

Flathead Valley Community College Foundation Board Meeting
Tuesday, June 7, 2016
Arts and Technology Building, AT 139
3:30 PM

Present: *Board of Directors* – Chair Justin Sliter, Meredith Boulter, John Bowdish, Frank Garner, Nancy Gordley, Jessica Hanson, Mark Johnson, Donna Lawson, Patrice LaTourelle, Jim Lehner, Diane Morton-Stout, Marylou Patterson, Jarrod Shew, Debbi Waldenberg, Stephanie Wallace, Suzy Williams, *Associate Members* – Cindy Lewis, Kathy Mercord, Leslie Mercord; *Ex-Officio Members* – Jane Karas, Shannon Lund; *Staff* – Colleen Unterreiner, Sue Evans, and Heidi Hickethier

Excused: Russ Barns, Stephanie Breck, Kayleen Kohler, Andy Miller, Chris Ridder, Margie Simpson, Al Stinson

Chair Justin Sliter called the FVCC Foundation Board meeting to order at 3:30 p.m.

Chair Sliter introduced Susan Guthrie, Assistant Professor of Art, who provided the board with an overview on Big Night which will be held June 10 and will help raise money for the Venice Program and study abroad programs.

Chair Sliter then introduced Kailee Hofstee, an Early Childhood student, who presented a slideshow on her recent student travel opportunity made possible by a foundation student travel grant. Kailee traveled with fellow students and faculty to early childhood centers in the inland Northwest as part of their studies in their final capstone class. Kailee thanked the Board for the opportunity.

Chair Sliter then introduced Laura VanDeKop, Associate Professor of Math, who gave an overview on FVCC Math Department activities that are helping students move through math more quickly with more success. The Foundation provided funds for supplemental instruction and support tools.

President Karas introduced Kirk Zander as new Vice President of Administration and Finance at Flathead Valley Community College (FVCC). She reported Chuck Jensen relocated to Helena where he was recently hired as the Deputy Commissioner for Administration and Finance for the Office of the Commissioner of Higher Education.

I. APPROVAL OF THE MINUTES OF March 1, 2016:

Pat LaTourelle moved to approve the minutes of the March 1, 2016 FVCC Foundation Board meeting. Jim Lehner seconded the motion and the motion passed unanimously.

II. Nominations to the Board:

Stephanie Wallace provided the board with recommendations from the Board Development Committee for new board members. Recommendations included; Kim Nystuen, a retired Flathead High School (FHS) Spanish teacher and community volunteer from Lakeside; Walter Kuhn, a CPA and businessman from

Bigfork, and Tracy Freeman, a Flathead native with a professional background in computers and information technology from Kalispell. Stephanie reported current board members Kayleen Kohler is relocating to Washington State for a new job and Pat Winkel will be leaving the board after many years of incredible service. The board discussed each of the candidate and their attributes. After the discussion Frank Garner moved to nominate all three candidates to the FVCC Foundation Board. Mark Johnson seconded the motion and it passed unanimously.

III. TREASURER'S REPORT

Treasurer Jarrod Shew reported on the Statement of Financial Position as presented. Jarrod compared the assets and liabilities to the same month last year and both were up. Assets were up due to an up-tick in the Broussard building pledge payments and the liabilities were up due to increased scholarships and enhancement grant payables. Frank Garner asked for clarification on the outstanding pledges and planned gifts. Colleen said outstanding pledges could be a gift left to the Foundation in a will and a planned gift could be a pledge that a donor is still paying on like a Broussard building pledge.

Justin Sliter then provided the report on the March 29, 2016 meeting with D.A. Davidson. D.A. Davidson receive our investments in January, 2015. The review was a 14-month review, Jan. 15 – February 16. The report was presented by Andrew Olofson, senior research analyst, Bryn Hagfors, Business Development, and Leslie Mercord, Vice President/Financial Advisor. The report included the following information:

- D.A. Davidson received our investments about the time the markets were showing increased volatility. The US equities market finished the first quarter of 2016 modestly above where it began despite dipping over 10% by mid-February.
 - During the first 14 months, our investments (equities and fixed income) were down -5.97% (annualized) compared to the IPS benchmark which was down -4.01%.
 - Our March 31 statement, however, indicates we have regained ground and are only down -1.71% (annualized).
 - The benchmark is created from a blend of broad market indices. We asked them to include the S&P 500 in the mix of indices.
- Allocations
 - Our current investment policy gives the investment advisors broad guidelines set at 65% as a maximum for both equities and/or fixed income. As of this report, we had 52.23% in equities and 42.45% in fixed income. About 5% of our assets are in cash.
- DA Davidson's analysis of the markets at the time of the report indicated
 - US GDP growth is expected to remain positive in 2016
 - Consumer spending has been a positive contributor
 - Commodity volatility continues
 - Currency stabilization removes uncertainty in the economy

- The unemployment rate has trended downward (although the latest job report was not good news!)
- Moderate job growth is expected to continue in 2016
- Wages are growing 2.2% year-over-year
- Investment Policy considerations
 - The Finance Committee will meet for the audit report later this summer and also review the investment policy for any changes that will guide our investments.
 - D.A. Davidson has suggested we look at:
 - Risk tolerance, being more explicit in our Investment Policy
 - More clarification on the language regarding benchmarks
 - More specific investment objectives in regard to spending, income and performance goals

IV. COMMITTEE UPDATES

Executive Committee

Justin Sliter reported the Executive Committee met and scheduled meetings and events for 2016 and into 2017. The next Foundation Board meeting will be September 12, 2016 but the Finance Committee will meet prior to that to go over the audit and 990. Justin read the board committee meeting dates as presented. Justin also said that Big Night was this Friday, June 10 and the Summerfest was July 13. He encouraged board members to attend.

Review Committee

Diane Morton-Stout provided a report on Enhancement Grants and Transformation Scholarship Applications. She reported that during the last board meeting the board approved \$15,000 for a spring round of enhancement grants. She said the Review Committee received eight (8) applications. Diane said the Review Committee is recommending the Foundation award \$12,800 for six (6) grants, five (5) for projects and one (1) for student travel. She briefly outlined each project as presented.

Diane also reported that 69 students applied for the \$10,000 transformation scholarship. She said that because all the recipients from last year graduated, we did not have any renewals to honor this next academic year, so the Foundation had \$15,000 left in the fund from last year and \$20,000 budgeted for this year for a total of \$35,000. Diane reported the Review Committee was able to award two scholarships at \$7,500 each and two scholarships at \$10,000 and the winners were announced at the President's dinner.

Events Committee

Bibler Garden Tours: Sue reported that all the spring Bibler Garden Tours sold out. Ticket prices were \$15 for adults, \$5 for kids. She said that summer tours are coming up and she outlined the July and August tour dates. Sue said there were four additional summer tours added, two on August 2 and two on August 4. She said that would hopefully bring in another scholarship.

Festival of Flavors: New York, New York – Donna thanked everyone who helped with New York, New York and reported the event netted \$21,000 for Festival of Flavors. She said last year Napa raised \$19,000 and she said the committee held a debriefing to discuss how to improve for next year as well.

Donna reported that over 100 guests will attend the Summerfest this year. There will be a rally for summer scholarships, an auction, a no host bar, music, and two specialty drinks. The event will be advertised on social media along with the traditional promotional channels. Donna outlined the venue as presented.

Donna stated the sponsorship goal this year is \$80,000 and we are currently \$65,000. She said the summer invitations will be printed soon and will be mailed out in the beginning of July. She outlined the summer venues as presented. Donna reported that we would like to post the live auction items online this year. Donna also said that Fladeboe will be the auctioneer at the Grand Wine Tasting again this year.

Board Development Committee

Stephanie Wallace thanked Suzy Williams for allowing the Foundation to use her house for the summer social. The Summer Social will be August 10, 2016 this year and we will have the new board member orientation prior to the social.

A & F Update

Suzy Williams provided the report for the FVCC Alumni & Friends. She outlined the membership drive which was held from March 9, 2016 to June 1, 2016 with a goal of enlisting 100 new participants. The membership drive generated 118 new FVCC Alumni & Friends, almost doubling the membership base. Heidi also outlined the A&F first business sponsors which are: Hafferman Engineering Inc., Wheaton's, Valarie McIntyre Photography, and Robert Peccia & Associates.

Heidi asked board members to mark their calendars for the A&F nonprofit night at Kalispell Brewing Company which will be held April 11, 2017.

Donor Development Committee

Marylou Patterson reported that President Karas hosted five (5) private lunches with private donors. President Karas plans to have more lunches in June. Marylou said an informational brochure on the Foundation was shared with donors at the President's dinner and an electronic version of that will be distributed at a later date.

Colleen thanked Jane for her willingness to meet with donors. She said it has made a huge impact and will help the Foundation realize long term benefits.

V. PRESIDENT'S REPORT

President Karas thanked Colleen, Sue and Heidi for their coordination with donor lunches and Community Conversations. Jane said this was the 15th year of Community Conversations and she provided an overview of these conversations.

Jane highlighted the upcoming FVCC 50th anniversary in 2017 and student housing including costs, layout, location, rental costs. Jane reported student housing will fund itself and there will be no request for private donor or public funding.

Jane also provided a report on the Running Start Programs and four year partnerships with other universities.

Jane said that Burlington Northern Santa Fe donated tickets aboard the Executive Cars on August 16. This will be a roundtrip train ride from Whitefish to East Glacier with a reception and dinner included. She said these seats will be auctioned off to help raise money for scholarships. She thanked Tracy and Bruce Freeman who were instrumental in helping secure these tickets.

VI. DEVELOPMENT REPORT

Colleen outlined the Annual Fund Drive as presented.

Sue reported on the summer scholarships awards and said that 50 people volunteered to read and rate applications for the 2016-17 academic year. Sue reported that there were 400 applications, a record number. Sue restated that \$35,000 in Transformation Scholarships were awarded this year as well.

Colleen reported that the Foundation is currently seeking Bibler and Rebecca Farm volunteers. Colleen also provided a brief report on the 50th Anniversary Committee and asked board members to brainstorm on how best to fit the anniversary celebrations into foundation activities.

Colleen introduced Diane Skyland, the new Director of Marketing.

Frank Garner moved to adjourn the meeting at 4:49, Donna seconded the motion and the motion passed unanimously.