

The start-up of Career Street has presented some Foundation operation issues and questions. In particular, how should the Foundation operate managerially and financially? Other than the Board of Directors, the only operational position recognized by the Foundation's bylaws is the Secretary. This has been sufficient since the Foundation was started. However, with a larger scope of operation for the Foundation due to Career Street, it seems appropriate to discuss how to make the operation of the Foundation efficient and credible. It should also be noted that neither the ECTS Business Manager or Director has any legal authority to conduct business on behalf of the Foundation.

One of the early indicators of an issue was the fiscal operations of the Foundation. Although Mrs. Stokes, ECTS Business Manager, serves as the Secretary to the Foundation, she does not serve as the business manager for the Foundation. The Foundation's Treasurer is to fulfill that role. Based on the bylaws, the Treasurer "shall keep full and accurate records of receipts and disbursements" and "shall disburse the funds of the Corporation as may be ordered by the Board . . ." Historically, this arrangement worked, with the ECTS Business Manager performing the work. But the new scope of operation with Career Street probably calls for a different approach. Issues noted so far include the ability to make periodic purchases for supplies, processing invoices and cutting checks for timely payments, and access to a credit card for routine purchases.

The same kind of issue has also become apparent with the operational management of Foundation. The bylaws indicate the President ". . . shall have general and active management of the business of the Corporation." The bylaws also say the President "shall execute all contracts requiring a seal, under the seal of the Corporation." Recent examples of operational management concerns include grant applications to the Erie Womens' Fund and the Erie Community Foundation, an application and contract with the Workforce Investment Board, and a memorandum with the United Way of Erie County. In essence, all of this work should have been completed by the President, but was carried out by the ECTS Director.

Should the officers of the Corporation be expected to carry out these functions or does it make sense for the Foundation to appoint a fiscal agent and a management agent to conduct business on its behalf? The Business Manager and Director would like to recommend that the Foundation Board of Director's, either through an amendment to the bylaws or by a simple board resolution, appoint the ECTS business manager as the fiscal manager and the ECTS Director as the operations manager for the Foundation. These roles and responsibilities would be carried out very similarly to their respective roles for ECTS. All pertinent matters would be brought before the Foundation Board of Directors for review and approval, regular reports

would be made, and Foundation business could be carried out in an efficient and timely manner.

It should also be noted that Career Street is not the only Foundation venture where these concerns may arise. RCTC has processed previous grants through the Foundation and will likely do so in the future. Grant applications, acceptance of grants, processing expenditures and submitting reports will be more credible with staff designated to act on behalf of the Foundation.

Sample Fiscal and Operational Duties

1. Advertising contracts
2. Contracts for printing
3. Purchasing supplies
4. Submitting applications
5. Completing operational and financial reports
6. Signing standard contracts, memorandums or agreements
7. Making and following up on donations and solicitations
8. Negotiating with other entities and agencies