

NWF State College Foundation, Inc.
Board of Directors Meeting
June 5, 2019 8:00 a.m.
Room 119-120, South Walton Campus

Directors Present:

Chad Hamilton
Don Litke
Jeff McInnis
Mitch Mongell
Venita Morell
Jonathan Ochs
J.D. Peacock

Dennis Peters
Dale Peterson
Melissa Pilcher
Devin Stephenson
Fred Thomas
Steve Wills

Staff Present:

Serena Brown
Cristie Kedroski
Carla Reinlie

Annie Young
Melissa Wolf-Bates

Others Present:

Allison McDowell

Absent:

Eric Aden, Bo Arnold, Wayne Campbell, David Costa, Walter Hooks, Scott Jackson, Gordon King, Michelle McGee, Tom Rice, Donnie Richardson, Ken Wampler, Steve Wolfrom, Alan Wood, Dewayne Youngblood

Call to Order:

Mr. Hamilton called the meeting to order at 8:06 a.m.

Welcome Board Members and Guests:

Mr. Hamilton welcomed board members, guests, and staff members.

Approval of February Board Minutes:

The minutes of the April 3, 2019, Board of Directors Meeting were approved. **Motion to approve minutes as presented, Mr. Peterson; Second, Mr. Peters; Motion carried unanimously.**

Finance and Investment Reports:

Mr. Peacock reviewed the summary of Financial Position, the Statement of Activities, and the Investment Report as of April 30, 2019 with the board members. Total assets are \$52,064,379 and Total Liabilities are \$1,100, bringing the Total Fund Balance to \$52,063,279. The Statement of Activities reflected \$3,627,952 in Revenues and \$2,947,056 in Expenditures for a total Net Increase in Fund balance of \$680,897. Since July 1, 2018, the Merrill Lynch EMA account saw a net increase in the amount of \$2,156,068. This brought the total market value to \$47,607,294 at April 30, 2019. The net increase to the Vanguard Wellington Account (Science Development Fund) since July 1, 2018 was \$16,256, bringing the total market value to \$276,999 as of March 31, 2019. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$47,884,294. The portfolios are allocated as 3.29% Cash & Cash Equivalents, 59.94% Equity, 11.10% Alternative Investments and 25.68% Fixed Income. **Motion to approve the April 30, 2019 Finance and Investment Reports as presented, Mr. Peacock; Second, Mr. Peterson; Motion carried unanimously.**

Foundation Operating Budget – FY20:

Mr. Peacock presented the Foundation Operating Budget for fiscal year 2020. He highlighted the current Operating fund balance is \$1,257,018. He noted that the budget operates on an income-based approach for annual budgeting, and with the proposed budgeted expenses at \$383,542 that will leave a deficit of \$95,542, which will be covered by Operating fund balance. **Motion to approve the Foundation Operating Budget for Fiscal Year 2020, Mr. Peacock; Second, Mr. McInnis. Motion carried unanimously.**

Mattie Kelly Arts Center Series 2019-20:

Mr. Peacock presented the Mattie Kelly Arts Center Series to be underwritten. He noted that the Arts Center has always secured enough revenue to cover their expenses. **Motion to approve the underwriting of the Mattie Kelly Arts Center Series for 2019-20, Mr. Peacock; second, Dr. Morrell; motion carried unanimously.**

Foundation Bylaws/Policy Updates:

Mr. Peterson presented the bylaw/policy updates to the board. Ms. Kedroski noted that the revision dates would reflect the date (June 5, 2019) of the Board meeting. She presented additional updates based on the protected class conversation from the last Board meeting and stated that legal counsel has recommended the Foundation not create any new scholarships with protected class criteria. After some discussion, given that donor agreements are already in place, current endowments will be grandfathered in and the Endowments policy will be updated to reflect “on or after June 5, 2019, the Foundation cannot create new endowments...” Also paragraph L of GP # 13.0 updated to reflect, “Exceptions to these policies may be made from time to time by the Executive Director with the concurrence of the *Board*.” Lastly, the paragraph D of GP # 14.0 to read, “Criteria for awarding scholarships can include...” Ms. Kedroski made the Board aware of an upcoming meeting with Twin Cities Women’s Club to address the protected class criteria in their current scholarship and that she would inform the Board of the outcome of the meeting. Additional discussion around the naming opportunities resulted in the decision to list amounts in Case for Support documentation only and not in the policies and updates rest with the board of Trustees. **Motion to approve the Foundation Bylaws/Policy Updates as amended, Mr. Peterson; Second, Mr. Mongell. Motion carried unanimously.**

Foundation/College MOU:

Mr. Hamilton presented the Foundation/College MOU noting that there were no substantial changes to this annual document. **Motion to approve the Foundation/College MOU, Mr. Peacock; Second, Mr. Mongell. Motion carried unanimously.**

Brian and Kim Pennington Scholarship Endowment:

Mr. Hamilton shared the pledge from Brian and Kim Pennington of \$250,000 to establish the Brian and Kim Pennington Scholarship Endowment. Ms. Kedroski expressed thanks for their leadership gift that will count toward the major gifts campaign. **Motion to approve the Brian and Kim Pennington Scholarship Endowment, Mr. Peacock; Second, Dr. Morrell. Motion carried unanimously.**

Major Gifts/ Development Committee Update:

Mr. McInnis noted that the Major Gifts Campaign is moving through the planned schedule for the campaign. While still in in the Board Division portion, twelve gifts and pledges have been received from the Foundation Board and Board of Trustees totaling \$473,250. Twenty-one members are still working on their gifts/pledges. The goal is 100% participation for the Board Division. He reported that Dr. Stephenson continues with his stakeholder meetings cultivating relationships for the College through the twenty-four completed appointments, the nine available in June, and