

GREAT BASIN COLLEGE FOUNDATION
Finance Committee Meeting

Thursday, November 5, 2020 at 12:15 pm

Minutes

Call to Order of the Great Basin College Foundation Finance Committee

1. ROLL CALL:

James Glennon (Chair) - Present
Shirley Alen-Kellerman - Present
Danny Gillins – Present
John Pryor - Present

Others Present:

Sonja Sibert, Vice President for Business Affairs
Kelli Baker, Administrative Assistant III

2. Public Comment (*see notation regarding public comment at end of agenda*)

Information Only

None

3. Approval of Minutes

September 3, 2020

Possible Action

A Motion was made by Mr. Gillins, seconded by Ms. Alen-Kellerman, to approve the minutes of September 3, 2020. Motion passed unanimously.

4. Controller's Office Update

Information Only

The Committee may receive an update from the Controller's Office.

Vice President Sibert reported they have been working on financial statements and audits for the year end process.

Chair Glennon said he was not sure it has been officially announced, but Matt McCarty is no longer with the Foundation. Vice President Sibert stated that President Helens sent out a formal announcement yesterday about the change in leadership. Vice President Sibert indicated that President Helens will in attendance for the Full Board meeting and will provide more information on the process of filling the position.

5. Redirection of \$50,000 from Athletics to Winnemucca Building.

Possible Action

President Joyce Helens and Vice President for Business Affairs Sonja Sibert requests that the GBC Foundation Board of Trustees redirect the \$50,000 that was set aside for Athletics to the new building project in Winnemucca.

Background information:

Now that we are not moving forward with Athletics in the immediate future, we would like to request that the Foundation redirect the \$50,000 from the support of Athletics to the Winnemucca building project. The schedule of the Winnemucca Building has been expedited in order to meet the requirements in the amended construction grant agreement between the GBC Foundation and the William N. Pennington Foundation. Due to this expedited schedule, the timing of the plan review and permitting process has shifted until after the finalization of the Guaranteed Maximum Price Contract (GMP). Due to this shift, there may be modifications during the plan review/permit process through State Public Works Division (SPWD) that could result in additional costs. Legal Counsel has advised that GBC be prepared with approximately 10% or \$1 million available for contingencies and modifications. The college has come up with approximately \$900,000, by earmarking reserves, residual funding from operating pool distributions, and reallocation of student generated capital improvement fees from other projects and placing those projects on a temporary hold. The addition of \$50,000 would bring the contingency funding to an appropriate level, even though slightly below the recommended \$1 million.

Vice President Sibert informed the Committee the Pennington Foundation has agreed for additional funding in the amount of 2.8 million dollars, but it does have contingencies, that the College has to have the Agreement for Construction Services signed no later than December 4, 2020. Vice President Sibert said it accelerates the timeline, we will be going out to bid prior to getting the permits and the State Public Works Board may want some modifications. Vice President Sibert said that legal has requested about 1 million in contingencies, which are only earmarked right now, the College has \$900,000.00 that we are moving and reallocating, but we are about \$100,000.00 short. Vice President Sibert stated their thoughts are since athletics are suspended for now due to COVID, economy, budget matters, etc., we would like the Foundation to consider reallocating the money they set aside for the match for athletics.

Chair Glennon inquired if some of the \$50,000.00 has been cut down? Vice President Sibert said she had checked with Tami Potter and the money for Kevin Seipp's stipend and NJCAA payments came out of operating funds. Chair Glennon asked about the check he just signed for \$14,000.00 for athletics? Vice President Sibert stated that was for the last fiscal year for stipends. Chair Glennon stated if we had \$50,000.00 allotted and we just spent the \$14,000.00 then we don't have that full \$50,000.00 anymore. Vice President Sibert reiterated that Tami Potter said Matt McCarty had her take the \$14,000.00 out of operating and not out of the account that was set up for the \$50,000.00. She also stated that was a question Eide Bailly also had, and since this on the Full Board agenda she will look into exactly what fund it was.

Mr. Gillins asked about the discussion of the \$50,000.00 going towards the general budget. Chair Glennon said he could not remember. Vice President Sibert stated before the next meeting she will see how much money is actually there and revise the item to say up to

\$50,000.00. Discussion took place on what type of match is was from the Board. Ms. Alen-Kellerman stated that Mr. Gillins is correct and there was discussion about the \$50,000.00 to be put back towards operations at the last meeting since there was no formal request from GBC and that would put operating budget back at \$213,400.00.

Chair Glennon and Mr. Pryor both agreed that athletics will not be happening for a while. Vice President Sibert suggested making a motion to approve up to \$50,000.00, then we can research this some more. Chair Glennon stated this money will just be for contingency correct. Vice President Sibert replied yes.

A Motion was made by Mr. Gillins, seconded by Mr. Pryor, to redirect out of the athletics up to \$50,000 to help with the contingency fund for the Winnemucca Building Project. Motion passed unanimously.

6. Review and possible approval to forward the external audit prepared by Eide Bailly to the Board of Trustees, and matters related thereto. Possible Action

Chair Glennon stated the net position was down, mostly because contributions were down, Chair Glennon stated it is more appropriate to talk about the audit comments and it looks like most of them were accounting and the only one non-accounting was the in-kind. Vice President Sibert said it is frustrating because it is a year over year thing and it just doesn't seem to be getting any better and this was the Winnemucca Gala that was held in November and was pre-Covid. Vice President Sibert stated that we need better processes, procedures and communications in place. Vice President Sibert also stated that the Foundation needs stable leadership and philanthropy to come back from the pandemic. Chair Glennon asked if the accounting was still a part time job? Vice President Sibert said she thought so. She thought that the review process may need to be changed, i.e. review of the monthly binders and if the new Director does not have a business/financial background they may not understand. Chair Glennon said maybe we should just hire someone to do it. Vice President Sibert stated that would be costly, we need to be more proactive with things. Chair Glennon said that we are moving in the right direction. Vice President Sibert said the key is stability and people who are truly committed to the Foundation.

A Motion was made by Mr. Pryor, seconded by Ms. Alen-Kellerman, to forward the external audit to the Full Board. Motion passed unanimously.

7. Finance Committee Chair Report Information Only

Chair Glennon stated we will have to do some more heavy lifting until we find another Director and he wants to work with Vice President Sibert to get the accounting going.

8. Finance & Accounting Information/Action Items

a. The GBCF Finance Committee will discuss and/or take action to approve the record of expenditures/check register for the months of July, August, September, and October 2020.

Possible Action

b. The GBCF Finance Committee will discuss and/or take action to approve the Gift Summary Report Income/Deposit Report for the months of July, August, September, and October 2020.

Possible Action

c. Gift Summary Report FY20 Summary of Activity by Fund Report. **Possible Action**

d. Account Balance Change Report. **Possible Action**

Mr. Gillins stated the August check register was the only one included in the packet. Vice President Sibert stated there may not have had any checks in July.

A Motion was made by Mr. Gillins, seconded by Mr. Pryor, to approve as a whole Item 8 a-d, but to exclude the check register for the months of July, September, and October. Motion passed unanimously.

9. Director's Report

a. Review of the NSHE Investment Report and NSHE OCIO Endowment Update.

Information Only

Copies of these documents can be obtained by contacting the Foundation Office.

Vice President Sibert stated the Investment Committee for the Board of Regents met in September and although she was not present that there was discussion about the OCIO returns that we had been receiving and there was discussion whether there should be tweaking on investments and why they are underperforming. She stated the next meeting is December 1st for the Board of Regents and she will bring back more information on that.

b. Update on the Foundation's Fiscal Affairs, and matters related thereto.

Information only

No update.

c. Review and possible change to both Investment Policy Appendix C and Fee Policy, and matters related thereto.

Possible Action

Vice President Sibert's suggestion is to meet after the 1st of year to go over the policies and either change or leave it the same. Vice President Sibert recommended maybe just referring to NSHE policies. Chair Glennon inquired if we can do that without a Director? Vice President Sibert replied yes and Vic Redding, UNR, is very supportive and is willing to assist in discussions. Chair Glennon inquired if that is the fee policy in general or like the 10% administration fee on the gifts? Vice President Sibert suggested separating those into two different discussions, but the information she received just talks about 4.5% not the administration fee. Chair Glennon he is nervous about the revenues coming in and the operations costs. Vice President Sibert agrees and suggested taking a look at the investment policy and see what the spending versus the management fees are. She stated there are some limits with it being at the System that we have to follow those policies, but

there may be some ways with the monies that we have locally with the Foundation. Vice President Sibert said her concern is maybe there is money coming in that we are not taking the management fee. She said this is in line with the Investment Committee at Board of Regents was discussing at there meeting with the OCIO and the we may see changes in December. Vice President Sibert suggested waiting until after that and then maybe have a workshop in January. Chair Glennon if our policy mirrors their policy that is good.

10. Committee Members Reports

Information Only

None

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

Information Only

None

12. Adjourn 12:58 p.m.