

Minutes
NWFSC Foundation, Inc.
Board of Directors Meeting
February 1, 2017 7:45 a.m.
Morell Room #302, Student Services Center, 3rd Floor, Niceville Campus

Directors Present:

Bo Arnold	Venita Morell
Bethany Burke	Dennis Peters
Wayne Campbell	Dale Peterson
David Costa	Melissa Pilcher
Paige Floyd-Hart	Tom Rice
Chad Hamilton	Donnie Richardson
Don Litke	Fred Thomas
Lois Lunderman	Steve Wolfrom
Jeff McInnis	Dewayne Youngblood
Mitch Mongell	

Staff Present:

Serena Brown	Carla Reinlie
Cristie Kedroski	Julie Sartori
Jason Masters	

Others Present:

Greg Dvorsick	Ray McGovern
Drew Hannah	Shane O'Dell
Justinn Kurtz	Jeanette Shires
Isaiah Lleva	Devin Stephenson

Absent: Bart Fleet, Jeff Floyd, Scott Jackson, Steve Wills

Call to Order

Mr. Mongell called the meeting to order at 7:47 a.m.

Student Scholars

Ms. Justinn Kurtz, Chelco Scholar, and Mr. Isaiah Lleva, Ann Teel Hatcher Scholar, introduced themselves and thanked everyone for their investment into their education and shared their aspirations after graduating from Northwest Florida State College.

Welcome Board Members and Guests

Mr. Mongell welcomed board members, guests, and staff members.

Approval of Minutes

The minutes of the December 7, 2016, Board of Directors Meeting were approved. **Motion to approve minutes as presented, Maj Gen Litke; Second, Mr. McInnis; Motion carried unanimously.**

Finance and Investment Reports

Mr. Hamilton reviewed the summary of Financial Position, the Statement of Activities, and the Investment Report as of December 31, 2016 with the board members. Total assets are

\$46,599,120 and Total Liabilities are \$236,570, bringing the Total Fund Balance to \$46,362,549. The Statement of Activities reflected \$3,034,477 in Revenues and \$1,714,499 in Expenditures for a total Net Increase in Fund balance of \$1,319,978. Since July 1, 2016 the Merrill Lynch EMA account saw net gain in the amount of \$2,078,083. This brought the total market value to \$41,078,739 at December 31, 2016. The Net Increase to the Vanguard Wellington Account (Science Development Fund) from July 1 through December 31, 2016 was \$14,523 bringing the Total Market Value to \$264,766 as of December 31, 2016. Statements are provided quarterly, therefore there is no update as of December 31st. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$41,343,505. The portfolios are allocated as 2.01% Cash & Cash Equivalents, 64.87% Equity, 11.16% Alternative Investments and 21.96% Fixed Income. **Motion to approve Finance and Investment Reports as of December 31, 2016, Mr. Peterson; Second, Mr. Rice; Motion carried unanimously.**

Endowment Spending Allocation for Academic Year 2017-18

Ms. Kedroski provided a chart listing the endowment spending allocation available for Fiscal Year 2017-18. She noted that per the Foundation's spending policy the award allocations are calculated as a percentage, not to exceed 4%, of the three-year average of the endowment's market value at fiscal year-end. She also pointed out there were 44 endowed funds that were unable to support a 4% distribution. Of these 44 funds, 18 were able to support a 3% distribution. Ms. Kedroski noted that of the remaining 26 funds that are unable to provide a distribution 6 were fully endowed in the prior fiscal year, and that 7 were underwater by less than \$1,000. She also noted that following board approval, the Foundation would begin donor communication on the status of their endowments. **Motion to approve the spending allocation as presented, Mr. Wolfrom; Second, Mr. Rice. Motion carried unanimously.**

Endowment Agreements

Ms. Kedroski stated that two new major gifts had been received by the Foundation and presented their donor agreements to the board for review. She noted that Dale Peterson donated \$25,000 to create the Dale E. Peterson Hospitality Scholarship Endowment and that Susan Pryor Sloat Myers pledged via a bequest of at least \$90,000 to create six scholarship endowments. Ms. Kedroski also thanked the McGovern Group for introducing Ms. Myers to the Foundation. **Motion to approve the Dale E. Peterson Hospitality Scholarship Endowment and the Susan Pryor Sloat Myers Scholarship Endowment donor agreements, as presented, Mr. Hamilton; Second, Mr. Rice; Motion carried unanimously.**

Governmental Relations Support

Mr. Hamilton stated that a Governmental Affairs committee was formed to address needs and opportunities for a college lobbyist. The committee was lead by college trustee Craig Barker with Mr. Hamilton participating as a representative of the Foundation, and included staff members Dr. Sasha Jarrell and Mr. Randy White. The committee interviewed several different lobbying groups and recommended four firms to Dr. Stephenson. Dr. Stephenson presented a letter outlining the criteria for selecting the firm, expectations for a lobbyist, and key legislative priorities of the college. Dr. Stephenson recommended David Ramba of Ramba Law Group due to his extensive experience with capital projects. He noted that there are significant pressures on Florida College System from pending legislation and requested the Foundation pay the contract fees of \$60,000 for a 12-month period to ensure the legislative interests of NWF State College are represented in the spring session. **Motion to approve the request for support to fund college governmental relations services as presented, Mr. Peterson; Second, Mr. Rice. Motion carried unanimously.**