AGENDA

WELCOME and OPENING REMARKS…………………………………………………Tommy Bond, Chair

APPROVAL OF BOARD MINUTES………………………………………………Tommy Bond, Chair

RECOGNITION OF RETIRING TRUSTEES..................................................Max Manack

RECOGNITION OF CHAIR EMERITUS/EMERITUS TRUSTEES..............Max Manack

INTRODUCTION OF NEW TRUSTEES......................................................Max Manack

Brooks Keel, President
Georgia Southern University

AUDIT COMMITTEE REPORT........................................................................Mike Skinner

• Annual Audit..............................................................................................Richard Deal

Thigpen, Lanier, Westerfield & Deal

BOARD COMMITTEE REPORTS

• Finance Committee....................................................................................Barbara Golden

• Investment Committee..............................................................................Martin NeSmith

George Hauptfuhrer
of Prime Buchholz

• Bylaws Committee....................................................................................Pat O’Connor

ALUMNI NETWORKS.....................................................................................Wendell Tompkins

UNIVERSITY ADVANCEMENT UPDATE.................................................Salinda Arthur

Vice President for University Advancement
President of the Georgia Southern University Foundation

Melissa Wohlstein
Associate Vice President for University Advancement

UNIVERSITY UPDATE..................................................................................Brooks Keel, President

Georgia Southern University

ANNOUNCEMENTS and CLOSING REMARKS.........................................Tommy Bond, Chair
The Georgia Southern University Foundation Board of Trustees met at 9:00 am at the Nessmith Lane Building in Statesboro, GA. Trustees present were: Salinda Arthur, Troy Athon, Tommy Bond, Charles Chandler, Jimmy Childre, Chris Clark, Ron Core, Joe Drake, Jenny Gentry, Barbara Golden, Tracy Ham, Tommy Jones, Brooks Keel, Sean Knox, John Lane, Max Manack, Jim Medbery, Stephen Milner, Phil Moore, Martin Nesmith, Ricky Nessmith, Patrick O’Connor, Terry Reeves, Mike Sanders, Mike Skinner. Retired member in attendance was Derrick Brown. Emeriti in attendance were: Harry Carter, Margot Dawkins, Mike Kennedy, Pat Blanchard, Jimmy Hodges, Joe McGlamery, Rod Meadows and Gay Dull. Others in attendance were: Melanie Mosley, Lauren White, Jodi Collins, George Hauptfurhrer, Richard Deal, Wendell Tompkins and Melissa Wohlstein.

**Welcome and Opening Remarks** - Mr. Bond welcomed everyone to the Fall Board Meeting of the Georgia Southern University Foundation.

**Approval of the Board Minutes** - Mr. Bond referred Trustees to the minutes of the spring meeting and asked for any revisions or corrections. Mike Skinner made the motion for the minutes to be accepted. The motion for a second was made by Martin Nessmith, and it was passed unanimously.

**Recognition of Retiring Trustees and Emeritus/Chair Emeritus Trustees** - Mr. Max Manack recognized the retiring trustees, emeritus and chair emeritus, and the new trustees. Please see attachment.

**Committee Reports**

**Audit Committee Report**: Mike Skinner, Chair of the Audit Committee, began his report with discussing what was done at their previous committee meeting. He then introduced the Foundation’s auditor, Richard Deal, to discuss the year-end financial statements.

Mr. Deal began his report with the Statement of Financial Position of June 30, 2012 and 2011. Total assets for year-end were $46,343,000, that is a decrease of approximately $675,000 or 1.4% compared to the prior year. Investments are the largest asset of $43.2 million. Compared to prior years that is a decrease of $846,000 or 2% decrease. Contributions receivable are $1,787,000 with an approximate decrease of $50,000 or 3%. Total liabilities are $655 thousand. The largest liability are the funds held for the Housing Foundation and since June 30 that money has been turned back over to the Housing Foundation. Total net assets are approximately $45,688,000. That is a decrease from the prior year of about $651,000 or 1.4%.
Total contributions are $3,180,000. That is an increase of about $1,107,000 or 53% compared to the prior year. The unrestricted contributions have stayed about the same over the last three years, roughly $460,000. Net realized and unrealized losses are approximate $1,662,000 compared to the prior year. The total support in revenue for 2012 is approximately $2.7 million.

Under expenses (awards and scholarships) were $1,224,000, which is a decrease of about 12.5%. University support and operational costs are $1,751,000, which is a decrease of about 4%. Fundraising and advancement is roughly $389,000, which is an increase 76%. Total expenses are $3,364,000 and that is 2.5% decrease from the previous year. The change in net assets decreased by $651,000 from the previous year.

After pointing out notes in the report and asking for questions, Mr. Deal concluded his report.

**Finance Committee Report:** Barbara Golden, Chair of the Finance Committee, began her report by discussing what was covered at the last Finance Committee meeting and by introducing Jodi Collins who gave the finance report.

Ms. Collins began with the proposed amended FY 2013 and FY 2014 income budgets. She discussed the changes that the committee made. The committee is proposing that there will be an increase from $30,000 to $50,000 for FY 2013 and 2014 in other contributions. There was a 2.1% loss in investments for FY 2012. The total proposed amended income budget for FY 2013 is $890,126 and for FY 2014 is $865,126.

For the Amended FY 2013/FY 2014 expense budget, the committee is proposing an increase of $2500 for governmental relations/community engagement and also proposing an increase of $1000 for audit/accounting and an $11,000 increase for the GA Chamber of Commerce. The last item discussed was the budget for the Wild Game Supper. $18,000 is budgeted for FY 2013 but not budgeted in for FY 2014 because the event is held every other year. The proposed amended budget for FY 2013 is $890,126 and the proposed budget for FY 2014 is $865,126.

Chairman Bond asked for the motion to approve the FY 2013 Amended budget. Mr. Charles Chandler made the motion and Ms. Jenny Gentry made the second. The budget was unanimously approved.

Chairman Bond asked for the motion to approve the FY 2014 budget. Martin Nessmith made the motion and Mr. Pat O’Connor made the second. The budget was unanimously approved.

**Investment Committee Report:** Martin Nesmith, chairman of the Investment Committee, began the Investment Committee report with the explanation of a new policy that was passed by the committee. The new policy will allow the Foundation to invest $500,000 in the Intermediate-Term Pool consisting of 50% in the Vanguard Short-Term Corporate Bond Index Fund and 50%
Mr. Nesmith then introduced Mr. George Hauphtfuhrer of Prime Buchholz for the actual report.

Mr. Hauphtfuhrer started his report with the Segment Performance. For the first Quarter Return, the Foundation Portfolio was up 4.6% and for the One Year Return was up 16.2%. The Policy return on the 1 Year was 14.5. Domestic Equity was up 28.2%. International Equity is up 19% which is very strong for the 1 Year Return mark. Total Flexible Capital, aka Hedge Funds, was up 10.1%. The Total Inflation Hedging (real assets) had 13% for the 1 Year Return.

Mr. Hauphtfuhrer continued his report with Non-Marketable Strategies. There are three common fund funds that the Foundation went into in 2007. Despite the tough timing of the move, they are all showing positive return. In regards to the Asset Allocation, the Foundation is very close to the target percentages, there is no need for rebalancing. As for the Liquidity Schedule, the Investments still have good liquidity despite the hedge funds and private equity.

Mr. Hauphtfuhrer concluded his report with an update on what was going on that week in the market.

**Bylaws Committee Report:** Pat O’Connor gave the Bylaws Committee report on behalf of the chair, Billy Hickman, who was absent. He directed the Foundation to the Bylaws section in the notebook. The proposed changes are:

*The Membership Committee will consider, for either Trustee Emeritus status or Chair Emeritus, as appropriate, under the criteria set forth in said Article III, those Trustees who have left or retired from the Board since the effective date of the current Article III (September 10, 2011).*

*The Committee may adopt a Board Member Position Description, which, if approved by the Executive Committee, shall set forth the policy expectations and requirements for Trustee Membership.*

On behalf of the Bylaws Committee, Mr. O’Connor made to the move to adopt the proposed changes as stated in the materials. Margot Dawkins made the second and the changes were passed unanimously.

**University Advancement Update:**

**Vice President:** Mrs. Salinda Arthur gave an update to the Board on the changes that have taken place since she joined Georgia Southern in October of 2011.
Some of the additions/modifications to the Foundation Board are:

- Moving the operation to include a Major Gift responsibility in addition to Asset Management for the Foundation.
- Addressed emeriti membership
- Added new membership to the Board
- Held the first Summer Orientation for new Board Members
- Identified more new member prospects to be followed up with this winter for Spring meeting consideration
- Received Trustee unrestricted Foundation commitments from all new Board Members
- Revised the Foundation Bylaws

Mrs. Arthur discussed the restructuring of the Advancement Office to meet our needs. The current structure reflects increased responsibilities for Department Heads, moving some current staff into new positions and getting the right additional staff in place to handle a nine-figure Campaign goal. Some of the additions/modifications to the Office of Advancement are:

- Existing officers, deans and others have been trained on the art and science of Major Gift work. She has also worked to move officers to be Major Leadership gift officers. She explained the creation of specific performance benchmarks for FY13 for all major gift officers. Some examples are each officer having a portfolio of approximately 130 prospects and 18 significant personal visits per month.
- Made donor base connections/corrections. This effort includes new technology that should be working fully by spring 2013. The technology will insure that the office can count appropriately meeting CASE Accounting Standards for standard reporting and Campaign reporting.
- New Alumni programing was created to boost efforts of alumni engagement to include an officer for the Atlanta region. Created new Young Alumni program to reach young alumni; created Southern Women to engage the women of Georgia Southern.
- Started a new Annual Giving program to address needs for the Colleges, to contact their alumni for support.
- Established the first ever University Advancement policies and procedures for the Advancement Division.
- Produced fundraising materials for the major gift operation.
- Created a new position to specifically address proposals, fund agreements and donor and recipient Advancement stories.

Mrs. Arthur continued to discuss what progress is being made currently and the efforts that are on-going.

- Creating a Foundation Board Member position description.
- Providing an opportunity for Board Members to elect to serve on Committees of their choice.
• The gift numbers are up. This gets us on the road to start preparing for the campaign. For fiscal years 2011, 2012 and 2013, we have a total over $20,000,452.. Foundation donations July 1 through October 31, 2011 compared to July 1 thought October 31, 2012 are up over $700,000,000. Foundation receipts comparison year by year shows FY 2011 at roughly $800,000,00 and FY2012 at over $1.4 million.
• In the process of creating the first GSU Foundation Annual Report.
• In the process of hiring three new fundraising positions.
  o Executive Director of Corporate/Foundation Relations (will replace the person who has retired from that position)
  o Senior Director for COBA
  o Senior Director for CEIT
• Set a new record for A Day for Southern of $1,568,738.00. That is $15,000 more on the actual day and with the late check arrivals, a total of $151,000 more than last year.
• With the Hiring of AVP Melissa Wohlstein, her first six months are to be working with major gift officers to ensure their success.

The projects that will be started in the near future are:
• Training for MGOs, Deans, VPs, etc. regarding Planned Giving tools. Board members will also be offered a time slot for this education to be used with prospects.
• Complete software implementation to address accounting and Campaign needs.
• Quiet Phase of Campaign target is July 1, 2013.
• Complete all colleges’/centers’ Campaign materials for Winter/Spring FY13 distribution.
• A focus on major and leadership gifts. Working on raising Major Gift totals to meet minimum $15 million per year needed to accomplish $100 million campaign goal (over 7 years).
• Ask Board Members for Campaign commitment to include remembering GSU in their estate plans.
• In calendar year 2013, will be asking for Board Members active involvement in major gift efforts that include the following options:
  o Allowing the University to use a Board Member’s name for prospecting
  o Board Members to make “asks” of friends or associates
  o Making a personal introduction
  o Chairing events
  o Sending thank you notes
  o Going on personal visits
  o Hosting an event in your home/business
  o Brainstorming to develop a fundraising plan
  o Rating prospective donors
• Hire an Alumni Officer for Atlanta region by Spring 2013
• Present a peer review on corporations/foundations at our Spring meeting.
Upcoming events include the Marts&Lundy training on January 17th, the Wild Game Supper on February 5th and Spring Board meeting on May 4th.

Mrs. Arthur concluded her report by introducing University Advancement’s new Associate Vice President, Melissa Wohlstein.

**Associate Vice President:** Mrs. Melissa Wohlstein began her report by explaining the use of Prezi in the Office of Development. Prezi is a website that allows the Development Officers to create a presentation so they can take Georgia Southern with them on their visits. The Major Gift Operations that Mrs. Wohlstein has brought to office are leadership, mentorship, and direction. As for the leadership portion, Mrs. Wohlstein is meeting with the Deans bi-monthly and the Major Gift Officers bi-weekly. In the meetings, they discuss their top prospects, strategies within their units, moves management, best practices, and what they want to do within their areas with each solicitation. Also, in their meetings she is working with the Major Gift Officers to define what their roles are within the University and helping them to see what the bigger picture is.

Mrs. Wohlstein also explained what she defines as best practices. These practices include making sure that each MGO participates in minimum of 18 face-to-face visits with prospects; increasing the contacts, the follow-up and then the documentation of what they are doing so they are constantly thinking about the process.

She discussed what the MGO’s proposals need to look like - having more documentation so it is more of a finished product when they go out. Some of the things they may take with them on a visit may be on a Prezi, but there also needs to be something to leave with the prospect that outlines their interest.

She is incorporating technology into the MGOs visits. Mrs. Wohlstein played a short video of Dr. Wells, Dean of COBA, that can be shown on visits when the dean is not available. She also created a Prezi for each of the Development Officers and each one of the presentations has a video of the Dean/Director for their specific area. Mrs. Wohlstein then played an overview video of Georgia Southern that is at the beginning of each of the presentations.

Her ultimate goal is to make sure that each of the Development Officers is thinking about what they need to do for the campaign. Have them think in general terms, work with their Deans, and consider what their impact will be on the campaign are essential items. Mrs. Wohlstein finished her presentation by asking if there were any questions. She then introduced Mr. Wendell Tompkins, Senior Director of Alumni Relations and Annual Giving.

**Alumni Relations:** Mr. Tompkins began his report by thanking Sean Knox, the new Alumni Association President, for attending the Board meeting. The mission of the Office of Alumni Relations and the Alumni Association is to raise friends, connect and re-connect alumni to the
university. They are establishing life-long relationships with alumni and friends that will hopefully result in them contributing to the University.

Over the years, the Eagle Clubs were the main focus for the Alumni Relations office. However, going into the campaign, the focus must broaden to other areas of the University. Mr. Tompkins spent the summer visiting with all the major alumni volunteers throughout the state, explaining to them the shift in focus and exciting things that are going on.

Mr. Tompkins referred the Board to the handouts in their notebooks. The handouts explained what the 3 new initiatives are. The first initiative is “Alumni Networks.” This is the re-branding of the Alumni Program. What they found was that the name “Eagle Club” didn’t fit for all alumni who wanted to host an event. The name “Eagle Club” lent itself to being more focused on athletics which is still good but it could be broken down to fit the affinity groups. So, all alumni events are being re-branded to “Alumni Networks.” They will represent Georgia Southern in various communities across the state and the “Eagle Nation”, supporting academic excellence and traditions in those areas. They offer networking, socializing, and cheering on the Eagles.

The second initiative is “Southern Women”. This is modeled after several other universities’ programs relating specifically to women. Several events have already been held. Over time, this will continue to grow.

The third initiative is “Eagle Outreach”. This initiative is community service by Georgia Southern alumni in their own communities. There have been many articles released regarding how many service hours Georgia Southern students are completing while they are in school. The most recent article stated that 60,000 hours were completed in one year by our students. We want our students to take this with them once they become alumni. The first Eagle Outreach group was in Atlanta and they meet one Saturday a month to participate in some type of service project. They are up to approximately 20 alumni participating each time.

Also, there is a “Young Alumni Network” which falls under “Alumni Networks” and “Eagle Outreach.” We are having two to three of these events a month in various areas to keep our young alumni engaged. Through the Phonathon, the young alumni are some of the most consistent givers on a year to year basis.

Dr. Keel and Mrs. Salinda Arthur have agreed to re-hire the Director of Alumni Relations for Atlanta regional development. Now we have the opportunity to re-start under new initiatives and get our alumni base in that area excited again. He ended his presentation by thanking Mrs. Arthur and Dr. Keel for their support and devotion to Alumni Relations.

University Update from the President: Dr. Keel began by recognizing and thanking all the retiring Board members. He also gave praise to the 1906 Gala event that was held on Friday evening.
Recently, the Rural Health Institute was awarded $5.1 million grant from the National Institute of Health. This created a center of excellence on our campus.

Jiann-Ping Hsu College of Public Health was rewarded another $297,000 NIH grant to support cervical cancer education in rural areas. In just under two years, the Rural Health Research Institute has been rewarded 5 research grants from 3 different public agencies totaling $6.7 million. In the past, that has been the total amount of money that we have received in a year and this one entity has already surpassed that.

Recently, Professor Larry Stalcup was awarded a Fulbright Scholarship and Professor Mark Edwards was named the new Fuller E. Callaway Professional Chair. This past summer on the steps of Marvin Pittman, Governor Deal signed into legislation the law that will transfer the Herty Advanced Materials Development Center to Georgia Southern’s campus. This is an $11 million a year operation. A Director has been hired. On another note, The Bureau for Business of Research and Economic Development completed a study that shows that Georgia Southern has contributed $846 million to the economy of this area.

Georgia Southern has signed two articulation agreements. One is for logistics with Savannah Tech and the other is with engineering at Armstrong. This will allow students to seamlessly transfer an associate’s degree from those two institutions directly into Georgia Southern.

The Allen E. Paulson College of Engineering and Information Technology has been established. Dr. Mohammed Davoud has been hired as founding dean. Georgia Southern’s bachelors degree produced in IT was ranked one of the country’s top 20 best buys.

Inside Georgia Southern Football, the weekly coaches’ show with Jeff Munkin (which is by students) won the 2012 National Academy of Television Arts and Sciences Southeast Emmy for outstanding achievement in television student production excellence.

Georgia Southern has also established an Interdisciplinary Institute for STEM (Science, Technology, Engineering and Mathematics) education. Governor Deal awarded an Innovation Fund Grant of $700,000 which will fund an unique partnership between Georgia Southern and six school districts covering 27 counties in southern Georgia to develop hands on STEM learning modules for teachers to use.

The University proposed three semester fees to the student body that if passed would have a significant impact on Georgia Southern. They were: $10 sustainability fee, $25 stadium expansion fee and a $75 per semester fee that will provide Georgia Southern with the necessary revenue to make a move from the FCS to the FBS. There was a 55% voter turn-out. Over 9300 students voted with 61% voting yes to the FBS, 70% voting yes for stadium expansion and 75% voting yes to the sustainability fee. These results will be taken to the BOR along with the combination of the stadium expansion and the football operations center.
Georgia Southern was named once again one of the nation’s most military friendly universities by GI Jobs magazine and named again as one of America’s best colleges by US News and World Report.

A Day for Southern set a new record amount in the face of hard economic times. This fall a record number of students enrolled (20,574) Georgia Southern experienced the highest average SAT scores in the history of the University (1115).

After a few questions, Dr. Keel concluded his report.

**Announcement and Closing Remarks:** With no further business, Chairman Bond adjourned the November 3, 2012 Spring Board Meeting.

*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.*