GEORGIA SOUTHERN UNIVERSITY FOUNDATION, INC.

Fall Board Meeting - Itinerary
October 16 & 17, 2009
Georgia Southern University

Casual Attire for all Activities

Friday, October 16, 2009

7:00 p.m. - Trustee Reception @ new Eugene M. Bishop Alumni Center
         Location: 2472 Akins Blvd., Statesboro, GA  30458
         Open Bar & Heavy Hors d’oeuvres

Saturday, October 17, 2009

9:30 a.m.  Continental Breakfast                          Location:  Nessmith Lane
          Continuing Ed Ctr
          2nd Floor - Room #2911

10:00 a.m. Board Meeting                                  Location: Nessmith Lane
          Continuing Ed Ctr
          2nd Floor - Room #2911

Enjoy your afternoon touring campus (see the NEW Centennial Place) or
      tailgating with fellow fans at Paulson Stadium! GO EAGLES!

5:00 p.m. - President’s Sky Box at Paulson Stadium

6:00 p.m. - Georgia Southern Eagles vs. UTC Mocs
The Board of Trustees of Georgia Southern University Foundation, Inc. met at 10:00 AM at Nessmith Lane Room #2911 on the Georgia Southern University campus. Trustees present were: Troy Athon, Gene Bishop, Patrick Blanchard, Tommy Bond, Charles Chandler, Barbara Christmas, Greg Colson, Michael Curry, Tommy David, Margot Dawkins, Emeritus member Gay Dull, Tim Evans, Jimmy Franklin, Jenny Gentry, Billy Griffis, Bruce Grube, Caroline Harless, Bill Hatcher, Billy Hickman, Mike Kennedy, Max Manack, Kara Martin, Joe McGlamery, Rod Meadows, Marshal Mize, Ricky Nessmith, Pat O’Connor, Wanda Parrish, Mike Skinner, Connell and Stafford, Jr. Trustees not present were: Wayne Akins, Derrick Brown, Jimmy Childre, Terry Coleman, Ron Core, Pat Douglas, Julius Edel, Lee Fulcher, Tracy Ham, Lamar Hennon, Jimmy Hodges, Don Howard, Billy Jones, Harry Mathews, Ann Purcell, and Ric Tomlinson. Others present were: Katheryn Grube, Tom Palfy, Jodi Collins, Richard Deal, Melanie Mosley and Samantha Nesmith.

Welcome and Opening Remarks: Mr. Stafford welcomed everyone to the Fall Board Meeting of the Georgia Southern University Foundation. Mr. Stafford thanked Mr. Griffis for the reception event that was hosted at the Bishop Alumni Center on Friday evening.

Approval of the Board Minutes: Mr. Stafford referred Trustees to the minutes of the spring meeting and asked for any revisions or corrections. With none given, a motion was made by Mr. Rod Meadows that the minutes be accepted as presented. The motion was seconded, and it passed unanimously.

Membership Committee Report (Recognition of Retiring Trustee): Mr. Stafford recognized retiring Trustee, Ann Purcell and thanked her for her service on the Foundation Board. Mrs. Purcell was unable to attend the meeting to accept her plaque and gift.

Introduction of New Trustee: Mr. Stafford introduced new Trustee, Mr. Tim Evans and Dr. Grube presented him with the Foundation Board of Trustees pin and welcomed him to the group.

Annual Audit Report: Mr. Mike Kennedy spoke briefly of the Audit Committee meeting that took place on September 29, 2009. He then introduced Richard Deal from Thigpen, Lanier, Westerfield and Deal to review the financial report ending June 30, 2009.

Mr. Richard Deal presented the audit report. To review the report, a copy is available at the Office of University Advancement. Mr. Deal answered a few questions from the Board. On behalf of the Audit Committee, Chairman Mike Kennedy called for
a motion to approve the audit report. A second was given by Mike Skinner and it passed unanimously.

**Foundation President’s Update:** Foundation President Billy Griffis expressed his appreciation to the Board for their continued service to the Foundation and the University. As his report began, Mr. Griffis asked everyone to follow along in their notebooks.

Mr. Griffis began reviewing the Statement of Financial Position ending June 30, 2009. Under the Land and Buildings section, the Rocker Property listed for $1.00. This property was given to the University over 25 years ago and the auditors listed the property at $1.00 because it is 20 acres of unbuildable wetlands. After having the land surveyed, it was discovered that there are four lots of buildable land within the 20 acres of wetlands. Therefore, this land has been re-appraised for $102,000. The Finance Committee approved listing this property for sale, and on the September 30 statements the land was listed as Property Held for Sale.

Under Statement of Revenues and Disbursements, contributions total $3.7 million at year end. This was affected by the economy and is down approximately 20% from last year.

Under Unrestricted Budget Income, Mr. Griffis pointed out that although people are giving money during the *A Day for Southern* campaign, more of that money is being given to designated areas such as the Botanical Gardens or other specific areas. This in turn is decreasing the amount given to the Unrestricted Budget. The Phonathon continues to have a good year and those students working in Phonathon are doing a great job. After wrapping up the June 30 Financials, Mr. Griffis went on to discuss the financials for the first quarter of FY2010 ending September 30.

The Statement of Financial Position ending September 30 showed that the Rocker Property has been moved to Property Held for Sale. Under the Statement of Revenues and Disbursements ending September 30, the Unrealized Gain on Investments was at $3.9 million and contributions were at $637,045. Under the Unrestricted Budget Income, Mr. Griffis pointed out that the numbers were low because it reflects the first quarter, but everything is actually on track. Under the Unrestricted Budget Expense, Mr. Griffis showed that a minor change to the format has occurred. The statement now shows the Unrestricted Funds Reserve balance. This balance is important to maintain because earnings provide 46% of the Unrestricted monies. At this time, Mr. Griffis asked for questions concerning the financial report. With none, Max Manack made a motion to accept the financial report. Pat O’Connor seconded and it passed unanimously.

**Finance Committee Report:** Finance Committee Chair, Max Manack asked for Mr. Griffis to review the Foundation Budget. Before beginning, Mr. Griffis reviewed a few state laws including UMIFA and UPMIFA that will affect the underwater endowments. The Finance Committee agreed to follow the UPMIFA regulations with the provision that the money would only be spent out of the earnings and not the principle.
Mr. Griffis reminded the Board that based upon the recommendations of Marshall Raucci (Prime Buchholz and Associates), the spending rate of 5% should be reduced to 4.5%.

Under Budget Income, Mr. Griffis reviewed the proposed decrease to the FY2010 budget in all the areas, including *A Day for Southern, A Day for Southern On Campus*, etc. He also highlighted a few areas from the proposed budget for FY2011.

Under Budget Expense, Mr. Griffis pointed out that the STARS Program has been discontinued, so the funds for that program have been taken out. He reviewed the changes for FY2010 and FY2011 throughout many areas and events that are held annually. The total proposed budget for 2010 will leave a net surplus of $164,999 that will be put into the Unrestricted Budget Reserves. The proposed budget for 2011 will leave a $38,368 surplus to be added to the Unrestricted Fund Reserve. Max Manack made a motion to accept the change of spending percentage to 4.5%, following UPMIFA guidelines, and approve the revised 2010 budget and 2011 budget. Rod Meadows seconded the motion, and it passed unanimously.

**Investment Committee Report:** Mr. Tommy Bond gave an overview of the investment report based on recommendations from Prime Buchholz and Associates. The last two quarters, the stock market has done well which in turn has provided positive returns for the Foundation’s investments. Mr. Bond continued by assuring the board that the committee is very pleased and well satisfied with the job that Prime Buchholz has done and hopes that the Foundation will continue using this reputable company.

**Presidential Search Update:** Foundation Board Member Caroline Harless gave an update from the Presidential Search Committee. She gave brief background information on the top three candidates that have been submitted to the Board of Regents. The Board of Regents will hold these names for a few weeks to discuss and review. There should be a decision made and a press release with the name of the new President of Georgia Southern University sent out by late October. The new president will begin on January 1, 2010. With no questions from the board, this presentation was concluded.

**Centennial Place Presentation:** At this time, Mr. Tom Palfy, Administrative Director for Auxiliary Operations, gave a presentation on what Auxiliary Services does throughout the University, as well as an overview of the new Centennial Place student residential facility. At the conclusion of his presentation, Mr. Palfy presented each Trustee with a gift from the University Store.

**University Update from the President:** Dr. Grube began by thanking everyone for attending the fall board meeting. He informed the Board that the University recently held the official ribbon cutting for Centennial Place, as well as the Eugene M. Bishop Alumni Center. The old Eidson Alumni House will now hold the University Honors program. The next legislative session will hold discussions on the new Biology building, and the University hopes to break ground on this new facility next year.
Final enrollment numbers have been calculated and for this semester the University has reached a new record number of 19,089 students. This is 1,333 more students than last year. The growth however, is not only in the freshman class, but also reflects increases in the graduate program as well retention of students in the other classes. The retention rate has continued to increase and currently stands at 82%. This rate is up from 69% ten years ago. SAT averages also continue to rise, as the freshman class now averages well over 1100.

**Scholarship Award to Dr. and Mrs. Grube:** Mr. Connell Stafford gave a brief background of the accomplishments Dr. Grube has brought to the University during his ten year tenure as President. He expressed his deepest appreciation to both Dr. and Mrs. Grube, as well as shared some stories about the Grube’s. It was with great pleasure that Mr. Stafford (on behalf of all the Trustees) presented both Dr. Bruce and Mrs. Kathryn Grube with a scholarship endowed in their name “Dr. and Mrs. Bruce Grube Student Scholarship.” At this time, Mr. Tommy David made a motion to draw up a resolution of appreciation to present to Dr. and Mrs. Grube for their many contributions to the University and the community. This was seconded by Pat Blanchard and passed unanimously.

**Outgoing Chair Comments:** Mr. Connell Stafford spoke briefly about his time as Chairman of the Board. He enjoyed all of the work that he was able to do as well as the great people he has been able to work with. He hopes that the Board continues to work as diligently as they always have. At this time, he handed over the gavel to incoming Chair Max Manack. Mr. Manack in turn presented Mr. Stafford with a plaque for his service as the Chairman of the Board as well as beautiful chair engraved with his name, title, years of service and the Georgia Southern University Seal.

**Incoming Chair Comments:** At this time, Incoming Chair Max Manack introduced the 1906 Scholar, Jordan Walker. Mr. Walker spoke to the Board about his experiences at Georgia Southern University as an honors student, as well as an athlete. He expressed his appreciation for all the University does for him by providing him with a great education, leadership opportunities and athletic opportunities with the help of the honors scholarship.

At this time, Mr. Manack gave his incoming chair comments. He challenged each member to attend each Foundation meeting as well as keep up their enthusiasm and spirit of cooperation, just as they always have. He encouraged everyone to help him lead the Foundation in the right direction over the next two years.

**Committee List:** Mr. Manack encouraged everyone to review the Committee assignments. With no further business, the meeting was adjourned.

*All meetings of the Foundation Board are recorded. The proceeding represents a synopsis of the proceedings. Any Trustee who wishes may come to the Advancement office and listen to the complete recording of any meeting.*