

Minutes

NWFSC Foundation, Inc.

Board of Directors Meeting

June 7, 2017 7:45 a.m.

Room 119-120, Allyn C. Donaldson Entrepreneurial Center, South Walton Campus

Directors Present:

Bart Fleet

Paige Floyd-Hart

Scott Jackson

Don Litke

Jeff McInnis

Mitch Mongell

Venita Morell

Dennis Peters

Dale Peterson

Tom Rice

Steve Wills

Steve Wolfrom

Dewayne Youngblood

Staff Present:

Serena Brown

Cristie Kedroski

Michael Lucchesi

Jason Masters

Carla Reinlie

Julie Sartori

Others Present:

Alison McDowell

Ray McGovern

Madison Moore

Shane O'Dell

Jeanette Shires

Devin Stephenson

Absent: Bo Arnold, Bethany Burke, Wayne Campbell, David Costa, Jeff Floyd, Chad Hamilton, Drew Hannah, Lois Lunderman, Melissa Pilcher, Donnie Richardson, Fred Thomas

Call to Order

Mr. Peterson called the meeting to order at 7:54 a.m.

Student Scholars

Ms. Madison Moore introduced herself and thanked everyone for their investment into her education and shared her aspirations after graduating from Northwest Florida State College.

Welcome Board Members and Guests

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

Approval of Minutes

The minutes of the April 5, 2017, Board of Directors Meeting were approved. **Motion to approve minutes as presented, Mr. Jackson; Second, Mr. Wills; Motion carried unanimously.**

Finance and Investment Reports

Ms. Brown reviewed the summary of Financial Position, the Statement of Activities, and the Investment Report as of April 30, 2017 with the board members. Total assets are \$48,241,125 and Total Liabilities are \$0, bringing the Total Fund Balance to \$48,241,125. The Statement of Activities reflected \$5,509,236 in Revenues and \$2,310,682 in Expenditures for a total Net Increase in Fund balance of \$3,198,554. Since July 1, 2016 the Merrill Lynch EMA account saw net gain in the amount of \$3,275,631. This brought the total market value to \$43,193,193 at April 30, 2017. The net Increase to the Vanguard Wellington Account (Science Development

Fund) through the third quarter was \$18,460, bringing the Total Market Value to \$273,892 as of March 31, 2017. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$43,467,085. The portfolios are allocated as 3.10% Cash & Cash Equivalents, 64.73% Equity, 10.95% Alternative Investments and 21.22% Fixed Income. **Motion to approve Finance and Investment Reports as of April 30, 2017, Dr. Morell; Second, Mr. Jackson; Motion carried unanimously.**

Presentation of the 2017-18 Operating Budget

Ms. Kedroski presented the fiscal year 2018 operating budget to the board for review. She also noted that the fund is invested and therefore is subject to investment gains/losses, which are not accounted for in the budget. She explained that the annual admin fee revenue is estimated to be \$222,000 and that the proposed budget for fiscal year 2018 is \$263,615, which includes \$10,000 in Operating fund contingency and \$12,000 in support of Presidential development activities. The staff has then recommended an increase to the administrative fee to 0.59% annually, which would ensure operating expenses and revenue would net to zero. She then listed several factors contributing to the recommended increase. **Motion to approve the fiscal year 2018 operating budget, Mr. Youngblood; Second, Mr. Fleet. Motion carried unanimously.**

Policy Revision – Administrative Fee

Ms. Kedroski noted that based on fiscal year 2018 Foundation operating expenses, the finance committee recommends the annual administrative fee be changed to 0.59%, charged quarterly at 0.1475%, beginning July 1, 2017. **Motion to approve an annual administrative fee of 0.59% to begin on July 1, 2017, Mr. Fleet; Second, Mr. Jackson. Motion carried unanimously.**

Underwriting of the Mattie Kelly Arts Center Series 2017-18

Ms. Kedroski noted that the college is prohibited from undertaking debt for events; therefore the Foundation is annually asked to underwrite the upcoming Mattie Kelly Arts Center season. She provided a request, approved by the finance committee, for the Foundation Board to underwrite the Broadway Series, Artist Series, and Family Series for the 2017-18 Arts Center season at a cost of approximately \$428,400. **Motion to approve the request to underwrite the 2017-18 Arts Center season at a cost not to exceed \$428,400, Mr. Peters; Second, Dr. Morell; Motion carried unanimously.**

Kay Litke Culinary Arts Scholarship Endowment

Ms. Kedroski noted that Major General Don Litke had provided a \$100,000 gift, in memory of his late wife, to establish the Kay Litke Culinary Arts Scholarship. The endowment will provide scholarship support to students majoring in Culinary Arts, a program expected to begin in Fall 2018. **Motion to adopt the endowment, Mr. Peterson; second, Mr. Wills; motion carried unanimously.**

Strategic Plan Annual Review

Mr. Jackson provided a dashboard of the strategic plan for review and discussion.

He noted that the college is hosting a strategic planning summit in June 2017 and that the Governance Committee recommends the Foundation update its strategic plan upon the completion of the college's strategic planning efforts, likely in spring 2018. Lastly, He noted that the Governance Committee requests that all board members complete the board assessment survey emailed last month. The answers and comments will help gauge board effectiveness, a goal outlined in the strategic plan. **Motion to approve updates made to the Foundation's strategic plan dashboard, Dr. Morell; second, Mr. Wills; motion carried unanimously.**

Development Committee Report

Mr. Peterson gave a development committee update, touching upon the Foundation's overall fundraising performance, recent and upcoming annual campaign activities, stewardship activities, alumni awards and some proposed changes to the Foundation events calendar. Ms. Reinlie then gave an update on the status of the LeRoy Collins award.

2017-18 Board Committees

Mr. Mongell presented a listing of all Foundation committees, providing a summary of each committee's roles and responsibilities, along with a meeting calendar for 2017-18. He asked each board member to indicate their preference for service on a committee and then return the form to Jason Masters by June 9 at mastersj1@nwfsc.edu. He also noted that a list of committee appointments will be emailed out to all board members in mid-June, and to keep in mind that the board seeks to balance each committee with an equitable number of members.

Conflict of Interest Forms

Ms. Kedroski noted that as the end of the fiscal year approaches, all board members must complete the Annual Conflict of Interest Disclosure form. This information is required by our auditors as well as for the renewal of the Foundation's Solicitation of Contributions registration.

Summary of \$1,000+ Contributions

Ms. Kedroski presented a chart that summarized \$1000+ contributions made between March 28, 2017 and May 21, 2017. Ms. Kedroski distributed note cards to Board Members to help recognize and thank the donors.

Upcoming Events and Activities

Ms. Kedroski presented a detailed list of upcoming college events and activities from June 8, 2017 to August 2, 2017. She encouraged members to attend the new member orientation being held on June 15th. Ms. Shires also gave a brief update on upcoming Mattie Kelly Arts Center events.

Presentation by Alison McDowell, Director of CBA and South Walton Center

Ms. McDowell gave a brief presentation on the South Walton Campus, the Choctawhatchee Basin Alliance and AmeriCorps.

Trustee Liaison Remarks

Mr. Floyd could not attend

Foundation Chair Remarks

Mr. Mongell commended the board for their service and thanked them for having him serve as chair for the last year.

College Report by Dr. Devin Stephenson, NWF State College President

Dr. Stephenson gave a brief update on new occurrences on the Niceville campus, such as the new stem building and staff reorganization. He also noted that the Foundation's investment in lobbying services is helping with key legislative initiatives. Mr. Ramba is working to secure funding for the remodeling of the engineering building and replacement of the hot/chill water lines for the Niceville campus. Dr. Stephenson also mentioned the college's efforts with Triumph Gulf Coast. He noted that the project consists of three parts, the Hospitality and Culinary Arts Institute, a Simulated City to train utility workers and the Airframe and Power Plant project. He also discussed details pertaining to the upcoming strategic planning summit in June.

Around the Table

Dr. Morell presented a brochure about the primary care services for Florida Health Walton County.

Ms. Sartori thanked the Foundation for the opportunity to work with the board and expressed her excitement for the future.

Mr. Peters thanked Ms. McDowell for her efforts as CBA Director.

Mr. Peterson noted that it looked like it was going to be a good tourist season this year.

Ms. Kedroski thanked Ms. McDowell for hosting the board at the South Walton campus, commended Julie and the Foundation staff, congratulated Mr. Mongell for his service as Board Chair and noted that it was Mr. Fleet's last meeting, and that he will be missed.

Ms. Reinlie thanked Ms. Moore for attending and the board for their time.

Ms. Shires noted that if any members needed any tickets to upcoming Mattie Kelly Arts Center events that they are free to contact her.

Ms. Floyd-Hart thanked Don for his generous gift in memory of Kay.

Schedule of Next Meeting

The next Foundation Board meeting will be August 2, 2017, at 8:00 a.m. at the Niceville Campus.

Adjournment

There being no further business, the meeting adjourned at 9:19 a.m.



Dale Peterson, Chair

Date



Cristie Kedroski, Secretary

8-2-17

Date