GEORGIA SOUTHERN UNIVERSITY FOUNDATION, INC.

Spring Board Meeting
Saturday, May 18, 2019 – 8:30 AM Breakfast, 9:00 AM Meeting
Georgia Southern University – Armstrong Campus - Savannah, GA
Health Professions Academic Building

BOARD AGENDA

WELCOME AND OPENING REMARKS. ..................................................... Billy Hickman, Chair

APPROVAL OF BOARD MINUTES. ....................................................... Billy Hickman, Chair

COMMITTEE REPORTS

- Development Committee ................................................................. Jason McMillan, Chair
  o Update ......................................................................................... Julie Gerbsch
    Executive Director of Development

- Investment ....................................................................................... Mike Sanders, Chair

- Finance .......................................................................................... Dana Potts, Chair
  o Update ........................................................................................ Trip Addison
    Vice President for University Advancement
    President of University Foundation

CONSOLIDATION ................................................................. Billy Hickman, Chair
  o Presentation of the Documents .................................................... Frank Macgill
    Georgia Southern Foundation Attorney, HunterMaclean

UNIVERSITY ADVANCEMENT UPDATE ........................................ Trip Addison
  Vice President for University Advancement
  President of University Foundation

GEORGIA SOUTHERN UNIVERSITY FOUNDATION, INC. MEETING ADJOURNED
Welcome and Opening Remarks – Chair Billy Hickman welcomed everyone to the Spring Board Meeting of the Georgia Southern University Foundation and opened the meeting with the Pledge of Allegiance and a prayer.

Approval of the Board Minutes – Chair Hickman referred Trustees to the minutes of the Fall 2018 meeting and asked for any revisions or corrections. A motion was made by Jason McMillan to accept the minutes with a second from Joe Drake. The motion carried.

COMMITTEE REPORTS

Development Committee – Development Committee Chair Jason McMillan reported that the Development Committee met at Bishop Alumni Center on April 30, 2019. They discussed partnerships with the major gifts officers and that they are getting together regularly to discuss the cultivation of prospects. Also, he mentioned that the thank-you note process had started again and foundation board members are being asked to write hand-written thank you notes to donors contributing $500+ to the Foundation. At this time, Mr. McMillan turned to Julie Gerbsch, Executive Director of Development, for an update from her area.

Mrs. Gerbsch reported that there had been some personnel changes in the Development area, and Kelly Pope is now the Gift Officer for the College of Engineering and Computing. Also, Ross Davis is now the Gift Officer for the College of Science and Math (in addition to maintaining his current role as Gift Officer for both colleges in the Health Professions area).

Mrs. Gerbsch referred the Trustees to the Development section of the notebook to review updates from each Gift Officer and some of the success highlights. Also, she mentioned that Christopher Johnston (Trusts, Estates, and Gift Planning) is planning an extended trip on the East Coast to meet and visit with donors and alumni.

Investment Committee – In the absence of David Center (FEG), Investment Committee Chair Mike Sanders presented the Investment Committee report to the Trustees (copy of the report was provided to each Trustee). Mr. Sanders began by discussing the goal of 7.45% return over an annualized basis (includes 4.25% distribution rate of funds, 1% administrative fee, and 2.2% inflation rate). He continued with a review of the allocation funds and the four different categories within the investment portfolio and recapped the report for the Trustees. Mr. Sanders encouraged the Foundation Board to review the report further and to contact him if they had
questions or concerns about the foundation investments. After answering a few questions, Mr. Sanders concluded his report.

**Finance Committee** – Chair Dana Potts called on Trip Addison, President of the Georgia Southern University Foundation, to give the Finance Committee report. In reviewing the budgets, he pointed out:

- The first three quarters of fundraising in FY19 were very strong as we are looking at a total just shy of $13 million for that period.
- Consolidated Statement of Financial Position for 2018 and 2019 – there is not as much cash being held as shown (timing issue – scholarship payments).
- Consolidated Statement of Activities – the report has been changed to two columns (without donor restriction and with donor restrictions) — accounting format change.
- FY19 Operating Income Budget vs. Actual Report – A Day for Southern donations are lower than expected - changes have taken place with the Foundation Expense policy and this resulted in whether or not employees chose to give this year.
- FY19 Operating Expense Budget vs. Actual Report – an additional $315,000 was budgeted for General Scholarships ($60,000 from account cleanup and $255,000 from reserve account). A large balance remaining exists due to the timing of scholarship payments within the University.
- FY20 Operating Income Budget – note reduction of Royalties. The decrease is due to Bank of America ending their royalties program with the Foundation. Hopefully, we will get another bank in place to provide royalties for next year.
- FY20 Operating Expense Budget – changes have been made in travel for four positions and the need for additional funds in the Annual Giving Budget has been recognized.

At this time, Mike Sanders made a motion to accept the FY20 Operating Expense and Income Budgets for the Foundation. With a second from Stephen Milner, the vote was unanimous.

Chair Billy Hickman called on Frank Macgill of HunterMaclean to provide an overview of the merger documents between Georgia Southern University Foundation, Inc. and Armstrong Foundation of Georgia Southern University. He explained that what is going before the board are two items: 1) resolutions to approve the merger of the Armstrong Foundation with and into the Georgia Southern University Foundation and 2) approve the implementation steps and action items to carry that forward by authorizing officers and or directors to carry those actions out on behalf of the Trustees. As this is a merger of two nonprofit organizations following Georgia law with the Armstrong Foundation merging with and into the Georgia Southern University Foundation, the Georgia Southern University Foundation is the surviving entity as of the merger date. The merger date is effective at 12:01 AM on July 1, 2019, which coincides with the end of both foundations fiscal years at June 30 and of course the start of a new fiscal year for the combined singular Foundation on July 1. The merger documents were vetted through both organizations, respective auditors and outside tax return preparers.

At this time, Trip Addison was called on to review the Agreement and Plan of Merger (provided in Trustee Notebooks). Once that was complete, Mr. Addison read the Resolutions of the Board of Trustees of Georgia Southern University Foundation, Inc.
Jason McMillan made a motion to approve the resolutions of the board of Trustees of Georgia Southern University Foundation and to approve the merger and merger documents. Stephen Milner provided a second. With a unanimous vote, the motion passed.

With no further business, the meeting was adjourned.