

Minutes
NWFC Foundation, Inc.
Board of Directors Meeting
February 7, 2018 8:00 a.m.
Morell Room #302, Student Services Center, 3rd Floor, Niceville Campus

Directors Present:

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| Bo Arnold | Dennis Peters |
| Paige Floyd-Hart | Dale Peterson |
| Chad Hamilton | Melisa Pilcher |
| Don Litke | Tom Rice |
| Jeff McInnis | Ken Wampler |
| Mitch Mongell | Steve Wills |
| J.D. Peacock | Alan Wood |

Staff Present:

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| Serena Brown | Carla Reinlie |
| Cristie Kedroski | Annie Young |
| Jason Masters | |

Others Present:

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| Pauline Anderson | Maria McLain |
| Scott Behrens | Ray McGovern |
| Marley Burch | Shane O'Dell |
| Carter Caywood | Jeanette Shires |
| Jeremy Goss | Nathanial Slaton |
| Stephanie Linard | Devin Stephenson |

Absent: Bethany Burke, Wayne Campbell, David Costa, Jeff Floyd, Scott Jackson, Michelle McGee, Venita Morell, Donnie Richardson, Fred Thomas, Steve Wolfrom, Dewayne Youngblood

Call to Order

Mr. Peterson called the meeting to order at 8:02 a.m.

Student Scholars

Ms. Maria McLain introduced herself and thanked everyone for their investment into her education and shared her aspirations after graduating from Northwest Florida State College.

Welcome Board Members and Guests

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

Approval of Minutes

The minutes of the December 6, 2017, Board of Directors Meeting were approved. **Motion to approve minutes as presented, Mr. Rice; Second, Maj Gen Litke; Motion carried unanimously.**

Finance and Investment Reports

Mr. McInnis reviewed the summary of Financial Position, the Statement of Activities, and the Investment Report as of December 31, 2017 with the board members. Total assets are \$51,641,619 and Total Liabilities are \$0, bringing the Total Fund Balance to \$51,641,619. The Statement of Activities reflected \$4,337,509 in Revenues and \$1,564,483 in Expenditures for a

total Net Increase in Fund balance of \$2,773,026. Since July 1, 2017, the Merrill Lynch EMA account saw net gain in the amount of \$2,744,949. This brought the total market value to \$46,244,358 at December 31, 2017. The net Increase to the Vanguard Wellington Account (Science Development Fund) through July 1, 2017 through December 31, 2017 was \$6,711, bringing the total market value to \$265,268 as of December 31, 2017. Combined total holdings of the Merrill Lynch EMA and Vanguard Wellington accounts were \$46,509,626. The portfolios are allocated as 3.38% Cash & Cash Equivalents, 63.50% Equity, 10.72% Alternative Investments and 22.40% Fixed Income. **Motion to approve Finance and Investment Reports as of December 31, 2017, Mr. Peacock; Second, Maj Gen Litke; Motion carried unanimously.**

Endowment Spending Allocation for Academic Year 2018-19

Mr. McInnis provided a chart listing the endowment spending allocation available for Fiscal Year 2018-19. He 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. He also pointed out there were 11 endowed funds that were unable to support a 4% distribution due to insufficient investment earnings and that of these 11 funds, 4 are able to support a 3% distribution representing \$8,270 of the total. Mr. McInnis lastly noted that the remaining 7 funds were underwater as of 6/30/2017. **Motion to approve the spending allocation as presented, Mr. Wampler.; Second, Mr. Peters. Motion carried unanimously.**

Endowment Agreements

Mr. Peterson stated that two new major gifts had been received by the Foundation and presented their donor agreements to the board for review. He noted that Jennifer L. Boxen and Ryan D. Aycock have pledged to donate \$15,000 to create the Jennifer L. Boxen and Ryan D. Aycock Learning Resource Technology Endowment and that The Eglin Air Force Association College Scholarship Foundation, Inc. has created a fifth endowed scholarship with a gift of \$25,000. **Motion to approve the Jennifer L. Boxen and Ryan D. Aycock Learning Resource Technology Endowment and the Eglin Air Force Association Shirley Pigott/Bob Patterson Endowed Scholarship donor agreements, as presented, Mr. Wampler; Second, Maj Gen Litke; Motion carried unanimously.**

Investment Management Request for Proposals

Mr. McInnis noted that the evaluation committee approved the RFP document for Investment Management Services and its subsequent release on February 2, 2018. He then presented a schedule of RFP activities to the board.

Development Committee Report

Mr. Hamilton gave a development committee update, touching upon the foundation's overall fundraising performance and stewardship activities. He also noted recent important annual campaign activities such as President's Circle, the First Generation Matching Grant program and the Raider Athletic Indoor Hitting Facility. Lastly, he noted the upcoming deadline for distinguished alumni nominations and that the selection committee will meet February 27, 2018 to review the nominations.

Governance Committee Report

Mr. Mongell gave a governance committee update, noting that the Foundation has six board members whose terms will expire on June 30, 2018. He noted 5 board members desired to be reappointed and one was still considering reappointment. He stated that the Governance Committee is seeking nominations to add a minimum of three new Foundation board members