

MSU Foundation, Inc.
Board of Trustees Meeting Minutes
Eagle Center – February 24, 2017

Call to Order: 1:08 PM

Present: Bob Albert; Perry Allen, Vice Chair; Wayne Andrews; Nathan Bishop; Gerald DeMoss; Ron Griffith, Buckner Hinkle, Chair; Susan Martin; Brian Nurick; Dava Rice; James Shaw, CEO; Ed Strosnider; Paul Stokes; Brett Traver; Willi Walker; and Christopher Wright.

Staff: Sharon Fraley; Mindy Highley; and Sherry Surmont, Secretary

Absent: Kenneth Alexander, Jack Matthews, Bob Neff, Steve Pack, Beth Patrick, and Cherie Rebar

Approval of Minutes

Willi Walker *moved* to approve the minutes from the October 28th meeting and Brett Traver *seconded* the motion. *Motion Carries.*

Chair Hinkle's Comments

Chair Hinkle shared news about the Presidential search with the Board members. He reported the candidate pool began with 50 applicants and the committee narrowed the pool to 15, 10, 5, and finally to 2. The committee sent their recommendation of the two candidates to the Board of Regents, but one of the two withdrew, which led to Dr. Joseph Morgan being the lone candidate. Dr. Morgan's academic and administrative background began at Murray State and he currently is employed with KY's Council on Postsecondary Education (CPE). Chair Hinkle informed the Board members that Dr. Morgan would be visiting campus to meet with the Board of Regents on March 5th and 6th.

Chair Hinkle closed his comments by commending the Presidential Search Committee Chair, Wayne Martin; on the excellent job, he did leading the committee.

President Andrews' Comments

Dr. Andrews opened his comments by thanking the Board members for the great job they do on behalf of the University by helping make decisions on investing, disbursing, and growing the foundation money wisely.

He commented on campus improvements that have occurred during his tenure such as Andrews Hall, Space Science Center, Recreation & Wellness Center, CHER Building, etc. His hope is that the new University President will be able to concentrate on academic quality and performance funding. Dr. Andrews assured the group that he is committed to a smooth transition to a new President.

He then, briefed the Board members on his recent time in Frankfort related to Performance Funding (Senate Bill 153) and other higher education-related legislative activity.

CEO Shaw's Comments

Vice President (VP) Jim Shaw deferred his comments until later during the meeting, when he would brief the members with an orientation.

Alumni Relations & Development Update – AVP Mindy Highley

Assistant Vice President, Mindy Highley gave Board Members an update on work that has been done by her staff since the MSUF Board met last October. Key points of the Alumni Relations and Development update are:

- Pride Raising
 - 50 different e-mails have been sent out
 - some were mass some were targeted
 - totaling over 400,000 e-mails
 - Social Media (Facebook, Twitter, and Instagram) are getting a significant amount of attention
 - Valentine’s Day – MSU Love Story Campaign
 - 12 Alumni Couples shared their MSU love stories
 - Combined reach of all love stories was over 27,000
 - University Advancement received 9 CASE KY awards
 - Grand Award
 - Spring Gala 2016 “MoTown”
 - MSU Statement, Summer 2016
 - Award of Excellence
 - #MSUday – 24-Hour Challenge
 - 24-Hour Challenge Fundraising Video feat. Clyde James
 - 2016 All Roads Lead to Homecoming Mailer
 - MSU Statement Magazine
 - Special Merit
 - 2015 Browning Orchard Festival
 - 2015 Homecoming
 - Alumni Guide
 - 2017 CASE District Awards
 - Grand Award
 - #MSUday – 24-Hour Challenge
 - Special Merit
 - Browning Orchard Festival
 - Outstanding Student Organization
 - Outstanding Advisor of the Year – Allison Caudill
- Friend Raising
 - hosted 37 different events
 - Alumni, Fundraising and Cultivation Events -18
 - University Events - 8
 - Retiree Events - 4
 - Student Events - 7
- Fund Raising
 - \$2.1 million had been raised at the end of the second quarter
 - 5.0% Alumni participation as of 2/24/2017

Committee & Finance Reports

Finance Committee: Bob Albert directed the Board members to the Summary of Allocation and Performance report provided by FEG and pointed out the reporting format change. The change was

implemented to reflect the current information needs of this Board. He then went over the detailed information in the report for period ending December 31, 2016.

In preparation for creation of the FY18 Budget and Spending Plan, Bob Albert *moved* (on behalf of the Finance Committee) to change from a three year rolling average of endowment earnings and value to a five year rolling average. This move will better compensate for market volatility and provide more consistency of available funds. Brett Traver *seconded* the motion. *Motion carries.*

Budget/Finance Report: Sharon Fraley review the financial statement for the end of December with the Board members. The highlights of her report included:

July 1, 2016 – December 31, 2016

- Assets = \$47,662,692
- Revenues = \$5,332,942
- Expenditures = \$1,663,609
- Remaining MSU Foundation Operating Budget = \$499,837

Bob Albert *moved* (on behalf of the Finance Committee) to approve endowment spending release of 3.21% in 2017-2018. Gerald DeMoss *seconded* the motion. *Motion carries.*

Nominating Committee: Brett Traver offered key points to the proposed changes in the Bylaws, which included:

- Changing Board member's service term from three years to four years
- Outlining procedures to fill vacancies
- Clarifying the mission of the Nominating Committee
- Authorizing non-board members to serve on board committees

(Board members were given the option to "opt out" of the one-year extension to their current term.)

Brett Traver *moved* (on behalf of the Nominating Committee) to approve the proposed changes to the bylaws. Willi Walker *seconded* the motion. *Motion Carries.*

Board Orientation

VP Jim Shaw presented a "Trustees Orientation Briefing" to the Board members. The briefing included an overview of Morehead State University and the MSU Foundation. It is posted on the foundation website.

Next Meeting: October 29, 2017 @ 1:00 p.m.

Meeting Adjourned 3:05 p.m.

Minutes Taken By: Sherry Surmont, MSU Foundation Secretary