

MSU Foundation, Inc.
Board of Trustees Meeting Minutes
Eagle Center – June 9, 2017

Call to Order: 1:02 PM

Present: Bob Albert; Perry Allen, Vice Chair; Wayne Andrews; Nathan Bishop; Gerald DeMoss; Ron Griffith, Buckner Hinkle, Chair; Susan Martin; Jack Matthews; Steve Pack; Beth Patrick; Dava Rice; James Shaw, CEO; Ed Strosnider; Brett Traver; and Christopher Wright

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

Absent: Kenneth Alexander, Paul Stokes, Willi Walker

Approval of Minutes

Brett Traver *moved* to approve Board meeting minutes from 02/24/2017 and Beth Patrick *seconded* the motion. *Motion Carries.*

Bob Albert *moved* to approve Finance Committee meeting minutes from 02/24/2017 and Perry Allen *seconded* the motion. *Motion Carries.*

Brett Traver *moved* to approve Nominating Committee meeting minutes from 02/24/2017 and 05/16/2017, Perry Allen *seconded* the motion. *Motion Carries.*

Chair Hinkle's Comments

Chair Hinkle deferred comments to later in the meeting.

FEG Presentation

Phil Scherrer provided the Board with information about Private Markets and how it relates to the Foundation's Portfolio.

President Andrews' Comments

Dr. Andrews updated the Board of recent activities on campus. The highlights of his update included:

- The Board of Regents approved the budget for the next fiscal year 17-18 of \$152.5 million.
- The Board of Regents approved a new strategic enrollment plan.
 - A comprehensive approach to how MSU distributes institutional aid.
- In 2021, all money from the state will be performance/outcome based.

CEO Shaw's Comments

Vice President (VP) Jim Shaw deferred his comments to later in the meeting.

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 in February. Key points of the Alumni Relations and Development update are:

- Pride Raising
 - 32 different e-mails have been sent out
 - some were mass some were targeted

- totaling over 300,000 e-mails
- Friend Raising
 - hosted 33 different events
 - Alumni, Fundraising and Cultivation Events -12
 - University Events - 9
 - Retiree Events - 3
 - Student Events – 11
- Fund Raising
 - 24-Hour Challenge
 - 527 donors
 - \$59,239 raised including \$25, 000 challenge gift
 - Jack and Cheryl Matthews were this year’s \$25,000 pledge
 - \$2,898,593 million raised at the end of the third quarter
 - 7.47% Alumni Participation as of June 2

Committee & Finance Reports

Finance Committee: Bob Albert reviewed the Summary of Allocation and Performance Report – Ending March 31, 2017, provided by FEG. Chair Albert noted, it was a remarkable quarter.

Budget/Finance Report:

July 1, 2016 – March 31, 2017

- Assets = \$49,499,176
- Revenues = \$6,511,190
- Expenditures = \$2,589,803
- Remaining MSU Foundation Operating Budget = \$404,202

Bob Albert *moved* to approve the 2017-2018 proposed Foundation operating budget and Beth Patrick *seconded* the motion. *Motion Carries.*

Brett Traver *moved* to approve the allocations of the 2017-2018 Foundation operating budget and Steve Pack *seconded* the motion. *Motion Carries.*

Nominating Committee: Brett Traver briefed the Board on five new member candidates and their possible committee membership. The roster included:

- Ronald Cartee – Audit Committee
- John Merchant – Finance Committee
- Gary Mitchell - Finance Committee
- Andy Prefontaine – Finance Committee
- Janice Towles – Nominating Committee

Brett Traver *moved* (on behalf of the Nominating Committee) to approve the five candidates as new members and Steve Pack *seconded* the motion. *Motion Carries.*

Brett Traver *moved* (on behalf of the Nominating Committee) to approve the five new members committee assignments and Steve Pack *seconded* the motion. *Motion Carries.*

Audit Committee

Steve Pack gave the Board a review of the audit firm, Dean Dorton Allen Ford. The review included these highlights:

- Used by Morehead State University
- Every three years head auditor changes
- Crissy Fiscus sill lead this year
- Cost not to exceed \$19,000
- Average cost the past three years \$18,406

There was discussion over the language used in Claim Resolution by Dean Dorton. The Board decided to have the Foundation’s staff to review changing the language in the commitment letter for the 2017-2018 audit.

Steve Pack *moved* (on behalf of the Audit Committee) to approve Dean Dorton as the audit firm for this fiscal year 2016-2017. Ed Strosnider *seconded* the motion. *Motion Carries.*

New Business

VP James Shaw discussed with the Board to allocate remaining money from end of year Foundation operating budget to the Alumni and Welcome Center, not to exceed \$150 K.

Ron Griffith *moved* to approve allocating left over Foundation operating budget money, up to \$150 K, to be put toward the Alumni & Welcome Center. Steve Pack *seconded* the motion. *Motion Carries.*

Chair Hinkle raised the topic of U of L’s Foundation being in the news recently for questionable spending and negligent reporting. He reminded the Board members of the Foundation’s fiduciary responsibilities to the University. VP James Shaw added, the Foundation operates transparently and provides financial reports regularly and post the information on the Foundation’s webpage.

Next Meeting: October 27, 2017 @ 1:00 p.m.

Meeting Adjourned 3:11 p.m.

Minutes Taken By: Sherry Surmont, MSU Foundation Secretary