strong></td>
<td>683,093</td>
<td>2,111,424</td>
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<tr>
<td>% (YTD of Contracts)</td>
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<tr>
<td>Transportation</td>
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<tr>
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<tr>
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<td>% (YTD of Service Fees)</td>
<td>46%</td>
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<tr>
<td>Annual Dinner</td>
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<tr>
<td>Fashion Show</td>
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<td>Ride for Life</td>
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<td><strong>Total Special Events</strong></td>
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<td>Other Rev - Sales, Interest</td>
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<td>% (YTD of Expenses)</td>
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<tr>
<td><strong>Change in Net Assets</strong></td>
<td>(258,297)</td>
<td>(84,797)</td>
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<td>Cash</td>
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<td>Staffing (FTE) at Period End</td>
<td>50</td>
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Comments:
- Changes from prior forecast

Page 2 of 3
Board of Directors Meeting November 25, 2003
### Shanti - Financial Results as of October 31, 2003

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<tr>
<th>Revenues</th>
<th>Current Year Forecast</th>
<th>Prior Year Actuals</th>
<th>Variance</th>
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<td></td>
<td>Year-to-Date 10/31/2003</td>
<td>Full Year Forecast 2003-04</td>
<td>Prior YTD 10/31/2002</td>
<td>Prior Year Unaudited 2002-03</td>
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<td>18%</td>
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<td>Grants</td>
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<td>245,250</td>
<td>343,500</td>
<td>695,500</td>
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<td>Grants - Pelosi</td>
<td>-</td>
<td>290,590</td>
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<td><strong>Total Grants</strong></td>
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<td>535,849</td>
<td>343,500</td>
<td>695,500</td>
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<td>% (YTD of Grants)</td>
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<td>49%</td>
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<td>236,914</td>
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<td>85,000</td>
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<td>444,020</td>
<td>260,914</td>
<td>692,202</td>
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<td>100%</td>
<td>38%</td>
<td>100%</td>
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<td>133,300</td>
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<td>Fashion Show</td>
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<td>Ride for Life</td>
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<td>20,000</td>
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<td><strong>Total Special Events</strong></td>
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<td>200,300</td>
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<td>% (YTD of Service Fees)</td>
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<td>Other Rev - Sales, Interest</td>
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<td>2,578</td>
<td>4,765</td>
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<td><strong>Total Revenue</strong></td>
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<td>3,562,171</td>
<td>1,190,708</td>
<td>3,581,883</td>
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<td>% (YTD of Revenue)</td>
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<td>33%</td>
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### Expenses

<table>
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<th>Prior Year Actuals</th>
<th>Variance</th>
<th>Variance</th>
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<tbody>
<tr>
<td></td>
<td>Year-to-Date 10/31/2003</td>
<td>Full Year Forecast 2003-04</td>
<td>Prior YTD 10/31/2002</td>
<td>Prior Year Unaudited 2002-03</td>
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<td>Personnel</td>
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<td><strong>Total Expenses</strong></td>
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<td>1,190,455</td>
<td>4,077,098</td>
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<td>% (YTD of Expenses)</td>
<td>38%</td>
<td>100%</td>
<td>29%</td>
<td>100%</td>
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</table>

### Change in Net Assets

| Cash | (258,297) | (84,797) | 253 | (495,215) | 258,549 | 410,418 | 83% |
| Line of Credit | 39,324 | 150,000 | 55,608 | 10,150 | (16,284) | 139,850 | - |
| Staffing (FTE) at Period End | 430,000 | 500,000 | 60,000 | 230,000 | (370,000) | (270,000) | - |
| **Change in Net Assets** | 50 | 36 | 46 | 55 | 4 | 19 | - |

Comments:
- No telemarketing campaign planned for current year
- Current year impact of Charles Garfield Society participation
- Prior Year Q1 included grants for vans ($141K) and CA Wellness -SNTI grant ($150K)
- Current year includes full-year contract period for HRSA (CA Peer Education Project), Planning Counsel
- Current year increase in LIFE program revenue
- Less participation
- Prior year included $11K from Casino
- Prior Year included $18K in voucher revenue, $80K of insurance rebate adjustments
- CurYTD reflects higher staff levels; worker's comp
- CurYTD includes higher travel for CA Peer Ed Training, higher consultant fees, audit bill; Full yr prior year includes $200K of bad debt and assets write-offs
- Pr.Yr staffing increases - 1-CPEP trainer,3-Planning Council, 1-ED, 2-admin(exec,SNTI),1-Lifelines, 2-drivers

Page 3 of 3 Board of Directors Meeting November 25, 2003
CHARLES GARFIELD SOCIETY UPDATE
For distribution at Development Committee and Board of Directors meeting
November 25, 2003

Board and senior management members are being asked to help in the following ways:

(a) Identify personal friends, not already on the lists below, and ask them to join, either via phone or through letters. We will be happy to meet with you and review your list of contacts, provide brochures, write and print letters for you.
(b) Sign a follow-up letter to those people on the list above whom you know. This is a very brief letter from a board member that basically says “I know you’ve received a request from Shanti recently… it would mean a lot to me if you said yes.”
(c) Make follow-up phone calls.
(d) Join, or renew your own membership in, the Garfield Society, if you haven’t already done so. Consider upgrading to a higher level.

There are 43 members of the Garfield Society, of which the following 24 are up for renewal at this time. A letter has been sent to most of these people (some are being handled in other ways) seeking membership renewals. Follow-up phone calls are beginning.

PATRONS
Josephine Caffese Lott
Janet & Clinton Reilly

PACESETTERS
John Mahoney

INNOVATORS
Gregory L. Casillas
Thomas J. Cutillo & Priscilla A. Myrick
Ron Dial
Margo Sensenbrenner

ADVOCATES
Johanna & Thomas Baruch [note from Dennis]
Linda Boonshoft
Dr. Richard Cazen [Bill Dawes is handling]
Julia F. Day
Barbara & Dixon M. Farley
Alan Flatt [seeking address—does anyone know him?]
Laurie Gibbs-Harris
Lisa & Douglas Goldman
Frances Anne Lana
Caroline Fromm Lurie
Gregory A. Ott & Lewis Kalmbach
Ralph M. Pais & Gayl M. Huston
Robert A. Rybicki & Lee Ng
Mark T. Stafford [Bill Dawes is handling]
Koren & Michael Stonebreaker
In addition, letters have been sent to more than 100 people inviting them to join the Charles Garfield Society. If they join, their gifts will be matched by Charlie Garfield and Cindy Spring (up to a maximum of $20,000).

Terecita L. Dean & Thomas Chan
Judge Herbert Donaldson
Kathy Erbes-Mrsny
David Gallagher
Dr. Gregg Higuchi
Peggy M. Jackson, DPA, CPCU & Paul Jackson
Sara Martin
Paul S. May & Frank Stein
David Morey
Dale D. Randall & David Souza
Peter Keith Renstrom & Gabriel Jackson
Renstrom
Lane A. Richards
Elizabeth J. Woodall & Herb Kritz
Kim Zeldin
Prentice Alexander
Douglas P. Allen
Ian H. Altman & Lalura S. Scher
Carmen Apodaca
Louis & Patricia Bellardo
Natalie Berg
Gary Buckner, Jr. & Joel Enos
Camille Byron
Dr. Richard Cavanaugh
Paul Colfer
Mauro & Kathleen J. Dell'Olio
Dianne G. Estrin
Chuck Forester [Jeff Leiphart is following up]
David A. Friedman & Paulette J. Meyer
David W. Hall
Kate A. Hanham, Ph.D.
W.J. Heap
Robert & Roberta Johansen
Eugene Kapoloski
Alan Kates
Kathryn Supple Kelly
David A. Lauer
Joshua Levenberg
Betty Louie [Charlie Garfield sent letter]
John L. Manley
Christopher W. Meyer
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<th>Second Name</th>
<th>Third Name</th>
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BOARD SUPPORT LETTER

Dear ________________,

As you may be aware, I have the privilege of serving as a member of the Board of Directors of Shanti.

I know you’ve recently received a letter from our Executive Director, Hywel Sims, asking you to renew your membership in [or “consider becoming a member of”] the Charles Garfield Society, our major gift program.

Shanti is a truly extraordinary organization, making a very significant difference in the lives of many of our friends and neighbors with HIV/AIDS and breast cancer.

It would mean a lot to me if you would be able to make a donation at this time. If you have any questions about Shanti and our work, I would be very happy to speak with you. Thanks for considering Shanti’s request.

Sincerely,

Name

Phone Number
Stu Smith’s Annual Holiday Hob Nob Benefit for Shanti

Sponsored by Chuck and Donna Ewald Huggins and See’s Candy

Starring in Alphabetical Order:
Lisa Baney
Dick Bright
Tim Hockenberry
Spider Saloff
Bob Sarlatte
and special guest

Featuring emcees
Al Hart &
Bruce Bellingham

Tuesday, December 16 • 7:00 pm
The Plush Room
The York Hotel • 940 Sutter Street
(415) 885-2800

Tickets: $35 - $50 - $75
To purchase contact Stu Smith
666 Post Street, #704
San Francisco, CA 94109-8254
phone: (415) 923-1452
e-mail: Stusmith97@aol.com

Please make checks payable to Shanti—100% proceeds of ticket sales benefit this organization. Please also consider purchasing a ticket for a Shanti client unable to make that purchase and a year-end gift to Shanti as we enter our 30th year of service. Shanti is a 501(c)(3) nonprofit organization. Federal Tax ID 94-2297147.
BRUCE E. PHILLIPS presents a benefit for Shanti Arts Access Bay Area Crisis Nursery SF General Hospital

December 7th 14th at 7:00 PM in the Plush Room at the York Hotel
940 Sutter Street, San Francisco
Tickets: 415-885-2800

Admission: $15 plus a new teddy bear
Lineup:

December 7th at 2:00 PM (Dean Lesher)
- Samantha Samuels, Host
- Lynda Bergren-Kalb
- Lisa Bowman
- John Florencio
- John McCullough
- M.L. Parr
- Bruce E. Phillips
- Lauren White

December 7th @ 14th at 7:00 PM
in the Plush Room at the York Hotel
940 Sutter Street, San Francisco
Tickets: 415-885-2800

December 7th at 2:00 PM
at the Dean Lesher Theater
1601 Civic Drive, Walnut Creek
Tickets: 925-943-7469

Presented in association with the
Diablo Regional Arts Association
and ESSES Productions

December 7th at 7:00 PM (Plush Room)
- Darlene Popovic, Host
- Houston Allred
- Bill Cooper
- Coley Grundman
- John McCullough
- Tammy Nelson
- Richard Nickol
- Bruce E. Phillips

December 14th at 7:00 (Plush Room)
- Samantha Samuels, Host
- Michelle Colleary
- Chris Dilley
- Tim Hockenberry
- Barry Lloyd
- Bruce E. Phillips
- Lisa Viggiano
- Mark Wiegle