



KCSF
KOREAN CANADIAN
SCHOLARSHIP FOUNDATION

2016 Report from the Chair

This past year has been one of tremendous change and progress for KCSF, with the establishment of the Steering Committee, new scholarships at higher levels than ever before, a new administrator, a new address, a highly successful Gala, and of course, incorporation.

We should all be extremely proud of the work that was accomplished this past year. The impact of this work is evident in our results in certain key areas. We should look at this coming year as the next phase of KCSF's evolution, focused outward instead of inward – our past, current and future scholars, the young people we serve, our donors, our sponsors, our partners, and our community at large.

I would like to highlight some of our accomplishments this year, and then discuss the areas that should be our priority for the next year.

Steering Committee

The Steering Committee was finally formed late 2015 after the last AGM. The success of SDC as a committee to, not only run the programs, but as a platform for young Korean-Canadians to lead, and come together as friends and colleagues, is the model for SC. While the mandate will be different, the KCSF will encourage the SC to become another opportunity for young people to get involved, gain valuable leadership and team-building experience, and to make life-long friends.



It is led by board member, Mark Lee, and former SDC member, Grace Ki. Recruitment was a main priority for SC at the outset, as well as determining the best structure for the committee to operate. While there has been some difficulty understanding the best way for SC to operate within the KCSF, progress has certainly been made. The SC has transitioned our cloud services and email over to Google Apps so that we each can have our own, personal @kcsf.ca email addresses, and we can begin moving toward cloud storage, collaborative folders and files. The transition will still take some time to be fully complete but we have made significant process already.

In addition, the SC has worked on creating a new webpage on a new platform that should prove to be simpler to manage and result in a newer, fresh look for KCSF. Social media, digital presence and communication continue to be the most cost-effective and efficient way to reach a large number of people. The SC will play a vital role in executing this important function. Going forward, we can expect the SC to be integral to all aspects of KCSF's activities – marketing, communications, and fundraising.

Scholarship Program



Changes to Program

Through several meetings, the investment and endowment committee recommended changes to the endowment policy and the scholarship program structure. These changes were approved by the executive committee with respect to the scholarship program to allow greater flexibility in the award amounts and structure.

Five New Scholarships

As announced at the 2016 Scholarship Night Gala, we have received commitments for five new scholarships:

- Donald Choi Canada Scholarship - \$30,000 over 4 years, entrance scholarship, open (endowment fund to be increased from \$800k to \$1 million)
- Sung and Hae Kim Scholarship - \$5,000, upper-year, open (endowment fund commitment of \$200,000)
- Yun Back Kim Family Foundation Award of Excellence - \$2,500, upper-year, electrical engineering, preference to George Brown (endowment fund commitment of \$60,000)
- Duk Joo Lee Scholarship - \$2,500, TBD (endowment fund commitment of \$100,000)
- Galleria Supermarket Scholarship - \$2,500, upper-year, open (expendable)

Endowment Policy

The scholarship program changes are made in tandem with changes to the endowment policy. The practice that had been developed with expendable scholarships will be continued, but we have formalized the distinction between true endowments and expendable scholarship funds. The endowment committee has set \$60,000 as the threshold for \$2,500 scholarships, together with a small administrative fee to the KCSF, based on approximately 5% returns. Any fund under this threshold will deplete unless topped up. In addition, we will set firm guidelines on when to liquidate gains realized in the invested funds to be applied to an award fund for the scholarship program. These will be tracked and allocated according to the specific fund balance for each endowment fund. Measures will be put in place for a contingency fund to address any severe market fluctuations, or other unforeseen circumstances.

We will need to spend the early part of 2017 working on implementing these changes. Once established, the program will be clearer, perform better for donors, and enable KCSF to attract more endowment funds from a broader group of potential donors.

Administrator and Head Office

In keeping with KCSF's belief in partnerships, 2016 saw the start of our formal partnership with KCWA Family and Social Services for administration services. We are sharing the services of Eunyoung Baek for administration, who has worked very hard to catch up the work that had been left by our former administrator.

We have moved KCSF's mailing address to KCWA's office at 27 Madison Avenue near Bloor and Spadina instead of a North York P.O box. All these changes should result in new efficiencies for KCSF's operations for the future.



The full address going forward is:

Korean Canadian Scholarship Foundation
27 Madison Avenue,
Toronto, ON M5R 2S2
Tel: 416-340-1831
Email: administrator@kcsf.ca
Attention: Eunyoung Baek

Scholarship Night Gala

As many of you will know, this year's Gala proved to be one of the most successful in years. Certainly during my time as Chair, the 2016 Gala will stand as the one with many highlights:

- Ticket sales were high as we virtually sold out (296) with strong 1.5/2nd generation attendance
- The keynote speaker, Daniel Kim, was fresh and dynamic and spoke about a difficult but important issue around mental health
- The Scholarship recipients' "Thank you" video was well-received
- Presented the newly established "Dream Tree" Award to Raymond Chun, SVP of TD Canada Trust
- Event coordination was very well-organized



Overall, the feedback for the 2016 Scholarship Night Gala was the highest it has been in my time as Chair. This success was the direct result of a broader team effort by the many volunteers and board members on the Gala Committee. As a departure from past years, the Gala Committee solicited volunteer committee members from outside the organization. As a result, the Gala Committee included board members, SDC and SC members, and outside volunteers, some of whom were solicited from our sponsors. We will continue this inclusive approach to the Gala Committee as it fosters inclusiveness, and brings diversity to the organization.

Incorporation



As of August 19, 2016, the KCSF was incorporated under the Federal *Canada Not-For-Profit Corporations Act*. At the annual general meeting, November 23, 2016, the new corporate entity's board will be constituted. The new board will pass the first By-Law and all of the assets and liabilities of the unincorporated KCSF will be transferred to the incorporated entity effective as of December 31, 2016.

Incorporation is an important step for the organization for a number of reasons.

First, it will provide important and necessary separation between the individual volunteer board members and the organization. Liability for the actions of KCSF will remain with the corporation and will not be attributable to the volunteer directors (except in very limited circumstances).

Second, the privilege of limited liability for corporations is accompanied by greater responsibility for record keeping and process for the organization. The mandatory requirements imposed on corporations will ensure that the operations of KCSF continue to improve and remain in compliance. This is crucial to maintain our reputation and the trust of our donors and sponsors.

Finally, incorporation will allow KCSF to better grow its operations and engage in new initiatives as it will be recognized as a legal person. Any concerns with respect to ownership of property, and status to enter contracts should no longer be an issue moving forward.

The KCSF is grateful for the pro bono legal services provided by Gowling WLG and partner, Irene Chang, who is a KCSF board member and Secretary, as well as a past KCSF Scholar.

Goals for 2017

While sponsorships for the Gala were in line with past years, the KCSF must work at increasing the number of sponsors in coming years. The growth of the organization relies critically on increasing overall revenue to our unrestricted general fund. Operating costs are increasing as we transition to corporation status and as we improve our leadership and advancement programs.



However, I believe we have positioned ourselves well to make significant progress in this regard. The reputation of the KCSF continues to be high amongst both the first and second generation communities, as well as amongst our sponsors. We have developed strong and beneficial relationships with numerous KC organizations. The KCSF continues to serve as a model in the community on many levels – only successful 1st generation organization to transition to 2nd generation leadership, charitable organization servicing the highly educated segment of our community, established KC organization with strong ties to Canadian business community, fostering partnerships and sponsorships of other KC organizations, increasing participation from 2nd generation Korean-Canadians. Finally, the KCSF offers a unique opportunity for other stakeholders as the young people that we serve represent a specific segment of the Korean-Canadian community that is highly educated and highly motivated to succeed. The ingredients are there to make a real impact in the community.

In order to increase revenues and impact, both for our scholarship program and our SDC programs, the KCSF should prioritize the following for the coming year:

1. Formalization and marketing of new Endowment and Scholarship Policies to increase potential and actual donations to the scholarship program and to elevate the significance of the awards given by our program;
2. Strategic and concentrated effort to engage past scholars and participants to get involved and to donate small amounts; and,
3. Improving practices and policies of the KCSF to provide timely information and updates to our sponsors and donors.

These priorities are purposely outward facing. They are directed at our stakeholders. We have spent this past year making necessary changes to our organization internally. We must continue that work but with the goal now of addressing our stakeholders and our community.

Thank you for allowing me the privilege of leading and serving another term as Chair for 2015-2016, and thank you all for your efforts this past year.

Philip Cho,
Chair of the Board of Directors
Korean Canadian Scholarship Foundation