



## NDSCS Foundation Executive Board Meeting Minutes

Pursuant to due call and notice thereof, as regular meeting of the Foundation Executive Board of NDSCS, Wahpeton North Dakota, was duly called and held in President Richman's office, on Thursday, January 31, 2019 at 8:00 AM.

**The following members were present:** Kelly Hubrig, Annette Loken, Josh Dozak, Hugh Veit, Bob Gette, Roger Richels, Chris Johnson, Margaret Wall, Linda Hopkins, President John Richman, Michelle Nelson, Tim Neumann, and Kim Nelson. Joel Kaczynski attended the meeting via phone

President Gette welcomed everyone and asked for a motion to approve the minutes from the December meeting as presented. **Josh Dozak made the motion to approve the minutes, seconded by Chris Johnson, the motion passed.**

Bob Gette introduced Annette Loken who updated the Executive Committee on **Bell Banks Investment Report**. She then reported on the subcommittee meeting and reviewed the Endowment portfolio. The portfolio was just under \$16 million on December 31. Annette reported that most of the loss experienced in December had been recouped by January 16. The volatility of the market was displayed by a graph, which showed 2018 was about average for the last 20 years. Annette also explained that the principal amount of the Endowment is different from the scholarship calculation amount. Charitable Gift annuity investments and gifts given, not invested to pay out Scholarships are not included in the Principal of the calculation. The total for scholarship calculation is about \$900,000 less than Invested, according to the Foundation Accountant, Michelle Nelson.

Kim reported on the **monthly budget**. The foundation is about 4% below budget at this time. There are many sources of income built into the budget in the last quarter of the year, yet to be included, like Dreams Auction, Endowment Management fee, Lease rental, and land rent.

Kim and Michelle Nelson discussed the **Foundation's scholarship award policy**. Kelly Hubrig commented that the endowment percentage has grown considerably. The Investment sub-committee met on 22 January to discuss and bring forward a recommendation to the Executive Board. The recommendation is **3%** of \$14,437,467 or **\$433,124.03**. This total is \$50,000 more than in 2018. **Annette Loken made the motion that the amount be 3% of the 12 quarter average of the market value of the Endowment account. Hugh Veit seconded the motion. Motion passed unanimously.**

Kim and Tim gave an update on the Annual and Club campaigns for 2019. With the second ask just mailed out the Foundation is a little over 70% of our goals.

As of meeting time, the Challenge grant is completed for 2017- 2018. NDSCS was allocated an additional \$2100.

A short discussion as Kim explained the candidates' nominations for **Homecoming 2019**. They will be voted on by the full board in the next week. Kim asked if anyone had any other nominations.

Kim gave the Executive Board an update on the Madge Vertin Loan Fund Account. The initial gift will remain as original principal. Kim is working with a lawyer to put forward a recommendation with the courts, that the earnings would be used for Scholarships vs. Loans. There is 2.7 MM of earnings and payback from the loan program. This money would also be used to create earnings for scholarships and not loans.

**Career Academy Update – Dr. Richman and Hugh Viet gave the report. John explained:**

1. The first item involved was raising private funds
2. Selecting and securing a sight was updated
3. Figuring the design and operations budget
4. A short term loan during construction and to cover costs until pledges kick in
5. The college and the Foundation will work with many school districts

Hugh Veit shared the RFQ process. It will be public in Fargo and Wahpeton. The request for the RFQ are for Architectural designs plus the Engineering side of the project.

Kim and Chris gave an update on the Land Lab. There will be a luncheon on March 6<sup>th</sup> to thank and congratulate those involved with the Land Lab in its first year. Kim has said it will be around 60 invites. The premiere people involved with the Lab met and discussed what needed to change or be done better. We are so fortunate to have this gift and it being stewarded so well by these professionals. RDO, Southern Valley Coop, Petersons Farms Seeds, Goerger Seed, the people that have helped from on campus and especially those on the staff in the Agricultural Department.

John Richman's report on the Legislative movements so far.

1. The House of Representatives are taking out the things the Governor had in his budget but the second half of legislation the Senate will have an option to add some of them back in.
2. Looks like there will be salary increases this year for the first time in three years.
3. During the 3<sup>rd</sup> week, NDSCS hosted a social and the vice presidents as well as Kim and John entertained 50 legislators. This was hosted by the Foundation.
4. Looks like the House will ask for each campus for 5% more.
5. There have been three tuition bills voted on.

**Adjournment was motioned by Chris Johnson and seconded by Josh Dozak**

Submitted by Tim Neumann/Kim Nelson

Approved 3.7.19