GEORGIA SOUTHERN UNIVERSITY FOUNDATION, INC.
Fall Board Meeting
Thursday, October 29, 2015 – 1:00 PM
Georgia Southern University – Bishop Alumni Center

AGENDA

WELCOME AND OPENING REMARKS...............................................................Barbara Golden, Chair

APPROVAL OF BOARD MINUTES.................................................................Barbara Golden, Chair

UNIVERSITY UPDATE................................................................................Jean Bartels
Interim University President

UNIVERSITY ADVANCEMENT INTRODUCTIONS........................................Salinda Arthur
University Foundation President
VP for University Advancement

OFFICE OF MAJOR GIFTS AND THE CAMPAIGN.........................................Michael Shippam
Associate Vice President

OFFICE OF TRUSTS, ESTATES AND GIFT PLANNING................................Christopher Johnston
Associate Vice President

(Break)

COMMITTEE REPORTS

• Investment......................................................................................................Mike Sanders, Chair
  o Update.......................................................................................................George Hauptfuhrer - CFA, Principal/Consultant
    Prime, Buchholz & Associates

• Audit..............................................................................................................Tommy Jones, Chair
  o Update........................................................................................................Aleisa Howell, Mauldin & Jenkins

• Governance......................................................................................................Charles Chandler, Chair

• Development...................................................................................................Jim Medbery, Member
  o Southern Classic........................................................................................Jim Medbery and Tommy Bond, Co-Chairs
  o Peer Screening............................................................................................Christopher Johnston AVP-Trusts, Estates and Gift Planning

• Finance............................................................................................................Mike Skinner, Chair
  o Update.......................................................................................................Jodi Collins, Senior Director Foundation Accounting

• Membership......................................................................................................Pat O’Connor, Chair

SPECIAL PRESENTATION/OUTGOING CHAIR COMMENTS........................Barbara Golden, Chair

INCOMING CHAIR COMMENTS.....................................................................Caroline Harless, Chair

INTRODUCTION OF LEADERSHIP.................................................................Caroline Harless, Chair

COMMITTEE ASSIGNMENTS.........................................................................Caroline Harless, Chair

ANNOUNCEMENTS & CLOSING REMARKS................................................Caroline Harless, Chair

ADJOURN
Welcome and Opening Remarks – Dr. Golden welcomed everyone to the Fall Board Meeting of the Georgia Southern University Foundation.

Approval of the Board Minutes – Dr. Golden referred Trustees to the minutes of the spring 2015 meeting and asked for any revisions or corrections. With none, the vote to accept the minutes was unanimous.

At this time, Dr. Barbara Golden asked that if there were no objections, she requested an amendment to the agenda to recognize Chair of the Membership Committee (Pat O’Connor) for special business.

Pat O’Connor presented a motion from the Membership Committee to honor Dr. Nick Henry with Emeritus Status on the Foundation Board. As no second was needed, the Board voted and it was unanimous.

Following an introduction by Chair Golden, Interim President Jean Bartels presented a University update to the Board.

Dr. Bartels stated that she wanted to talk about some of the real, actual things that are going on in a little more concrete way and give recognition to some of the important things that are happening here.

During her presentation, Dr. Bartels covered the following:

- Faculty member this year received the USG's (University System of Georgia's) highest faculty teaching award, Dr. Diana Sturgess. That is not an easily achieved award. It's only given to a few people.
- History Department faculty member, Jonathan Bryant, recently published a book entitled “Dark Places of the Earth” – received a lot of national attention.
- Drs. Dmitry and Maria Apanaskevich, Department of Biology Made New Tick Species Discoveries
The GSU Concussion Research program in the School of Health and Kinesiology is dedicated to the scientific understanding of sports-related concussion and their resulting consequences. The interdisciplinary research team is led by Drs. Nicholas Murray and Barry Munkasy.

Researchers at the Georgia Southern University Sea Turtle Program at St. Catherines Island received a great deal of attention last month. An endangered Kemp’s Ridley sea turtle named Catherine was rescued after swallowing a fishing hook this summer. Our researchers assisted in her recovery and recent release back into her natural habitat.

School of Nursing Received $2.2 Million in Grant Funding to Advance Graduate Degrees and Nursing Scholarship in Telemedicine and Mental Health Nursing.

Nursing Memorial – On Monday, Oct. 19, Georgia Southern held a dedication of the School of Nursing Memorial Garden in memory of Morgan Bass, Caitlyn Baggett, Emily Clark, Abbie DeLoach and Catherine (McKay) Pittman and in honor of Brittany McDaniel and Megan Richards. The special garden, located at the Nursing/Chemistry Building patio, will serve as a reminder of the students with its seven trees and peach-colored azaleas, representing nursing.

STEM Career Fair – The CIO of Textron, a multi-industry global company with total revenues of $13.9 billion and approximately 34,000 employees, recently identified Georgia Southern University as a hotbed of talent to be recruited in the area of SAP business software.

The College of Engineering and Information Technology entered the first undergraduate class in the Manufacturing Engineering Program this fall.

SACS report, reaffirmation – Visit was last April. The team was very pleased with what they saw here. Their final report will come out in December - confident that it will be a good report.

Next, Dr. Bartels spoke about the accomplishments of Georgia Southern students in various areas on campus:

STUDENT LEADERSHIP AND COMMUNITY ENGAGEMENT (SLCE)
Building Undergraduate Involvement in Leadership Development (BUILD) Program

Honors Students Returned to Ireland: The Wexford-Savannah Axis Project

Motorsports
In November, Eagle Motorsports will become the first college team to build an ATV to race in the Baja 1000, an off-road race on Mexico’s Baja California Peninsula — one of the largest races in the world. The student-led team built the vehicle from the ground up, and met the rigorous specifications to be considered a top 10 Baja team for the race.

Brian Burns, Engineering Graduate, earned dream job with Kronos Project at Disney Imagineering

Georgia Southern Theatre Production of “Race” won Kennedy Center honors

Georgia Southern Students Received Emmy® Award for the Wounded Eagle Fund Video
- ROTC Cadet Matthew Horne
  Ranked Fourth in Nation out of the top 10 Cadets on the 2015 Fiscal Year’s national Order of Merit List (OML)

Next, Dr. Bartels discussed Athletics and accomplishments from that area:

- The Sun Belt Conference honored 152 Georgia Southern University Student-Athletes for Their Academic Achievements
- **Football Tops in the Nation in Rushing Average per Game** – The Georgia Southern football team’s season-high 507 yards versus New Mexico State raised their average rushing yards per game to 387 — tops in the nation. Off to a 6-2 start and sitting at 4-1 in the Sun Belt Conference, the team has scored 40 or more points in each of their victories. Georgia Southern became bowl eligible following a win over Texas State.
- Women’s Rifle Team
- Women’s Golf team

Lastly, a little bit of infrastructure and outreach

- **Shooting Sports Education Center** – The Shooting Sports Education Center is a partnership with the Georgia Department of Natural Resources. The 30,000-square-foot facility is open to the public and equipped to serve a variety of shooting sports interests through a 16-lane, 25-meter firing range, a 16-lane, a 25-meter archery center, and two training/seminar rooms
- Student Health Service Center Opens in January
- Military Science Building Breaks Ground November 3, 2015
- Multidisciplinary Classroom Building Began Design Phase This Fall
- Recreation Activity Center (RAC) Named for 12th University President and First Lady, Bruce and Kathryn Grube
- **Botanic Garden of Georgia Southern University** – New Name and Master Plan revealed in October. Garden made the List of the 50 Most Amazing University Botanical Gardens and Arboreta in U.S.
- The Campus Search Committee is currently working with Parker Executive Search Firm to establish a timeline, develop the job description and advertisement. At the conclusion of its work, the campus committee will forward the credentials of three to five unranked candidates to the Regents’ Search Committee, chaired by Regent Lori Durden.

With no questions from the Board, this concluded Dr. Bartels presentation.

University Advancement
At this time, Salinda Arthur thanked Dr. Bartels and welcomed the emeritus members. A brief update on the Foundation followed. Ms. Arthur discussed an increase in GSU Foundation donations (approximately 56% from FY14 to FY15) and the increase in scholarship commitments from FY11 to FY15 ($5.6M growth during this time frame).

Currently, campaign materials (University Case Statement, all College Case Statements, and new Scholarship brochure) are under revision. Ms. Arthur discussed the National Campaign Steering
Committee and Chair Positions and reviewed those with the Trustees. In addition, she informed the trustees about three recent new hires: Angela Harn as Senior Director of Campaign Promotions; Michael Shippam as Associate VP for Major Gifts and the Campaign; and Christopher Johnston as Associate Vice President for Trusts, Estates, and Gift Planning.

At this time, Ms. Arthur turned the floor over to Michael Shippam and he briefed the trustees on an overview of giving, where the giving goes, campaign information, and campaign forecast. Next, Ms. Arthur introduced Christopher Johnston and he thanked the trustees for their attendance and spoke about the giving societies and the impact they have on the University. Mr. Johnston also introduced the trustees to the new Gift Planning website and discussed the new newsletter created from his area. With no questions, Mr. Johnston concluded his presentation.

After a brief break, the meeting continued with reports from each of the Foundation Committees:

**Membership Committee**
Chair Pat O’Connor began his report with the introduction of the newest trustee, Tan Adams. Tan is the area manager for Georgia Power Company in Statesboro. She’s held that position since April of 2014. She is responsible for all the day to day internal and external operations of the Statesboro area, which includes Statesboro, Swainsboro, Claxton, Hinesville, Reidsville, and Metter. Prior to her assignment here in Statesboro, Tan was the marketing regulatory affairs manager for Georgia Power Company for a year. Prior to that she was the company project manager for generation resource policy in Claxton. She's held numerous other managerial roles for the company at the beginning of her career with southern companies. Tan is a graduate of the University of Alabama, earning a Bachelor's Science degree in Electrical Engineering.

Next, Mr. O’Connor welcomed the newest ex-officio member, Trey Sheppard. Trey is currently serving as chair of the Athletic Foundation. Also, Mr. O’Connor introduced the trustees who currently serve on the membership committee and welcomed Jim Matthews as the new committee chair (effective 10/29/15).

The Membership Committee brought four prospective names to the board for vote. The first was David Brooker. David serves as president and CEO for the Citizens Bank of Washington County in Sandersville. He received his Bachelor of Business Administration degree from Georgia Southern. He's also a graduate of the Georgia Bankers Association and the University of Georgia Terry College of Business Banking School. David gives back to his community and serves as the director of the Citizen Bank of Washington County and Trustee of the Brentwood school. He's a board member of the Georgia Chamber of Commerce and a board member of the Washington County Alliance for Literacy. He and his family reside in Sandersville.

Since this is coming to you as a recommendation of a committee it does not require a second. Vote was called for and it was unanimous to accept David as a new trustee.

Next is Jason McMillan. Jason is currently the senior vice president and regional cooperate banker from BB&T in Savannah. In this position he manages a $480,000,000 corporate commercial portfolio. He earned his degree from Berry College in 1998 and currently resides in
Savannah. He is active with the Savannah Chatham Chamber of Commerce, The United Way of Coastal Empire, Coastal Scottish Heritage Society Savannah, and some other organizations. The board was called on to vote and it was unanimous to welcome Jason as a trustee.

Next is Dana Potts. Dana is the president and CEO of S Bank, formally known as First Citizens Bank of Glennville. She currently works in both Glennville and Savannah. With over 18 years of experience in the financial services industry, she currently serves on the board of directors for the bank as well as the board of the directors for S Bank shares. Dana received her BBA from Georgia Southern and graduated Summa Cum Laude. She resides with her family in Register. Dana believes in giving back to her community and currently serves on the Glennville Chamber of Commerce board of directors. Vote was called for and it was unanimous to accept Dana as a new trustee.

Lastly is Dan Speight. Dan serves as the vice chairman and COO of the State Bank and Trust in Macon. He's a graduate of Georgia Southern, earned his BBA and is a member of Sigma Chi fraternity. In addition, he earned his JD from the Walter F. George School of Law in Mercer. Active in his community, Dan served on the executive advisory committee of the Boy Scouts of America, the Mercer Athletic Foundation, and several other community foundations. With a unanimous vote, Dan will be welcomed on to the Board of Trustees.

Next, the two returning trustees who will be beginning their second term were recognized - Carl Gooding and Tommy Jones.

Also, there are two trustees who are entering their emeritus status. First, Michael Curry. He is not at the meeting today, but he has served this board for ten years. We want to express our appreciation for his service. He will be granted emeritus status by the Foundation Board and we have a gift that we will send to Michael. Michael will join our board as an emeritus member.

Next is Jimmy Franklin - Jimmy has provided this board with 25 years of service. He served as the chair of the foundation from 1999-2001 and we welcome him as a Chair Emeritus Member.

We have another emeritus member who has multiple years of service - Jimmy Childre. Jimmy served this board for 28 years and was chair of the foundation from 2001-2005. Most recently he has been on the membership committee and has been very active with that. At this time, Mr. O’Connor recognized the other emeritus and chair-emeritus members who were in attendance.

The last item of business for the Membership Committee was one some knew about and others did not. We would like to recognize Dr. Nick Henry for his service to Georgia Southern University during this special time as Georgia Southern University celebrates 25 years with University status. The trustees voted to make him an emeritus member of this board. At this time, Carl Gooding and Harry Carter made a few remarks and reminisced about their days with Dr. Henry. Concluding the recognition, Dr. Bartels presented Dr. Henry with a Foundation Board of Trustees pin.
**Investment Committee**
Investment Committee Chair Mike Sanders gave a brief report on the Investment Committee meeting held prior to the Board Meeting and introduced George Hauptfurher from Prime Buchholz.

George began by reviewing the Board Summary included in the notebooks and discussed the performance of the funds and the intermediate pool asset allocation. Next, he reviewed a summary in dollars dating back to 2006, starting at $37.8 million and ending currently at $52.7 million. George encouraged members to contact him if they had questions concerning the Board Summary from Prime Buchholz. Investment Chair Mike Sanders thanked George for his presentation and encouraged members to ask questions and remain engaged in the investments of the Foundation.

**Audit Committee**
Audit Chair Tommy Jones recognized his Audit committee members and introduced Alisa Howell of Mauldin and Jenkins for presentation of the Audit Report.

Ms. Howell began her report by stating that assets for year-end were $60.2 million, and total net assets were $60,069,809. Ms. Howell continued by explaining the process that they follow in auditing the Foundation and briefly reviewed the Financial Position, Activities, and Cash Flow. With no further business, Ms. Howell concluded her report.

**Governance Committee**
Committee chair Charles Chandler asked the trustees to reference the bylaws under tab 3 and to note the proposed change of renaming the Gift Planning Department to include Trusts, Estates, and Gift Planning. The governance committee brought that to the board for approval. With no second needed, the trustees voted and unanimously approved the change. This completed Mr. Chandler’s report.

**Development Committee**
In the absence of committee chair Billy Hickman, Jim Medbery reported on behalf of the Development Committee. Jim gave a brief overview of the last development committee meeting and informed the trustees about the results from the October “Southern Classic” Golf tournament. Appreciation was expressed to all of those involved with the tournament and it was once again deemed a success.

Joe Drake of Gulfstream made an announcement to the group concerning a donation. He has received approval to renew a $225,000 grant from Gulfstream to support the University, primarily the manufacturing and engineering program, the co-op and intern program, and the national youth at risk conference. Joe was thanked for sharing the good news with the trustees. At this time, Christopher Johnston was called on to ask the group to participate in a brief Peer Review from a list of prospective donors. Everyone was asked to make notations beside those names they were familiar with and make any written comments that might be helpful to the committee.
With no further business, the Development committee report concluded.

**Finance Committee**


- Minutes from Finance Committee meetings are in each notebook.
- Proposed amended FY2016/Proposed 2017 Unrestricted Income Budget:
  - Proposing a slight decrease in *A Day for Southern*, from $52,500 to $50,000
  - Proposing slight increase in *A Day for Southern On Campus* from $17,000 to $18,000 and decrease from $210,000 to $195,000 for Phonathon.
  - Total return from investments is computed the same way we compute endowment spending, or 4.25% of a 3 year moving average. The original computation is based on FY12, FY13 and FY14. New computation is $404,610 which is based on FY13, FY14, and FY15.
  - Proposing increase of other income from $7500 to $10,000 based on last year’s actual received.
  - Increase royalties from $46,000 to $100,000 due to new nationwide contract.
  - Unrestricted reserve is a balancing figure to the expense budget.
- Proposed amended FY2016/Proposed 2017 Expense Budget:
  - Add $20,000 for FY16 and FY17 for financial need scholarships. These funds are for students who are enrolled but are about to be dropped due to their inability to pay $1000 or less that is owed after all HOPE, Pell and other funds have been applied to their account.
  - Proposing to rename special events to football skybox and are asking for $12,500 more for FY16 and $7500 more for FY17. $7500 of the increase is due to fact that the President’s box is now required to purchase tickets for skybox attendees, and that amount was approximately $7500 last year. The extra $5000 this year is for the 6th home game and for events associated with the UGA game.
  - Vice President for University Advancement – this budget has been cut the last few years, as it was approximately $200,000 from FY2001 – FY2013 and was cut to $158,000 for FY14 and FY15. Proposed an increase to $15,000 because of extra events and larger department. The events include presidential luncheons and other small group events hosted by the Vice President.
  - Proposing increase of $19,000 to $27,000 in Audit Accounting due to higher audit fees, as the committee chose (in due diligence) a larger, regional firm that specializes in non-profit, higher education audits.
  - Proposing increase from $8,000 to $15,000 in contingency fund (additional funds needed in event of unexpected expenses, such as land appraisals).
  - Asking for increase of $1000 for the Foundation Board of Trustees Account to assist in funding the new trustee orientations and costs associated with them.
  - Proposing to move Ga Chamber of Commerce dues to the capital campaign budgets and also proposing to change name of Phonathon account to student engagement.
  - Proposing a decrease from $50,000 to $8400 for the Georgia Southern general fund contribution for the FY16 and proposing $50,000 for FY17. This is for the
President’s salary supplements and we have been asked to pay only $8400 this fiscal year.
- The Board of Regents Foundation is for annual Gala. Amount required to pay last year was less than $1400, so we are only including $2000 in the budget for FY16 and FY17.

The total proposed amended unrestricted income and expense budget for FY16 is $816,200 and the total proposed income and expense budget for FY17 is $852,800.

The next proposed amendments will be for the FY16 capital campaign income and expense budgets. The FY17 budget will be proposed in the spring of next year, when there is a better idea of what is needed for FY17.

- Proposed amended FY2016 capital campaign Income Budget:
  - Propose to increase the gift fee of 5% from $67,740 to $71,973 based on the non-endowed income received during FY15 as opposed to FY14.
  - Propose to decrease the 10% endowment management fee from $426,114 to $419,328 which is based on the FY15 market value as opposed to FY14 market value.
  - The unrestricted reserve is a balancing figure to balance income with expenses.

- Proposed changes to the FY2016 capital campaign expense budget:
  - Increase of $2000 for the major gift officer for the College of Science & Math, as he has taken on corporate and foundation relations and will need additional travel funds.
  - Increase of $5000 for Advancement Services for supplies and support. This includes accounting, information technology and research needs, including web-based software costs.
  - Increase of $31,275 for chamber dues, which includes $11,000 that was moved from the operating budget. The remaining memberships are in SAV, ATL Metro, Statesboro, Jacksonville, and Augusta. They will be re-evaluated annually.

- The total proposed amended FY16 capital Campaign Income and Expense is $806,275.

With no questions, a vote was called (no second was needed due to coming from committee) to amend the FY16/FY17 Unrestricted Budget and FY16 Capital Campaign Budget. With no opposition, the vote passed unanimously.

At this time, chair Barbara Golden presented her outgoing comments and expressed her appreciation to Salinda and the Board of Trustees. Caroline Harless (incoming Chair) presented Dr. Golden with a gift of appreciation from the board for her service.

Ms. Harless introduced the Board Leadership for the next two years and reviewed committee assignments for the Trustees. In concluding the meeting, Ms. Harless expressed her appreciation to the Board and staff of the Foundation and informed the Board that her goal, through involvement with this board, is to give back in some small way to Georgia Southern and to the Foundation.
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 or read the complete recording of any meeting.*