

Minutes  
NWFSC Foundation, Inc.  
Board of Directors Meeting  
December 2, 2015 7:45 a.m.  
Room 126, Building 1, Fort Walton Beach Campus

**Directors Present:**

Bethany Burke  
David Costa  
Chad Hamilton  
Scott Jackson  
Don Litke  
Lois Lunderman  
Jeff McInnis

Mitch Mongell  
Venita Morell  
Dennis Peters  
Melissa Pilcher  
Tom Rice  
Donnie Richardson  
Steve Wills  
Dewayne Youngblood

**Staff Present:**

Cristie Kedroski  
Jason Masters

Carla Reinlie  
Annie Young

**Others Present:**

Ross Hamilton  
Ty Handy  
Kirsten Kilpatrick

Ray McGovern  
Shane O'Dell  
Jeanette Shires

**Absent:** Serena Brown, Wayne Campbell, Bart Fleet, Mike Flynt, Dale Peterson, Fred Thomas, Robin Wilson

**Call to Order**

Mr. Scott Jackson called the meeting to order at 7:45 a.m.

**Welcome Board Members and Guests**

Mr. Jackson welcomed Board Members, guests, and staff members. Ms. Kirsten Kilpatrick, Patricia Ackal Nursing scholar, introduced herself and shared her aspirations after graduating from Northwest Florida State College.

**Approval of Minutes**

The minutes of the October 7, 2015, Board of Directors Meeting were approved. **Motion, Mr. McInnis; Second, Mr. Peters; Motion carried unanimously.**

**Finance and Investment Reports**

In Mr. Peterson's absence, Ms. Kedroski reviewed the summary of Financial Position, the Statement of Activities, and the Investment Report as of October 31, 2015 with board members. Total assets are \$46,137,595 and Total Liabilities are \$65,937 bringing the Total Fund Balance to \$46,071,658. The Statement of Activities reflected (\$2,745) in Revenues and \$1,612,690 in Expenditures for a total Net Decrease in Fund balance of (\$1,615,435). The Net Decrease to the Merrill Lynch EMA account since July 1, 2015 was (\$690,543) bringing the Total Market Value to \$40,197,703 at October 31, 2015. As of September 30, 2015 the Vanguard Wellington Account (Science Development Fund) held a Total Market Value of \$234,826. Since statements are provided quarterly there is no update as of October 31st. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$40,432,530, allocated as 3.11% Cash &

Cash Equivalents, 61.17% Equity, 11.54% Alternative Investments and 24.17% Fixed Income. Ms. Kedroski noted that the foundation has not yet paid the scholarship invoice and that there are timing issues with some expenditures in Banner. She pointed out that this is the reason for the large difference in the fund balance's total expenses from last board meeting. Ms. Kedroski also noted that the statement of activities and position report now are able to provide current year totals. **Motion, Mr. Youngblood; Second, Ms. Morell; Motion carried unanimously.**

#### **FY 2015 Audited Financial Statements/IRS Form 990**

Ms. Kedroski presented the Fiscal Year 2015 Northwest Florida State College Foundation Audited Financial Statements to the board members. An independent audit was conducted by the firm of Mauldin & Jenkins, Certified Public Accountants of Bradenton, Florida and Ms. Kedroski reviewed some of the highlights. The net position of the foundation was \$47,687,091 at the close of the fiscal year. This reflects an increase of 1.6% over the previous fiscal year. Of the \$47.8 million in assets, \$4.9 million rests in capital assets. Total assets were \$47,844,207, with just over \$157 thousand in outstanding accounts payable - \$9 thousand is due to the college and \$148 thousand is due to other outside vendors. Contributions increased \$545 thousand from 2014 to 2015, with gifts, contributions, memberships, and endowment revenue residing at \$1.1 million at year end. Total college support was \$1.4 million. These payments reflected \$437 thousand in scholarship expenses, and \$1 million in support of the college. Ms. Kedroski also noted that Mauldin and Jenkins is still in the process of preparing IRS Form 990 and that it will be ready for approval by the next board meeting. **Motion to approve the Fiscal Year 2015 Audited Financial Statements, Mr. Hamilton; Second, Mr. McInnis; Motion carried unanimously.**

#### **Property Management RFQ**

Ms. Kedroski noted that The Foundation received four responses to Property Management RFQ #16-04 as of the deadline on October 9, 2015. An evaluation committee was formed, which was comprised of Serena Brown, Sam Jones, Cristie Kedroski, Don Litke, and Dale Peterson. Proposals were received from Coastal Realty Service, Century 21 Wimco Realty, Pelican Property Management #1, and ERA American Real Estate, the Foundation's current property management service. After evaluating each company on a number of criteria including fees, advertising, applicant screening, accounting processes, as well as maintenance and repairs, a unanimous decision was made in favor of continuing our relationship with ERA American Real Estate. The evaluation committee made its decision contingent upon proof of insurance in the form of Crime and Professional Liability (E&O). Following the meeting the required insurance coverage was confirmed. Ms. Kedroski also noted that out of all four proposals ERA American Realty Service had the lowest price. **Motion to award the property management contract to ERA American Real Estate, Maj Gen Litke; Second, Ms. Burke and Ms. Pilcher; Motion carried unanimously.**

#### **Approval of the Sale of the Tallahassee Building**

Ms. Kedroski presented the contract for the sale of the Tallahassee building, noting the purchase price of \$425,000 and 90-day close (45 day due diligence period followed by a 45 day closing). While the initial contract was approved by the executive committee, the buyer requested a price reduction of \$30,000 due to A/C units and a roof that are beyond their useful life at more than 20 years old. In addition, the buyer requested an extension of the due diligence period until noon on December 1. On November 31, Ms. Kedroski was informed by the buyer that they were going to withdraw from the contract. She noted that the buyer seems to have the contract contingent on the current tenant renewing the lease, and that the tenant has been

unresponsive to the lease agreement of the buyer. Currently the property is being listed again on the market.

### **Board Nominations**

Mr. Youngblood presented the Board Nomination form and noted that The Governance Committee is seeking nominations to add a minimum of two new Foundation board members with terms beginning in July 2016. A new consolidated nomination calendar has been created, and that the deadline for nominations has been extended. He noted that the governance committee would like a few nominations by the end of the year and if possible before the governance committee meeting on December 10, 2015. Ms. Kedroski noted that the nomination form will also be included in board news so that members can have the convenience on completing the form online.

### **Development Update**

Ms. Reinlie touched on two ongoing campaigns, the Faculty & Staff campaign and Raider Athletics campaign. The Faculty/Staff Campaign has done well with \$22,000 raised from full-time employees. The Raider Athletic campaign still aims to raise \$75,000 to provide internet to the Raider Housing and remodel the laundry facility, and the total raised so far amounts to \$34,301. Ms. Reinlie also noted that the Foundation is mailing out an end of year solicitation to donors that have contributed in the past and that the Board members should expect to receive one. Ms. Young noted that the Foundation has participated in #GivingTuesday for the first time this year. She explained the premise of the event to the board and stated that the Foundation hopes to raise more awareness for next year. Ms. Morell exclaimed how she loved the campaign and pointed out aspects of the campaign that she thought could be better.

### **Summary of \$1,000+ Contributions**

Ms. Kedroski presented a chart that summarized \$1000+ contributions made between September 19, 2015 and November 19, 2015. 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 December 3, 2015 to February 2, 2016. Ms. Shires noted that the President's Holiday Reception is on December 11 and she encouraged the board to RSVP if they have not already done so.

### **Presentation by Ross Hamilton, Director of Fort Walton Beach Campus**

Mr. Hamilton first thanked the board for their time and for all their contributions. He provided a presentation on the history of the Fort Walton Beach Campus and what amenities and programs they offer there.

### **SGA Update**

No report

### **Draft Committee Meeting Minutes**

Mr. Jackson presented committee meeting minutes from recent meetings to provide members insight of what all is being discussed at all the committee meetings.

### **Trustee Liaison Remarks**

No report.

**Foundation President Remarks**

Mr. Jackson noted that the presidential search has gone well and that there are many applications being received. The goal of the selection committee is to have 3 to 5 recommended candidates to present to the Board of Trustees by early April. Dr. Handy noted how there was no foundation representative when he was being selected 5 years ago and that he is glad to see how the foundation has grown to be more influential in recent years.

**Around the Table**

Ms. Kedroski thanked Ms. Kilpatrick for attending and wished everyone a Merry Christmas.

Ms. Pilcher wished everyone a Merry Christmas.

Ms. Morell commented how wonderful the Student Services Center was for her daughter's wedding. She recommended the college for any events the board members may want to have.

Ms. Reinlie noted that postcards for the nomination of Distinguished Alumni has been sent out and requested that a small group of the board members form a committee to select nominees.

Mr. Peters asked for prayers for Mr. Flynt.

Mr. Richardson noted how much the Fort Walton Beach Campus has grown since he attended.

Ms. Lunderman thanked Mr. Hamilton and the Fort Walton Beach Campus staff for being so accommodating in providing us a room for our Board Meeting.

Mr. Mongell informed that on Thursday, December 3, Community Solutions would have a ground breaking on One Hopeful Place – a facility designed to end homelessness in the area. He invited all to attend.

Mr. Hamilton wished everyone a Merry Christmas.

Mr. Wills noted that it seemed dangerous for the Raider athletes to cross the main road to the college when coming from their apartments and asked if there was a way that the board could implement a walkway or crosswalk to make it safer. Dr. Handy said that the student athletes have not indicated that crossing the street was dangerous to them and that they have worked with local authorities to have police cars placed along the street to deter speeding.

Mr. O'Dell commented that the Emerald Coast Classic was a great event and encouraged everyone to attend next year.

Mr. McGovern wished everyone a Merry Christmas.

Mr. Hamilton noted that the state provides adequate money for funding the college but the college needs more to provide excellence. He thanks the Foundation and Board for all of their efforts that make that possible.

Mr. Jackson thanked everyone for their service and wished them a Merry Christmas.

Dr. Handy thanked the board for their services and said despite internal struggles at the beginning of his tenure, he is very proud of where the foundation is now and will keep in touch.

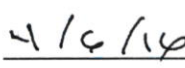
**Schedule of Next Meeting**

The next Foundation Board meeting will be February 3, 2016, at 7:45 a.m. at the Niceville Campus.

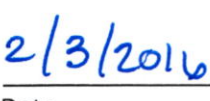
**Adjournment**

There being no further business, the meeting adjourned at 9:03 a.m.

  
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Scott Jackson, Chair

  
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Date

  
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Cristie Kedroski, Secretary

  
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Date