

GREAT BASIN COLLEGE FOUNDATION
Finance Committee Meeting
1500 College Parkway
Elko, Nevada 89801
McMullen Hall 102 Conference Room

Thursday, September 1, 2016, at 12:00 p.m.

Members of the public may attend the meeting and provide testimony or public comment at these sites via video conference connection.

MINUTES

Call to Order of the Great Basin College Foundation Development Committee

ROLL CALL:

Present: James Glennon, Mark Laffoon, Jim Kelley, John Pryor, Greg Brorby, Dr. Mark Curtis, Kimberly Hess

Absent: Tana Gallagher

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| 1. Public Comment (see foregoing notation regarding public comment) | Information only |
| <i>None</i> | |

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| 2. Approval of Minutes – James Glennon | Information/Action |
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GBC Foundation Finance Committee will review, recommend changes to, and/or potentially take action to approve the minutes of the GBCF Finance Committee meeting on May 5, 2016.

Jim Kelley stated that on page two, item 3C has the second listed as Jim Winer, which needs to be changed as Jim Winer is not on this committee. James Glennon asked the Director to clarify on page 2, item 3C, that the pledges were not on the books but were in the CRM system.

MOTION: John Pryor made a motion to approve the May 5, 2016 minutes with the changes noted in discussion; Seconded by Mark Laffoon. The motion passed.

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| 3. Finance and Accounting Information /Action Items – James Glennon | Information/Action |
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- A. The GBCF Finance Committee will discuss and/or take action to approve the record of expenditures/check register for the months of April, May, and June 2016.

MOTION: Jim Kelley made a motion to approve the record of expenditures/check register for the months of April, May, and June 2016; Seconded by Mark Laffoon. The motion passed.

- B. The GBCF Finance Committee will discuss and/or take action to approve the income/deposits for the months of April, May, and June 2016.

MOTION: Mark Laffoon made a motion to approve the income/deposits for the months of April, May, and June 2016; Seconded by John Pryor. The motion passed.

- C. The GBCF Finance Committee will discuss and potentially take action to approve the write-off of 1 pledge for a former GBC employee.

The Director briefed on handouts in reference to the pledge write-off. The balance is \$460 that would be written off. The policy states that when an employee leaves you can write off balance.

MOTION: Jim Kelley made a motion to approve the write-off of 1 pledge for a former GBC employee; Seconded by Mark Laffoon. The motion passed.

- D. The GBCF Finance Committee will review and discuss a summary of any pledges that are outstanding 30 days or more with potential action to direct staff on proceeding with the aforementioned pledges.

The Director briefed on handouts in reference to outstanding pledges. Currently, there are \$1.73 million in pledges, some are long term. We have received \$592,890 of that amount, which leaves a balance of \$1.14 million. There are two that are in possible danger of write-off, labeled on the handouts as "contingency", totaling \$9,500. We will continue to follow up one more time with them. The committee discussed that there is no policy in place for writing off pledges that discusses at what point to write them off and that this is a to-do item for the committee in the future.

The Director stated that we are all up to date with our letters and contacts, except for these two pledges. At the next meeting, the committee will make a decision on the two contingencies, one way or the other.

- E. The GBCF Finance Committee will discuss and/or take action to approve the CD transfers/purchases from Morgan Stanley.
- The CD that matured April 15, 2016 was reinvested at 0.8%, as decided by this committee March 3, 2016.
 - Discussion of three Brokered Laddered CD's and possible action in a direction to staff on reinvestment of CD's that matured on June 1, 2016, and will mature November 9, 2016, February 15, 2017, and on giving the GBCF Director the authority to decide whether or not to renew CD's as they mature.

The Director stated that when we do the transfers to the state we will need this cash in order to do the transfer. Morgan Stanley says that if we do need to convert them to cash now is a good time to do it because we can sell it at a higher rate. When the CD was re-invested in April we made \$16. The committee discussed that at this time they are not automatically renewed and discussed the option of giving the Director the authority to renew the CD's, as long as the Directory stays within the liquidity limits and percentages the Committee wants. The Director stated that these three CD's have a total of \$280,000 and that this does not conflict with any written policies that they are aware of.

MOTION: Jim Kelley made a motion to allow the GBCF Director to make the decision on whether or not to reinvest the brokered cd's; Seconded by John Pryor. The motion passed.

- F. The GBCF Finance Committee will discuss and potentially take action to approve reimbursing GBC landscaping expenses, totaling \$11,018.79 from the DWRF fund.

The Director briefed the committee that all of the expenses listed meet the criteria under the DWRF funds. The Director reminded the committee that the Director does have the authority to approve reimbursing from the DWRF prior to the committee meeting as long as all staff agrees that the invoices do meet the DWRF criteria. The committee needs to approve reimbursing GBC out of the DWRF, which is limited to \$34,000 per year that we can use for landscaping, because of our current spending policy for endowments. This \$11,018.79 will use up one-third (1/3) of that limit. Jim Kelley asked for clarification on what the charges to Elko Blacksmith and Cerebral Palsy were for. The Director and Dr. Curtis confirmed that we have a contract with United Cerebral Palsy for landscape services. Mark Laffoon asked if we typically exceed the \$34,000 per year and The Director responded that we do not.

MOTION: Jim Kelley made a motion to approve reimbursing GBC for landscaping expenses totaling \$11,018.79 from the DWRF fund; Seconded by John Pryor. The motion passed.

- G. The GBCF Finance Committee will discuss and potentially take action to approve the transfer of funds from the DWRF investment account to the DWRF brokerage account and DWRF checking account to cover GBC maintenance expenses that meet the DWRF criteria.

The committee discussed the possible building of an emergency fund of up to \$70,000 over time in the brokerage account in case of a landscaping emergency. Because the maximum allowable expenditures for maintenance is 3%, as of the June 30th market value, that comes to \$33,837 per year. Currently, the brokerage account has \$9,174, and the checking has \$1,188 as of June 30. If there was an emergency and we needed to spend over 3% we would need Board of Regent's approval, which meets quarterly. The Director suggested bringing in Wells Fargo, or someone, to talk to the committee to review our investment allocation policies and tell us how it looks now and give us advice around what we've got and what our policies are, after the NSHE pool transfer. The Director then suggested transferring \$20,000 now, which would give us a total of about \$30,000 and then re-evaluate our processes and build the account balance it at a later time. The committee agreed and also recommended following up with Wells Fargo to see what short-term liquid investments we could have for 3 years, some blend of investments that could diversify.

MOTION: John Pryor made a motion to transfer \$20,000 from the DWRF investment account into the DWRF brokerage account; Seconded by Jim Kelley. The motion passed.

4. NEH Grant Fulfillment Update – Greg Brorby

Information/Action

- A. Update from Staff on the July 31, 2016 annual certification.
Per The Director's update, the certification has been filed and accepted and to date, we have certified slightly more than \$900,000 and have until July 31st of next year to raise the final \$100,000.
- B. Update on and possible action on recommended fund transfers to meet the terms of the matching grant.
The Director briefed on how he made up the \$900,000 for the certification and the handouts that show how it was all done. The action item is to approve the actual numbers shown on how the \$900,000 was made up. Mark Laffoon asked James Glennon if he'd looked it all over and James confirmed he had and confirmed with the Director that it hasn't hit the books yet. It was determined that a specific list of transfers needed to be in the minutes, so it is attached at the end of the minutes is the Fund transfer summary for NEH 2016 certification #3. The Director also mentioned that the intention going forward is to raise the funds, not move them around like they've done thus far.

MOTION: Mark Laffoon made a motion to approve the presented equity transfers; Seconded by John Pryor. The motion passed.

5. NSHE Endowment Pool Transfers– Greg Brorby

Information/Action

Update on the transfer. Discussion and possible action to approve which funds will be transferred.

The Director briefed on the equity spreadsheet, which is a line item by line item in a manual process to determine the equity in each fund. Once it is updated after the audit is approved those will be the numbers used to create the new accounts with the state. The transfer should be done by the end of the year, which will get us back on a cycle to have an audit one year and review the next. Reviewed the list of endowments approved by the Regents. Reviewed a list of all endowments to determine if changes were needed. If board-designated funds are transferred, we lose the ability to designate those dollars as a board. The board-designated portion of #555 is now in its own fund (#855) which will not be transferred.

Following is the list of funds the Director is recommended be transferred to NSHE:

GLID	Fund Name	GLID	Fund Name
500	Allison	536	Beta Sigma Phi Scholarship
508	Valerie Caccese Easterly Memorial Scholarship	545	Elizabeth Griswold Scholarship
510	Equipment Endowment	546	Robert Mecum Scholarship Endowment
525	Dorothy Gallagher Nursing Scholarship	555	Endowment for New Programs
526	Elko County Chapter of the Nevada Archeological Association Scholarship	601	Robert Vaughan Scholarship
527	Hanington Corporation Scholarship	602	Continuing Education Endowment
530A	Anonymous Endowed Scholarship	603	James F Lynch, Jr. Memorial Scholarship
530B	Vera C. & Arthur M. Gaufin Memorial Scholarship	604	Louis Tempel Memorial Scholarship
530C	Paul S. Hanna Scholarship	605	Esther Winch Memorial Scholarship
530F	Samuel C. & Joyce McMullen Memorial Scholarship	606	Coldwell Banker/Winer Family Trust
530G	Mary Raduziner Scholarship	607	Dorothy S. Gallagher Health Sciences Scholarship Endowment
530H	Lee Smith Memorial Scholarship	608	Bill and Holly Wilson Scholarship Endowment
530I	Tomera Brothers Scholarship	609	Dutch and Marianne Stenovich Endowed Scholarship
530J	Grace VanDalsen Scholarship	610	Chilton Endowed Scholarship
530K	Gardner Scholarship	702	Endowment for NEH Grant
535	AAUW Mildred McBride Scholarship	505	DWRF Endowment

The Director concluded that the total that is not being transferred is roughly \$110,000, not considering the Endowment for New Programs. Less board designated funds, it will be \$42,000 in donor-restricted accounts.

MOTION: Jim Kelley made a motion to reconfirm the list with the changes of the board designated funds from fund #555 (Endowment for New Programs) that was removed from the list to transfer to NSHE, per the list above; Seconded by Mark Laffoon. The motion passed.

- 6. Director's Report – Greg Brorby** **Information/Action**
- A. Update on Business after Hours event.
The event was not well attended. Both the Foundation & Alumni Association had a booth. No leads came as a result.
- B. Update on upcoming events for the Alumni Association.
The Alumni Association distributed packets at graduation. To date, we have only have had \$10 returned from bookstore certificates distributed. The Alumni Association will use them again at the September Wine Walk where we are partnered with Coldwell Banker, which we are using for exposure.
- C. Update on August 31, 2016 GBCF Development Committee meeting.
The Development Committee approved moving forward with a signature event to fund the gap in our operations budget through the use of focus groups to determine a theme and develop a signature event.
- D. Update on miscellaneous file clean-up and clarification on fund descriptions.
The Director has created fund descriptions for funds #555, #855, #702 & #700. There was a note on fund #590 & #890, the Theodore Laibly Endowed Scholarship, that discussed how the original fund was an endowed scholarship that never got off the ground, all donors were contacted and told that the funds would be held as a general endowment scholarship fund and the board would designate how they should be distributed. This is when the fund changed from #590 to #890. The controller had stated she would roll the funds into the new Board-Designated Endowment, fund #700, and close out the 890, which was never done. The Director changed the note to file to remove the remark from the Controller since it was never done and the donors were told it would be in the 890 for scholarships so we don't have to contact the donors again regarding changing the use.
- E. Update on The Director credit card limits.
With new staff added, the Director's limit is now \$4,000 and the Assistant's is \$2,000, with a total credit limit of \$6,000, which is all per policy.
- 7. Talisma Online Giving Module – Greg Brorby** **Information/Action**
- Discussion of the module and possible action in giving approval for the GBCF Director to sign an agreement with Talisma for an online giving module with the associated training and set-up fees.
*Talisa has an online giving module and an online events module. Briefed committee on the abilities on these modules and their cost. For both, the cost is \$4,000 per year plus training and setup fees. The Director's recommendation is to purchase the online giving module at this time, which is \$2200 per year in fees + an \$800 one-time training and setup fee and consider the online events module at a later time. This will allow us to have a donation button on the website that is linked right into our CRM, and will also allow us to get aggressive with our Alumni Association as this will allow people to pay their fees online. **MOTION: John Pryor made a motion to purchase the Talisma Online Giving module and consider the Online Events module at a later time; Seconded by Mark Laffoon. The motion passed.***
- 8. Scholarship Funds – Greg Brorby** **Information/Action**
- Review and discussion of two scholarships that were not renewed but were awarded to recipients; one for \$500 and one for \$3,000. Discussion of and potential action to approve the transfer of the funds needed to cover these scholarships from the Theodore Laibly Board-Designated Scholarship fund.
We sent out letters in July to request funds from the upcoming scholarships and update donors on what recipients for the past have done and who received the funds this time. There are two scholarships that were awarded but not funded by the Donor, totaling \$3,500. The Director would like to donate from the board-designated Theodore Laibly Board Designated scholarship fund to these funds to cover these scholarship balances.
MOTION: John Pryor made a motion to transfer the \$3,500 needed for the two scholarships awarded without donations from the Theodore Laibly Board-Designated Scholarship fund into the appropriate funds to cover the 2016/2017 scholarships; Seconded Mark Laffoon. The motion passed.

- 9. Fiscal Year 2016/2017 Budget Preparation – Greg Brorby** **Information/Action**
The Director will present the FY 16/17 budget for discussion and possible action to approve.
The Foundation had \$142,710 in expenses for operations, which doesn't include four quarters of payroll. With payroll, it comes to near \$160,000 in expenses. The Foundation was under budget with expenses for last fiscal year. The Director went over the handout packet and is proposing a budget for the items that are listed on the included spreadsheet. The committee discussed that this is the structure for the budget. The Director stated that we will ask for pieces to be approved and fill in holes for the next.
MOTION: Jim Kelley made a motion to approve the following budget items: Foundation operations of \$142,478, Alumni Association operations of \$9,622, \$5,000 in discretionary disbursements, \$43,000 for GBC program support, DWRP maintenance budget of \$34,000, Legacy Society event budget of \$1,975, Alumni Association event budget of \$950; all being subject to the final budget being presented at the next meeting. The motion was seconded by Mark Laffoon and passed.
- 10. Endowment for New Programs – Greg Brorby** **Information/Action**
The GBCF Finance Committee will discuss and potentially take action on the final numbers for the new board-designated Endowment for New Programs.
The Director briefed the committee on the handout Endowment for New Programs Worksheet and discussed how it leaves the new Board-Designated fund #855 balance at \$822,877.80, with a corpus of \$621,644.47 as of March 31, 2016.
MOTION: John Pryor made a motion to approve amounts as presented; Seconded by Jim Kelley. The motion passed.
A request was presented to transfer the following funds from the #555 endowment: \$8,000 for Shoshone, \$20,000 for GBIA, and \$15,000 for new online course development, all in conjunction with discussions with Barrick in regards to GBIA. All will be coming from endowment for new programs, fund #555.
MOTION: John Pryor made a motion to approve \$43,000 in transfers from the #555 endowment as \$8,000 for Shoshone, \$20,000 for GBIA and \$15,000 for new online course development; Seconded by Jim Kelley. Mark Laffoon abstained due to his employment with Barrick. The motion passed.
- 11. Annual Foundation Audit – James Glennon** **Information**
James Glennon will present an update on the annual Foundation Audit which was performed by Eide Bailly in August.
James is working on financial statements now. Due to, due from is understood now and now have a handle on it. The Director stated that we are moving forward with procedures lined out and will all sit-down and update procedures as a staff to make sure everyone is on the same page.
- 12. Controller's Office Update – Sonja Sibert** **Information**
Dr. Curtis updated the committee on the Controller's Office. They are working on Workday and Implement 2 implementation and across the system are unifying business practices and policies. Have delayed implementation to go live by a whole year, to October of 2017 but there's a lot happening between now and then. Her team is working on that and training.
- 13. Items from committee members** **Information only**
Committee members may bring to the attention of the committee items pertaining to the Foundation that might be of interest to the group. No action may be taken on a matter raised under this agenda items
None
- 14. Public Comment (see foregoing notation regarding public comment)** **Information only**
None
- 15. Adjourn**
The meeting was adjourned at 1:43 pm.