

NOTICE OF PUBLIC MEETING

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

Thursday, March 3, 2016, at 12:15 p.m.

Video Conference from the Meeting Site to:

GBC – Ely Center
2115 Bobcat Dr., GBC 105
Ely, Nevada

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 Finance Committee AT 12:15 pm

ROLL CALL: James Glennon, Tana Gallagher, Mark Laffoon, Jim Kelley,
John Pryor

Staff Present: Greg Brorby, Mardell Wilkins

1. **Public Comment** (*see foregoing notation regarding public comment*) **Information only**

2. **Approval of Minutes – James Glennon** **Information/Action**

GBC Foundation Finance Committee reviewed the minutes of the GBCF Finance Committee meeting on October 29, 2015. **MOTION:** by Jim Kelley to approve the minutes; motion was seconded by John Pryor; motion was **APPROVED**.

3. **Update on the NSHE Endowment Pool Transfer – Greg Brorby** **Information**

Greg Brorby gave an update on the transfer to the NSHE Endowment Pool. Greg Brorby reported the transfer is an agenda item at the Board of Regents' meeting occurring at this moment. Greg has provided a list of the endowments that we want to transfer. If it is approved we need to get additional documentation to NSHE. The target date for the transfer is June 30th. We will have to liquidate the investments that we plan to transfer and write one check. We may have to take a penalty to liquidate the CDs, but will have to look into it to be sure. Greg also reported that the checking accounts exceed the FDA limits as was mentioned in the audit. There is money sitting in the account earning nothing that has not been transferred to GBC where it needs to be. In Fundriver that money is shown earning money. We know how much we have in operating and in the accounts, but cannot reconcile it to the bank balance. Greg will

have the student worker go through every batch entered since July 1, 2012 to get the Due To and the Due From balances so we can go forward from there. This should clean up the issue. A spreadsheet to document each transaction has been created by Lisa Reed. NSHE uses CommonFund also so it should be a relatively simple process to do a transfer. We can do a trustee to trustee transfer or liquidate, get a check, then write a check to the other trustee. If we liquidate any unrealized gains will be realized at that point so the better choice is a trustee to trustee transfer. This will also clear up the disbursements back to the specific department that the donor has specified. There is a process in place now but not prior back to June.

4. Finance and Accounting Information /Action Item – James Glennon Information/Action

- A. The GBCF Finance Committee reviewed the expenditures/check register for the months of October, November, December 2015 and January 2016. Tana Gallagher made a motion to approve the expenditures/check register; motion was seconded by Jim Kelley; motion was **APPROVED**.
- B. The GBCF Finance Committee reviewed the income/deposits for the months of October, November, December 2015 and January 2016. **MOTION:** by Tana Gallagher to approve the income/deposits; motion was seconded by John Pryor; motion was **APPROVED**.
- C. The GBCF Finance Committee review the pledge receivables and aging report. Greg Brorby said ultimately this policy needs some updating. Greg went over the two pledge reports with summaries and detail. On the Hold Status report there shows \$68,000 in pledges that have been placed on hold. At some point the Foundation decided they couldn't collect the pledge at the time, but that they possible could collect in the future. Greg does not know if these were recorded as assets on the books or not. If so, we can write it off. If there is no record that they were recorded as assets we can just change the status. The dates of these pledge holds are from 2000 to 2001 which coincides with a major phone-a-thon. We should not try to collect on any of these. The associated notes on most of these accounts say the pledge was canceled but they just did not change the status. These pledges are captured in Talisma, but not in Fundriver until payment is made. The total active pledges is \$1.7 million with \$1.1 million past due. Some of the past due on the report is not past due. This is definitely an inefficiency. Greg will look at rewriting the report. There are 15 accounts that make up the \$1.7 million. Greg thinks that the arrears amount is closer to \$10,000 to \$15,000. Accounts receivable is very important and you need someone to keep on it. We are not recording scholarships as pledges. Then next meeting we will have more information on the accounts to write off. **MOTION:** by John Pryor to write of the \$68,000 in pledges if they are not on the books; motion was seconded by Tana Gallagher; motion was **APPROVED**.
- D. The GBCF Finance Committee discussed a proposal to use DWRF funds to fund the Hoop House. George Kleeb prepared the proposal and is asking for monetary support for the Hoop House of \$1,500 for electronics to monitor the air flow, etc. The funds would come out of the maintenance funds for the endowment. The hoop house grows flowers and shrubs for campuses. **MOTION:** by John Pryor to approve the request for \$1,500 for the Hoop House electronics; motion was seconded by Mark Laffoon; motion was **APPROVED**.
- E. The GBCF Finance Committee discussed the CD transfers/purchases. Part of the discussion was whether to keep rolling the CDs over as they become due. We need to keep the June

30th date in mind as well as if there are any penalties involved when making the decision when they become due. The next CD is due April 15th. **MOTION:** by Tan Gallagher to rollover the CD that becomes due on April 15th and to confirm the rollover of the CD that became due in January 2016; motion seconded by Mark Laffoon; motion was **APPROVED**.

5. Discuss Auditor Services for this Fiscal Year – James Glennon Information/Action

James Glennon reported that the Foundation will need to start the process now if we are going out for bid for auditing services. Greg reported the contract that we have with EIDE Bailey has an option to go with them one more year for a discount. The other institutions will be going with that option but we do not have to. As we transfer our endowments to the NSHE pool is it really a good time to be switching auditors? The discussion led to the consensus that with Lisa Reed's help, we are on track. It's best to exercise the option of staying with EIDE Bailey for one more year.

6. Update on work that has been completed by Consultant – Greg Brorby Information/Action

Greg Brorby gave an update on the work that has been completed on the business process review by Consultant Lisa Reed. She has created spreadsheets to better track scholarship disbursements. Letters should be going out next week to scholarship donors with more detail than usual on the recipients and amount dispersed. Normally it will be done in several communications throughout the year. Once we get a donation we do a thank you letter; then the Vice President or Dean will send a thank you letter and if the amount is over \$1,000 the President also sends a thank you letter. The first invoice for the consultant has been received for \$650. The plan will to complete the list and then see what she can fix for us. We will continue to use the student worker for the grunt work. We will need to create a pledge receivable account to get that under control as well.

7. NEH Grant Fulfillment – Greg Brorby Information/Action

Greg Brorby reported the next installment for the NEH grant is \$300,000 due on August 1st. We need this to get the \$150,000 match. The eligible funds for the matching grant are dollars raised after September 1, 2012, designated unrestricted, and if the gift is more than \$500,000 and unrestricted we have to get the donor's approval to go towards the NEH Grant. As of December 31, 2015 we have \$100,000 in operating that is unrestricted and another \$135,000 in other accounts that are unrestricted for a total of \$235,000 that we could use toward the match. We can replenish those dollars from the Emerging Opportunity Endowment. This is moving money around to meet the deadline and it meets the terms of the grant. The Development committee discussed it at their meeting. They talked about hoteliers willing to go the Lodging committee at the Convention Authority to lobby for a \$5 to \$10 surcharge per room (2600 rooms in Elko) which would be approximately \$26,000 if we can get that. The donor appreciation event on April 7th will showcase department needs. The Virtual Humanities Center will be the central focus of the event. As part of the Annual Giving Campaign a mailer will go out in May to every donor with an ask for the Virtual Humanities Center. It will be a

challenge to get the \$300,000 by August. We will have a better idea of where we are at by the next Finance Committee meeting in May.

8. **Director's Report – Greg Brorby** **Information/Action**
 - A. The GBCF Finance Committee discussed cancelling the CASE membership. Greg Brorby said the dues are over \$1,000/year. We can use this money more effectively on something else. There is no time to attend conferences and no benefit for a membership at least for now. Greg recommended cancelling the membership. We can rejoin later if we see a need. **MOTION:** by Tana Gallagher to cancel the CASE membership and redirect the money elsewhere; motion was seconded by Mark Laffoon; motion was **APPROVED**.
 - B. DWRF Annual Report. Greg Brorby presented the one page report for the Donald W. Reynolds Foundation that was submitted. There was no discussion.
 - C. Fund Driver Fee Increase on March 31, 2016. – Greg Brorby reported we will need Fundriver at least through June 30th. There will be a fee increase of 20% from \$4,000 to \$5,000 per year. Greg feels we have no choice but to pay that \$5,000. NSHE uses Fundriver, so we can cancel it on June 30, 2017. It will be an increase for the budget. **MOTION:** by Jim Kelley to pay for Fundriver for an additional year and increase the budget to accommodate the 20% fee increase; motion was seconded by Mark Laffoon; motion was **APPROVED**.
 - D. Greg Brorby reported the Alumni Association Taskforce met last week and everyone is very excited. The hope is to get enough of the structure in place to offer it at graduation. The taskforce is working on the definition of alumni and fee structure and benefits. The Development Committee is working on a planned giving event in July and a Legacy event in October. Liberty Mutual would like to partner with the Foundation on events in exchange for putting their logo up.
9. **Controller's Office Update – Sonja Sibert** **Information**

No report.
12. **Items from committee members** **Information only**

James Glennon wanted to mention the Rotary model in how they receive and hold donations for a certain period of time. Rotary holds donations of \$1,000 or more for 2 years to earn cash and then disbursed according to donor specification. He likes the model as a way to raise money to run an organization. The current minimum to establish endowment for the Foundation is \$25,000. We could lower it to \$10,000 to create additional opportunities and to create a revenue mechanism.
13. **Public Comment (see foregoing notation regarding public comment)** **Information only**

None
14. **Adjourn**

James Glennon adjourned the meeting at 1:26 p.m.