

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

Thursday, November 3, 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 Finance Committee

ROLL CALL:

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

Absent: Tana Gallagher

- 1. Public Comment** (*see foregoing notation regarding public comment*) **Information only**
None
- 2. Approval of Minutes – James Glennon** **Information/Action**
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 September 1, 2016.
MOTION: Mark Laffoon made a motion to approve the September 1, 2016, minutes; Seconded by John Pryor. The motion passed.
- 3. Finance Committee Chair Report –James Glennon** **Information**
The introduction of a new committee member, Danny Gillins.
Introduced Danny Gillins as the new member of the Finance Committee.
- 4. Finance and Accounting Information /Action Items – James Glennon** **Information/Action**
A. The GBCF Finance Committee will discuss and/or take action to approve the record of expenditures/check register for the months of July, August, and September 2016.
MOTION: Jim Kelley made a motion to approve the record of expenditures/check register for the months of July, August, and September 2016; Seconded by John Pryor. The motion passed.
B. The GBCF Finance Committee will discuss and/or take action to approve the income/deposits for the months of July, August, and September 2016.
The majority of the money that has come in has been scholarship funds. The scholarship process was discussed.
MOTION: John Pryor made a motion to approve the income/deposits for the months of July, August, and September 2016; Seconded by Mark Laffoon. The motion passed.
- 5. Director’s Report – Greg Brorby** **Information/Action**
A. Update on the NSHE Endowment Pool Transfers.
The only task remaining before the transfer is to update the equity spreadsheet, which will be done quarterly by Tami Potter. Once that is done, it’s a matter of sitting down with NSHE to facilitate the transfer. Will have to liquidate some funds to transfer which could take some time. The transfer process is unknown at this time. The equity spreadsheet defines what is in each fund which will make it easier to do the transfer. There will still be funds in common fund.
B. Update on Online Giving and third-party credit card processing vendor.
We have had one training session, have established a new bank account with Wells Fargo and have transferred \$1,000 from checking into this new account because there is a \$500 minimum. The third party credit card manager is IATS. The fee rates for MasterCard, Visa, and Discover cards are 2.65% with a transaction authorization fee

of \$0.21. American Express OptBlue fees are 3.2% with a transaction authorization fee of \$0.21. There will be a "Donate" button on our website, at a minimum on the Alumni, Foundation, and main GBC sites. We can personalize the page to have multiple donation options, including recurring payment. We are discussing the options as far as what to include on the page. They can also do an e-check instead of credit card, which keeps us from having a credit card processing fee. Various fees we were unaware of include a regulatory compliance fee of \$5, return draft fee of \$30, DBA/BBA Change fee of \$35, the annual PCI fee for compliance of \$124.75, and a monthly fee of \$15. A committee member noted that the DMV has a note on their website that says that paying with check or debit saves substantial funds for the DMV as far as processing, which may be a good option for the Foundation as well.

C. Update on new Wells Fargo bank account

This account will primarily be for the credit card transactions for the online giving donations. It prevents third party access to the large amount of funds sitting in the regular checking account and provides an easier way to follow the online giving transactions.

6. Fiscal Year 2016/2017 Budget Preparation – Greg Brorby Information/Action

Presentation of the final FY 16/17 budget for discussion and possible action to approve.

The budget has minimal changes in terms of line items but some additions. Overall for last fiscal year we were on budget. Handouts were explained by the Director and discussed by the committee. In summary, we started the year with roughly 7.7 million dollars and ended at roughly 7.6 million dollars. The budget is a different format this year and includes projected income broken out by function, and line item spending projections. The budget is \$295,000 compared to actuals of \$310,000. The recommendation came to change the projection on what will be earned by Employee Giving to \$10,000. The suggestion came that the campaigns should have a window, such as a closing date on the annual campaign and then beginning the anniversary campaign, so as to not overlap. After discussion, the decision was made to cut the 50th Anniversary amount from \$50,000 to \$25,000 as it would be split between two fiscal years. Total projected income is \$1,058,180, minus the changes made today in discussion. Total projected expenses are \$890,000 compared to \$841,000 in actuals, which give a rough net of \$100,000. This budget format will be a good document to allow the Foundation to do a monthly variable report to show what we've done month by month, showing actual spend versus budget.

MOTION: Jim Kelley made a motion to approve the budget with the changes of the Employee Giving campaign to \$10,000, and the 50th Anniversary campaign to \$25,000; Seconded by John Pryor. The motion passed.

7. Annual Foundation Audit – James Glennon Information/Action

Presentation of an update on the annual Foundation Audit which was performed by Eide Bailly in August. Discussion and/or approval of the draft and/or final financial statements.

The financial statements have been sent to compliance with Eide Bailly at this point, and we expect comments and/or changes soon. There shouldn't be any changes to the statements, but may be updates or changes to other areas.

MOTION: Mark Laffoon made a motion to approve the draft audit and financials; Seconded by John Pryor. The motion passed.

8. Fiscal Year 2016/2017 Audit/Review Selection Process – James Glennon Information/Action

Discussion of the selection process to complete the audit/review, financial statements and form 990 for Fiscal Year 2016/2017.

Next year should be a review, cost less and be easier. Eide Bailly has been doing the Foundation audit since 2004 and understands the history of the Foundation. Discussion resulted in the decision to continue to use Eide Bailly for the annual audit/review.

MOTION: Jim Kelley made a motion to continue to use Eide Bailly for the annual Foundation audit/review; Seconded by Danny Gillins. The motion passed.

- 9. Donor Request to distribute over policy – Greg Brorby** **Information/Action**
Discussion of donor request to distribute funds that exceed the Foundation’s distribution policy.
Two donors have asked to distribute over the policy amount. Discussion with legal resulted in three options. One option is to remove the funds from an endowment and spend the funds as if they’re scholarships, which would take an agreement from the donor. Another is to turn off the spending until the account grows enough to allow the greater spending amount under the current policy. The third option is to save the spending in an income account and let it build up until there is enough to distribute the scholarship amount they desire. It was noted that we want to keep with the wishes of the donors. Discussion led to the decision to follow the policy or move it to a temporary scholarship, which would follow the donor's wishes. It would take longer once the funds are with NSHE/Board of Regents.
MOTION: Jim Kelley made a motion follow policy or convert to a temporarily restricted fund; Seconded by Mark Laffoon. The motion passed.
- 10. Process to Review Foundation Investment Allocation - Greg Brorby** **Information/Action**
Discussion of the process to review Foundation investment allocations.
Once the transfer to NSHE is done the committee will want to review the investment allocation and the committee was asked to consider how they would like to review this for a later time.
- 11. Controller’s Office Update – Sonja Sibert** **Information**
None
- 12. 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
- 13. Public Comment (see foregoing notation regarding public comment)** **Information only**
Monday, November 7th, there is a meeting to discuss with the Chancellor and Chairman of the Board of Regents to discuss the Presidential Search at 11:00 in GTA 130. If you are unable to attend then, there is a public meeting at 1:30 in the Berg Hall Conference Room.
- 14. Adjourn**
The meeting was adjourned at 1:23 p.m.