

GREAT BASIN COLLEGE FOUNDATION
Board of Trustee Meeting

Thursday, November 19, 2020, at 12:00 pm

MINUTES

1. Call to Order

2. Roll Call:

Present:

Dr. Robert Colon (Chair)
Holly Wilson (Vice Chair)
Chris Johnson
Danny Gillins
James Glennon
John Pryor (joined late 12:10)

Dave Roden
Molly Popp
Caroline McIntosh
Alan Morris
Shirley Alen-Kellerman
Melanie Newton

Absent:

Kaley Sproul
Zach Gerber
Gregory Hafen

Others Present:

Joyce Helens, President
Sonja Sibert, Vice President for Business Affairs
Jennifer Sprout, Executive Director, Institutional Advancement and Communications
Kelli Baker, Administrative Assistant III
Teri Gage, Eide Bailly

AGENDA ITEMS WERE TAKEN OUT OF ORDER

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

None.

4. Discussion and possible approval new two (2) new Trustees, and matters related thereto. POSSIBLE ACTION

Provided in the packet are resumes and waivers from two (2) potential new Trustees.
ESTIMATED TIME: 5 mins

Chair Colon stated that Shirley Alen-Kellerman was born and raised here, has been in banking industry and has been involved with the Finance Board.

A Motion was made by Trustee Roden, seconded by Vice Chair Wilson, to approve Shirley Alen-Kellerman as a member of the Board of Trustees. Motion passed unanimously.

Chair Colon stated the second nominee is Melanie Newton and she is a geologist with Nevada Gold Mines but will not be a representative of Nevada Gold Mines.

A Motion was made by Trustee Roden, seconded by Vice Chair Wilson, to approve Melanie Newton as a member of the Board of Trustees. Motion passed unanimously.

Trustees Alen-Kellerman and Newton joined the meeting.

5. Approval of Minutes – Dr. Robert Colon. POSSIBLE ACTION

GBC Foundation Trustees will review, recommend changes, and/or approve the minutes of the GBCF Board of Trustees Meeting on September 17, 2020 and the Special Meeting on August 18, 2020.

No motion was made at the September 17, 2020, meeting to approve the minutes of the Special Meeting on August 18, 2020.

ESTIMATED TIME: 5 mins

A Motion was made by Trustee Roden, seconded by Trustee Gillins, to approve the minutes of the August 18, 2020 minutes and the September 17, 2020 minutes. Motion passed unanimously.

8. Vacancy in the Foundation Director position, and matters related thereto. POSSIBLE ACTION

President Helens will lead a discussion regarding the vacancy in the Foundation Director position. This position is critical to the success of the Foundation and the College. With the challenges facing the state and the continuation of the pandemic, the GBC Foundation, more than ever, needs leadership stability if it is to be successful. How do we move forward and in the interim, we still need to have oversight on the day to day operations and assist the Administrative Assistant.

ESTIMATED TIME: 15 mins

Presidents Helens stated with Matt McCarty taking the job as Director of a Senior Center, it was an opportunity for us to take a look at not just finances, but the kind of support goes into a position that we could hopefully ensure will be successful. President Helens said there was a lot of discussion with different people and we revised the job description along with the reporting structure. President Helens stated the tremendous efforts that the Communications Department has done and what a positive effect that's had on fundraising and generally for the college.

President Helens reported that Jennifer Sprout has been leading that as Director and we anticipate that she would be the Executive Director of Institutional Advancement and Communications within GBC and with the Director of the Foundation reporting to her. So currently at least we would have her filling in, but we would open that job. President Helens said it would be successful by this closer relationship with Communications since really, that's what it's all about, and Jennifer Sprout, is not shy about asking our stakeholders and communities to invest in the college and she's already been doing that quite successfully.

Vice President Sibert reported that some of the donors have asked in the interim to formally put someone in as acting director for contact purposes. Vice President Sibert stated that she would ask that the Board does consider to put someone in the interim and her two suggestions would be either her, she has worked closely with the Foundation and in that interim role in the past and continue on a day-to-day basis as needed, even when the Foundation Director role position is filled or Ms. Sprout, who will be in that supervisory role as we move forward.

President Helens stated her recommendation in the short term would be to name Vice President Sibert as interim because she's already interacting with donors.

Trustee Roden made a motion to approve Vice President Sibert as the Interim Director.

Chair Colon asked for further discussion.

Trustee McIntosh thanked Vice President Sibert for stepping in and making sure there's a smooth transition where it just really needs to be focused on getting that building started and completed. **Trustee McIntosh seconded Trustee Roden's motion.**

Chair Colon inquired if Vice President Sibert would have time. Vice President Sibert responded yes, I do have time right now, we are past some critical stages as we wrap up budget reductions and things like that and hopefully by the start of the legislative session, you know, we'll be completing that transition.

Chair Colon inquired on the timeline to appoint a new director. President Helens replied we will open it next week and it could be concluded before the new year.

Trustee Johnson stated he's in favor to just look at where we are right now and where we want to be in the next year and really consider costs. I think that we have an opportunity to get as much done as we need to get done, and we can do it for less money. Trustee Johnson stated he's not convinced that bringing in a director is the answer today and would like to discuss this further. Trustee Johnson stated he thinks that we should really take a hard look at utilizing existing staff it could be a real potential to save some money and streamline. Trustee Johnson stated we should discuss this further along and see how we're going to fund the new position.

Trustee McIntosh said she is usually the fiscal person but feels that we need to fill this as soon as possible as Vice President Sibert and Ms. Sprout are absolutely swamped. Trustee McIntosh said she feels like in this current pandemic time, the college needs to just do go full force on going forward and being productive, where we've got a great track record with

our enrollment and where it's growing. Trustee McIntosh also believes that we need a director that can meet with our donors and be able to be that liaison.

Chair Colon inquired about the financial responsibility role and his concern is he is not sure how long somebody has agreed to be in the interim. President Helens replied that both are very busy, but Ms. Sprout has already been doing quite a bit of work for the Foundation, so that will continue, but I do believe that the Foundation needs a full-time director. President Helens stated how we've revised it, it could save the Foundation, some funding as well in terms of salary.

Vice President Sibert stated right now Ms. Sprout is busy with spring enrollment and our virtual graduation and right now it's a slower time for me, but when the legislative session starts in late January, early February it will be busier.

Trustee Johnson stated his concern is the one thing that I haven't really supported or liked over the years is that staff has had to do fundraisers to pay for their positions, so if the Foundation doesn't have to rely on fundraisers to pay for the position, then I would say move forward, if not then we need to take another look at that.

President Helens stated the Foundation needs a full-time Director and that it is true that we do need to do more fundraising because it has not been adequate.

Vice President Sibert stated we need to build those investments and that during the most recent Finance Committee meeting, we talked about looking at the future investment policy and different options like having a seminar or workshop to see where we want to move forward with those so that we could possibly maximize the management fee income that we get from, if we're not already doing so that we do get from our investments. Vice President Sibert thinks that investment management fee should be enough moving forward if we move forward in the right direction to sustain both the Foundation Director position and the assistant position. Vice President Sibert stated that there was an agreement for years where the College did provide some support for the Foundation assistant position. Vice President Sibert stated the Foundation staff should be able to be supported by that investment management fee. Vice President Sibert agreed that fundraising should be used for other activities, not day-to-day operations.

President Helens stated that all non-profits raise money for operations, and she is in support of hiring a Director. Trustee Johnson replied he's in favor too, but that the Foundation should receive x amount of dollars for whatever pledge has been made or whatever it is in funding of the office and he thinks that's the proper way of funding the office. Trustee Johnson said if we don't have to do a fundraiser at the dinner dance to support operations of the positions, he's in, but if that's what it takes to fund those positions, then there are concerns.

Trustee Roden agreed with Trustee Johnson but his thoughts are that the position needs to be filled. Trustee Roden suggested going back to the 10% and put it in a place where possibly it can be waived in certain cases.

Trustee Glennon stated he agreed with Trustee Roden in regard to the 10% and the Finance Committee is looking at reevaluating that percentage. I do a hundred percent

agree. I'm worried about costs, but it's more of a revenue issue than it. Trustee Glennon stated that maybe we could look at implementing a policy in the next meeting or two.

Discussion took place with amending the motion of Trustee Roden.

An Amended Motion was made by Trustee Roden, seconded by Trustee McIntosh to appoint for Vice President Sibert as the Interim Director of Great Basin College Foundation and to proceed with filling the position for the permanent Director by the end of the year. Motion passed unanimously.

Trustee Johnson and Trustee Morris voted in favor of the motion but expressed concerns.

6. Review and possible approval of the Foundation External Audit for FY20, and matters related thereto. POSSIBLE ACTION

Teri Gage with Eide Bailly will discuss the GBC Foundation FY20 audit.

ESTIMATED TIME: 10 mins

Ms. Gage stated that it is their opinion the Foundation has clean audit. Ms. Gage told the Board they are responsible for about \$16.5 million in net position which is assets, less liabilities and that is a decrease from the prior year of about \$590,000. Ms. Gage stated this was a unique year, as COVID did impact investment earnings at a net loss of \$74,000 on all of your investments. Ms. Gage also stated that the cash went up to \$560,000 and investments went down by \$590,000. She also stated that it became a little bit more liquid to where things were moved from an investment category up to a cash category. Ms. Gage also stated that the management fees that were generated from the endowed funds were about \$98,000 and payroll costs were about \$150,000

Ms. Gage also informed the Board that looking at other types of sources, like the administrative fee, on some of those endowments will help pay for operations because the management fee at this time doesn't cover all of the salary costs your spend fee that comes off of all the endowments that you can turn around and spend on the programs and scholarships that generated about \$197,000 this past year.

Ms. Gage noted that pledges receivables did go down about \$566,000 this year. Ms. Gage stated the net position right now is funds are at \$16.5 million, \$4.7 million are endowed funds; \$3.6 million for scholarships and other programs; \$6.8 million for building projects; and that leaves your unrestricted net position of at \$1.2 million. Ms. Gage stated out of the \$1.2 million, \$346,000 is designated for the national endowment for humanities program; \$500,000 that is designated for Great Basin College operations; \$50,000 is for athletics program (\$18,445 of that has been spent which leaves about \$31,500); and \$82,600 for the college and career readiness program. Ms. Gage said that as of now \$256,000 is left for operations.

Ms. Gage reported there was \$577,000 in revenues.

Ms. Gage reported there were several audit adjustments, but informed the Board that over the last few years, these were probably the least amount of audit adjustments that we've had where she could see that the systems were improving.

Ms. Gage reported the following:

Some program expenses distributed to GBC were incorrectly recorded as payroll related expenses which we reclassified from one expense category to another, which was about \$14,900.

There were some \$4,200 in items that were incorrectly recorded as a crude payroll expense that we reclassified to accounts payable.

There were distributed funds to the college in previous years that were not awarded out in scholarships and we reclassified them to a correct category and that was about \$58,000.

There was a \$56,000 contribution that was recorded in the wrong category.

There was an accounting entry where a new fund was created and the journal entry didn't get posted correctly.

\$52,000 was reclassified where items that were posted backwards.

The Winnemucca Gala did not have in kind contributions tracked and that was about \$7,000.

A donor who had donated a bond was recorded in the incorrect fund. Ms. Gage suggested making sure there is a third-party review of financial statements.

Seven instances where you didn't have signed donor acknowledgement forms but that has improved significantly.

A Motion was made by Trustee Glennon, seconded by Trustee Roden to accept external audit of 2020. Motion passed unanimously.

7. President's Report – *President Joyce Helens*. INFORMATION ONLY

President Helens may give an update on GBC matters.

ESTIMATED TIME: 5 mins

President Helens stated that Trustee McIntosh is right where we've been very successful as a college because we do online so well. She's absolutely accurate when you take a look at our institutions within the state, some of whom are struggling, and you hear public comment from students that they're not getting what they expected. President Helens stated GBC has grown in this pandemic over the boom year from last count year. She reported that there has been about a 23% increase in our enrollments and that's the FTE base. President Helens said that spring enrollment registration has just begun, but it looks like we're about 10% increase over last spring. President Helens also reported that we're now implementing furloughs and we've just found out we have another 12%.

President Helens stated the college received Cares money and that helped with equipment purchases for nursing, science and a simulator for the CDL program.

President Helens reported that GBC is also promoting “Why I Wear a Mask” campaign.

President Helens also reported that her and Brian Sandoval, UNR President, are working together on strategic plans. President Helens stated that college enrollment is down between 25 and 50% down, and we're up over our biggest boom year, so we're just going to make sure that we follow the plans that we've put in place so we can continue to be successful.

8. Redirection of up to \$50,000 from Athletics to Winnemucca Building, and matters related thereto. POSSIBLE ACTION

President Joyce Helens and Vice President for Business Affairs Sonja Sibert requests that the GBC Foundation Board of Trustees redirect up to \$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 up to \$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 up to \$50,000 would bring the contingency funding to an appropriate level, even though slightly below the recommended \$1 million.

*******The following motion was made and passed unanimously to forward to the Board of Trustees at the November 5, 2020, Finance Committee meeting for this item.

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.

ESTIMATED TIME: 15 mins

Vice President said her and Trustee Glennon looked at this after the Finance Committee met and went back and reviewed where the expenses for athletics were paid out of and all of that money came out of the operating account and not the board designated funds. Vice President Sibert said there is \$4,310 that was donated toward the Athletics Program and therefore \$4,310 is required to be matched by the Foundation based upon previous Board actions. Vice President Sibert stated that would take the \$50,000 minus the match down to \$45,690.

Vice President Sibert reiterated this would be just for a use of contingency that legal counsel, in reviewing the process that we're going through for the GMP and the expedited timeline, feels we need some contingency money for modifications that may come up during the planning and review process by State Public Works Board.

Vice President Sibert stated that about \$900,000 of institutional funds have been identified and that could be used for those contingencies and that we are just a little bit short of the million dollars. Vice President Sibert did report that bids for the various trades were opened last week for the project. She stated the initial estimates coming out of that is they are either on budget or maybe a slightly below budget with a couple of the trades coming in over budget.

Chair Colon inquired on the urgency of this item, if we need to act on or can we postpone to the next meeting? Vice President Sibert stated that would be fine that right now as we move through this process, we do have enough funds marked earmarked, and we would not be great breaking ground on the construction phase until next spring. Trustee Roden asked if this is needed for the December meeting that we needed to have completed for Pennington? Vice President Sibert replied no.

A Motion was made by Trustee Roden, seconded by Trustee Wilson to postpone the item until the next meeting. Motion passed unanimously.

After the motion passed Trustee Glennon asked for some guidance as this will go back to the Finance Committee. Chair Colon replied we just need to let it percolate.

9. Foundation Board Chair Report – Dr. Robert Colon. INFORMATION ONLY

The Board may receive an update from the Board Chair.

ESTIMATED TIME: 5 mins

Chair Colon stated he did not have a report.

10. Development Committee Report – Chris Johnson. INFORMATION ONLY

The Board may receive an update from the Development Committee.

a. Update on the Welding Lab Campaign

ESTIMATED TIME: 5 mins

Trustee Johnson reported he had met with a potential source for this and it was a great discussion with a lot of support for the College. Trustee Johnson stated there is another meeting with a potential donor the first part of December and it will be along the same lines, really just cultivation and just to kind of gain support and then our goal is to report back and decide if we want to see if we want to define a lead gift.

Trustee Johnson said the welding side of this is one aspect, but there's a huge opportunity for Great Basin College over the next few decades to continue on the vocation side and that Dr. Collett was huge in vocations and it just gives me

motivation to continue on and ask the questions and really be part of the community and helping out to provide a resource for people to gain access to education and improve their career, while providing a workforce for businesses to be able to get things done that they want to get done.

Dr. Colon asked Trustee Johnson if he would report the results of that meeting? Trustee Johnson replied he would and stating GBC really has an opportunity to expand and continue on with the things that they're doing and to fill those voids.

14. Items from Board Members. INFORMATION ONLY

Board members may bring to the attention of the board items pertaining to the Foundation that might be of interest. No action may be taken on a matter raised under this agenda item, though items may be designated to be added to the next agenda.

Trustee Morris introduced himself and gave the Board a brief background of his career.

*****Chair Colon left the meeting and Vice Chair Wilson took over at 1:25 p.m.**

12. Finance Committee Report – James Glennon. INFORMATION ONLY

The Board may receive an update from the Finance Committee.

- a. Accept Finance Committee Reports. **POSSIBLE ACTION**
ESTIMATED TIME: 5 mins

Trustee Glennon stated that they have been busy, especially in lieu of what's going on with the Director position. Trustee Glennon reported that he will work with Vice President Sibert as much as he can in the next couple of months.

Trustee Glennon stated the Finance Committee reports are in the package for review.

A Motion was made by Trustee Roden, seconded by Trustee McIntosh to accept the Finance Committee Reports. Motion passed unanimously.

13. Vice President for Business Affairs Report – Sonja Sibert. INFORMATION ONLY

Vice President Sibert may give an update on GBC Foundation Matters.
ESTIMATED TIME: 5 mins

Vice President Sibert thanked Trustee Johnson for his update. Vice President Sibert stated the status of the Welding Lab is still going forward at the State Public Works Division as they prepare for the Governor's executive budget and then the opening of the legislative sessions. She also stated that with the fundraising campaign is that's very important to get as much match for that project as we can, as we move forward.

Ms. Sprout reported that they have been doing a lot of social media with the Invest a Day's Pay Campaign and are gearing up to release the Giving Tuesday Campaign. Ms. Sprout

also reported that she has been working on Foundation awareness, building the awareness through social media about what the Foundation does. Ms. Sprout said she will be working with the Chamber of Commerce to do articles in their newsletters, that it was a great way to spread the word about it.

15. Public Comment (*see notation below regarding public comment*). **INFORMATION ONLY**

None.

ADJOURN 1:30 p.m.