

# **NOTICE OF PUBLIC MEETING**

## **GREAT BASIN COLLEGE FOUNDATION**

### **Finance Committee Meeting**

**1025 Chilton Circle**

**Elko, Nevada 89801**

**Conference Room**

**Thursday, March 5, 2020 at 12:15 pm**

Telephonic Conference from the Meeting Site to:

#### **Phone Dial-in**

[+1.855.203.2730](tel:+18552032730) (US (Toll Free))

Meeting ID: 915 950 293

#### **Minutes**

*Call to Order of the Great Basin College Foundation Finance Committee*

#### **1. ROLL CALL:**

Chair James Glennon - present  
Shirley Alen-Kellerman - present  
Danny Gillins - present  
Mark Laffoon - present  
John Pryor-absent  
Tana Gallagher - absent

Other's Present  
Matt McCarty  
Kelli Baker

- |  |                           |
|--|---------------------------|
| <b>2. Public Comment</b> <i>(see notation regarding public comment at end of agenda)</i>   | <b>Information Only</b>   |
| No Report  |                           |
| <b>3. Approval of Minutes</b>  | <b>Information/Action</b> |
| January 9, 2020  |                           |
| <b>MSP, Mr. Gillins, Mr. Laffoon passed unanimously.</b>   |                           |
| <b>4. Controller's Office Update</b>   | <b>Information Only</b>   |
| No Report  |                           |
| <b>5. Finance Committee Chair Report</b>   | <b>Information Only</b>   |
| No Report  |                           |
| <b>6. Finance &amp; Accounting Information/Action Items</b>  | <b>Information/Action</b> |
| a. The GBCF Finance Committee will discuss and/or take action to approve the record of expenditures/check register for the months of January 2020 and February 2020.     |                           |
| b. The GBCF Finance Committee will discuss and/or take action to approve the Gift Summary Report Income/Deposit Report for the months of January 2020 and February 2020. |                           |

- c. Gift Summary Report FY20 Summary of Activity by Fund Report
- d. Account Balance Change Report

Chair Glennon stated to approve all above Items a through d as a whole.

Mr. McCarty stated the check register report not in the packet there were not checks written in the month of February.

Mr. McCarty reported in December the Winnemucca Gala had most of the expenditures, there were a couple of distributions, and the Eide Baily invoice was paid. Mr. McCarty stated in January we transferred for the DWRP Maintenance account and we had expenses as well as the spring scholarship account.

**MSP Mr. Gillins, Ms. Alen-Kellerman to approve Item 6, a. though d., unanimous.**

**7. Director's Report**

**Information Only  
Information Only**

- a. Winnemucca Health Sciences & Technology Building

Mr. McCarty explained the administration is concerned on moving forward with project. The CMAR was not chosen yet due to a paperwork issued on college side, so there is a meeting next Tuesday for scoring to select the CMAR. Mr. McCarty said he would urge for it to go through to see what the guarantee maximum price is. Mr. McCarty also said the building is at 8.7 million and is 1.7 million over budget, there are pledges in 7 million in cash and we can use 10% of the building costs for in-kind, so that is under \$900,000.00 we would need to raise and of that we could get a quarter million trimmed by the CMAR. He explained that until we receive a guaranteed maximum price, we cannot modify the agreement, and if we do not get a guarantee maximum price and cancel it may end the relationship between Pennington and College. Mr. Laffoon asked if there are changes that could be made to the scope of the work. Mr. McCarty stated the size of the building cannot be changed but the interior change maybe takes the electrical lab down to a 1 story, which would save \$250,000.00. Mr. Laffoon suggested to get rid of what you can and do an amendment later. Mr. McCarty said that FF&E is budgeted for \$600,000.00 and more than half of that is covered in the existing building, but the design team won't reduce that until the CMAR comes on. Mr. McCarty stated there are untapped donors in Winnemucca area. Mr. McCarty reported that one alternative the President suggested is to go to the Legislator in 2023 as a capital improvement. Mr. McCarty stated that Pennington won't wait, and we will have to pay back 1 million, submit a new presentation and there is no a guarantee to fund it again.

- b. Ely Annual Event

**Information Only**

Mr. McCarty reported that he and Jennifer Sprout met with Caroline McIntosh, Holly Wilson, and Veronica Nelson and the consensus is to go back to recognize who actually funded the building, since the plaque has been misplaced, it will be Fall at the earliest.

- c. Invest a Day's Pay campaign

**Information Only**

Mr. McCarty reported this will be rolled out at the Gala and flyers will be sent out and possibly an electronic campaign.

d.2020 Dinner Dance Gala

**Information Only**

Mr. McCarty reported the Gala sales are slow right now but hoping the next two weeks they will pick up. There will be dessert silent auctions, a few donated items for the silent auction.

e.Hoop House Funding Request

**Information/Action**

Mr. McCarty reported that the Hoop House is requesting \$750.00 in funding for a new cover and materials, that the cover that was purchased last year was too dark. He explained that they will work with Mr. Bagley for soil health in hopes of improving the soil so more produce can be grown and hopefully more donations from the community.

**MSP Mr. Laffoon, Mr. Gillins, to approve and forward to Full Board, unanimous.**

f.FY21 Budget Preparation

**Information Only**

Mr. McCarty stated the full budget will be presented in May. He informed the Committee that a decision needs to be made what we do with the operations account, we are drawing that down and on July 1 the administrative assistant's salary will be an added expense. Mr. McCarty explained there is not enough money coming in from investments and only have enough in reserves for 2½ years. He went on to explain the budget will reflect no large purchases, that there may be two additional buildings, one is Total Eyecare and there is a meeting at the end of March, and the second is the National Guard Building, which was obtained from State, but may revert back to the City. Mr. McCarty said he has informed Vice President Sibert there are no means to purchase the Total Eyecare building. The National Guard building was available some years ago for \$750,000.00.

Mr. McCarty asked the Committee for guidance on whether the Foundation does fundraising or endowments. Mr. Glennon referred to the 10% charge but suggested a 3% charge on the unrestricted. Mr. McCarty reported the total donations that were not restricted, if we had the 10% fee, would have raised less than \$30,000.00 a year. Mr. Laffoon asked how much the Foundations is getting now. Mr. McCarty replied \$110,000.00 and the need is roughly \$160,000.00. Mr. McCarty stated he has not looked for grants, but most of them do not cover operational costs, he could work with Jeannie Bailey or another option would be to work with donors, the community, and attorneys. Mr. McCarty stated that Nevada Gold Mines will continue to be a large donor but will not fund operations. Mr. Laffoon stated that the 10% will get the Foundation part way. Mr. Glennon and Ms. Alen agreed not to waive anything. Mr. Glennon asked Mr. McCarty for his opinion. Mr. McCarty stated the only Foundation that charges a fee is WNCC at 3% and they are considering doing away with it. Mr. McCarty said if we get 10% response on Invest a Day's Pay we are covered. Mr. McCarty also reminded the Committee that \$350,000.00 needs to be put back in NEH. Mr. McCarty reported there is about \$500,000.00 on the unrestricted side. Mr. Gillins suggested the Invest a Day's Pay is the way to go if others are getting away from the 10%.

g.Macbeth Scholarship Endowment

**Information/Action**

Mr. McCarty said when Mrs. Macbeth passed away, she donated \$100,000.00 to the College and up until 2007 the scholarship was as an endowment and after that it went to a temporary, we don't know why that happened. The current balance of the fund is \$70,900.00.

Mr. McCarty explained the Last Will & Testament did not state it was an endowed scholarship, but the Elko Daily Free Press had an article from the Director of the Foundation and the Executor of the Will announcing it would be an endowed scholarship. It was the consensus of the Committee after reading the Last Will & Testament, that the intent was just a scholarship, not an endowed scholarship.

Mr. McCarty stated there are two options for this. The first one I strongly recommend is taking \$30,000.00 out of the operating account and making this whole and endow it, which was the intent of the Trustees at the time. The second is to recommend that we increase the payments from \$1,500.00 per year to \$5,000.00 or \$10,000.00 a year and spend down. Mr. Glennon and Mr. Laffoon suggested that it just be spent down.

Mr. Glennon asked if they should like to take it to the Trustees. Mr. McCarty suggested they take it to the Trustees to say that we pay it down further, at least \$10,000.00 a year. We have lost around \$50,000.00 in scholarships from Barrick and Newmont. Mr. McCarty suggested to forward to the Trustees with a dollar amount from this Committee. Mr. Glennon stated he is not sure they even have to do that, that is our job. Mr. McCarty stated he is worried that if it he makes an executive decision on what to spend, then years from now someone question the Trustees asking why this was not caught. Mr. Gillins stated this discussion will be in the Finance minutes of what we are recommending. Mr. McCarty will move forward with increasing the amount each year.

No action was taken.

#### h.Paymentus Program

#### Information/Action

Mr. McCarty explained that Paymentus would allow the ability to donate mobile, they would still go through website, but it is quicker, and we would have the ability to do mass contact and texts and it gives the opportunity for instant push. There is no cost up front and we are just waiting to see what the processing fees are.

#### i.NACUBO Seminar

#### Information Only

Mr. McCarty asked the Committee if they had any objection to Foundation participating in NACUBO, which is the clearing house of data which sees what the strength of the Foundations are based on endowments, donations, etc., it is aggregated so nothing comes back to GBC directly. Mr. Glennon inquired what the cost would be. Mr. McCarty replied it is free. It was the consensus of the Committee that it is a good idea.

### 8. Committee Members Reports

#### Information Only

None.

### 9. Public Comment (*see foregoing notation regarding public comment*)

#### Information Only

Mr. Glennon inquired the purchase of the property on College Parkway and Walnut Street. Mr. McCarty stated we are in the process it will come before the Full Board and if they approve escrow closes soon after that. Mr. McCarty informed the Committee the purchase price was \$325,000.00, which will reduce our unrestricted funds and will require liquidating a CD from Morgan Stanley and drawing down the account, it will have minimal impact. Mr. McCarty said he has been in contact with Morgan Stanley and will ladder the accounts and get back into the quarterly schedule.

Mr. Glennon inquired what would happen with the house. Mr. McCarty replied there is a possibility of the UNR residents, that work at Elko Family Medical and Dental, who are living in the college dorms now will move into private residence.

Mr. McCarty stated he will not be available for May Finance and Development meetings and would like to reschedule the Finance Meeting for April 30, 2019.

### 10. Adjourn 1:06 p.m.