

NOTICE OF PUBLIC MEETING

GREAT BASIN COLLEGE FOUNDATION

Board of Trustee Meeting

1500 College Parkway, Elko, Nevada 89801

Berg Hall Conference Room

Thursday, November 15, 2018, at 12:15 pm

Video Conference from the Meeting Site to:

GBC – Battle Mt. Center
835 N. 2nd Street
GBC Computer Lab
Battle Mt., NV 89820

GBC – Ely Center
2115 Bobcat Dr.
GBC 112
Ely, NV

GBC – Pahrump Center
551 E. Calvada Blvd.
GBC PVC 115
Pahrump, NV 89048

GBC – Winnemucca Center
5490 Kluncy Canyon Road
GBC 123
Winnemucca, NV 89445

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

Agenda

Call to Order of the Great Basin College Foundation Board of Trustees

1. Call to Order and Pledge of Allegiance

2. Roll Call

Tana Gallagher

(Chair)

Dr. Robert Colon

Zachary Gerber

Danny Gillins

James Glennon

Gregory Hafen

Chris Johnson

Mark Laffoon

Caroline McIntosh

Angela Prindle

John Pryor

Dave Roden

Melissa Schultz

Kaley Sproul

Holly Wilson

3. Public Comment (*see notation regarding public comment*)

4. Approval of Minutes – *Tana Gallagher*

5. Finance Committee Report – *James Glennon*

a. Presentation of Financial Statements by Teri Gage, Eide Bailly

6. President's Report – *President Joyce Helens*

7. Controller's Office Update – *Sonja Sibert or Tami Potter*

8. Faculty Senate Report – *Jinho Jung*

9. Foundation Director Report

a. Battle Mt. Center update

b. Elko Campus update

i. Elko CDL Proposal

c. Ely Center update

d. Pahrump Center update

e. Winnemucca Center update

i. Status on Winnemucca Health Science and Technology Building

ii. Winnemucca Electrical/Instrumentation Hybrid Program

f. Satellite Community update

g. Annual Foundation Event

h. Employee Giving Campaign

i. Endowment Conversion and Pursuit

j. Systems and Controls changes

k. Consolidation/termination of CommonFund

l. Consolidation/termination of Wells Fargo Investment Accounts

m. Permanent removal of 10% Management Fee

10. Foundation Administrative Assistant Report

a. Activity Report

Information

Information/Action

Information

Information/Action

Information

Information

Information

Information/Action

Information

Information

Information

Information

Information

Information

Information

Information

Possible Action

Possible Action

Information

Possible Action

Possible Action

Possible Action

Possible Action

Information/Action

Information

GBC Foundation
Board of Trustees Meeting
Date

b. Website Revisions	Information
c. GBCF Strategic Plan	Possible Action
d. Dinner Dance	Possible Action
e. Seasonal Card	Possible Action
f. Permanent Art Collection (PAC)	Possible Action
11. Committee Reports	Information/Action
a. Committee By-Laws/Committee Consolidation – <i>Zach Gerber</i>	Possible Action
12. Items from Board Members	Information
13. Public Comment (<i>see notation regarding public comment</i>)	Information
14. Adjourn	

This notice and agenda have been posted at or before November 8, 2018, no later than 9:00 am, which is the third business day before the meeting, in accordance with NRS 241.020, at the meeting location and at the following public locations:

- GBC Foundation's website (<http://www.gbcnv.edu/foundation/index.html>)
- The Nevada Public Notice website pursuant to NRS 232.2175 (<https://notice.nv.gov/>)
- Meeting location: Great Basin College Battle Mt. Center, 832 N. 2nd, Battle Mt., NV 89820
- Meeting location: Great Basin College, 1500 College Parkway, Elko, NV 89801
- Meeting location: Great Basin College Ely Center, 2115 Bobcat Drive, Ely, NV 89301
- Great Basin College Pahrump Valley Center, 551 E. Calvada Boulevard, Pahrump, NV 89048
- Great Basin College Winnemucca Center, 5490 Kluncy Canyon Road, Winnemucca, NV 89445

IMPORTANT INFORMATION ABOUT THE AGENDA AND PUBLIC MEETING

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Reasonable efforts will be made to assist and accommodate physically disabled person attending the meeting. Please call the GBC Office of the President at (775) 753-2265 in advance so that arrangements may be made.

PUBLIC COMMENTS: Public comment will be taken during this agenda item. No action may be taken on a matter raised under this item until the matter is included on an agenda as an item on which action may be taken. Comments will be limited to two minutes per person. Persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Board Chair may elect to allow additional public comment on a specific agenda item when that agenda item is being considered.

In accordance with Attorney General File No. 00-047 (April 27, 2001), as restated in the Attorney General's Open Meeting law Manual, the Board Chair may prohibit comment if the content of that comment is a topic that is not relevant to, or within the authority of, the GBC Foundation Board of Trustees, or if the content is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers.

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Winnemucca, NV

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Minutes

Call to Order of the Great Basin College Foundation Board of Trustees

1. Call to Order and Pledge of Allegiance

12:20 p.m.

2. Roll Call

Present

Tana Gallagher
Zachary Gerber
Danny Gillins
James Glennon
Mark Laffoon
Dave Roden
Melissa Schultz

Dial-in

John Pryor

Absent

Kaley Chapin
Dr. Robert Colon
Gregory Hafen
Chris Johnson
Caroline McIntosh
Angela Prindle
Holly Wilson

Guests

Cami Gerber
Joyce Helens
Jinho Jung
Matt McCarty
Sonja Sibert

3. Public Comment (*see foregoing notation regarding public comment*)

Information

4. None.

5. Approval of Minutes – *Tana Gallagher*

Information/Action

Board of Trustees Meeting on September 27, 2018

MSP: Mr. Roden, Mr. Gerber

6. Finance Committee Report – *James Glennon*

a. Presentation of Financial Statements by Teri Gage, Eide Bailly

Information/Action

See attached “Financial Statements June 30, 2018 (Reviewed) and 2017 (Audited)” and October 30, 2018 Eide Bailly Recommendations

7. President’s Report – *President Joyce Helens*

Information

Strategic plans are being implemented across the College; this and data will allow departments to track success of students. Moving to 8-week courses, securing finances for student tuition, GBC task forces, and partnering with local high schools to teach construction and electrical courses are all ways GBC is exploring sustainable student enrollment and graduation efforts. President Helens and Mr. McCarty are looking at holding Institutional Advisory Council (IAC) and Foundation Board of Trustees meetings simultaneously.

8. Controller’s Office Update – *Sonja Sibert*

Information

The “Financial Statements” presented today are also a part of the NSHE-wide consolidated financial statements (presented by each Foundation) and will go to the Board of Regents for approval at their November 29-30 meeting. This will also be the annual meeting for all Foundations within NSHE, where they will present to the Board of Regents informational items on activities that have happened this year. Mr. McCarty and Ms. Sibert will be in attendance at this meeting (Ms. Sibert from Las Vegas).

- | | |
|--|--------------------|
| 9. Faculty Senate Report – <i>Jinho Jung</i> | Information |
| Funding for Summer Remedial Math Camp discussed | |
| 10. Foundation Director Report | Information/Action |
| a. Battle Mt. Center update | Information |
| None. | |
| b. Elko Campus update | Information |
| i. Elko CDL Proposal | Information |
| Currently in the meeting with Governor’s Office of Economic Development asking for \$370,000 to re-implement CDL Program (funds would be for a new semi-truck and trailer rig and payment of first six months of this program), after which a consortium organized by Barrick will fund the program for an additional three years. | |
| c. Ely Center update | Information |
| None. | |
| d. Pahrump Center update | Information |
| None. | |
| e. Winnemucca Center update | Information |
| i. Status on Winnemucca Health Science and Technology Building | Information |
| Humboldt General Hospital pledged \$1 million, Barrick pledged \$300,000, and Newmont pledged \$100,000. We are now above \$1.5 million dollars. Subsequently, the Pennington Foundation has moved to convert the Pledge Agreement to a Construction Grant Agreement; the College will fill the Foundation’s funding gap for this earlier construction proposal. | |
| ii. Winnemucca Electrical/Instrumentation Hybrid Program | |
| This grant proposal to the Governor’s Office of Economic Development has been tabled as not enough employees will be hired through this program. The program will still continue, but we will not be getting funding through the Governor’s Office. | |
| f. Satellite Community update | Information |
| None. | |
| g. Annual Foundation Event | Possible Action |
| See attached “Foundation Strategic Plan 2019-2020” | |
| h. Employee Giving Campaign | Possible Action |
| Campus-wide participation request email will be sent. Giving parameters will be non-restrictive. | |
| i. Endowment Conversion and Pursuit | Information |
| None. | |
| j. Systems and Controls changes | Possible Action |
| Mr. McCarty will be updating the Foundation Systems and Controls. It was clarified that this is an internal document that does not need to go before the Board for approval. | |

- | | | |
|--|--|--------------------|
| k. | Consolidation/termination of CommonFund

See attached CommonFund statement. Closeout the CommonFund | Possible Action |
| l. | Consolidation/termination of Wells Fargo Investment Accounts

MSP to terminate the CommonFund and the Wells Fargo investment accounts and move these funds into laddered CDs (6-month laddering approach advised): Mr. Roden, Mr. Pryor | Possible Action |
| m. | Permanent removal of 10% Management Fee

MSP: Mr. Glennon, Mr. Roden | Possible Action |
| 11. Foundation Administrative Assistant Report | | Information/Action |
| a. | Activity Report | Information |
| b. | Website Revisions | Information |
| c. | GBCF Strategic Plan | Possible Action |
| d. | Dinner Dance | Possible Action |
| e. | Seasonal Card | Possible Action |
| f. | Permanent Art Collection (PAC) | Possible Action |
| For items a.-f. see attached Foundation Strategic Plan 2019-2020; every Board member is invited to contribute one item to the Gala silent auction. | | |
| 12. Committee Reports | | Information/Action |
| a. | Committee By-Laws/Committee Consolidation – <i>Zach Gerber</i>

Currently there are five committees; Mr. Gerber suggested these five committees be condensed to the Finance Committee, the Executive Committee, and the Development Committee. The Board of Trustees will need to vote on this; this vote will be formalized next year before the Board of Regents

MSP: Mr. Laffoon, Mr. Gerber | Possible Action |
| 13. Items from Board Members | | Information |
| None. | | |
| 14. Public Comment (<i>see notation regarding public comment</i>) | | Information |
| None. | | |
| 15. Adjourn | | |
| 2:15 p.m. | | |

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Printed By:

Check Register Report

<u>Check #</u>	<u>Chk Date</u>	<u>Invoice #</u>	<u>Vendor #</u>	<u>Payee</u>	<u>Committed Disc</u>	<u>Committed Adj</u>	<u>Check Amt</u>
Bank #: 1160-505 (WF - DWRF Maint Account)							
2047	08/09/18	FY18Q4	REGENT-EXP	Board of Regents - Expense	0.00	0.00	8,843.08
<i>1160-505: 1 Record(s)</i>					Total for 1160-505 :	0.00	8,843.08
Bank #: 1165-010 (WF - Operating)							
5035	08/09/18	20180809 RETURN	LAMOILLE	Lamoille Women's Club	0.00	0.00	100.00
5036	08/09/18	REIMB 4IMPRINT	REGENT-EXP	Board of Regents - Expense	0.00	0.00	333.32
5037	08/09/18	20180809 ALUMNI	FHEG	FHEG Great Basin Bookstore	0.00	0.00	5.00
5038	08/09/18	20180809 WFVISA	WF VISA	Wells Fargo VISA	0.00	0.00	296.12
5039	08/09/18	MS8318A	REGENT-EXP	Board of Regents - Expense	0.00	0.00	13.75
5040	08/09/18	20180809 FALL SCHLP	REGENTS	Board of Regents - Distributions	0.00	0.00	115,104.29
5041	08/09/18	626450112	FEDEX	FedEx	0.00	0.00	39.82
5042	08/09/18	SAS11188 SAS10887	CAMPUS	Campus Management	0.00	0.00	1,296.00
5043	08/09/18	20180809 PAIR TRIP	MCCARTY	Matt McCarty	0.00	0.00	81.00
<i>1165-010: 9 Record(s)</i>					Total for 1165-010 :	0.00	117,269.30
<i>Report: 10 Record(s)</i>					Total for this Report :	0.00	126,112.38

CRITERIA

Detail Report Sorted by Bank # + Check #

Specific Option(s):

- 1.) Non-Check Payments Not Included
- 2.) Electronic Payments Not Included
- 3.) Exclude Voided Transactions

Filter(s):

Check Date: From 08/01/18 Until 08/31/18

10/31/2018
6:30:54 pm

Gift Summary Report

Great Basin College Foundation

July 2018 Income/Deposit Report

Page 1 of 1

Fund	Amount	Count
#010 Unrestricted Funds	110.00	4
#107 GBCF Program Direct. Don.	4,190.00	12
#184L Winn. Scholarship Fund	50.00	1
#192 Stud Child Care Assist Fd	85.00	3
#194AQ Elko Fly Shop Sch.	100.00	1
#194AR VFW Auxiliary 2350	250.00	1
#194BD "Jerry" Doerr Memorial	570.00	8
#200 General Scholarship Fund	5.00	1
#702 NEH Grant	3,000.00	1
Grand Totals	8,360.00	32

10/31/2018
6:32:03 pm

Gift Summary Report

Great Basin College Foundation

August 2018 Income/Deposit Report

Page 1 of 1

Fund	Amount	Count
#010 Unrestricted Funds	2,813.83	5
#107 GBCF Program Direct. Don.	2,326.75	8
#184L Winn. Scholarship Fund	50.00	1
#192 Stud Child Care Assist Fd	85.00	3
#194AQ Elko Fly Shop Sch.	100.00	1
#194BD "Jerry" Doerr Memorial	50.00	1
#194S NV Society CPA'S Scholar	1,200.00	1
#194W Vets. Foreign War Schol	750.00	1
#200 General Scholarship Fund	5.00	1
#508 Valerie Easterly Sch End	300.00	1
#612 Winn Health Sci. & Elect.	25,000.00	1
Grand Totals	32,680.58	24

10/31/2018
6:32:57 pm

Gift Summary Report

Great Basin College Foundation

September 2018 Income/Deposit Report

Page 1 of 1

Fund	Amount	Count
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Grand Totals		
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Great Basin College Foundation

TOTAL PORTFOLIO MARKET VALUE AS OF 10/31/2018

Investment Category	Adjusted Market Value	Allocation %
Portfolio Total Equity	\$649,701.65	84.19%
Portfolio Total Fixed	\$121,993.09	15.81%
Portfolio Total	\$771,694.74	100.00%

MARKETABLE INVESTMENTS 7/1/2018 TO 10/31/2018

Marketable Fund	Beginning Market Value	Purchases	Sales	Fees	Income Paid	Income Reinvested	Market Change	Ending Market Value
Core Equity Fund	\$655,588.17	\$0.00	\$0.00	(\$911.75)	(\$3,428.37)	\$0.00	(\$1,546.40)	\$649,701.65
Total Equity	\$655,588.17	\$0.00	\$0.00	(\$911.75)	(\$3,428.37)	\$0.00	(\$1,546.40)	\$649,701.65
High Quality Bond Fund	\$123,740.61	\$0.00	\$0.00	(\$124.50)	(\$940.54)	\$0.00	(\$682.48)	\$121,993.09
Total Fixed	\$123,740.61	\$0.00	\$0.00	(\$124.50)	(\$940.54)	\$0.00	(\$682.48)	\$121,993.09
Marketable Total	\$779,328.78	\$0.00	\$0.00	(\$1,036.25)	(\$4,368.91)	\$0.00	(\$2,228.88)	\$771,694.74

Market Change equals (Ending MV - Beginning MV - Purchases + Sales + Fees + Income Paid - Income Reinvested)
Adjusted Market Value for marketable cash funds, reflect the impact of pending cash subscriptions.

Fund performance is depicted net of fees. Manager and strategy performance is net of sub-advisor management fees and gross of other Commonfund Fund expenses. Past performance is no assurance of future returns.

Great Basin College Foundation

ASSET ALLOCATION AS OF 10/31/2018

	Target Allocation %	6/30/2018 Allocation %	10/31/2018 Allocation %
Large Cap Equity	75.00	0.00	0.00
U.S. Equity		84.12	84.19
Equity	75.00	84.12	84.19
Core Bonds	25.00	15.88	15.81
Fixed	25.00	15.88	15.81
Total	100.00	100.00	100.00

Fund performance is depicted net of fees. Manager and strategy performance is net of sub-advisor management fees and gross of other Commonfund Fund expenses. Past performance is no assurance of future returns.

850	Laibly	\$	64,991.65
700	Ins Sust	\$	34,805.36
701	HSHS	\$	3,526.45
702	NEH Grant	\$	-
855	BD New Programs	\$	775,253.08
890	BD GBCF Scholar	\$	15,457.36



SNAPSHOT

Page 1 of 5

GREAT BASIN COLLEGE FOUNDATION
DONALD W REYNOLDS ENDOW FUND

SEPTEMBER 1, 2018 - SEPTEMBER 30, 2018
ACCOUNT NUMBER: 2241-0067

Progress summary

	THIS PERIOD	THIS YEAR
Opening value	\$775.31	\$774.42
Cash deposited	0.00	0.00
Securities deposited	0.00	0.00
Cash withdrawn	0.00	0.00
Securities withdrawn	0.00	0.00
Change in value	0.16	1.05
Closing value	\$775.47	\$775.47

As a Wells Fargo Advisors client, you can upgrade your investment account to add Brokerage Cash Services at no additional cost. Brokerage Cash Services provides access to convenient money movement options including mobile deposit services. It also includes teller deposit services at Wells Fargo branch locations which are provided through a limited purpose Bank account. You'll have access to many more features and benefits to help you manage your finances. It's as simple as talking with Your Financial Advisor. Ask them today about Brokerage Cash Services.

Portfolio summary

		PREVIOUS		CURRENT		ESTIMATED ANN. INCOME
ASSET TYPE		VALUE ON AUG 31	%	VALUE ON SEP 30	%	
ASSETS	Cash and sweep balances	775.31	100.00	775.47	100.00	2
	Stocks, options & ETFs	0.00	0.00	0.00	0.00	0
	Fixed income securities	0.00	0.00	0.00	0.00	0
	Mutual funds	0.00	0.00	0.00	0.00	0
	Asset value	\$775.31	100%	\$775.47	100%	\$2



SNAPSHOT

GREAT BASIN COLLEGE FOUNDATION

Page 1 of 5

SEPTEMBER 1, 2018 - SEPTEMBER 30, 2018
ACCOUNT NUMBER: 3403-8484

Progress summary

	THIS PERIOD	THIS YEAR
Opening value	\$222,376.48	\$222,121.67
Cash deposited	0.00	0.00
Securities deposited	0.00	0.00
Cash withdrawn	0.00	0.00
Securities withdrawn	0.00	0.00
Change in value	45.69	300.50
Closing value	\$222,422.17	\$222,422.17

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Portfolio summary

		PREVIOUS VALUE ON AUG 31	%	CURRENT VALUE ON SEP 30	%	ESTIMATED ANN. INCOME
ASSET TYPE						
ASSETS	Cash and sweep balances	222,376.48	100.00	222,422.17	100.00	556
	Stocks, options & ETFs	0.00	0.00	0.00	0.00	0
	Fixed income securities	0.00	0.00	0.00	0.00	0
	Mutual funds	0.00	0.00	0.00	0.00	0
	Asset value	\$222,376.48	100%	\$222,422.17	100%	\$556

TRUSTEES

The Foundation has a Governing Board of Trustees consisting of a maximum of 35 trustees who provide oversight for its activities.

Chairman: Tana Gallagher

Vice-Chairman: Zachary Gerber

Secretary (ex-officio): President Joyce Helens

Treasurer: James Glennon

Members:

- Kaley Chapin, Executive Director, Nevada Cattlemen's Association
- Dr. Robert Colon, Optometrist, Total Eyecare
- Tana Gallagher, Controller, Gallagher Ford
- Zach Gerber, Attorney and Partner, Gerber Law Offices LLP
- Danny Gillins, Financial Advisor and Branch Manager, Raymond James Financial Services
- James Glennon, CPA, Glennon & Sandoval Company
- Gregory T. Hafen II, General Manager, Pahrump Utility Company, Inc.
- Joyce Helens, Ex-Officio, President, Great Basin College
- Mayor Chris Johnson, President, Charles Chester Plumbing and Heating
- Jinho Jung, Ex-Officio, Faculty Senate Chair, Great Basin College
- Mark Laffoon, Project Program Manager, Barrick Gold of North America, Cortez Mine
- Caroline McIntosh, Retired
- Angela Prindle, External Relations Representative, Newmont USA Limited
- John Pryor, Emeritus Faculty, Great Basin College
- Dave Roden, Retired, US Bank
- Melissa Schultz, Specialist, Compliance & Engagement Corporate Social Responsibility, Barrick
- Holly Wilson, Retired Educator



Financial Statements
June 30, 2018 (Reviewed) and 2017 (Audited)
Great Basin College Foundation

Independent Accountant’s Review Report	1
Management’s Discussion and Analysis.....	3
Financial Statements	
Statements of Net Position.....	9
Statements of Revenues, Expenses, and Changes in Fund Net Position	10
Statements of Cash Flows.....	11
Notes to Financial Statements	13



Independent Accountant's Review Report

To the Board of Trustees
Great Basin College Foundation
Elko, Nevada

We have reviewed the accompanying financial statements of Great Basin College Foundation, a component unit of Great Basin College, which comprise the statement of net position as of June 30, 2018, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of foundation management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The financial statements for the year ended June 30, 2017, were audited by us, and we expressed an unmodified opinion on them in our report dated October 23, 2017, but we have not performed any auditing procedures since that date.

Required Supplementary Information

The accompanying management's discussion and analysis on pages 3 through 8 is presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the required supplementary information and accordingly, we do not express an opinion or provide any assurance on such required supplementary information.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Elko, Nevada
October 30, 2018

This section of Great Basin College Foundation's (the "Foundation") annual financial report presents the discussion and analysis of the Foundation's financial activity for the years ended June 30, 2018 and 2017. Please read it in conjunction with the accompanying financial statements and related footnotes. Foundation management has prepared these financial statements, footnotes, and discussion and analysis, and is responsible for the completeness and fairness of the information presented.

Reporting Entity

Great Basin College Foundation is a nonprofit organization exempt from federal income taxes under Internal Revenue Code section 501(c)(3). The mission of the Foundation is to cultivate, steward and manage resources from our communities for the benefit of the students and programs of Great Basin College (the "College"). This is achieved primarily through donor cultivation and stewardship, management of fiscal resources, and promotion of the College's programs throughout the region. The Foundation receives donations from the private sector and disburses scholarships and other support directly to Great Basin College.

The Regents of the Nevada System of Higher Education ("NSHE") serve as members of the Foundation corporation. Because of the relationship between the Regents, the College, and the Foundation, the Foundation is considered a component unit of the College. Mr. Matt McCarty serves as the Foundation's Executive Director.

Financial Highlights

- Due to financial pressure and ongoing budget cuts to higher education in Nevada, the Foundation reorganized beginning July 1, 2015, and the prior Executive Director assumed a full-time position with Great Basin College. A new Foundation Director, Mr. Gregory Brorby was hired in August 2015. Mr. Brorby resigned in October of 2017, and Mr. McCarty was hired in April of 2018. Support staff, including an administrative assistant and bookkeeping services for the Foundation, is provided by Great Basin College directly.
- With the significant change in personnel and support for the Foundation over the last several years, the Foundation concentrated on reengineering processes and developing strategic plans to help position the Foundation to be more nimble and cost efficient. The Foundation Board of Trustees approved exploring the possibility of developing a signature event which is intended to be a fundraiser to cover the Foundation's operating expenses that are not covered by its management fees. This work is in progress and will continue into the next fiscal year.
- In the fiscal years ending June 30, 2018, 2017, and 2016 respectively, no major giving campaigns were conducted as the Foundation began to restructure its current organization. The Foundation has done two annual campaigns, one each in fiscal years 2017 and 2016, though one was not done in 2018.
- Contributions in fiscal year ending June 30, 2018 were \$934,117 which is an increase of 167% over the fiscal year ending June 30, 2017. In addition, cash receipts from contributions in fiscal year ending June 30, 2018 increased by approximately \$240,000 over the fiscal year ending June 30, 2017. These increases can be attributed in part due to an increased focus on rebuilding relationships with scholarship donors and in part due to the implementation of an online giving module allowing donors to contribute by clicking on a button on the Foundation's website.
- Distributions to Great Basin College were \$820,456 in fiscal year ending June 30, 2018 which is an increase of \$137,972 over the fiscal year ending June 30, 2017.
- In the fiscal year ending June 30, 2016, the Board of Trustees authorized transferring most of the of the Foundation's endowments to NSHE in order to reduce the risk of managing a large portfolio, and to potentially increase returns on the investments and reduce expenses, as an audit would be required every other year. NSHE has full-time money managers to accomplish these goals. The endowment transfer to NSHE was completed in the third quarter of the fiscal year ending June 30, 2017.

Overview of the Financial Statements

This annual report consists of two parts – management's discussion and analysis (this section), and the basic financial statements. The basic financial statements for the Foundation, along with a description of the information contained in each statement, are:

Statements of Net Position – provides a picture of the assets and liabilities of the Foundation at the end of its fiscal year, along with the difference between assets and liabilities, which is referred to as net position;

Statements of Revenues, Expenses, and Changes in Fund Net Position – shows the revenues and expenses that resulted from the Foundation's operations during the fiscal year, regardless of when cash is received or paid, and how those results of operations affected net position of the Foundation; and

Statements of Cash Flows – presents a summary of cash balances at the beginning of the period, increases and decreases in cash during the period, and the balance of Foundation cash at the end of the period.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Condensed Financial Information

A key question when looking at these financial statements is whether the Foundation's financial position has improved or deteriorated as a result of the year's operations. The *Statements of Net Position* and the *Statements of Revenues, Expenses, and Changes in Fund Net Position* report information on the entity as a whole and on its activities in a way that helps answer that question. When revenues and other support exceed expenses and distributions, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. The relationship between receipts and expenditures may be thought of as the Foundation's operating results.

In a traditional business entity, an increase in net position might generally be associated with an improved financial position. Conversely, a decrease in net position might indicate deterioration in financial position. These generalities are not necessarily the case for nonprofit organizations like the Foundation because of the nature of operations. Unlike a profit-oriented business entity, nonprofits such as the Foundation seek contributions with the intent of disbursing expendable funds over time in support of their mission.

Restricted net position refers to those funds that have constraints placed on their use by the donor. They include both nonexpendable and expendable amounts.

- Nonexpendable net position, often referred to as endowment, includes assets that the donor has specified may not be expended by the Foundation. Earnings and appreciation on these assets are generally expendable for restricted purposes, and are included in the expendable category of net position.
- Expendable net position refers to amounts having constraints placed on their use by the donor, but may be spent for a specified purpose at some time in the present or future.

Unrestricted net position includes amounts held by the Foundation that are not restricted by the donor. These amounts are available for operations of the Foundation or any of its programs. A comparison of the various condensed statements for this year and the two preceding years will help with an analysis of changes in net position, results of operations, and other measures of the Foundation's activities.

Condensed Statements of Net Position
June 30, 2018 (Reviewed), 2017 (Audited), and 2016 (Audited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Current and other assets	\$ 9,778,215	\$ 9,102,574	\$ 8,416,557
Total Assets	<u>9,778,215</u>	<u>9,102,574</u>	<u>8,416,557</u>
Current liabilities	18,994	42,553	37,623
Total Liabilities	<u>18,994</u>	<u>42,553</u>	<u>37,623</u>
Net position:			
Restricted:			
Nonexpendable	4,508,879	4,383,092	4,227,002
Expendable	4,120,901	3,539,737	3,146,945
Unrestricted	1,129,441	1,137,192	1,004,987
Total Net Position	<u>\$ 9,759,221</u>	<u>\$ 9,060,021</u>	<u>\$ 8,378,934</u>

Current and other assets are primarily comprised of cash and investments. The Foundation has an investment policy for its endowment funds, both the expendable and nonexpendable portions, that provides for an allocation between equities and fixed income instruments. Expendable and unrestricted funds are held primarily in money market accounts and certificates of deposit based on cash flow needs.

The total assets increased in 2018 mainly due to contributions from a significant donor and a focus on completing the matching grant for the National Endowment of Humanities. The increase in total assets for 2018 of \$675,641 was due to an increase in restricted long-term investments in part due to increased unrealized gains as the market recovered in 2018.

Current liabilities are amounts due by the Foundation to others that had not been paid at the end of the period. In 2017 and 2018, these amounts consist primarily of amounts owed to the College for reimbursable campus enhancement maintenance costs supported by the Foundation's maintenance endowment; however, in 2018 there was \$9,564 in accrued payroll liabilities compared to 2017 which was \$33,695 in accrued payroll liabilities for foundation staff employment, which also includes compensated absences. The significant decrease in compensated absence accrual was due to the departure of the previous Director and the new Director not yet accruing large compensated absence balances.

Nonexpendable net position generally continues to increase as donors make contributions to endowment funds. These resources are generally required to be maintained in perpetuity, and only the income generated by the funds is expendable for the donor's specified purpose.

Expendable net position rises and falls over time, primarily due to the timing of contributions and the associated distribution of those resources to the College. The increase from 2017 to 2018 is primarily associated with increased restricted contributions and investment earnings for scholarships which increased expendable net position for scholarships by \$286,566. Associated distributions of the expendable amounts will occur as pledges are satisfied and any donor-imposed conditions are met.

Unrestricted net position represents those funds over which the Foundation has full control. They are generated by unrestricted contributions, investment earnings on all resources except endowments, administrative fees assessed on certain restricted contributions, and management fees for endowment funds.

Overall, the financial position of the Foundation continues to be strong. Bequests resulting from the Foundation's planned giving initiatives, although not predictable in nature, will continue to be a sustaining element of the Foundation's success.

**Condensed Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2018 (Reviewed), 2017 (Audited), and 2016 (Audited)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Operating Revenues			
Contributions	\$ 934,117	\$ 349,907	\$ 330,973
College support	17,854	55,126	15,360
Special events revenue, net	-	-	150
Other operating revenue	10,271	10,528	9,650
Total Operating Revenues	<u>962,242</u>	<u>415,561</u>	<u>356,133</u>
Operating Expenses			
Distributions to Great Basin College	820,456	682,484	539,749
Restricted program expenses	39,838	51,346	32,311
Administrative expenses	120,112	196,655	183,388
Total Operating Expenses	<u>980,406</u>	<u>930,485</u>	<u>755,448</u>
Operating Income (Loss)	<u>(18,164)</u>	<u>(514,924)</u>	<u>(399,315)</u>
Nonoperating Gains (Losses)			
Investment income	<u>590,638</u>	<u>1,026,671</u>	<u>43,598</u>
Income (Loss) before Additions to Endowments	<u>572,474</u>	<u>511,747</u>	<u>(355,717)</u>
Additions to Endowments	<u>126,726</u>	<u>169,340</u>	<u>113,650</u>
Increase (Decrease) in Net Position	<u>699,200</u>	<u>681,087</u>	<u>(242,067)</u>
Beginning Net Position	<u>9,060,021</u>	<u>8,378,934</u>	<u>8,621,001</u>
Ending Net Position	<u><u>\$ 9,759,221</u></u>	<u><u>\$ 9,060,021</u></u>	<u><u>\$ 8,378,934</u></u>

Contributions, which include amounts expected to be paid to the Foundation as a result of pledges, fluctuate primarily due to varying levels of activity in the Foundation's development programs and the unanticipated nature of bequests, many of which are unrestricted in nature. The increase from 2017 to 2018 was \$584,210. The minimal increase in 2017 is attributable to the change in management staffing and no active fund raising as the Foundation reorganized.

College support includes a provision for the value of office space provided by the College, and for the services of the Executive Director and other staff provided by the College. Prior to 2016, the salary of the prior Executive Director, whose role with the College was 40% as Executive Director of the Foundation and 60% as Director of the Theater Program of the College, had traditionally been assumed by the College. Effective 2016, the Foundation's Executive Director was replaced by a full time employee whose time was devoted to 100% Directorship and whose payroll costs were covered by the Foundation. Also, the Foundation's staffing went from two employees under the direction of the Executive Director to none until the end of the fiscal year 2016. A full-time assistant was hired at the end of fiscal year 2016, and the payroll costs are included in college support. In August of 2017, that staff member left the Foundation and was not replaced until May of 2018. Multiple gaps in attendance over three months resulted in a new assistant being hired in October of 2018.

Special events revenue, net encompasses the Foundation's annual dinner dance gala, as well as other campus department fundraising that is administered through the Foundation's recordkeeping system. The difference between event revenues and associated expenses results in net revenue. In 2016, 2017, and 2018, the dinner dance gala was not held. The Board of Trustees suspended the gala and is currently working on developing another signature event or refreshing the gala.

Support for the College is shown in Distributions to Great Basin College. These distributions typically include amounts for scholarships and program support. The increase in 2018 from 2017 of \$137,972 is mainly expending scholarship contributions per the donor's wishes. This is the second consecutive year where distributions to the College increased significantly.

Administrative expenses include the cost of operating the Foundation. The most significant administrative expenses are staff payroll costs, some of which are provided by the College, and are reflected in College support. In 2016, the Director was the only employee of the Foundation the majority of the year as the College provided support staff until June of 2016, when a full-time support staff was hired. In August of 2017, that staff member left the Foundation and was not replaced until May of 2018. Multiple gaps in attendance over three months resulted in a new assistant being hired in October of 2018.

The 2017 levels of Investment income represent a robust market during the period. The 2018 levels continue to see healthy growth.

Economic Factors That Will Affect the Future

The economic position of the Foundation is closely tied to that of Great Basin College and to the economic health of rural Nevada. The following is a list of identified conditions and events that will have an effect on the Foundation's future financial condition:

- Northern Nevada is the nation's largest gold-producing region. Because of this, the local economy is impacted, to a significant degree, by the commodity price of gold. The slight decline in gold prices over the past 3 years has caused the mining industry to revisit some of its activities in the region, although it continues to place emphasis on issues of sustainability in its areas of operation. These factors point to continued favorable relationships with the mining industry. With that said, mining operations in Northern Nevada are maturing and, as such, the costs of development, extraction and processing have increased. The sustainability and cost-increase implications will result in more targeted philanthropy and may result in lower short-term funding.
- The State of Nevada's severe budget constraints continue to have significant impact on state funding for higher education. The Nevada legislature in its 2017 session authorized and funded changes to NSHE funding formula resulting in decreased funding for the next biennium. Foundation resources have been identified as a possible source of funding to close an anticipated budget cut.
- Great Basin College made a significant effort in 2017 to become a designated State College. While this effort was not successful, the College has sought collaborative efforts with other NSHE institutions and anticipates being able to partner with some of these institutions to provide educational opportunities. Higher education in the rural areas that Great Basin College services has always been in the forefront of the minds of stake holders, and the College believes it can make significant headways in providing education to rural Nevada residents.
- The Foundation sponsored two planned giving workshops in fiscal year ending June 30, 2017 and one planned giving workshop in 2016. There are indications that the events were successful and will result in estate gifts through bequeaths in the future. While additional planned giving workshops did not occur in Fiscal 2018, more are planned for 2019 across multiple communities within the College's realm of influence.
- On August 1, 2017, President Joyce Helens became the president of Great Basin College and has worked with the College on multiple initiatives including Athletics, Campus Revitalization, and New Programs. Additionally, Campus expansion in Pahrump, Nevada is a priority. Lynn Mahlberg, Vice President of Academic and Student Affairs retired in June of 2018 and Dr. Sonja Brown was hired as Vice President of Academic Affairs, beginning mid-July of 2018. Jake Rivera began as Vice President of Student Affairs in October of 2018. This change in leadership will have an impact on the future direction of the College and related economic factors.
- In October of 2017, the William N. Pennington Foundation pledged \$5 million towards a \$7 million building in Winnemucca, Nevada. Efforts are currently underway to raise the remaining \$2 million and significant contributions have been received in the 2019 Fiscal year.
- In September of 2018, the Governor's Office of Economic Development awarded \$450,000 in Workforce Innovations for a New Nevada funding to Great Basin College for a Diesel Program in Ely.

Requests for Information

This report is designed to provide a general overview of Great Basin College Foundation's finances for all interested parties. Questions concerning the information contained in this report should be addressed to the Foundation Office, at P.O. Box 2056, Elko, Nevada 89803.

Great Basin College Foundation
Statements of Net Position
June 30, 2018 (Reviewed) and 2017 (Audited)

	2018	2017
Assets		
Current Assets		
Unrestricted cash and cash equivalents	\$ 496,791	\$ 166,022
Restricted cash and cash equivalents	694,153	860,588
Unrestricted certificates of deposit	120,924	-
Restricted certificates of deposit	200,681	180,543
Current portion of contributions receivable, net	66,584	36,434
Investment earnings receivable	61,222	127,675
Other current assets	206	206
Total current assets	<u>1,640,561</u>	<u>1,371,468</u>
Noncurrent Assets		
Unrestricted long-term investments	779,329	720,664
Internal investment pool restricted - long-term investments	6,974,869	6,592,309
Long-term portion of contributions receivable, net	383,456	418,133
Total noncurrent assets	<u>8,137,654</u>	<u>7,731,106</u>
Total assets	<u>9,778,215</u>	<u>9,102,574</u>
Liabilities		
Current Liabilities		
Accounts payable	587	-
Due to College:		
Accrued payroll liabilities	9,564	33,695
Other	8,843	8,858
Total current liabilities	<u>18,994</u>	<u>42,553</u>
Total liabilities	<u>18,994</u>	<u>42,553</u>
Net Position		
Restricted for:		
Nonexpendable	4,508,879	4,383,092
Expendable		
Scholarships	1,727,306	1,440,740
Building projects	138,427	138,427
Other	2,255,168	1,960,570
Unrestricted	1,129,441	1,137,192
Total net position	<u>\$ 9,759,221</u>	<u>\$ 9,060,021</u>

Great Basin College Foundation
Statements of Revenues, Expenses, and Changes in Fund Net Position
Years Ended June 30, 2018 (Reviewed) and 2017 (Audited)

	2018	2017
Operating Revenues		
Contributions	\$ 934,117	\$ 349,907
College support	17,854	55,126
Other operating revenue	10,271	10,528
Total operating revenues	<u>962,242</u>	<u>415,561</u>
Operating Expenses		
Distributions to Great Basin College		
Scholarships	328,643	219,265
Building projects	14,734	2,892
Other	477,079	460,327
Restricted program expenses	39,838	51,346
Administrative expenses	120,112	196,655
Total operating expenses	<u>980,406</u>	<u>930,485</u>
Operating Income (Loss)	<u>(18,164)</u>	<u>(514,924)</u>
Nonoperating Gains (Losses)		
Investment income (loss)	<u>590,638</u>	<u>1,026,671</u>
Income (Loss) Before Additions to Endowments	572,474	511,747
Additions to Endowments	<u>126,726</u>	<u>169,340</u>
Increase (Decrease) in Net Position	<u>699,200</u>	<u>681,087</u>
Net Position		
Beginning of year	<u>9,060,021</u>	<u>8,378,934</u>
End of year	<u><u>\$ 9,759,221</u></u>	<u><u>\$ 9,060,021</u></u>

Great Basin College Foundation

Statements of Cash Flows

Years Ended June 30, 2018 (Reviewed) and 2017 (Audited)

	2018	2017
Cash Flows from Operating Activities		
Receipts from contributions	\$ 936,994	\$ 696,834
Receipts from other operations	10,271	10,528
Distributions to College	(818,806)	(682,484)
Payments for restricted program expenses	(39,838)	(51,346)
Payments to employees for services	(79,243)	(88,220)
Payments to vendors for goods and services	(46,574)	(41,482)
Net Cash (used for) Operating Activities	(37,196)	(156,170)
Cash Flows from Noncapital Financing Activities		
Additions to endowments	126,726	169,340
Cash Flows from Investing Activities		
Interest and dividends on investments	58,433	148,861
Management and spending fees from NSHE earnings	314,692	-
Net sales (purchases) of certificates of deposits	(140,000)	90,686
Net sales (purchases) of investments	-	5,757,628
Transfer of endowments to internal investment pool	(158,321)	(6,419,250)
Net Cash (used for) from Investing Activities	74,804	(422,075)
Net Change in Cash and Cash Equivalents	164,334	(408,905)
Cash and Cash Equivalents, Beginning of Year	1,026,610	1,435,515
Cash and Cash Equivalents, End of Year	\$ 1,190,944	\$ 1,026,610
This Balance Consists of		
Unrestricted cash and cash equivalents	\$ 496,791	\$ 166,022
Restricted cash and cash equivalents	694,153	860,588
	\$ 1,190,944	\$ 1,026,610

Great Basin College Foundation

Statements of Cash Flows

Years Ended June 30, 2018 (Reviewed) and 2017 (Audited)

	2018	2017
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating income (loss)	\$ (18,164)	\$ (514,924)
Adjustments to reconcile operating income (loss) to net cash provided (used) for operating activities		
Changes in assets and liabilities:		
Contributions receivable	4,527	353,824
Accounts payable	587	(487)
Due to College	(24,146)	5,417
Net Cash from (used for) Operating Activities	<u>\$ (37,196)</u>	<u>\$ (156,170)</u>
Non-Cash Operating, Capital, and Investing Activities		
Operating income (loss) includes in-kind contributions and associated operating expenses of		
Contributions	\$ 1,650	\$ 6,897
College support for Foundation employee costs	14,131	51,526
College support for Foundation postage	123	-
College support for Foundation office space	3,600	3,600
	<u>\$ 19,504</u>	<u>\$ 62,023</u>
Non-cash distributions made to College	<u>\$ 1,650</u>	<u>\$ 5,219</u>

Note 1 - Summary of Significant Accounting Policies

Organization

Great Basin College Foundation (the “Foundation”) is a nonprofit corporation. The mission of the Foundation is to cultivate, steward and manage resources from our communities for the benefit of the students and programs of Great Basin College (the “College”). This is achieved primarily through donor cultivation and stewardship, management of fiscal resources, and promotion of the College’s programs throughout the region. The Foundation receives donations from the private sector and disburses scholarships and other support directly to Great Basin College.

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with generally accepted accounting principles (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and reporting principles.

The Foundation is a component unit of the College as defined in GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. As such, the Foundation reports its financial activities and position using a single column enterprise fund presentation as described in GASB 34.

The College is one of nine institutions that comprise the Nevada System of Higher Education (“NSHE”). NSHE presents combined financial statements for its operations. As a component unit of the College, the Foundation is included in the combined discrete presentation of System Related Organizations in the NSHE financial statements.

Basis of Accounting

The financial statements of the Foundation have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

The Foundation distinguishes the assets it holds based on intended use of resources as specified by the donor. Net assets used by the Foundation are aggregated by general type of limitation placed on the assets:

Restricted net position refers to those funds that have constraints placed on their use by the donor. They include both nonexpendable and expendable amounts.

Nonexpendable net position, often referred to as endowments, includes assets that the donor has specified may not be expended by the Foundation. Earnings and appreciation on these assets are generally expendable for restricted purposes, and are included in the expendable category of net position.

Expendable net position refers to amounts having time or purpose constraints placed on their use by the donor, but may be spent at some time, either in the present or future.

Unrestricted net position includes amounts held by the Foundation that are not restricted by donors. These amounts are available for operations of the Foundation or any of its programs.

The Foundation solicits contributions for Foundation operations and for specific program uses. When disbursements are made to the College for a specific program, funds restricted for that program are the first amounts used. If the College requests funds for a specific program that exceed the amount available by donor restriction, the Foundation Board of Trustees may consider using unrestricted funds to satisfy the request.

Recognition of Support and Revenue

Contributions, gifts and promises to give are recognized as revenue when they are received or unconditionally promised. When a transfer of assets from a donor includes a conditional promise to contribute, such as the attainment of a targeted amount, the gift is classified as a refundable advance until the conditions have been substantially met. Contributions received are recorded as unrestricted or restricted, including both expendable and nonexpendable resources, depending on the existence and/or nature of any donor restrictions. Contributions receivable are generally determined to be collectible at the time they are recorded. No provision for uncollectible contributions were deemed necessary for the years ended June 30, 2018 and 2017.

Cash and Cash Equivalents

The Foundation considers all highly liquid short-term interest bearing investments with an original maturity of three months or less to be cash equivalents.

Investments

Investments are stated at fair value, and realized and unrealized gains and losses are included in Investment Income in the Statement of Revenues, Expenses, and Changes in Fund Net Position. Fair value of Foundation investments is determined from quoted market prices. The majority of the restricted long-term investments are held by NSHE in their pooled endowment funds.

Although the Foundation is not limited by statute regarding the types of investments it may acquire, the Foundation investment policy states that the Foundation portfolio should have a diversified exposure to a balanced account of various asset classes including equities, fixed income instruments, and cash equivalents.

Donated Assets and Services

Donated assets are reflected as contributions when received, and are recorded in the accompanying statements at their estimated value at date of receipt.

Donated volunteer services are recognized if the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been reflected in the statements for donated volunteer services, since no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers have donated significant amounts of their time to the organization's operations and fundraising efforts.

Additionally, as described in Note 9, the College provides staffing, office space, and other costs for operations of the Foundation. These amounts are included in revenues as College Support, with the associated expense reflected in Administrative Expenses.

Income Taxes

The Foundation is a nonprofit organization exempt from federal income taxes under Internal Revenue Code section 501(c)(3). The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the Internal Revenue Service. Accordingly, no liability for Federal income taxes has been provided in the financial statements.

The Foundation believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. The Foundation's Form 990's are no longer subject to tax examination for years before 2015.

Operating and Nonoperating Revenues and Expenses

Revenues and expenses are classified as operating if they result from providing services in connection with the Foundation's ongoing operations. The Foundation's operating revenues consist primarily of contributions received, college support, special events revenue, and administrative and management fees. Foundation operating expenses are those costs associated with donor cultivation and stewardship, special events, and general administration of Foundation activities. Restricted program expenses are those that relate directly to individual restricted funds, such as administrative and management fees, and expenses related to restricted property. Nonoperating revenues and expenses relate primarily to the income and gains and losses associated with investment activity of the Foundation.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Foundation has concentrated its credit risk by maintaining deposits of cash, cash equivalents, and investments in various institutions that may at times exceed amounts covered by insurance provided by either the Federal Deposit Insurance Corporation (FDIC) or the Securities Investor Protection Corporation (SIPC). The Foundation's investment policy restricts investments to those of high quality and credit standing. The Foundation has not experienced any losses related to such credit risks in their accounts and believes it is not exposed to any significant credit risk with respect to cash, cash equivalents, and investments.

Note 2 - Cash and Investments

The cash reflected in the Statement of Net Position is the carrying amount of deposits of the individual account's equity in the pooled cash balances. A summary schedule of cash and investments for the Foundation as of June 30, 2018 and 2017 follows:

	June 30, 2018		
	Unrestricted	Restricted	Total
Cash and money market funds	\$ 496,791	\$ 694,153	\$ 1,190,944
Certificates of deposit	120,924	200,681	321,605
Internal Investment Pool - NSHE	-	6,974,869	6,974,869
Commonfund Core Equity Fund	655,588	-	655,588
Commonfund High Quality Bond Fund	123,741	-	123,741
Total investments	779,329	6,974,869	7,754,198
Total cash and investments	\$ 1,397,044	\$ 7,869,703	\$ 9,266,747

	June 30, 2017		
	Unrestricted	Restricted	Total
Cash and money market funds	\$ 166,022	\$ 860,588	\$ 1,026,610
Certificates of deposit	-	180,543	180,543
Internal Investment Pool - NSHE	-	6,592,309	6,592,309
Commonfund Core Equity Fund	593,446	-	593,446
Commonfund High Quality Bond Fund	127,218	-	127,218
Total investments	720,664	6,592,309	7,312,973
Total cash and investments	\$ 886,686	\$ 7,633,440	\$ 8,520,126

Restricted cash refers to the amount held as part of restricted net position, including both nonexpendable and expendable portions.

Deposits

The following is a list of cash, money market funds, and certificates of deposit indicating bank carrying amounts and collateral or insurance on those deposits:

		June 30, 2018	
		Carrying Amount	Bank Balance
Cash and money market funds			
Insured, FDIC or SIPC		\$ 304,087	\$ 304,087
Uninsured and uncollateralized		886,857	1,045,029
		<u>\$ 1,190,944</u>	<u>\$ 1,349,116</u>
Certificates of deposit			
Insured, Federal Deposit Insurance Corporation		<u>\$ 321,605</u>	<u>\$ 321,605</u>
		June 30, 2017	
		Carrying Amount	Bank Balance
Cash and money market funds			
Insured, FDIC or SIPC		\$ 443,860	\$ 443,860
Uninsured and uncollateralized		582,750	585,279
		<u>\$ 1,026,610</u>	<u>\$ 1,029,139</u>
Certificates of deposit			
Insured, Federal Deposit Insurance Corporation		<u>\$ 180,543</u>	<u>\$ 180,543</u>

Investments

The Foundation provides custodial credit risk disclosure requirements and establishes comprehensive disclosure requirements addressing other common risks associated with deposits and investments as required by GASB 40.

Beginning in fiscal year June 30, 2017, the Foundation became a participant in an internal investment pool managed by the Nevada System of Higher Education (NSHE). The internal investment pool's participants include other colleges within the NSHE system. Due to the nature of the internal investment pool, it is not possible to separately identify any specific investment as being that of the Foundation. The endowment fund investments held by NSHE are pooled on a unit market value basis. Each individual endowment fund acquires or disposes of units on the basis of the market value per unit on the preceding quarterly valuation date. The NSHE Board of Regents policies include the Statement of Investment Objectives and Policies for the Endowment Funds. The Regents are responsible for establishing guidelines for the investments and they have established permitted asset classes and ranges. There was a significant change of policy and the NSHE system implemented outsourced chief investment officers this year. The NSHE system sold most assets in the endowment fund and purchased different assets.

The Foundation's share of the NSHE internal investment pool is \$6,974,869 and \$6,592,309 as of June 30, 2018 and 2017, respectively. These amounts represent 2.6% of the internal investment pool balance as of June 30, 2018 and 2017, the investments in the internal investment pool are categorized as follows:

Investment Type	June 30, 2018 Internal Investment Pool Investment Maturities (in years)				
	Fair Value	Less than 1	1 to 3	3 to 5	More than 5
Mutual Funds Publicly Traded	9%	100%	0%	0%	0%
Private Equity Partnerships	19%	0%	0%	0%	100%
Private Commingled Funds	72%	72%	21%	0%	7%
Other	0%	99%	0%	0%	1%
	<u>100%</u>				

Investment Type	June 30, 2017 Internal Investment Pool Investment Maturities (in years)				
	Fair Value	Less than 1	1 to 3	3 to 5	More than 5
Mutual Funds Publicly Traded	16%	100%	0%	0%	0%
Private Equity Partnerships	17%	0%	0%	0%	100%
Private Commingled Funds	66%	93%	5%	1%	1%
Other	1%	100%	0%	0%	0%
	<u>100%</u>				

NSHE has entered into various investment agreements with private equity partnerships and private commingled funds. Under the terms of these investment agreements, NSHE is obligated to make additional investments as requested by these partnerships. Generally, partnership investments do not have a ready market and ownership interest in some of these investment vehicles may not be traded without the approval of the general partner or fund management. These investments are subject to the risks generally associated with equities with additional risks due to leverage and the lack of a ready market for acquisition or disposition of ownership interests.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Statement of Net Position.

Risk Categories

Interest Rate Risk – As a means of limiting exposure to fair value losses arising from rising interest rates, the Foundation's investment policy for fiduciary funds (those of an unrestricted or a temporarily restricted nature) provides for short-term, intermediate-term, and long-term cash requirements. Short-term funds, required to be invested in securities with an average maturity of one year or less, are presently held in interest-bearing checking or savings accounts, or in certificates of deposit. Intermediate-term funds, which may be invested in fixed income securities generally having a maturity of three years or less, are currently invested in certificates of deposit with maturities of 18 months or less. Certificates of deposit are generally purchased in amounts less than \$250,000 per issuing institution, providing Federal Deposit Investment Corporation coverage for the full balance of certificates of deposit. Long-term funds may be invested in fixed income securities of longer maturities to enhance diversification and performance of the portfolio taken as a whole. The Commonfund High Quality Bond Fund has a weighted average life of 8.5 years, with an effective duration of 5.7 years. NSHE's policy for reducing its exposure to interest rate risk is to have an average investment life of at least two years for fixed income securities. With regards to trusts included in endowment investments, the NSHE System is not the trustee of these investments and therefore, it currently has no policies with regards to the interest rate risk for these investments.

Credit Risk – The Foundation's investment policy provides for a target asset allocation of 35% to fixed income instruments. The Commonfund High Quality Bond Fund has an average quality rating of AA- for the years ended June 30, 2018 and 2017. NSHE maintains a weighted average credit rating of AA or better, and never below A, for investments with credit risk within the internal investment endowment pool.

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, an entity will not be able to recover the full value of investment or collateral securities that are in the possession of an outside party. The Foundation's investment policy provides for a target asset allocation of 65% to equity investments, with an acceptable range of 55% to 75%. Equity holdings are generally restricted to high quality, readily marketable securities of corporations that are actively traded on the major stock exchanges, and are held either through mutual funds or by individual fund managers as custodians. These investments include uninsured and unregistered investments, with securities held by the counterparty, or by its trust department or agent, but not in the entity's name.

The Foundation's internally held endowment investment pool is invested in Commonfund's Core Equity and High Quality Bond Funds. (The Foundation's investment policy sets a target allocation at 65% equities and 35% in fixed income instruments, with a $\pm 10\%$ tolerance from the target.) During the fiscal year ended June 30, 2017, the Foundation increased their maximum payout from 4.00% to a maximum of 4.5% for participating accounts, in addition to a sliding scale management fee assessed by the Foundation to cover administrative costs associated with managing the pool. Each participant's share is equal to the original investment, or corpus, plus or minus regular allocations of earnings, fees, and realized and unrealized gains or losses. With the transfer of the majority of the endowment funds to NSHE during the year ended June 30, 2017, the Foundation is in the process of reviewing their investment policies, as such the target asset allocation was not achieved at June 30, 2018 and 2017. NSHE does not have a specific policy with regard to custodial credit risk.

Concentration of Credit Risk - NSHE held internal investment pool has a policy for reducing its exposure to concentration of credit risk by limiting its investments with any one issuer to a maximum of 5% of the fixed income portfolio, provided that issues of the U.S. Government or agencies of the U.S. Government may be held without limitation and provided further that issues of agencies of the U.S. Government shall be limited to the extent set forth in the manager-specific guidelines. NSHE does not have a specific policy for the remainder of the endowment pool. At June 30, 2018, there were no investments within any one issuer in an amount that would constitute a concentration of credit risk to NSHE.

Note 3 - Fair Value Measurements

Statement No. 72 of the GASB *Fair Value Measurements and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Unobservable inputs reflect the Foundation's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Foundation's own data.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable requires judgment by the Foundation's management. Foundation management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

Net asset value ("NAV") – A government can use NAV per share for investments as a practical expedient to determine the fair value of investments that do not have a readily determinable fair value. The investment in Commonfund Core Equity Fund does not have a readily determinable fair value and either has attributes of an investment company or prepares their financial statements consistent with the measurement principles of an investment company. The Investment Manager reserves the right to adjust the reported net asset value if it is determined to be not reflective of the fair value. Investments measured at NAV is excluded from the fair value hierarchy (Level 1, 2, or 3).

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to Foundation management's perceived risk of that investment. The following is a description of the valuation methods and assumptions used by the Foundation to estimate the fair value of its investments. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Foundation management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

Great Basin College Foundation
Notes to Financial Statements
June 30, 2018 (Reviewed) and 2017 (Audited)

The Foundations' investment holdings in accordance with the fair value hierarchy for June 30, 2018 and 2017 are as follows:

	June 30, 2018				
	Level 1	Level 2	Level 3	NAV	Total
<u>Investment Type</u>					
Commonfund Core Equity Fund	\$ 231,950	\$ -	\$ -	\$ 423,638	\$ 655,588
Commonfund High Quality Bond Fund	2,913	120,828	-	-	123,741
	<u>234,863</u>	<u>120,828</u>	<u>-</u>	<u>423,638</u>	<u>779,329</u>
Internal investment Pool - NSHE	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>6,974,869</u>
	<u>\$ 234,863</u>	<u>\$ 120,828</u>	<u>\$ -</u>	<u>\$ 423,638</u>	<u>\$ 7,754,198</u>
	June 30, 2017				
	Level 1	Level 2	Level 3	NAV	Total
<u>Investment Type</u>					
Commonfund Core Equity Fund	\$ 155,483	\$ -	\$ -	\$ 437,963	\$ 593,446
Commonfund High Quality Bond Fund	6,692	119,610	916	-	127,218
	<u>162,175</u>	<u>119,610</u>	<u>916</u>	<u>437,963</u>	<u>720,664</u>
Internal investment Pool - NSHE	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>6,592,309</u>
	<u>\$ 162,175</u>	<u>\$ 119,610</u>	<u>\$ 916</u>	<u>\$ 437,963</u>	<u>\$ 7,312,973</u>

Commonfund Core Equity Fund investments generally have the ability to suspend or refuse transfers on interest or withdrawals prior to their termination. Commonfund Core Equity investments limit redemptions to daily and require one day advance written notice. In addition, certain of these investment vehicles may have provisions for extended initial periods during which withdrawals are restricted ("lock-up" periods) and/or retain discretion to further limit or preclude redemptions under certain circumstances.

Great Basin College Foundation
Notes to Financial Statements
June 30, 2018 (Reviewed) and 2017 (Audited)

The following table provides details of redemption restrictions of Common Fund Core Equity Fund investments held at June 30, 2018 and 2017. These restrictions could impact the Fund's ability to make payments of withdrawal proceeds within the prescribed time frame.

<u>June 30, 2018</u>	<u>Investment Strategy</u>	<u>Fair Value Determined Using NAV</u>	<u>Redemption Terms</u>	<u>Redemption Restrictions</u>	<u>Redemption Restrictions in Place at Year End</u>
Commonfund Core Equity Fund	Domestic Equity	\$ 423,638	Weekly or Monthly redemptions with 5 days' notice 44% and 56% daily	No lockup provisions or side pocket arrangements exist as of June 30, 2018	No funds were gated as of June 30, 2018
<u>June 30, 2017</u>	<u>Investment Strategy</u>	<u>Fair Value Determined Using NAV</u>	<u>Redemption Terms</u>	<u>Redemption Restrictions</u>	<u>Redemption Restrictions in Place at Year End</u>
Commonfund Core Equity Fund	Domestic Equity	\$ 437,963	Weekly 35% Daily 35% Monthly 30%	No lockup provisions or side pocket arrangements exist as of June 30, 2017	No funds were gated as of June 30, 2017

Note 4 - Contributions Receivable

Contributions receivable for unrestricted and expendable restricted funds are recorded when the receivable amount is determined to be unconditional. Contributions are adjusted to present value based upon collection date in the accompanying financial statements. A discount rate of .50 % was used for both years ending June 30, 2018 and 2017. Contributions for additions to endowment accounts are recorded when payments are received. The Foundation anticipates collection of substantially all contributions receivable, therefore no provision for uncollectible receivables has been made. Contributions receivable at June 30, 2018 and 2017 are for the following areas:

	2018	2017
Operating funds	\$ 6,330	\$ 11,645
Scholarship funds	1,596	1,900
Other funds	450,000	450,000
	<u>457,926</u>	<u>463,545</u>
Gross contribution receivable		
Less present value discount	<u>(7,886)</u>	<u>(8,978)</u>
Net contribution receivable	<u>\$ 450,040</u>	<u>\$ 454,567</u>
Current portion	\$ 66,584	\$ 36,434
Long-term portion (Due within 1 to 5 years)	<u>383,456</u>	<u>418,133</u>
Net contribution receivable	<u>\$ 450,040</u>	<u>\$ 454,567</u>

Note 5 - Administrative and Management Fees

To help cover costs associated with managing restricted accounts, the Foundation instituted a maximum allowable management fee of 1.5% to be assessed based on the account's average rolling market value of the previous 20 quarters. The assessment becomes part of unrestricted amounts utilized for administrative overhead costs of the Foundation. The annual management fee may be waived if the fund will drop below the corpus amount of the account.

When assessed, the fee is then transferred from the individual restricted accounts net position to unrestricted net position. During the period ending June 30, 2018 and 2017, the endowment management fee was assessed totaling \$96,808 and \$89,613, respectively.

Note 6 - Endowments

The Foundation holds two pools of endowment accounts. One account, as described in Note 7, is a required maintenance endowment that is invested and managed separately from other endowments. All other endowments held by the Foundation, most of which are restricted for scholarship and program funding, are combined in an internal investment pool. The corpus balances of all endowment accounts held by the Foundation at June 30, 2018 and 2017 total \$4,508,879 and \$4,383,092, respectively.

The Foundation Board of Trustees previously designated \$621,644 in unrestricted funds as part of the Endowment for New Programs. These designated amounts have increased in value as earnings have accumulated over the years. Because governing boards do not have the authority to permanently restrict amounts received without donor restriction, future boards could redesignate these amounts at any time. Therefore, these amounts are considered unrestricted net positions. The portion of these amounts designated as endowments are invested with true endowments, but are maintained in separate accounting groups to appropriately reflect the nature of the assets. Additional contributions from donors that are restricted for these uses are classified as nonexpendable or expendable net assets in the Foundation's records, depending on the nature of the donor restriction.

The Foundation has used a total return policy to determine the amount of expendable accounts available on an annual basis. This method conservatively evaluated overall return on endowment investments, including interest and dividend income, as well as realized and unrealized gains or losses on the investments. The amount distributed from each endowment account was historically determined with a view toward preserving endowment assets while honoring the spirit of the donor's gift. The Foundation adopted a policy that distributions from endowment accounts for program purposes will not exceed 4.5% annually.

Net appreciation (depreciation) in endowment accounts, which total \$2,854,924 and \$2,318,328 at June 30, 2018 and 2017, respectively, is shown as part of expendable net position in the Statement of Net Position. Nevada Revised Statute ("NRS") section 164.667 states that "Subject to the intent of a donor expressed in the gift instrument and to subsection 4, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established. Unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the institution."

Note 7 - Campus Enhancement Project

In 1998, the Foundation was awarded a \$4,540,000 grant from the Donald W. Reynolds Foundation for an enhancement project on the Great Basin College campus. The project included a clock tower, plaza, solarium, amphitheater, and landscaping. During the year ended June 30, 2003, the improvements were donated to the College at a total cost of \$4,827,459.

One condition of the Donald W. Reynolds Foundation grant required that the Foundation establish a \$908,000 endowment to generate funds for future maintenance of the campus enhancements. The endowment was established and these funds are invested with the Foundation's endowment long-term investments. On January 21, 2013, the Foundation received notification from the Donald W. Reynolds Foundation, indicating that the Foundation is a terminal foundation and will close on or before 2022. As a result the Donald W. Reynolds Foundation is simplifying the reporting requirements for the Campus Enhancement Project and all reporting requirements will cease as of February 28, 2019.

Note 8 - Pending Bequests

The Foundation was made aware during the year ending June 30, 2008, of a bequest that provides for income contingent upon the decedent's trust receiving revenue from subleases in mining properties. Distributions to the Foundation may be made only after the first \$250,000 in sublease revenue is received by the trust. The trust holds the leases in partnership with a company that is paying 100% of the expenses for the mining claims, and will apply future lease payments to the trust against the trust's share of unpaid expenses prior to any potential for distributions to the trust. It would be difficult to estimate the likelihood or amount of possible future distributions, if any, to be made to the Foundation.

Note 9 - Related Party Transactions

Current liabilities included \$18,407 and \$42,553 due to Great Basin College at June 30, 2018 and 2017, respectively. These balances consisted primarily of reimbursements due for Campus Enhancement Project maintenance costs (see Note 7), and reimbursement of support staff payroll costs at June 30, 2018 and 2017.

The College provided the Foundation with the in-kind contribution of a support staff for the Foundation staff in the amount of \$14,131 for the year ended June 30, 2018. The College provided the Foundation with the in-kind contribution of a support staff for the Foundation staff in the amount of \$51,526 for the year ended June 30, 2017.

The College provides office space and associated utility costs for the Foundation. The Foundation recorded \$3,600 as in-kind contributions for office space for the years ended June 30, 2018 and 2017. The College also paid postage on behalf of the Foundation of \$123 and \$0 for the years ended June 30, 2018 and 2017, respectively.

The Foundation expended \$820,456 and \$682,484 in cash and in-kind contributions for programs, facilities, capital projects, and activities of the College during the years ended June 30, 2018 and 2017, respectively.

During the fiscal year ending June 30, 2017, the Foundation made the decision to invest the majority of their endowments with the Nevada System of Higher Education (NSHE), as a result \$6,419,250 in restricted long-term investments were transferred to NSHE. Investment earnings receivable from NSHE totaled \$61,222 and \$127,675 for the years ended June 30, 2018 and 2017, respectively. See Note 2 for the investments held by the NSHE – Internal Investment Pool.

Note 10 - Risk Management

The Foundation is exposed to various risks and loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Foundation has purchased commercial insurance policies from third parties for an employee dishonesty bond, office equipment, and for directors' and officers' liability coverage. There have been no claims associated with these risks for the past three years.

Note 11 - Subsequent Events

On July 18, 2018 the Board of Trustees voted to allocate up to \$900,000 in unrestricted funds for Fiscal Year 2020 for continuing operations for Great Basin College due to an unexpected budgetary reduction.

In September 2017 the Foundation received a \$5 million grant contingent upon the Foundation raising \$2 million to build a health science and technical building on the Winnemucca campus.

On September 25, 2018 the Foundation received a three year pledge for a total of \$1 million for the construction of a new health science and technical building on the Winnemucca, Nevada campus. The pledge will be for fiscal year June 30, 2019, 2020 and 2021.

On October 19, 2018 the Foundation received a pledge of \$100,000 per year over the next three fiscal years to help build the new health science and technical building on the Winnemucca, Nevada campus. The pledge will be for fiscal year June 30, 2019, 2020 and 2021.



October 30, 2018

To the Board of Trustees
Great Basin College Foundation
Elko, Nevada

Our responsibility, as independent accountants, was to review the accompanying financial statements of the Great Basin College Foundation for the year ended June 30, 2018 in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

During our review procedures, we also develop specific recommendations which may improve the accounting and administrative systems.

Below are the specific issues coming to our attention during our review for the year ending June 30, 2018:

Endowment Investment Reconciliation:

During the course of our engagement, we noted that the Foundation has not established internal control processes and procedures for the recording and reconciling of endowments held by the Nevada System of Higher Education (NSHE). As a result, we noted several transactions recorded incorrectly relating to the quarterly management and spending fees. In addition, we noted a \$16,057 variance in the contributions remitted by the Foundation to NSHE. NSHE did not report these contributions in the June 30, 2018 records provided to the Foundation.

We recommend internal control processes and procedures be developed to perform monthly/quarterly reconciliations of the investments held by NSHE to ensure all transactions are properly accounted for.

Net Position (Equity) Transactions:

During the course of our engagement, we noted the Foundation recorded entries incorrectly into the equity accounts, which resulted in misstatements to equity totaling \$42,101.

We recommend a third party more thoroughly review adjusting journal entries and if an entry is recorded to equity these should be closely monitored to ensure correctly recorded.

Reconciliation of Foundation Investments:

During the course of our engagement, we noted the Foundation discontinued the use of Fund Driver, which allocated earnings/fees between the different programs. For the reviewed financial statements, the earnings/fees were allocated based on a percentage of the prior year balance.

We recommend the Foundation adopt a policy to allocate the earnings/fees for these specific programs to be used for year-end reporting.

In-kind contributions:

During the course of our engagement, we noted that the Foundation receives donated items and services from the community. During our testing, we noted \$1,200 in donated items which were received by the Foundation, however these donations were not recorded as in-kind contributions and expenses for fiscal year ending June 30, 2018.

We recommend that in-kind contributions be logged when received and these logs should then be forwarded to the appropriate accounting staff for proper recording into the accounting system.

As always, we have enjoyed working with the staff of the Great Basin College Foundation and appreciate the cooperation extended to us by everyone. Should our comments require further explanation, we would be pleased to discuss them at your convenience.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the Foundation, and is not intended to be, and should not be, used by anyone other than these specified parties.

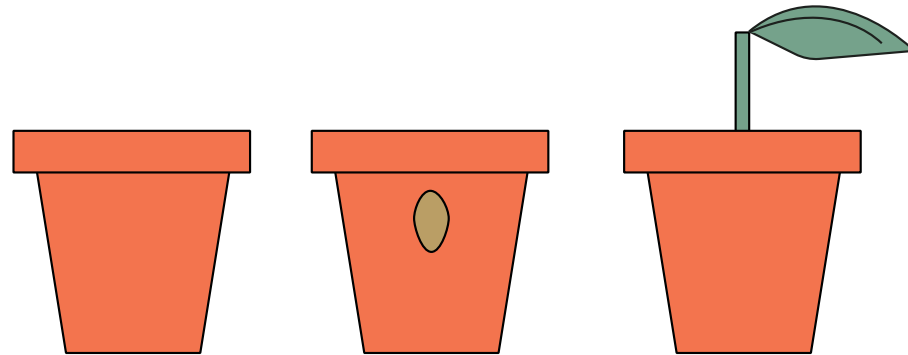
Very truly yours,

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Eide Bailly LLP

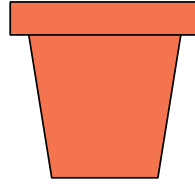
GBC Foundation Strategic Plan

2019-2020

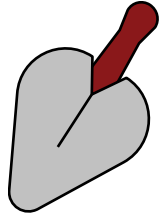


The Success of the Foundation

Administration



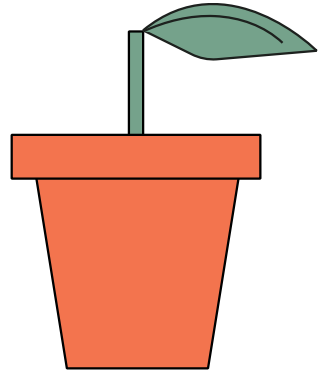
Contacts



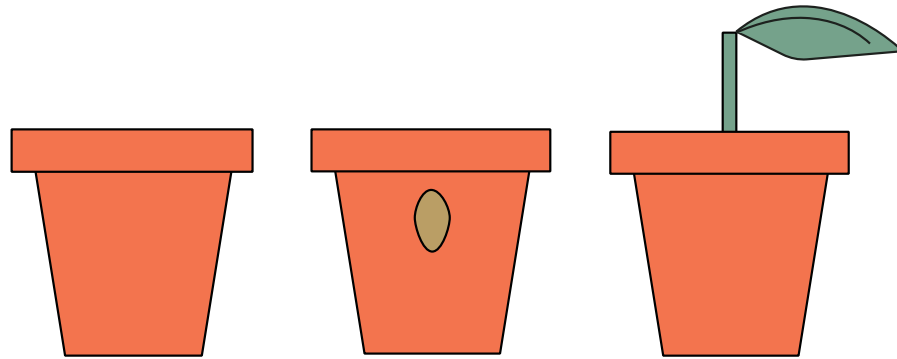
Invitations



Recognition



Building a Foundation (entity)
Leaving a Legacy (investment)
Celebrating Scholarship (product)



Gala



One Day's Pay



Your presence is requested

Great Basin College Foundation Gala

A night of fine dining and elegant music

16 MARCH 2019
ELKO CONVENTION CENTER

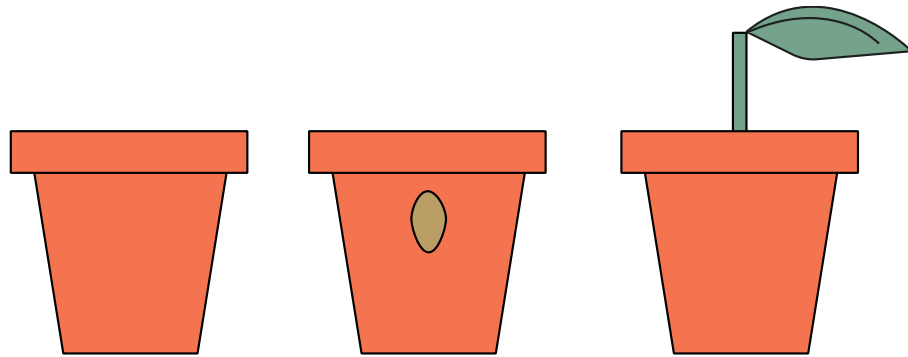
6:00 p.m. cocktails, 6:45 p.m. dining,
dancing until 10:00 p.m.

~BLACK TIE ATTIRE~

Thank you to our lovely sponsors:

TO RSVP AND PURCHASE TICKETS
CAMI GERBER AT (775) 753 2246, CAMI.GERBER@GBCNV.EDU
OR ONLINE AT [HTTP://WWW.GBCNV.EDU/FOUNDATION/](http://WWW.GBCNV.EDU/FOUNDATION/)

Questions?



Slide 1

This presentation serves a two-fold purpose:

It is a report to the Board as to what I have accomplished in my first month and a half.

Secondly it is a presentation of a Strategic Plan—A vision and direction for the Foundation and the Board of Trustees.

Slide 2

The success of the Foundation will be measured in these four areas

Administration of the Foundation

The number of public Contacts the Foundation makes

The number of Invitations to join the Alumni Association, the Employee Giving Circle, and the Legacy Society

Recognition of donors and recipient scholars

ADMINISTRATION of the Foundation:

- From the Administrative side, I am learning to process funds receivable and tracking donor information through our Computer Management Software Talisma
- I have met with Media Services, the GBC Website Designer, Sisters Food Service, and various faculty to build rapport with the Foundation, establish a working relationship, and tap institutional knowledge. I will continue to meet with colleagues across campus
- I am currently taking inventory of the Foundation's records and files and digitizing the content. This will make content more accessible and trackable
- I am rebuilding the Scholarship Database by digitizing the files, creating a tracking master list, and reformatting the Scholarship Brochure that the Foundation posts publicly online
- I am revitalizing the website. The first phase is to remove excess content and pages, to make the website navigation intuitive, and update the pages with accurate links and relevant content; the goal is to direct traffic to the Foundation website, and in particular the Foundation online giving page
- I have developed a Social Media Management Plan that I will implement in January 2019. I will use Social Media to highlight the following: student/faculty research, scholarship recipients, the history and legacy of named scholarships and memorials, and thanking community and employee donors.
- I will also submit an article to the Elko Daily Free Press quarterly
- Permanent Art Collection

This administrative work has given me an understanding as to what the Foundation is; my job is to educate the public through an up-to-date website, social media, and other communications as to what the Foundation does, and how GBC and the community can participate in the Vision of the Foundation: The Foundation is the Face of the College—The Foundation cultivates, stewards, and manages resources from our communities for the benefit of the students and programs of Great Basin College. This should sound familiar to you as it is the mission statement of the Foundation; I, along with the Board's help, will show the community what cultivation, stewardship, and management looks like:

CONTACTS

To Build the Foundation, we need to make contacts in the community. Contacts create stakeholders. The Foundation will devote one day each week to community outreach—I will visit each business establishment in the community twice a year. It's important to drop in and say hello. Distributing quality SWAG can go hand-in-hand with this campaign and the SWAG will act as an advertising agent.

INVITATIONS

Along with documenting Contacts, Tracking invitations is a way to gauge the effectiveness of the Foundation; it also fulfills the purpose of the Foundation, which is to encourage individuals to leave a legacy to the College.

- I will track the number of people we personally invite to join the Alumni Association, the Employee Giving Circle, and the Legacy Society
- I will work with local attorneys and accountants to encourage their clients to join the Legacy Society, and provide these agencies the information they need to educate their clients
- I will track foot traffic as we invite Guests on Campus, and Host GBC and Community Events

RECOGNITION

To increase visibility of the Foundation and the College. We need to recognize donors and celebrate scholars.

- The Foundation website is a tool that should be used to honor the Employee Giving Circle, Legacy Society, Alumni Association, and our many donors
- I will also do this on the Foundation's social media pages, again with the intent to redirect traffic to the Foundation website
- Dinner Dance Gala: Will be the premier event that the Foundation uses to highlight scholarship, thank donors, and it will be the anchor for planned giving

SLIDE 3

The new tagline for the foundation is: Building a Foundation, Leaving a Legacy, Celebrating Scholarship,
Building a Foundation (the entity)
Leaving a Legacy (the investment)
Celebrating Scholarship (the product)

I will use this tagline in promoting the Foundation on Social Media, it will also be the wireframe (outline) of the revised Foundation website.

I chose this tagline because it gives the Foundation purpose and the Board of Trustees direction. All of our goals can fall into one of these three categories.

GALA

- Date: Saturday, March 16, 2019, from 6:00-10:pm
- Venue: Elko Convention Center
- Catering: Machi's or McAdoo's
- Entertainment: Apollo Trio
- I have approached the Accounting Industry to sponsor the Annual Dinner Dance Gala, and have asked each firm to gift \$1,000.00. I have currently secured three confirmations for \$1,000.00 a yes confirmation (quote pending),
- Foundation Campaign: "A Days' Wages"
- Seasonal Card: Invitation to the Gala

TRUSTEES

The Foundation has a Governing Board of Trustees consisting of a maximum of 35 trustees who provide oversight for its activities.

Chairman: Tana Gallager

Vice-Chairman: Zachary Gerber

Secretary (ex-officio): President Joyce Helens

Treasurer: James Glennon

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- Dr. Robert Colon, Optometrist, Total Eyecare
- President Joyce Helens, Ex-Officio, President, Great Basin College
- Tana Gallagher, Controller, Gallagher Ford
- James Glennon, CPA, Glennon & Sandoval Company
- Mayor Chris Johnson, President, Charles Chester Plumbing and Heating
- Mark Laffoon, Project Program Manager, Barrick Gold of North America, Cortez Mine
- Jonathan Foster, Ex-Officio, Faculty Senate Chair, Great Basin College
- John Pryor, Emeritus Faculty, Great Basin College
- Dave Roden, Retired, US Bank
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- Jim Winer, Broker/Owner/Realtor, Coldwell Banker Algerio/Q-Team Realty
- Gregory T. Hafen II, Mediator and Arbitrator, Hafen Law Firm
- Danny Gillins, Financial Advisor and Branch Manager, Raymond James Financial Services
- Zach Gerber, Attorney and Partner, Gerber Law Offices LLP
- Kaley Sproul, Executive Director, Nevada Cattlemen's Association
- Caroline McIntosh, Retired
- Angela Prindle, External Relations, Newmont