

MSUF Foundation, Inc.  
Board of Trustees Meeting Minutes  
12:30 Heritage Room  
March 26, 2015

**Present:** Wayne Andrews, Bob Albert, Perry Allen, Nathan Bishop, Gerald DeMoss, Dennis Dorton (via conference call), Steve Hicks, Susan Martin, Dava Rice, James Shaw, Ed Strosnider, Paul Stokes, Steve Thieme, Bret Traver, Willi Walker

**Absent:** Ron Griffith, Bill Hesch, Buckner Hinkle, Bob Neff, Stephen Pack, Beth Patrick, Cherie Rebar

**Call to Order**

Steve Hicks called the Foundation Board meeting to order at 12:30 PM and asked Sandi Ruth to call roll. Steve declared a quorum and the minutes from November 7, 2014 were presented. Steve Hicks motioned to accept the minutes as presented and Willi Walker seconded – motion passed.

**Comments by President – Dr. Wayne Andrews**

Dr. Andrews briefed the board on the following:

- Comments on the Campus Master Plan
- Construction of two buildings with 50 new beds at the MSU Farm
- \$30.7M in agency bonds for MSU student housing, parking, dining hall and technology upgrades
- Dr. Steve Ralston, the new Academic provost, is conducting an academic self-study to identify relevant academic programs and develop a proposal for a preferred academic future for MSU programs, students, faculty and staff.
- Update on preparations for the first 60 high school juniors entering the Craft Academy currently underway

**Investment Report/Financial Summary – Dr. Bob Albert**

Dr. Albert delivered a summary of the Finance committee meeting:

- Oxford recommended adding to natural resources equities based on the recent selloff in this category.
- Oxford suggested reducing emerging market stocks to accommodate the natural resources equity transfer, due to similar underlying risk factors.
- The Finance committee voted to implement both suggestions made by Oxford.
- Based on the interest rate outlook, Oxford also recommended eliminating all short-term bonds and extending durations with those proceeds.
- Since inception, the portfolio has averaged 8.5% returns per year since late 2009.

- On Wednesday, February 18, 2015, a proposal to accept a 3.25% endowment earnings release on July 1, 2015 was executed via email. In total, this results in a release of \$1,253,489. The proposed endowment earnings release motion carried unanimously by email vote.

### **Finance Report - Jenna Sprangel**

Jenna Sprangel shared financial highlights as of December 31, 2014 with the Committee.

- Total assets at 12.31.14 were \$51,888,745
- Oxford investment portfolio at 12.31.14 was \$43,227,472 which is 85% of the Foundation's total assets
- Six-month annual investment return at 12.31.14 was -.60%
- The Foundation's Support to MSU Programs and Strategic Initiatives as of 12.31.14 was \$1,478,307
- No significant variance to report for the Foundation Operating budget as of 12.31.14
- \$3.2M Received in first six months ending 12.31.14
- \$1.7M Expended thru 12.31.14

### **Corporate Documents Review – Jim Shaw**

Foundation CEO, Jim Shaw, gave an update on the corporate documents that were under review by the Board of Trustees and the Foundation's legal counsel, Paul Stokes. This included the Financial Management and Investment Policy and the Foundation's By-Laws. Jim highlighted all the findings in each section of the documents and addressed questions and comments. Board members will review both documents, as presented, and a vote to approve will take place at the next regularly scheduled Board of Trustees meeting.

### **CEO Update– Jim Shaw**

Jim Shaw announced that Jenna Sprangel will be relocating with her family to Florida and leaving her position as Director of Finance with the Foundation as of September 30, 2015. Jim told members we would post the position and begin a search immediately.

### **New Business**

There was a motion presented for the Foundation to add \$10,000 funding for the Director of Finance position to supplement the salary, if necessary. The motion passed.

Perry Allen motioned adding Gerald DeMoss, Bret Traver and Cherie Rebar as members of the nominating committee. Steve Thieme 2<sup>nd</sup> the motion. The motion passed.

Meeting adjourned at 4:10 pm

Created by Sandi Ruth

Reviewed by Jenna Sprangel

Approved by Jim Shaw