

NWFSC College Foundation Board of Directors Meeting  
November 7, 2023 8:00 AM  
Room 302, Building 400, Niceville Campus

**Directors Present:**

Bo Arnold  
James Bagby  
Cindy Frakes  
Teresa Halverson  
Fran Hendricks  
Heather Kilbey  
Gordon King  
Donald Litke  
Wendy McAdams Dorr

Jonathan Ochs  
Brian Pennington  
Tyler Jarvis  
Devin Stephenson  
Neko Stubblefield  
Steve Rhodes  
Chris Stowers  
Alan Wood

**Staff Present:**

Pinar Archangel  
Jennifer Bernich

Conner Rogers  
Tara Thomson

**Others Present:**

Tanya Beauregard  
Steve Hough  
Cristie Kedroski  
Shane O'Dell

Ashan Pridgon  
Tanner McKnight  
Jeanette Shires  
Whitney Rutherford

**Absent:**

Christie Austin  
Destin Cobb  
Todd Grisoff  
Bernard Johnson  
Vincent Mayfield

Tim McCool  
Zach McCluskey  
Hu Ross  
Stan Siefke  
Cecil Williams

**Call to Order:**

Mr. Wood called the meeting to order at 8:04 AM.

**Approval of Board Minutes:**

The minutes from the August 1, 2023 Board of Directors Meeting were approved as presented. **Motion to approve as presented Dr. Arnold; Second, Ms. Stubblefield. Motion carried unanimously.**

**Special Presentation**

Mr. Stowers gave a brief over view of the BEYOND Faculty Grants and announced this year's winners Scott Hough, Tanya Beauregard, and Ashan Pridgon and asked each gave an overview of their project.

**Finance and Investment Reports:**

Ms. Frakes presented the Statement of Financial Position, Statement of Activities, Investment Report, and Operating Budget Review as of 9/30/2023. Total Assets are \$59,972,921 and Total Liabilities are \$1,284, bringing the Total Fund Balance to \$59,971,636. For the previous fiscal year as of September 30, 2022, the Total Fund Balance was \$53,472,277. Total Revenues were (\$1,172,013) and Total Expenses

were \$170,145 for a Net Decrease in Fund balance of (\$1,342,158). A Statement of Activities from the previous fiscal year from July 1, 2022 through September 30, 2022 shows Total Revenues of (\$2,012,112) and Total Expenses of \$1,871,826 for a Net Decrease in Fund balance of (\$3,883,938). The Net Decrease to the Merrill Lynch EMA account since July 1, 2023 was (\$1,376,526) bringing the Total Market Value to \$58,854,881 at September 30, 2023. The Net Decrease to the Vanguard Wellington Account (Science Development Fund and First Responders Fund) since July 1, 2023 was (\$14,010), bringing the Total Market Value to \$443,088 as of the last statement date of September 30, 2023. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$59,297,968. The portfolio allocation was 3.04% Cash & Cash Equivalents, 62.56% Equity, 9.64% Alternative Investments and 24.76% Fixed Income. As of September 30, 2023 Total Operating Expenditures were \$55,641, leaving 89% of the budget available for the fiscal year. The NWFSC Foundation Board of Directors approves the September 30, 2023 financial reports. **Motion to accept the Financial Statements as presented Mr. Bagby; Second, Ms. Halverson. Motion carried unanimously.**

**Approve FY23 Audited Financial Statements & IRS Form 990:**

Ms. Frakes presented the Fiscal Year 2023 Northwest Florida State College Foundation Audited Financial Statements and IRS Form 990. Both documents have been prepared by the independent auditing firm of Mauldin & Jenkins, Certified Public Accountants of Bradenton, Florida. The audit reflects a clean opinion. Highlights of the Audit: Net position was \$61,313,795 at the close of the fiscal year. This reflects an increase of 6.90% over the previous fiscal year. Of the \$61.36 million in total assets, \$13 thousand rested in capital assets. Total liabilities were \$46 thousand, with \$44 thousand due to the college and \$2 thousand due to other outside vendors. The Foundation's investments increased 7.14% from July 1, 2022 to June 30, 2023 after a reported decrease of 7.25% from July 1, 2021 to June 30, 2022. The decrease and subsequent increase were principally due to financial market conditions. At June 30, 2023 the number of funds in underwater status was 10. All 10 were endowments established within the past three fiscal years. Endowments with a fair market value below corpus will receive no spending allocation. The deficits can only be overcome through positive investment earnings. Total gifts, contributions, grants and other income, decreased \$2,654 thousand from 2022 to 2023, totaling \$889 thousand at June 30, 2023. Additions to permanent endowments totaled \$196 thousand at year-end. Total college support was \$2.9 million. These payments reflected \$725 thousand in scholarship expenses, and \$2.2 million in program and other support to the college. The NWFSC Foundation Board accepts the FY 2023 Draft Audited Financial Statements and IRS Form 990 as presented. **Motion to accept the Financial Statements as presented Mr. Bagby; Second, Mr. King. Motion carried unanimously.**

**Sale of EBS License:**

Ms. Rutherford gave an overview of the proposed EBS License sale. Ahead of the Board of Directors' regularly scheduled meeting on November 7, 2023, T-Mobile submitted an offer to purchase the College's and the Foundation's Education Broadband Service (EBS) licenses for \$1,750,000. To ensure that Finance committee members had an opportunity to discuss before their October 31 meeting, the Finance Committee held a special informational meeting on September 27, 2023, to present and discuss the offer. The College's Board of Trustees first discussed this offer at their September meeting, and, at their October 17 meeting, the Board of Trustees approved the sale of the College's license. The offer materials are presented for action by the Foundation Board of Directors. The Board of Directors: (1) approve the sale of the Foundation's EBS license to T-Mobile for the purchase price reflected in the asset purchase agreement; (2) approve the proceeds of the sale of both the College's and Foundation's licenses being directed to the Northwest Florida State College Foundation; and (3) authorize and direct the Board of Directors Chair and Foundation Executive Director to take all required action and sign