

# Northwest Florida State College Foundation Finance Committee Meeting

Tuesday, July 27, 2021 at 8:00 a.m.  
Morell Room 302, 3<sup>rd</sup> Floor, Student Services Building  
Niceville Campus

## AGENDA

- I. Call to Order
- II. [Approval of April 27, 2021 Meeting Minutes..... 2](#)
- III. [Role of Finance Committee ..... 5](#)
- IV. [Review of Investment Policy ..... 6](#)
- V. Action Items
  - A. [Finance and Investment Reports ..... 15](#)
  - B. Investment Report by McGovern, O’Dell & Associates/Merrill Lynch
  - C. [Checks Over \\$5,000 ..... 20](#)
  - D. [New Endowments..... 23](#)
  - E. [College Apartment Update/Sale Proceeds and Internal Loan Payoff..... 28](#)
- VI. Information Items
  - A. [First Generation Matching Grant..... 29](#)
  - B. [Update on Campbell Property ..... 30](#)
- VII. Other Business
  - A. Executive Director Report
  - B. Next Meeting – October 26, 2021 at 8:00 a.m.
- VIII. Adjourn

NWFSC Foundation Finance Committee Meeting  
April 27, 2021 8:00 a.m.  
Room 308, SSC, Niceville Campus

**Members Present:**

Bo Arnold	Jonathan Ochs
Destin Cobb	J.D. Peacock
Chad Hamilton	Steve Rhodes
Don Litke	Steve Wills

**Other Members:**

Ray McGovern  
Shane O'Dell

**Staff Present:**

Shiri Brandenburg	Kira Magruder
Kelly Copeland	Carla Reinlie
Cristie Kedroski	

**Absent:**

Eric Aden	Walter Hooks
Marek Bakun	Dennis Peters
Wayne Campbell	Dale Peterson

**Call to Order:**

Dr. Arnold called the meeting to order at 8:00a.m.

**Approval of Committee Meeting Minutes:**

The minutes of the January 26, 2021 committee meeting were approved as presented. **Motion to approve minutes, Mr. Hamilton; Second, Mr. Wills. Motion carried unanimously.**

**Financial Reports:**

Ms. Brandenburg Presented the Statement of Financial Position, Statement of Activities, and the Investment Report as of March 31, 2021. Total Assets are \$62,876,838 and Total Liabilities are \$5,286, bringing the Total Fund Balance to \$62,871,552. As of March 31, 2020 the Total Fund Balance was \$47,800,504. Total Revenues were \$12,881,188 and Total Expenses were \$2,573,480 for a Net Increase in Fund balance of \$10,307,708. A Statement of Activities from the previous fiscal year from July 1, 2019 through March 31, 2020 shows Total Revenues of (\$2,992,601) and Total Expenses of \$2,728,782 for a Net Decrease in Fund balance of (\$5,721,384). Pledge Commitments in the amount of \$23,000 made in fiscal years 2019 and 2020 are uncollectible and have been recorded as bad debt expense for fiscal year 2021. The Net Increase to the Merrill Lynch EMA account since July 1, 2020 is \$11,032,538, bringing the Total Market Value to \$57,829,330 at March 31, 2021. The Net Increase to the Vanguard Wellington Account since July 1, 2020 was \$47,906, bringing the Total Market Value to \$304,370 as of the last statement date of March 31, 2021. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$58,133,701. The portfolio allocation as of the statement date is 3.21% Cash

& Cash Equivalents, 65.58% Equity, 8.43% Alternative Investments and 22.77% Fixed Income & Annuity. As of March 31, 2021 Total Operating Expenditures were \$144,400, leaving 51% of the budget available for the remainder of the fiscal year. As of March 31, 2021, Total President's Office Expenditures were \$12,191, leaving 19% of the budget available for the remainder of the fiscal year. **Motion to approve financials Mr. Ochs; Second, Mr. Cobb. Motion carried unanimously.**

**Approval of Checks over \$5000:**

Ms. Brandenburg presented a listing of checks over \$5,000 from January 16, 2021 through March 31, 2021 for the committee to review. **Motion to approve checks over \$5,000, Mr. Wills; Second, Destin Cobb. Motion carried unanimously.**

**Foundation FY 2022 Operating Budget/Policy Revision – Administrative Fee:**

Ms. Kedroski reviewed the 2022 operating budget and noted several increases. Consultant Fees, Food and Food Products, and Materials and Supplies-Other are increasing as the Major Gift Campaign will be resuming. Internal Support Services is also increasing by \$95,000 to pay for 50% of the Foundation Staff salaries to improve the self-sustainment of Foundation operations and allow the College to focus on other initiatives and priorities. Additionally, Ms. Kedroski reviewed the current administrative fee of 0.59% with the committee along with a survey of fees institutions across the state charge to funds. Ms. Kedroski also noted the benefits of increasing the administrative fee to 0.75%. **Motion to approve the operating budget and change the administrative fee from 0.59% to 0.75%, Mr. Peacock; Second, Maj Gen Litke. Motion approved. For, Mr. Cobb, Mr. Hamilton, Maj Gen Litke, Mr. Ochs, Mr. Peacock, Mr. Rhodes, and Mr. Wills. Against, Dr. Arnold.**

**Underwriting of Mattie Kelly Arts Center Series 2020-2021:**

Ms. Brandenburg presented the 2021-2022 Mattie Kelly Arts Center Series. She noted that each year the Foundation is asked to underwrite the season. **Motion to approve the 2021-2022 Mattie Kelly Arts Center Season at a cost not to exceed \$528,100, Mr. Hamilton; Second, Mr. Cobb. Motion carried unanimously.**

**Endowment Spending Allocation for 2021-2022:**

Ms. Brandenburg presented the Endowment Spending Allocation for 2021-2022. She noted that the allocation is based off of a three year rolling average of the fund. **Motion to approve the Endowment Spending Allocation for 2021-2022 as presented, Mr. Cobb; Second, Mr. Hamilton. Motion carried unanimously.**

**Professional Services Contract Schedule:**

Ms. Brandenburg reviewed Foundation policy (#12.0) regarding Contracting and Professional Services. Investment Services are scheduled to be reviewed June 2021 and staff recommends continuing engagement with McGovern, O'Dell and Associates. **Motion to continue engagement with McGovern, O'Dell and Associates, Mr. Hamilton, Second, Mr. Peacock. Motion carried unanimously.**

**Foundation/College MOU FY22:**

Ms. Kedroski presented the Foundation/College MOU. She noted that this agreement is required by state auditors and serves to outline important terms between the College and Foundation. She noted the language associated with the College Apartments will be stricken if the apartments sold prior to fiscal year end. **Motion to approve Foundation/College MOU FY22, Mr. Rhodes; Second, Mr. Ochs. Motion carried unanimously.**

**Offer on Campbell Property (39.48 acre parcel)/Timber Contract**

Ms. Kedroski informed the committee that the Foundation received an offer of \$100,000 for the purchase of the 30.48 acre parcel from Jared and Melissa Bradley whose family owns the adjacent property. The timber has generated over \$150,000 in revenue since 2010 across two non-adjacent parcels in Walton County associated with the Gertrude Gillis Campbell endowment. Staff recommends continuing the contract with Choctaw Land & Timber to thin both properties and seek feedback from area realtors to understand the real estate value of the properties prior to making any determinations. **Motion to approve continuing the contract with Choctaw Land & Timber to thin both properties and seek real estate value of the properties from local realtors to determine next steps Maj Gen Litke; Second, Mr. Cobb. Motion carried unanimously.**

**New Endowments:**

Ms. Brandenburg presented the new endowment – Donald E. Hood Theater Arts Scholarship. This is a \$25,000 endowment with an additional \$1,000 restricted gift for a Fall 2021 scholarship. **Motion to approve new endowment as presented, Maj Gen Litke; Second, Mr. Peacock. Motion carried unanimously.**

**Other Business:**

Next meeting is July 27, 2021 at 8:00am in room 308, Raider Central, Building 400, Niceville Campus.

**Adjournment:** There being no further business, the meeting adjourned at 9:45 a.m.

\_\_\_\_\_  
Bo Arnold, Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Cristie Kedroski, Secretary

\_\_\_\_\_  
Date

## **M E M O R A N D U M**

TO: NWFSC Foundation Board Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: Role of the Finance Committee

---

Per the Foundation's bylaws, the role of the Finance Committee is as follows:

This Committee shall be chaired by the Treasurer and shall recommend actions and policies to the Board regarding the expanding and investing of funds. This Committee shall make recommendations on selection of an Auditor; meet with the Auditor as needed; present annual Audited Financial Statements to the Board of Directors for acceptance; and assure that the Audit is provided to appropriate state and/or federal agencies.

## **M E M O R A N D U M**

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: Review of the Investment Policy

---

Per the Foundation's bylaws, the Investment Policy is as follows:

The investment policy is provided as an information item for your review. Staff is not recommending any changes but believes it is prudent to review the investment policy with the finance committee at least once per year.



**TITLE: INVESTMENT POLICY**

**DATE ADOPTED: 1/7/14**

**REVISIONS: 2/3/15, 6/1/16, 4/14/2017, 6/03/2020**

**SIGNATURE OF BOARD SECRETARY:**

---

**PURPOSE OF POLICY**

To address the management of the Foundation's assets and investments.

**Local Language**

**Finance and Investment Committee – Description of Responsibilities**

The Investment Committee exists to provide oversight, policy and direction to the Foundation Board and staff in the areas of investment and management of Foundation assets, both cash and non-cash. The committee is charged with ensuring a coordinated and consistent approach to all of the Foundation's investment activities.

*Activities*

In fulfilling this purpose, the Finance and Investment committee is expected to:

- a) Develop policies in the areas of cash and cash-equivalent asset investment and management.
- b) Develop policies regarding the retention and management of non-cash assets.
- c) When approved by the Board of Directors, serve as trustee, or retain specialists to serve as trustee, when the Foundation is named as trustee by the donor.
- d) Develop policies specifying when assets should be turned over to the College and when they should be retained by the Foundation.
- e) Develop special single-purpose subcommittees and advisory boards to evaluate, support and manage special Foundation assets.
- f) Select, retain, monitor the performance of, and change when necessary, cash and non-cash investment and asset managers, charitable trust and annuity managers and other specialists as needed.
- g) Work with the Executive Committee and retained specialists to develop investment options for trusts and annuities.

- h) At least on an annual basis, review the performance of all investments and decide whether changes are needed.

### *Authority*

The Finance and Investment committee has the authority to:

- a) Review and monitor the performance of investment managers, asset managers and trust and annuity managers, and retain or change them as necessary.
- b) Invest or manage major cash and non-cash gifts that are accepted by the Foundation.
- c) Retain specialists as needed and as budgeted.
- d) In conjunction with the Executive Committee, establish the level of reserves.

The Finance and Investment committee will recommend to the Board of Directors approval of Foundation policies developed by the committee.

### **Investment Philosophy**

The Foundation's investment philosophy is based on a disciplined and consistent approach that accommodates the occurrence of events considered reasonable and probable. Extreme position and opportunistic styles are not consistent with this philosophy. The mission and focus of the Foundation is long-term in nature; consequently the investment of the Foundation's assets should have a long-term focus.

### **Investment Objective**

To earn long-term returns that match or exceed the benefit obligations of the Foundation to pay out 4 percent of its value each year (in addition to an [administrative fee](#)) and to provide for asset growth of a rate in excess of the rate of inflation.

The Foundation's goal is to reduce risk by investing in a diversified portfolio of financial assets, primarily in stock funds, bonds, or bond funds and cash equivalents. The Foundation will diversify between asset classes to reduce risk and volatility within acceptable limits. Investments will continue to be diversified unless the circumstances clearly dictate that it is imprudent to do so.

To achieve investment results over the long-term that compare favorably with those of other Foundation and of appropriate market indices.

The Foundation understands that all investments carry market risk, even those with U. S. Government "guarantees."

The Foundation clearly has no desire or ability to engage in "market timing," nor does it expect our investment managers to do so. As defined, "market timing" is attempting to guess the short-term direction of the stock market and moving completely into or out of the market based on technical



indicators and/or valuation models.

### **Investment Management**

The Finance and Investment Committee generally will not directly manage any portion of the Foundation's assets. Except those assets that cannot be disposed of because of donor restrictions or marketability and that are not liquid or able to be economically managed by external managers. The committee has the authority to retain specialists as necessary to assist it in evaluating investment and asset management options and strategies.

The Finance and Investment Committee is authorized to select investment managers to invest and manage the assets of the Foundation. Investment managers shall be selected from established and financially sound organizations that have a proven and demonstrated record in managing similar funds or assets. Selection of managers will depend upon factors established by the Finance and Investment Committee and will be consistent with the Foundation's investment philosophy and objectives, donor restrictions, and such federal and state restrictions as may be applicable.

If a financial institution voluntarily transfers a fund to the Foundation, the Finance and Investment Committee will give that institution consideration as manager of that fund and any matching funds the transfer may generate. The institution must be able to manage the funds in accordance with the philosophy and objectives of the Foundation and produce results consistent with the Foundation's other managers.

### **Asset Allocation Strategy**

This is the core of the investment policy. The asset allocation strategy describes the permitted asset classes, including ranges within which the marked values may vary.

The Foundation adopts the following allocation. This will generally be followed, with annual reviews by the Finance and Investment Committee.

NWFSC FOUNDATION ASSET INVESTMENT ALLOCATION					
Investment Grade		DEFAULT TARGET	TACTICAL TARGET RANGES	MAXIMUM & MINIMUM RANGE	BENCHMARKS
	Large Cap Gwth	12%	10%-20%	10%-25%	Russell 1000 Gwth
	Large Cap Value	12%	10%-20%	10%-25%	Russell 1000 Value
	Mid Cap Gwth	6%	2%-10%	0%-12%	Russell Midcap Gwth
	Small Cap Gwth	4%	1%-7%	0%-10%	Russell 2000 Gwth
	Mid Cap Value	6%	2%-10%	0%-12%	Russell Midcap Value
	Small Cap Value	4%	1%-7%	0%-10%	Russell 2000 Value
	Int'l Develop Mkts	8%	3%-15%	0%-20%	MSCI EAFE
	Int'l Emerging Mkts	3%	0%-8%	0%-20%	MSCI Emerging Mkt.
TOTAL EQUITY		55%	45% - 65%		
FIXED INCOME	Primarily Investment Grade	30%	25% - 45%		ML VS CORP & GOV'T 1-10 YRS
ALTERNATIVE INVESTMENTS		10%	5% - 15%		
CASH & CASH EQUIVELENTS		5%	2% - 8%		
TOTAL INVESTMENTS					
Revised 5/11					

The policy of the Foundation will be to rebalance the asset classes annually unless otherwise determined by the Board.

Managers will be terminated if it is determined that their style, performance, or risk and volatility is not consistent with the Foundation's expectations. The Foundation retains the right to terminate a manager at any time and for any reason.

Performance will be evaluated over long-term periods against return expectations used in the allocation process. Individual managers will be judged against their own peer group or appropriate benchmark or indices. Over a trailing three- to five-year period or market cycle (whichever is greater), individual managers are expected to outperform their benchmark and perform within the top one-third of same style peers. Overall Foundation performance will be compared against institutions with similar objectives. Performance will be judged net of any fees paid.

Investment performance will be reviewed on an as-needed basis. This will normally be once per calendar quarter but not less than annually. Investment managers will report their performance to the Foundation and its designated agents in a timely fashion each quarter. Raw data on returns will be made available monthly to the Finance and Investment Committee.

### **Investment Constraints**

The Investment Committee desires to give investment and asset managers the flexibility their styles and strategies may need, but as fiduciaries, must require a measure of conservatism consistent with prudent investment practices. The following constraints are expressed for general guidance. Specific contracts with managers should contain these general guidelines and any additional ones the Investment Committee and the manager consider appropriate. These guidelines will be reviewed and updated by the committee from time to time.

For the Foundation's total portfolio, common stocks should be primarily in seasoned, quality, well-managed and highly marketable companies whose prospects appear good for growth of earnings, dividends and appreciation. No more than 4 percent of the funds may be invested in any one stock, no more than 30 percent in any one industry, and the Foundation should not control more than 10 percent of the stock in any one company. An appropriate portion of the investments may be in international and small capitalization companies. Managers should not margin, sell short, buy or sell options (except covered options.)

The Investment Committee may select specific investment managers for such specialties as small cap or international and may develop specific investment guidelines appropriate to their styles and objectives, so long as the objectives and philosophy meet the Foundation's overall objectives and philosophy.

For the Foundation's total portfolio, fixed income securities should be primarily of the four highest bond ratings or the two highest commercial paper ratings. No more than 4 percent of the funds may be invested in any one security, no more than 30 percent in any one industry, and the Foundation should not control more than 10 percent of the debt in any one company. These restrictions do not apply to obligations of the federal government.

Within an investment portfolio, the overall allocation of assets between equity and fixed income securities shall be determined by the investment manager. The determination should be based on the relative attractiveness of each asset class in light of the investment and economic outlook as determined by the investment manager. The overall allocation of the Foundation's assets must still comply with this Investment Policy.

Investment managers are permitted to hedge non-U.S. dollar investments under their management as long as the methods used do not place the investments in a leveraged position, use investment securities purchased on margin, or result in open-hedge positions. Investment managers will include all hedging activities in their quarterly reports to the committee.

### **Additional Title III Constraints**

The U. S. Department of Education has the following additional restrictions on Title III grant funds held by the Foundation:

- a) Managers may invest in such savings accounts, money market funds, certificates of deposit, mutual funds, stocks or bonds as an insurance company in the State of Florida may invest.
- b) No more than 15 percent of the funds may be invested in preferred stocks.
- c) No more than 5 percent of the funds may be invested in Canadian securities.
- d) No more than 20 percent of the funds may be invested in securities that are below investment grade as determined by Moody's or Standard & Poor's.
- e) Savings or share accounts must be insured by the FDIC, the NCUA, or similar types of insurance.

### **SHORT-TERM FUNDS**

Short-term funds handled by Foundation staff prior to investment or disbursement should be invested in instruments designed to maintain a high degree of liquidity while maximizing current income without assuming undue risk. The following instruments may be used for such short-term funds:

- a) Obligations of the U. S government (U. S. treasury bills, notes and bonds.)
- b) Obligations of agencies of the U. S. government or other agencies with implied federal sponsorship and guarantees (GNMA, FNMA, and FreddieMac.)
- c) Certificates of deposit issued by banks that do not exceed the amount of principal and interest insured by FDIC or another federal insurance agency.
- d) Banker's acceptances issued by banks that are FDIC insured.
- e) Repurchase agreements collateralized by 1 or 2 above, but only with dealers or banks where proper segregation of the collateral exists.
- f) Money market and government security mutual funds whose holdings consist of 1 or 2 above.
- g) At least 50 percent of these short-term funds shall be invested in instruments having maturities not greater than two years. No more than 25 percent may be invested in instruments that have maturities no greater than five years, and no more than 25 percent may be invested in instruments that have maturities greater than five years.

### **Disposition of Total Return**

Total return (earnings plus appreciation) shall be credited to and retained in the fund that generated the total return, until distributed in accordance with the Foundation's distribution policies.

### **Spending Policy**

The Foundation is committed to protecting and enhancing its endowment funds through financial planning that promotes growth and protects the endowment funds in periods of market decline.

Investment returns should equal or exceed the sum of expenditures plus inflation. A share of investment returns will be allocated to individual budget program areas.

- a) The allocation rate is calculated as a percentage, not to exceed 4%, of the three-year rolling average of the endowment's market value at fiscal year-end. Newly established endowments (those without a three-year rolling average) will be averaged on the fiscal year-end balances available. Endowments with a fair market value below the endowment's corpus, at the time of the fiscal year-end calculation, will receive no spending allocation. The policy will allow for greater predictability of expenditures for budgeting purposes and for gradual steady growth of investable assets.
- b) In the event situations arise that require a higher percentage of expenditures in order to assure the short term economic health of the Foundation, the Board of Directors of the Foundation may authorize, as necessary, an increase in current expenditures based on clearly justifiable causes and with a definite date to which the existing policy must be re-instituted.
- c) Non-endowed funds shall be expended as intended by the donor.

### **Donor-Directed Investment Authority and Evaluation**

The Foundation is authorized to accept gifts through irrevocable trusts in which the donor stipulates the selection of an investment manager as a provision in making the gift. In such donor-directed gifts, the investment manager shall attempt to adhere to the Foundation's investment policy and shall provide quarterly reports on the performance of the donor-directed investments.

### **Appointment as Trustee**

When the Foundation is named as trustee, the Finance and Investment Committee will be responsible for obtaining professional services to manage the trust, making certain that the trust requirements are adhered to, meeting with the manager at least annually, monitoring the manager's performance, and making certain that the required reports and tax returns are completed. The committee will work with retained specialists to develop investment options for trusts and annuities.

### **Corporate Citizenship**

The Finance and Investment Committee recognizes its responsibility as a stockholder to encourage corporate citizenship and corporate growth in the companies whose shares are owned or controlled by the Foundation. Continuing performance of social responsibilities by the corporate management should be encouraged through proxy votes or by other appropriate action based upon information available to the committee. The committee may from time to time impose constraints on its managers for social policy reasons.

**Gifts of Equipment**

When the Foundation receives gifts of equipment that can be used by the College, the equipment will be transferred immediately to the College unless there are donor restrictions that preclude the transfer, or unless there is expected to be significant residual value in the equipment when the College is finished using it. If there are donor restrictions or significant residual value, the Foundation will keep the equipment on its books and depreciate it in accordance with generally accepted accounting principles. Residual value recovered by the Foundation from the sale of such equipment will be credited to the department or fund that benefited from the use of the equipment.

**Credit Risk**

The NWF State College Foundation will address investment Custodial Credit Risk by permitting brokers that obtained investments for the NWF State College Foundation to hold them only to the extent there is Securities Investor Protection Corporation (SIPC) and excess SIPC coverage available. Securities purchased that exceed available SIPC coverages shall be transferred to the Foundation's custodian.

**Subcommittees**

The committee is authorized to form special single purpose subcommittees and advisory boards to evaluate, support and manage special Foundation assets. Members of the subcommittees do not have to be Board members, but it is the committee's responsibility to oversee the activities of the subcommittees and advisory boards and ensure compliance with Foundation and College policies.

## MEMORANDUM

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: Finance and Investment Reports

---

Below is a summary of the Statement of Financial Position, Statement of Activities, Investment Report, and Operating Budget Review as of June 30, 2021.

### Statement of Financial Position

- Total Assets are \$65,615,006 and Total Liabilities are \$301, bringing the Total Fund Balance to \$65,614,705.
- For the previous fiscal year as of June 30, 2019, the Total Fund Balance was \$52,563,844.

### Statement of Activities

- Total Revenues were \$16,665,959 and Total Expenses were \$3,615,098 for a Net Increase in Fund balance of \$13,050,861.
- A Statement of Activities from the previous fiscal year from July 1, 2019 through June 30, 2020 shows Total Revenues of \$2,217,232 and Total Expenses of \$3,179,961 for a Net Decrease in Fund balance of (\$962,729).

### Investment Report

- The Net Increase to the Merrill Lynch EMA account since July 1, 2020 was \$14,020,338, bringing the Total Market Value to \$60,884,656 at June 30, 2021.
- The Net Increase to the Vanguard Wellington Account (Science Development Fund) since July 1, 2020 was \$67,053, bringing the Total Market Value to \$323,517 as of the last statement date of June 30, 2021.
- Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$61,208,173. The portfolio allocation was 3.30% Cash & Cash Equivalents, 66.16% Equity, 8.45% Alternative Investments and 22.09% Fixed Income.

### Operating Budget Review

- As of June 30, 2021 Total Operating Expenditures were \$176,713, leaving 40% of the budget available at the end of the fiscal year.

### RECOMMENDATION:

The NWFSC Foundation Finance Committee accepts the June 30, 2021 financial reports for presentation to the Board.

**Northwest Florida State College Foundation, Inc.**

Statement of Financial Position

As of June 30, 2021

(in whole numbers)

	Unrestricted Operating	Temporary Restricted Gift	Permanent Restricted Endowed	Current Total as of 30-Jun-2021	Prior Year Total as of 30-Jun-2020	% Change
<b>Asset</b>						
Cash and Cash Equivalents	3,221,852	304,004	(3,221,507)	304,350	645,385	▼53%
Investments	0	325,517	60,882,656	61,208,173	47,993,252	28%
Accounts Receivable (Net)	6,575	140,234	311,088	457,897	335,504	36%
Due from Other Funds	(3,727,130)	0	3,727,130	0	783	▼100%
Prepaid Expenses	28,585	0	0	28,585	25,146	14%
Depreciable Capital Assets (Net)	3,362,000	0	0	3,362,000	3,357,083	0%
Non-Depreciable Capital Assets	238,026	0	15,975	254,000	254,000	0%
<b>Total Assets</b>	<b>3,129,908</b>	<b>769,755</b>	<b>61,715,343</b>	<b>65,615,006</b>	<b>52,611,154</b>	<b>25%</b>

<b>Liabilities</b>						
Accounts Payable	301	0	0	301	27,310	▼99%
Deferred Revenue	0	0	0	0	20,000	▼100%
<b>Total Liabilities</b>	<b>301</b>	<b>0</b>	<b>0</b>	<b>301</b>	<b>47,310</b>	<b>▼99%</b>

<b>Fund Balance</b>						
<b>Total Fund Balance</b>	<b>3,129,607</b>	<b>769,755</b>	<b>61,715,343</b>	<b>65,614,705</b>	<b>52,563,844</b>	<b>25%</b>
<b>Total Liabilities and Fund Balance</b>	<b>3,129,908</b>	<b>769,755</b>	<b>61,715,343</b>	<b>65,615,006</b>	<b>52,611,154</b>	<b>25%</b>



**Northwest Florida State College Foundation, Inc.**

Statement of Activities

July 1, 2020 through June 30, 2021

(in whole numbers)

	Unrestricted Operating	Temporary Restricted Gift	Permanent Restricted Endowed	Current Total as of 30-Jun-21	Prior Year Total as of 30-Jun-20	% Change
<b>Revenue</b>						
Gifts/Contributions	25,500	671,416	553,073	1,249,990	743,991	68%
Grants	0	371,288	0	371,288	65,026	471%
Memberships	0	36,380	0	36,380	67,382	▼46%
Special Events	0	19,491	0	19,491	1,930	910%
Market Gains/(Losses)	498,207	61,274	12,581,017	13,140,498	(584,378)	2,349%
Interest and Dividends	849	5,779	1,176,979	1,183,608	1,301,273	▼9%
Rental Income	619,161	0	0	619,161	582,959	6%
Other Non-Operating Revenues	0	0	0	0	3,049	0%
Other Operating Revenues	45,544	0	0	45,544	36,000	27%
<b>Total Revenue</b>	<b>1,189,261</b>	<b>1,165,628</b>	<b>14,311,070</b>	<b>16,665,959</b>	<b>2,217,232</b>	<b>652%</b>

<b>Direct Expenditures</b>						
Communication Service	6,557	0	0	6,557	6,669	▼2%
Data Software	0	0	0	0	80	0%
Depreciation Expense	0	0	0	0	153,609	0%
Freight and Postage	110	0	0	110	247	▼55%
Insurance	39,273	0	0	39,273	33,797	16%
Minor Equipment (non-capital)	0	0	0	0	529	0%
Office Materials and Supplies	1,439	0	0	1,439	1,744	▼17%
Other Expenses	3,745	23,000	0	26,745	860	3,010%
Other Materials and Supplies	22,814	0	0	22,814	41,679	▼45%
Other Services	4,072	0	0	4,072	5,450	▼25%
Plant Maintenance Supplies	6,492	0	0	6,492	2,903	124%
Printing and Duplication	707	0	0	707	1,858	▼62%
Professional Fees/Support Services	196,405	0	235,866	432,271	465,723	▼7%
Repairs and Maintenance	105,933	1,000	0	106,933	103,806	3%
Scholarships	0	666,036	656	666,692	663,719	0%
Support to College	34,611	2,119,275	5,458	2,159,343	1,568,870	38%
Taxes and Licenses	20,252	186	0	20,438	20,305	1%
Travel	0	0	0	0	276	▼100%
Utilities	121,212	0	0	121,212	107,837	12%
<b>Total Direct Expenditures</b>	<b>563,622</b>	<b>2,809,497</b>	<b>241,980</b>	<b>3,615,098</b>	<b>3,179,961</b>	<b>14%</b>

<b>Transfers</b>						
Transfer In-Admin Fee Income	353,602	48	0	353,650	301,144	17%
Transfer In-Donor Principal	0	0	0	0	19,255	0%
Transfer In-End Spending Allocation	0	1,520,515	0	1,520,515	1,829,451	▼17%
Transfer In-Other Undistributed	2,787	0	74,590	77,377	89,188	▼13%
Transfer Out-Admin Fee Expense	(7,041)	(3,481)	(343,128)	(353,650)	(301,144)	▼17%
Transfer Out-Donor Principal	0	0	0	0	(43)	0%
Transfer Out-End Spending Allocatio	0	0	(1,520,515)	(1,520,515)	(1,829,451)	17%
Transfer Out-Other Undistributed	(77,377)	0	0	(77,377)	(108,399)	29%
<b>Total Transfers</b>	<b>271,971</b>	<b>1,517,082</b>	<b>(1,789,053)</b>	<b>0</b>	<b>0</b>	<b>0%</b>

<b>Net Increase/(Decrease) In Fund Balance</b>	<b>897,610</b>	<b>(126,786)</b>	<b>12,280,037</b>	<b>13,050,861</b>	<b>(962,729)</b>	<b>1,456%</b>
--	----------------	------------------	-------------------	-------------------	------------------	---------------

**NORTHWEST FLORIDA STATE COLLEGE FOUNDATION, INC.**  
**INVESTMENT REPORT**  
**July 1, 2020 - June 30, 2021**

**Merrill Lynch EMA Account** *(statements provided monthly)*

	Income	Expense	Net Income	Gain/(Loss)	Total
1st Quarter: Jul / Aug / Sep	\$ 264,537	\$ 52,284	\$ 212,252	\$ 2,260,787	\$ 2,473,039
2nd Quarter: Oct / Nov / Dec	295,933	54,958	240,975	5,184,860	5,425,835
3rd Quarter: Jan / Feb / Mar	301,217	61,780	239,437	2,894,227	3,133,664
4th Quarter: Apr / May / Jun	315,293	66,844	248,449	2,739,350	2,987,799
<b>YTD Total</b>	<b>\$ 1,176,979</b>	<b>\$ 235,866</b>	<b>\$ 941,113</b>	<b>\$ 13,079,224</b>	<b>\$ 14,020,338</b>

	Cost	Market
Beginning Balance	\$ 38,345,045	\$ 47,736,788
Transfers Out of EMA	(1,200,000)	(1,200,000)
Transfers In to EMA	327,530	327,530
Net Investment Income	941,113	941,113
Gains (Loss)	13,079,224	13,079,224
<b>YTD Total</b>	<b>\$ 51,492,913</b>	<b>\$ 60,884,656</b>

**Vanguard Wellington Account** *(statements provided quarterly)*

	Income	Expense	Net Income	Gain/(Loss)	Total
1st Quarter: Jul - Sep	\$ 1,442	\$ -	\$ 1,442	\$ 13,764	\$ 15,207
2nd Quarter: Oct - Dec	17,162	-	17,162	5,127	22,290
3rd Quarter: Jan - Mar	1,945	-	1,945	8,465	10,410
4th Quarter: Apr - Jun	1,355	-	1,355	17,792	19,147
<b>YTD Total</b>	<b>\$ 21,904</b>	<b>\$ -</b>	<b>\$ 21,904</b>	<b>\$ 45,149</b>	<b>\$ 67,053</b>

	Cost	Market
Beginning Balance	\$ 213,434	\$ 256,464
Transfers Out of Vanguard	-	-
Transfers In to Vanguard	-	-
Net Investment Income	21,904	21,904
Gains (Loss)	45,149	45,149
<b>YTD Total</b>	<b>\$ 280,487</b>	<b>\$ 323,517</b>

**Total Holdings**

	Merrill Lynch	Vanguard	Total	Allocation	Target Range
Cash & Money	\$ 2,016,221	\$ 5,759	\$ 2,021,980	3.30%	2% - 8%
Equity	40,283,788	212,389	\$ 40,496,177	66.16%	45% - 65%
Alternative Investments	5,171,014	-	\$ 5,171,014	8.45%	5% - 15%
Fixed Income/Annuity	13,413,633	105,370	\$ 13,519,002	22.09%	25% - 45%
	<b>\$ 60,884,656</b>	<b>\$ 323,517</b>	<b>\$ 61,208,173</b>	<b>100.00%</b>	<b>100.00%</b>

# Northwest Florida State College Foundation, Inc.

Operating Budget  
July 1, 2020 through June 30, 2021

Description	Adopted Budget	Year To Date	Remaining Balance	% Residual Budget (Year Remaining - 0%)
<b>Direct Expenditures</b>				
Advertising (required by law)	800.00	546.96	253.04	32%
Auditing Fees	18,000.00	16,000.00	2,000.00	11%
Bank Card/Credit Card Fees	3,500.00	797.69	2,702.31	77%
Consultants	112,500.00	38,141.62	74,358.38	66%
Current Expense Budget Contingency	10,000.00	1,553.51	8,446.49	84%
Food and Food Products	20,000.00	4,656.89	15,343.11	77%
Freight and Postage	1,000.00	110.00	890.00	89%
Ins-Directors and Officers	4,118.00	4,118.01	(0.01)	0%
Ins-General Liability	454.00	619.67	(165.67)	-36%
Internal Support Services	80,000.00	80,000.00	0.00	0%
Legal Fees	0.00	1,136.00	(1,136.00)	
Materials and Supplies-Other	8,500.00	3,157.35	5,342.65	63%
Office Materials and Supplies	1,500.00	1,439.30	60.70	4%
Other Professional Fees	0.00	0.00	0.00	
Printing and Duplication	5,500.00	707.00	4,793.00	87%
Property Taxes	45.00	35.70	9.30	21%
Registration Fee	500.00	0.00	500.00	100%
Service Contracts/Agreements	11,000.00	7,705.83	3,294.17	30%
Sponsorship Expense	4,000.00	3,525.00	475.00	12%
Support to College	12,000.00	12,000.00	0.00	0%
Taxes and Licenses-Other	400.00	462.50	(62.50)	-16%
Travel-Employee	2,500.00	0.00	2,500.00	100%
<b>Direct Expenditures - Total</b>	<b>296,317.00</b>	<b>176,713.03</b>	<b>119,603.97</b>	<b>40%</b>

# Northwest Florida State College Foundation, Inc.

President's Office Budget  
July 1, 2020 through June 30, 2021

Description	Adopted Budget	Year To Date	Remaining Balance	% Residual Budget (Year Remaining - 0%)
<b>Direct Expenditures</b>				
Current Expense Budget Contingency	15,000.00	0.00	15,000.00	
Food and Food Products	0.00	14,912.38	(14,912.38)	
Materials and Supplies-Other	0.00	534.65	(534.65)	
Printing and Duplication	0.00	370.00	(370.00)	
Travel-Employee	0.00	10.00	(10.00)	
<b>Direct Expenditures - Total</b>	<b>15,000.00</b>	<b>15,827.03</b>	<b>-827.03</b>	<b>-6%</b>

## **M E M O R A N D U M**

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: Checks Over \$5,000

---

Following is a listing of checks over \$5,000 from March 31 to June 30, 2021.

### **RECOMMENDATION:**

The NWFSC Foundation Finance Committee approves the checks over \$5,000 as presented.

**Northwest Florida State College Foundation, Inc.**  
**Checks \$5,000 and Above: Mar 31, 2021 to Jun 30, 2021**

Check Number	Check Date	Vendor	Invoice Number	Invoice Commodity Description	Fund Number	Fund Description	Account Description	Approved Amount
00013062	1-Apr-21	City of Niceville	I0069986	28 Garden Lane water/sewer	115000	Rental Apartments/Raider Housing	Water and Sewer	2,308.56
			I0069989	31 Garden Lane	115000	Rental Apartments/Raider Housing	Water and Sewer	2,907.47
			I0069990	32 Garden Lane	115000	Rental Apartments/Raider Housing	Water and Sewer	70.28
00013062 - Total								5,286.31
00013064	1-Apr-21	Northwest Florida State College	I0070266	F/S Aviation - 2F0092 / 444200	236000	Workforce Development	Support to College	40,000.00
00013064 - Total								40,000.00
00013065	5-Apr-21	Northwest Florida State College	I0070321	Russell Jordan Payroll Expense Jul 2020 - Mar 2021	115000	Rental Apartments/Raider Housing	Internal Support Services	31,099.46
00013065 - Total								31,099.46
00013069	14-Apr-21	Northwest Florida State College	I0070675	201000/244000 NFSO Q1FY21	201000	NFSO Support	Support to College	10,958.81
00013069 - Total								10,958.81
00013070	14-Apr-21	Northwest Florida State College	I0070676	201100/2F0078 ECMA Q3FY21	201100	Emerald Coast Music Alliance	Support to College	19,071.83
00013070 - Total								19,071.83
00013072	14-Apr-21	Northwest Florida State College	I0070678	252000/620036 Raider Ath. Q3FY21 Transfer	252000	Raider Athletics Support	Support to College	36,151.34
00013072 - Total								36,151.34
00013075	14-Apr-21	Northwest Florida State College	I0070682	566000/2W0001 CBA Q3FY21 Transfer	559000	Arnie Hart Juried Student Art Show	Support to College	37,731.17
00013075 - Total								37,731.17
00013081	16-Apr-21	Ramba Consulting Group, LLC	I0070926	March and April Legislative Consultation Fees	100000	Foundation Operating	Consultants	10,833.32
00013081 - Total								10,833.32

**Northwest Florida State College Foundation, Inc.**  
**Checks \$5,000 and Above: Mar 31, 2021 to Jun 30, 2021**

Check Number	Check Date	Vendor	Invoice Number	Invoice Commodity Description	Fund Number	Fund Description	Account Description	Approved Amount
00013082	3-May-21	City of Niceville	I0071034	28 Garden Lane Water and Sewer	115000	Rental Apartments/Raider Housing	Water and Sewer	2,206.46
			I0071048	31 Garden Lane	115000	Rental Apartments/Raider Housing	Water and Sewer	2,975.02
			I0071049	32 Garden Lane	115000	Rental Apartments/Raider Housing	Water and Sewer	65.89
00013082 - Total								5,247.37
00013087	11-May-21	Northwest Florida State College	I0071713	Dugas Family Foundation CBA Grant	566000	CBA	Support to College	100,000.00
00013087 - Total								100,000.00
00013088	11-May-21	Northwest Florida State College	I0071714	CBA Grant - Jesse Couch Foundation	566000	CBA	Support to College	256,000.00
00013088 - Total								256,000.00
00013090	11-May-21	Ramba Consulting Group, LLC	I0071692	May Legislative Consulting Services	100000	Foundation Operating	Consultants	5,416.66
00013090 - Total								5,416.66
00013092	21-May-21	Gulf Power Company	I0071945	Raider Housing Electricity 0521	115000	Rental Apartments/Raider Housing	Electricity	5,082.57
00013092 - Total								5,082.57
00013095	2-Jun-21	City of Niceville	I0072111	31 Garden Lane	115000	Rental Apartments/Raider Housing	Water and Sewer	2,946.42
			I0072112	32 Garden Lane	115000	Rental Apartments/Raider Housing	Water and Sewer	66.18
			I0072113	28 Garden Lane water/sewer	115000	Rental Apartments/Raider Housing	Water and Sewer	2,472.37
00013095 - Total								5,484.97
00013098	9-Jun-21	Anderson's Cleaning & Restoration	I0072403	Raider Housing Cleaning	115000	Rental Apartments/Raider Housing	Repairs and Maintenance	5,112.00
			I0072404	Raider Housing Cleaning	115000	Rental Apartments/Raider Housing	Repairs and Maintenance	3,834.00
00013098 - Total								8,946.00
00013108	23-Jun-21	Ramba Consulting Group, LLC	I0072965	June Legislative consulting services	100000	Foundation Operating	Consultants	5,416.66
00013108 - Total								5,416.66

## **M E M O R A N D U M**

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: New Endowment

---

Mr. Gaius Bruce established the Ira Mae and Gaius Bruce Wellness Classrooms Endowment with a gift of \$60,000. This endowment will provide program support for the athletic and/or wellness programs at Northwest Florida State College. Mr. Bruce is one of the longest serving instructors in the history of the College teaching physical education and various positions in athletics and student activities for 50 years.

Documentation for the endowment agreement is attached for review.

### **RECOMMENDATION:**

The NWFSC Foundation Finance Committee approves the Ira Mae and Gaius Bruce Wellness Classrooms Endowment for presentation to the Board.



Ira Mae and Gaius Bruce

Wellness Classrooms

Endowment Agreement

An ENDOWMENT AGREEMENT, entered into on \_\_\_\_\_, 2021, between Gaius Bruce (“Donor”) and the Northwest Florida State College Foundation (“Foundation”), a non-profit, 501(c)(3) corporation, establishing an endowment to be held, managed and used by the Foundation for the benefit of scholarships at Northwest Florida State College (“College”).

**A. Endowment to be Established**

The Foundation shall establish the Ira Mae and Gaius Bruce Wellness Classrooms Endowment (“Endowment”), pursuant to the terms of this Agreement and Foundation policies adopted by the Board of Directors. The Endowment shall be classified as a permanent endowment with assets held and managed for investment and appropriation for purposes described below. Approval of this endowment is required by the Foundation Board and the Board of Trustees.

**B. Background**

Gaius and Ira Mae Bruce, individually impactful in their long and fruitful careers, together have left an indelible mark on Northwest Florida from Santa Rosa to Walton County.

Ira Mae, a Santa Rosa County native, witnessed incredible changes in the county during her lifetime and played an instrumental role in much of that progress as a business and community leader. Continuing the work of her father and uncle, she helped transform Navarre from a barren island to a popular travel destination. She was co-owner of Century 21 Island View Realty in Navarre and served as Santa Rosa County’s first female County Commissioner. Remembered as a visionary and trailblazer for Navarre, no one had more influence or the ability to get things done in the 80s and 90s than Ira Mae. In addition to her service as a County Commissioner, she also served for 15 years on the county’s Tourist Development Council and was past president of the Navarre Area Board of Realtor’s. An active member and past President of the Navarre Beach Area Chamber of Commerce, she was recognized for her many contributions to Santa Rosa County by the Chamber on January 31, 2020 with a Lifetime Achievement Award.

Gaius has the distinction of being one of the longest serving instructors in the history of Northwest Florida State College. In 1966, just two years after the college first opened its doors as Okaloosa-Walton Junior College, Gaius came to work as a physical education instructor. Over the next fifty years, he would add track, golf and cross-country coach, intramural coordinator, director of student activities and coordinator of athletics to his resume. He was a champion for

Page 1 of 4



the Association of Florida Colleges (Formerly Florida Association of Community Colleges), serving many roles within the college's chapter, Region 1 as well as AFC State President. Although he has proud moments from every role he played at the college, his proudest came from being a coach. Inspired by a childhood coach, Gaius still finds it particularly rewarding when a former student calls out to him and comments on the impression he made on their life. Colleagues remember him as instantly likeable and genuinely friendly. His voice and ready smile preceded him wherever he went. He enjoyed his job and it came through in every activity. Not many people can say they have enjoyed a job for 50 years, but Gaius will tell you it was the best decision he ever made. At 78 years young, he still practices what he preached for so many years. He is an avid golfer and attends most NWF Basketball games – and on rare occasions can be heard coaching from the sidelines.

Having served as a coach, teacher and administrator, Gaius knows first-hand the value of education. He also knows that quality programs require extraordinary resources. For this reason, he has chosen to create an endowment, which will name two wellness classrooms in the Northwest Florida State College Arena. Earnings from the endowment will support the athletic and wellness activities of the college.

**C. Transfer of Assets**

All contributions to this Endowment are irrevocable gifts and shall become the property of the Foundation. The Endowment shall be established upon transfer and acceptance by the Foundation of a donation totaling \$60,000.

**D. Purpose of Endowment**

At the direction of the Foundation, the Ira Mae and Gaius Bruce Wellness Classrooms Endowment's payout shall be utilized exclusively for the following purposes:

The Ira Mae and Gaius Bruce Wellness Classrooms Endowment will provide program support for the athletic and/or wellness programs at Northwest Florida State College.

**E. Endowment Payout**

The annual distribution available for spending shall be determined by the spending policy established by the Foundation's Board of Directors, and in accordance with the law of the State of Florida, including the Florida Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), and generally accepted accounting practices.

**F. Investment of Endowment Assets**

The Foundation shall invest endowment assets as an institutional fund under UPMIFA with the goal of optimizing yield and maintaining the spending power of the endowment assets. The Endowment's assets shall be subject to the investment policies of the Foundation relating to endowments, and shall be managed in a manner that is consistent with these requirements. The Foundation shall exercise exclusive authority over management of the Endowment, including the pooling of the Endowment for investment and payout purposes, and accounting for endowment assets under generally accepted accounting principles.

**G. Additional Assets to Endowment**

Additional assets may be added to the Endowment by contribution or by transfer of other funds held by the College or by the Foundation for the College. Such additional assets shall not contain restrictions, conditions, or designations which are inconsistent or in conflict with this Agreement.

**H. Alternative Use of Endowment Distributions**

In the event the above purpose becomes unreasonable, burdensome, or cannot otherwise be accomplished, Endowment distributions shall be made available as specified by the Foundation for uses most consistent with the above stated purpose.

**I. Endowment Management**

The Foundation shall be entitled to reasonable compensation to defray the cost of endowment administration and fundraising activities for the College and fundraising activities for the College. This amount, currently at one half of one percent at 0.59% annually, may be revised from time to time by Foundation.

Reimbursement for actual expenses incurred on the Endowment's behalf, such as investment fees, will be reimbursed directly from the Endowment.

The Endowment shall be managed in accordance with applicable law of the State of Florida, the provisions of this Agreement, and Foundation's endowment policies.

**J. Naming Duration**

The Ira Mae and Gaius Bruce Wellness Classrooms naming shall be prominently displayed in Building 100 above the double doorways to classrooms 313 and 314 as accessed by the hallway between the classrooms and the Raider Room. The naming shall also include two plaques leading from the Fitness Center to the classrooms, one above the room number to the right of classroom 314 and one above the room number to the left of room 313. Naming shall be upon fulfillment of the endowment, as is consistent with the Foundation's Facility Naming policy and last the lifetime of Building 100.

Should the facility be destroyed due to forces of nature or changed due to substantial renovation or construction, the President and/or a member of the College Board of Trustees shall work to identify a comparable facility naming that meets the integrity of the initial naming.



## **M E M O R A N D U M**

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: College Apartment Sale Proceeds and Internal Loan Payoff

---

The closing for the College Courtyard Apartments occurred on July 26, 2021. Staff has been working in concert with the Foundation's auditing firm, Mauldin & Jenkins, to carry out the applicable accounting functions to close the Raider Housing fund and pay off the Foundation's internal loan.

In 2007, the Foundation utilized an internal loan of \$4.9 million from the investment pool to purchase the College Courtyard Apartments and build an additional apartment complex on the property. The original facility was remodeled and is used to house NWFSC athletes. In 2008, the Foundation began distributing 2% interest to the funds in the investment pool. Beginning in 2012, principal payments have posted annually as an expense to the Rental Apartment line, reducing the balance of the internal loan from \$4,907,029 to \$3,727,130.

The Foundation's auditor at Mauldin & Jenkins asked which funds would be included in the distribution when paying back the internal loan. In an attempt to remain transparent, staff seeks Finance Committee approval to allocate sale proceeds in the amount of \$3,727,130 to all funds currently in the investment pool to pay back the internal loan. This is consistent with the approach of the annual transaction to allocate 2% interest to all the funds in the investment pool.

### **RECOMMENDATION:**

The NWFSC Foundation Finance Committee approves the decision to allocate the sale proceeds of the internal loan payoff consistent to all funds in the investment pool.

## **M E M O R A N D U M**

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: First Generation Matching Grant (FGMG) Funds

---

The First Generation Matching Grant (FGMG) is a need-based program providing financial aid to Florida undergraduate residents who demonstrate financial need and whose parents have not earned a baccalaureate degree.

The State of Florida has earmarked an allocation of \$22,506 to support Northwest Florida State College first generation students. The state-to-private match is 2:1 which could potentially provide \$33,759 in scholarship funds for NWFSC first-generation in college students. The amount required to receive the full allocation is \$11,253.

Certification of private contributions for FGMG is due on or before December 1, 2021.

## MEMORANDUM

TO: NWFSC Foundation Finance Committee

FROM: Ms. Shiri Brandenburg

DATE: July 27, 2021

SUBJECT: Update on Campbell Property (39.48 acre parcel)

---

At the April 27, 2021 Finance Committee meeting, staff informed the committee that the Foundation received an offer of \$100,000 for the 39-acre Campbell property in Walton County from Jared and Melissa Bradley who have family members that own adjacent property. The timber has generated over \$150,000 in revenue since 2010 across two non-adjacent parcels in Walton County associated with the Gertrude Gillis Campbell endowment. A motion was made to seek real estate value of the properties from local realtors to determine next steps.

Staff reached out to a local realtor, who did not feel equipped to value the land based on its agricultural value and suggested staff contact timber industry leaders to get a more accurate and informed valuation. Staff then reached out to Choctaw Land & Timber, the company that has been managing both parcels, and is actively working with them on determining information needed to forecast the profitability of the property over the next several years. When more information is obtained from Choctaw Land & Timber, the committee will be better equipped to make a decision to divest the property or continue to hold it for future thinnings.

In October, Choctaw Land & Timber will clear cut and harvest all merchantable pine timber on the 120 acre parcel and thin the 39.5 acre parcel. They are working to provide staff with an estimate of the net revenues of the actions to be taken in October as well as the expected return on future thinnings in years to come.

	<b>October 2021</b>	<b>Length of time to complete</b>	<b>Length of time to replenish</b>
120 acre Parcel	Clear cut and harvest	2-3 weeks	12-15 years
39.5 acre Parcel	Thin and harvest	1 week	6-8 years