GEORGIA SOUTHERN UNIVERSITY FOUNDATION, INC.
Spring Board Meeting
Tuesday, May 9, 2017
Georgia Power – 241 Ralph McGill Blvd, NE, Atlanta, GA
TOURS @ 11 AM – meet in lobby
LUNCH @ 12 NOON – Conference Center in GA Power
Meeting to follow

BOARD AGENDA

WELCOME AND OPENING REMARKS. Caroline Harless, Chair

APPROVAL OF BOARD MINUTES. Caroline Harless, Chair

UNIVERSITY SYSTEM OF GEORGIA UPDATE. Dr. Steve Wrigley, Chancellor

UNIVERSITY UPDATE. Dr. Jaimie Hebert, University President

UNIVERSITY ADVANCEMENT/CONSOLIDATION UPDATE. Trip Addison
Vice President for University Advancement & External Affairs
President of University Foundation
Bill Kelso
Vice President for Advancement, Armstrong University

(10 minute break)

COMMITTEE REPORTS

- Membership. Jimmy Matthews, Chair
  o New Member – Audrey King

- Governance Committee. Dan Speight, Chair

- Development. Billy Hickman, Chair
  o Southern Classic Update. Jim Medbery

- Investment. Mike Sanders, Chair
  o Update. David Center

- Finance. Mike Skinner, Chair
  o Update. Jodi Collins

CLOSING COMMENTS AND ANNOUNCEMENTS. Caroline Harless, Chair

NOTE: Please bring your ID (drivers’ license) into Georgia Power Building with you for admittance to Conference Center area. GS Staff will meet you in Lobby.
The Georgia Southern University Foundation Board of Trustees met at 1:00 pm at the Georgia Power Headquarters in Atlanta, GA. Trustees present were: Trip Addison, Paul Barkley, Caroline Harless, Dr. Jaimie Hebert, Audrey King, Jason McMillan, Mike Sanders, and Jim Van Epps. Others in attendance were: Melanie Mosley, Lauren White, Jodi Collins, Angela Harn, Annalee Ashley, and David Center.

Welcome and Opening Remarks – Caroline Harless welcomed everyone to the Spring Board Meeting of the Georgia Southern University Foundation.

Approval of the Board Minutes – Caroline Harless referred Trustees to the minutes of the Fall 2016 meeting and asked for any revisions or corrections. Dan Speight made the motion for the minutes to be accepted. The motion for a second was made by Paul Barkley, and it passed unanimously.

UPDATE FROM THE CHANCELLOR - DR. STEVE WRIGLEY

At this time, Chancellor Steve Wrigley was introduced and welcomed to the Board Meeting. Dr. Wrigley expressed his appreciation to the Board for their support and to Georgia Power for hosting the meeting. He gave an update from the USG on their three major priorities: raise attainment levels (graduate more people with a degree), be more affordable (keep tuition/textbook costs at modest level), and be more efficient (consolidation). In addition, Dr. Wrigley invited questions from the Trustees and concluded his presentation.

UPDATE FROM UNIVERSITY PRESIDENT – DR. JAIMIE HEBERT

Chair Caroline Harless thanked Dr. Wrigley for his comments and introduced Dr. Jaimie Hebert, President of Georgia Southern University. Dr. Hebert expressed his appreciation to the Trustees and thanked them for their attendance. In providing an update to the Trustees, Dr. Hebert spoke primarily on the consolidation between Georgia Southern and Armstrong, discussed primary reasons for the consolidation (including reinvesting savings into the academic mission), and reviewed the detailed procedure/timeline involved with the process. Additionally, he discussed the process being followed for athletic students at ASU and guidelines for continued support of these students. Dr. Hebert also discussed approval of the mission statement for the new University and the process of submitting a prospectus to SACS for approval.

As a wrap-up to the timeline, Dr. Hebert stated that pending prospectus approval by SACS and the BOR (by January 2018), Georgia Southern will be functioning as one institution with three
After a review of the new University’s proposed cabinet and the campus colleges, Dr. Hebert answered a few questions from the Trustees and concluded his presentation.

**UPDATE FROM UNIVERSITY ADVANCEMENT & EXTERNAL AFFAIRS – TRIP ADDISON**

Vice President Trip Addison updated the Board on upcoming changes on campus including the Campus Carry Law, the current University budget, and the consolidation between Georgia Southern and Armstrong.

- Campus Carry Law goes into effect on 7/1/17 - VP Addison gave a few examples of what has changed with this law.

- University Budget – significant projects in budget including CEIT receiving just under $5M to begin plans for a $60M building to be located at end of Akins Blvd. Also, Hanner Fieldhouse will receive funding (for access) to bring it into ADA compliance. In addition, $22M was allocated for a new health professions building on the Armstrong campus.

- Consolidation – several operational working groups are in the Advancement/Foundation area and are working to update the database system to provide clarity on the data within our area. In addition, donor engagement is being analyzed and combined asks are being reviewed. If the two Foundations merge, the working group for the Foundation will work to consolidate the two Foundations including a re-write of the Bylaws and merging of the two. Also, titles within the UA organizational chart will change as the organizational chart is populated and these changes will be effective January 1, 2018.

**UPDATE FROM ARMSTRONG STATE UNIVERSITY – BILL KELSO**

Armstrong VP Bill Kelso thanked Dr. Hebert for his leadership during this consolidation process and told the Board about his history with ASU and his decision to work with Georgia Southern University. Also, he discussed the ASU Foundation Board and their similarity to the Georgia Southern Foundation Board. Mr. Kelso provided an overview of fundraising from ASU and gave several examples of pending commitments for major gifts in the area of healthcare. He also discussed the potential merging of the Boards and possible timeline of this process. After answering a few questions from the Trustees, Mr. Kelso concluded his report.

**COMMITTEE REPORTS**

**Membership Committee Report:** In the absence of Membership Chair Jimmy Matthews, Chair Caroline Harless gave the report for the committee. Two resignation letters have been received since the last Board Meeting, from Tan Adams and Marty Daniel. In addition, Mrs. Harless introduced new Trustee, Audrey King and Dr. Hebert presented Ms. King with her membership pin.
**Governance Committee Report:** Committee Chair Dan Speight recapped the recommended changes to the Bylaws:

Page #1, Section 3.2 (b) – Updating Title of VP from Vice President of University Advancement to Vice President for University Advancement and External Affairs.

Page #4, Section 5.1 - 1) States that the VP for University Advancement and External Affairs will serve as President of the Foundation 2) States that the VP for Business and Finance will serve as the Secretary/Treasurer of the Foundation (has always been the case, just clarifying in bylaws).

Page #4, Section 5.4 – The Chair-Elect shall be an ex-officio member of all committees of the Foundation. Currently, the Chair is an ex-officio member and this will give chair-elect experience with these committees during his/her 2 year term prior to serving as Chair.

Page #6, Section 6.1 (a) - Add Committee Chairs as members of the Executive Committee.

Page #7, Section 6.4 - Review investment manager/consultant from time to time, not to exceed 5 years (instead of 10 years). If no one on the Investment Committee has been thru the RFP Process, allow an Emeritus Member(s) (with prior Foundation RFP Experience) to serve on the committee as a non-voting member.

A motion was made by Jim Van Epps to accept the revised by-laws and a second was provided by Paul Barkley. All were in favor and the motion passed.

Also, the committee reviewed a new Record and Document Retention Policy and provided the Board with a copy in their notebooks. With no further business, Mr. Speight concluded his report.

**Development Committee Report:** In the absence of Committee Chair Billy Hickman, Committee member Jim Van Epps provided the report and updated the Trustees on the upcoming Southern Classic Golf Tournament scheduled for November 6, 2017 at the Capital City Club, Brookhaven in Atlanta. Mr. Van Epps has secured a $10K sponsorship from AT&T for the event and he encouraged the Board to participate in the event as it is a fundraiser to benefit student scholarships. Trustees were all provided brochures for the upcoming tournament.

**Investment Committee Report:** Mike Sanders, Committee Chair, began his report by welcoming Audrey King to the Board and also welcoming Bill Kelso to Georgia Southern University. He informed the Trustees that the Fund Evaluation Group has been chosen as the new Investment Consultant and he introduced David Center to give an update from the new consultants. Mr. Center provided Trustees with a handout and reviewed the executive summary.
and touched on performance (positive), portfolio allocation changes, and liquidation of selected assets. In addition, he reviewed debt obligations, liquidity requirements, goals for the pool and the survey sent out to investment committee members. The firm is continually monitoring the changes made and working to keep the Investment Committee informed. Mr. Center reviewed the proposed Investment Policy, thanked the committee and the board for support, and turned it back over to Mr. Sanders. At this time, Mr. Sanders called for a motion to approve the new Investment Policy. Paul Barkley made the motion to accept the Investment Policy as presented and Jim Van Epps provided a second. All present were in favor of the motion.

With no questions, Mr. Sanders concluded the report.

**Finance Committee Report:** In the absence of Finance Committee Chair Mike Skinner, Chair Caroline Harless introduced Jodi Collins, Director of Foundation Accounting, to give the Finance Committee report. Ms. Collins reported that the Finance Committee met on April 28 and reviewed the financial reports for March 31 and the proposed Fiscal Year 2018 operating budgets. Per attachments in the notebook, Ms. Collins reviewed the donation comparison summary showing an amount of $8.1M for the fiscal year (as of 3/31/17), which included planned gifts of almost $5M. Next, she reviewed statement of financial position with investments of $58.3M (up from $54M in 2016) and total assets of $61.6M (up from $57.7M last year).

Ms. Collins presented the FY18 proposed Operating Budget. The total current income budget is $1,637,992 and the total proposed FY18 budget is $1,301,023, a reduction of about 20%. In order to not spend any of the current reserve, there will be decreases in the expense budget during the FY18 year. Major reductions include: collateral materials, consultant fees, UHP scholarships which will be paid from Coca-Cola contributions that are designated for scholarships, and the President’s salary supplement (shifted to State Budget). With these decreases and a few others, the expense budget is reduced to $1,301,023.

A motion was made by Paul Barkley to approve the FY18 revised budget. A second was made by Jim Van Epps and the vote was unanimous.

**Announcement and Closing Remarks:** Chairman Harless referred the Board to the Upcoming Events sheet in the notebook, and thanked all the members who were in attendance. With no further business, she adjourned the May 9, 2017 Spring Board Meeting.

**NOTE:** A quorum of board members was not present at this meeting. All items voted on were electronically sent to trustees for remaining votes to be counted. Upon consolidation of votes, all motions passed.

*All meetings of the Foundation Board are recorded. The preceding 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.*