Agenda

I. Call to Order – Drew Ernst

II. Review and Approval of Minutes – Drew Ernst

III. President’s Remarks – Linda Bleicken

IV. College of Health Professions Building Update – Linda Bleicken

V. Development Report – Bill Kelso

VI. Alumni Development Report – Cheryl Ciucevich

VII. Finance Committee Report – Jessica Henderson/Michael Kemp
   • FY 16 Audit Report – Action Required
   • Q4 Financials – Action Required
   • Gift and Gratuities Policy – Action Required

VIII. EPFI Report – Chris Corrigan

IX. Other Business – Drew Ernst

X. Adjourn

Next Meeting: Friday, November 18, 2016
The Board of Trustees for the Armstrong Foundation met in the Armstrong Center Ballroom.

**Board attendees were:** Linda Bleicken, Ellen Bolch, Chris Corrigan, Lee Davis, Drew Ernst, William Kelso, Ben Price, Alex Salgueiro, Scott Scheidt, John Sobke, Irving Victor.

**Representing the University were:** Cheryl Cucevich, Hope Fuller, Valerie Garrison, Julie Gerbsch, Amy Heaston, Jessica Henderson, Allison Hersh, Pete Hoffman, Georj Lewis, Rick Matthews, Robert Smith, Teresa Tatmon.

**Call to Order — John Sobke**
Chair Sobke called the business meeting to order at 8:18 a.m. Secretary Lee Davis noted that a quorum was present.

**Review and Approval of Minutes — John Sobke**
Chair Sobke asked for a motion to approve the February 5, 2016 meeting minutes and if there were any questions or discussion to be made. Alex Salgueiro moved, Drew Ernst seconded. There were no questions. The February 5, 2016 minutes were approved as presented with no amendments.

**President's Remarks — Linda Bleicken**
- Spring 2016 Commencement — largest graduating class to date with more than 800 graduating. Lt. Gen. Edward C. Cardon was the commencement speaker. Noted outstanding students and their achievements.
- The Education Trust Report
- Student Scholarship Symposium
- Athletics Update
- GPA Recognition Ceremony
- Dr. Dorothee Mertz-Weigel — Knighted by French Ministry
- Dr. Cameron Coates — Selected for NASA Fellowship
- 23 Armstrong Alumni Selected as Teachers of the Year
- Zobel Lecture — February 16, 2016
- Moveable Feast Lecture Series
- Treasure Savannah
- Campus Conversation Series
- Savannah Asian Cultural Festival
• Economic Impact FY 2015
• What’s Ahead
  o Tennis
  o Enrollment Trends
  o College of Health Professions

Development Report – Bill Kelso
At Mr. Kelso’s request, Provost Bob Smith introduced Scott Scheidt in his new role as Director of Armstrong’s Center for Applied Cyber Education. LTC Scheidt is also the newest Lt. Col. in the Georgia National Guard, with extended experience with the Army and in cyber security.

Center for Applied Cyber Education - Pete Hoffman
• Developed partnerships because of the strength of our cyber program due to good team members and collaborative efforts of COST, COLA, and COHP.
• Due to this strength we have been designated a National Center of Academic Excellence in Cyber Defense Education, giving us the stamp of approval from the National Security Agency and the Department of Homeland Security. Armstrong is one of four CAE Universities in Georgia.
• This designation has opened doors of partnerships with the DoD:
  o US Army Cyber Command, Georgia National Guard, US Army Reserve
• Academic Partnerships brought about:
  o NATO Cooperative Cyber Defense COE, National Cyberwatch Center, National Integrated Cyber Education Research Center.
• Interest from the private sector includes:
  o Northrop Grumman, Booz Allen Hamilton, Parker’s, Hargray, PwC (PricewaterhouseCoopers), Oracle.
• Desired End-State
  o Program and enrollment growth for military-affiliated students, industry workforce development, and traditional student enrollment.
  o Contributions from government and private partners for professors and instructors, computers and software, facilities.

Alumni Engagement Report - Scott Scheidt
• Maroon’d Pirates Event (April 5): Geared primarily toward student philanthropy; raised more than double last year’s numbers, raising $3,000.
• Maroon Challenge (April 6): Showing Pirate Pride by decorating office space. More than twice as many participated this year.
• Lighting the Athletic Fields Initiative: A direct-mail campaign to raise money among the alumni, with the theme being to raise 100 gifts of $100.00 each. This project has helped reconnect with alumni who played Men’s Soccer before the program disbanded 30 years ago, and includes planning a reunion for this group in addition to projects to support the Women’s Soccer team.
Mr. Kelso asked Chris Corrigan to update the trustees on the status of the Health Professions Building. Mr. Corrigan stated:

- Handouts were distributed to all trustees in their meeting packets, which include a project schedule and a drawing perspective of the new building.
- Steering committee included mostly HP faculty, led by the Director of Facility Services, and the COHP Dean, Dr. David Ward. Purpose was to work with the architectural design firm, SLAM (Atlanta) and determine what should go into the building, and what kind of space was needed. That process was completed May 12.
- The architect has compiled the information and presented a conceptual design, approved by the BOR.
- December 2018 projected completion, anticipating full funding in next year’s legislative session.

Drew Ernst asked where the new building would be located. Mr. Corrigan responded that the building will be behind Ashmore Hall, adjacent to Fine Arts, fronting on University Drive.

John Sobke asked what the area of the new building will be. Chris Corrigan responded that the new facility is expected to encompass 66,500 sq. ft. in a two-story building. Ashmore Hall includes 46,000 sq. ft. of existing space.

Gen. Sobke also noted that securing the $22.6M for the project will take team effort.

**Fundraising Update – Bill Kelso**

- **Marketing and Communication Highlights**
  - Won Council for Support and Advancement (CASE) District III Grand Award for Best Fundraising Publication-Soccer Lighting piece.
  - Won CASE District III Special Merit Award for Best Branding/Marketing Video-Start Strong commercials.
  - Won Higher Ed Marketing Silver Award for Best Website.
  - All created in-house, these are getting attention regionally and nationally.

- **Paint The Town Maroon (PTTM)**
  - Thanks to Ellen Bolch for being the presenting sponsor.
  - Thanks to Alex Salgueiro for providing significant advertising gift-in-kind as well as monetary support. The billboard space alone throughout Savannah provided well over half million weekly impressions.
  - $55,000 cash was raised for general scholarships.

- **College of Health Professions Building**
  - Mr. Kelso briefly outlined the Waters’ $2M gift agreement for the named College of Health Professions. The agreement was executed March 1. The Waters built in a challenge for us to leverage their pledge in raising another $2M. We are currently working toward that match.

- **Q3 Fundraising Results ending 3/31/2016**
Trending ahead of where we were last year with the third year in a row over $1M in fundraising.

Julie Gerbsch is working on major multi-year gifts. She recognized Dickey Mopper and Carl Bleicken for their leadership in raising funds for the athletics lighting project.

Alex Salgueiro asked a question concerning funds raised during PTTM. Including gifts-in-kind, the amount raised was $82,000.

Finance Committee Report – Jessica Henderson

Ms. Henderson reviewed the 3rd Quarter Financials FY2016 to include statement of activities and financial position.

Statement of Activities:

Revenue:

- Total revenue for the quarter was $1,393,888.09. This was $486,849.06 less than the same period last year. However, the prior year revenue total includes the annual gift-in-kind from the University for salaries and benefits for Foundation employees of $519,314 that was booked in December 2014. The gift-in-kind for salaries for this year will not be booked until June 2016, reflecting the changing of our fiscal year to a June 30 end date.

- Ignoring the gift-in-kind amount, total revenue increased by $32,465. This increase was mainly due to unrealized losses on the endowment of $114,285.

- These losses were offset by some increases in major gifts revenue:
  - $62,715 Corvias/P3 scholarship money increase from 2014-15
  - $15,000 JC Lewis donation increase from 2014-15
  - $30,000 GA Power increase from 2014-15
  - $100,000 Food Pantry donation increase from 2014-15

- Overall Contribution revenue was $1,132,716, which was $203,010 higher than the same period last year (ignoring the gift-in-kind that was included in the 3/31/2015 figure).

Expenses:

- Expenses decreased $733,965 for the 3rd quarter.

- The gift-in-kind expense for salaries and benefits of $519,314 is included in the expense total for the prior year it was booked, 12/31/2014 (previous end of fiscal year). This expense will be booked on 6/30/2016.

- The program expenses represent the amount of scholarships paid to the University. The difference in this line represents a timing issue of scholarship invoices; $218,273 that has not been paid as of 3/31/2016.

The total combined changes in revenue and expenses create a net surplus for 2015 of $380,386.
Statement of Financial Position:

- Total assets increased by $380,386 during FY2016.
- Cash increased by $552,130, mostly due to the conversion of investments to cash for annual endowed scholarships, with $220,000 remaining in cash on hand to be expended.
- Investments decreased by $136,182 between July 1, 2015 and March 31, 2016.

Liabilities were unchanged.

The Foundation ended the third quarter of 2016 with a fund balance of $10,271,008, an increase of $380,386 over the previous year.

The report was accepted upon motion, second, and unanimous approval.

Policy Discussion/Summary of Policies – Jessica Henderson

Jessica Henderson reintroduced draft foundation policies that were first distributed and reviewed at the February 5, 2016 quarterly meeting. Each policy was acted on separately as follows:

2. Gift and Gratuities Policy: Ále Xuél moved, Ben Price seconded.
3. Whistleblower: Ellen Bolch moved, Ben Price seconded.
5. Document Retention: Alex Salgueiro moved, Ben Price seconded.

All policies were unanimously approved.

EPFI Report – Chris Corrigan

- EPFI owns 3 properties on campus. Two have been refinanced with very favorable, low interest rates. The third, the Student Union, is now coming into the window and we’re looking at refinancing to save possibly $2.5M.
- An architectural design firm has been engaged, through the BOR, to assist in completion of a campus master plan. Sasaki has been gathering information since last December and presented their findings to the PC. They will collate this information and present concepts and opportunities for a five-year master plan.
- The new tennis courts should be available for play by next week. Phase II of the project will include a complete facility pavilion with blocks of rooms, offices, bathrooms.
- The Student Support Center is 50% complete and will be a great space for the first year advising experience. Completion is anticipated by September.
- The Athletic Facility Lighting program will begin construction on the Soccer fields, thanks to Alumni and sponsorship revenue. Completion is anticipated by fall.
Other Business – John Sobke
Mr. Kelso noted that both Drew Ernst and Ben Price have agreed to serve additional three-year terms. Mr. Kelso submitted his recommendation that the board approve the additional terms.

Upon motion by Alex Salgueiro and second by Irving Victor, the additional terms were approved.

Mr. Kelso presented Drew Ernst’s name for consideration of Foundation Board Chair for the FY2017 term.

Chair Sobke asked for a motion to approve Drew Ernst as the Foundation Board Chair for the FY2017 term. Upon motion by Mike Kemp and second by Ellen Bolch, Mr. Ernst was approved as the incoming Foundation Board Chair.

President Bleicken noted that talk about consolidation has been on the increase. Dr. Bleicken discussed the rumors with the Chancellor. The Chancellor affirmed there is no Armstrong consolidation being planned.

Bill Kelso reminded the board of the reception being hosted by the Bleickens in their home on August 23, 5:30 p.m. All are invited to attend. Formal recognition will be given to those who have served in leadership capacity and to welcome newcomers and those currently serving.

Mr. Kelso thanked John Sobke for being a great friend to the university, recognizing his service as board member, vice chair, and chair.

Meeting Adjourned 9:35 a.m.

Respectfully submitted,

E. Lee Davis
Foundation Secretary