Chair Norma Howard announced that a quorum for the Board Meeting was not present so the Investment Committee Meeting was conducted, but the Quarterly MSC Foundation Board of Directors Meeting did not convene until after lunch (12:30pm). The Investment Committee Meeting was conducted by Chair Micah Taylor.

In preparation for the presentation by Howell Financial Services, Micah Taylor summarized and the committee discussed the strategies and questions that should be relayed to John Howell during his presentation. The recommendations from the September 19, 2013 Investment Committee Meeting were reviewed as well.

John Howell and Landry Leach of Howell Financial Services arrived at approximately 10:30am for their presentation. John reminded the committee that the type of investment account held by the MSC Foundation is called a Strategic Asset Management Account and provided an explanation of the Foundation’s current specific investment portfolio with LPL which represents a “Growth Portfolio.” Also presented, was an option to move to an “Income with Moderate Growth” portfolio designed to generate more income for the scholarship program. The committee members had several questions regarding the accounts that comprised each portfolio option, the relative risk associated with each, how this strategy compares with how Foundation funds have historically been invested, how this strategy compares to what other Foundations at similar institutions do, etc. Mr. Howell was very informative and helpful.

The committee identified four recommendations to be presented to the full Board for approval at the regularly scheduled Board of Directors Meeting:

1. Place all dividends in the cash account so that a check can be requested to support scholarships or other expenses after approval by the Investment Committee and the Foundation Board. If significant excess funds exist in the cash account, the Investment Committee will recommend to the Board that the funds be invested in Moderately Conservative investments.

2. Work with John Howell to move from a Growth account to an Income portfolio that will yield funds in support of scholarships.

3. Request $20,000 of the LPL Cash ($7000 for PSP program and $13,000 for additional scholarships).

4. Have the NY Life Annuity dividends sent to the Foundation to support the scholarship program and the general operations of the Foundation.
MURRAY STATE COLLEGE FOUNDATION
BOARD OF DIRECTORS
OCTOBER 22, 2013

Murray Administration Bldg. 12:30 p.m. MSC Foundation Conference Room

ATTENDING: Norma Howard, Stan Marshall, Peggy Shaffer, Larry Sloan, Micah Taylor, E.J. Tolbert, Fred Chapman, Judy Huston

OTHERS: Karen Cantrell, Lori Locke, Brenda Stacy

CALL TO ORDER
Chair Norma Howard convened the October 22, 2013 meeting of the Murray State College Foundation Board of Directors to order at 12:30 p.m. Announcement of meeting notice filed in accordance with the Open Meeting Act was made. Board members in attendance constituted a quorum.

Public comments on the agenda included Dr. Stacy noting that the title of Item III on the agenda (Investment Committee Meeting) duplicated the Item IV title. Also she acknowledged some confusing wording on Item X, B, 1) and 2). It should have read: Investment Report, Monetary Assets Report, and investment statements. (New York Life and Prime Vest are included in the other reports and should not have been listed separately.)

APPROVAL OF MINUTES
The motion was made by Micah Taylor and seconded by Fred Chapman to approve the minutes of the July 23, 2013 Regular Board Meeting. Motion approved.

YES: Norma Howard, Stan Marshall, Peggy Shaffer, Larry Sloan, Micah Taylor, E.J. Tolbert, Fred Chapman, Judy Huston

NO: None

ABST: None

The motion was made by Micah Taylor and seconded by Fred Chapman to approve the minutes of the September 19, 2013 Special Board Meeting. Motion approved.

YES: Norma Howard, Stan Marshall, Peggy Shaffer, Larry Sloan, Micah Taylor, E.J. Tolbert, Fred Chapman, Judy Huston

NO: None

ABST: None

REPORTS

UPDATE ON MURRAY STATE COLLEGE PROJECTS—PRESIDENT MCDANIEL
President McDaniel could not be in attendance, but Dr. Stacy gave a brief update on campus activities. She relayed information from the all employee meeting: fiber update, new phone system, web site, ground breaking for new Allied Health Building and Alumni/Homecoming Reunion events.
EXECUTIVE DIRECTOR’S REPORT—DR. BRENDA STACY

Dr. Stacy reported that the Foundation and Alumni Office have a new part-time office/financial assistant-Lori Locke. Jennifer Powell has resigned her accounting/recording position with the Foundation because of her new position with the Business office.

The Foundation and Murray State used the same audit company (Hinkle and Company) which was on campus last week. Dr. Stacy indicated that she felt the auditors conducted a quite extensive review. Regarding some accounts that needed clarification, records from 1988 to present were researched to garner the information requested.

It was also reported that the Masonic Charities Foundation of Oklahoma presented a $50,000 check to the Foundation in support of the President’s Scholar Program. Interest from the endowment can be used for the stated purpose beginning Spring 2015. Dr. Stacy indicated that she and Karen Cantrell had visited Ms. Sara Ann Shaw in Ardmore and left her the Foundation Board minutes to sign. Ms. Shaw appreciated the visit and extended her greetings to the Board. Ms. Shaw had indicated that she appreciated the work of the Board. Mr. Chapman asked that Dr. Stacy send a letter to Ms. Shaw on behalf of the Board.

The Foundation will be working with Murray State to implement a new scholarship management program (STARS) which will allow students to fill out a scholarship application one time on-line and the program will identify the scholarships (both MSC and the MSC Foundation scholarships) for which they are eligible to apply. The student will select the scholarships for which they want to make application. The software will also save many hours of office time. It is expected to go live in January 2014.

The grant application for the 2014 Summer College STEM Academy for 8th and 9th grade students has been submitted. This grant-funded residential camp will focus on hands-on activities that would encourage participants to plan for college and to increase their interest in Science, Technology, Engineering, and Math (STEM) fields of study. Karen Cantrell will again serve as the academy director.

Dr. Stacy and Karen Cantrell are also assisting with the HLC Self-Study and the MSC Strategic Plan. Dr. Stacy will include a copy of the Strategic Plan at our next meeting.

INVESTMENT COMMITTEE REPORT

The Investment Committee met at 10:00am (morning of the Quarterly Meeting). Micah Taylor reported that the Investment Committee had met several times throughout the year for the purpose of reviewing the current investments, the investment strategies being implemented, and the Investment Policy. He noted that he felt their work was nearing completion and expected to be able to move to semi-annual meetings of the Investment Committee in the near future. Recommendations by the Investment Committee submitted for Board approval will be presented under Action Items.

ACTION ITEMS

A. APPROVAL OF MEETING DATES

Norma Howard asked if any discussion of meeting dates.

The motion was made by Larry Sloan and seconded by Peggy Shaffer to approve the meeting dates. Motion approved.

YES: Norma Howard, Stan Marshall, Peggy Shaffer, Larry Sloan, Micah Taylor, E.J. Tolbert, Fred Chapman, Judy Huston

NO: None

ABST: None
B. APPROVAL OF FINANCIAL DOCUMENTS

1) Investments with New York Life and Prime Asset Investment Report, Monetary Assets Report, and investment statements.

Dr. Stacy reviewed the financial documents (Pgs 14-72) and noted the table document from Landmark Investments that had been received after documents had been sent for printing.

The motion was made by Peggy Shaffer and seconded by Larry Sloan to approve financial documents.


NO: None

ABST: None

C. APPROVAL OF RECOMMENDATIONS BY INVESTMENT COMMITTEE

1) MSC Foundation Investment Committee Recommendations made 9-19-13 (pf.11)

The motion was made by Larry Sloan and seconded by Fred Chapman to approve the following Investment Committee recommendations:

1. Place all dividends in the cash account so that a check can be requested to support scholarships or other expenses after approval by the Investment Committee and the Foundation Board. If significant excess funds exist in the cash account, the Investment Committee will recommend to the Board that the funds be invested in Moderately Conservative investments.

2. Work with John Howell to move from a Growth account to an Income portfolio that will yield funds in support of scholarships.

3. Request $20,000 of the LPL Cash ($7000 for PSP program and $13,000 for additional scholarships).

4. Have the NY Life Annuity dividends sent to the Foundation to support the scholarship program and the general operations of the Foundation.


   NO: None

   ABST: None

2) MSC Foundation Investment Committee Recommendations regarding Howell Financial Services Investment Portfolio.

No Action Taken.
D. CONSIDERATION/APPROVAL OF BIDS RECEIVED ON LOTS 1-2 IN BLOCK 22 AT 18\textsuperscript{TH} & OHIO IN MURRAY STATE COLLEGE ADDITION

Dr. Brenda Stacy explained where the lots are located, who the bid is from, and the offer of $1,000 per lot.

The motion was made by Micah Taylor and seconded by E.J. Tolbert for the Foundation to sell these lots upon a satisfactory title report and communication with legal council to verify that it is legal for the Foundation to do this.

NO: None
ABST: None

E. CONSIDERATION/APPROVAL OF SELLING THREE LOTS 11-12-13 IN BLOCK FOUR AT 18\textsuperscript{TH} & MURRAY STREET IN MURRAY COLLEGE ADDITION.

Dr. Brenda Stacy reported that an offer of $500.00 per lot had been received.

The motion was made by Larry Sloan and seconded by Fred Chapman to selling these lots for $500.00 to interested party upon a satisfactory title report and communication with legal council to verify that it is legal for the Foundation to do this. Motion passed.

NO: Micah Taylor
ABST: None

NEW BUSINESS

Fred Chapman recommended that the Foundation expend as much in scholarships as in office management. Norma Howard asked that this be put on the next agenda for the January 2014 meeting.

XII. ADJOURNMENT

The motion was made by Judy Huston to adjourn, seconded by Peggy Shaffer.

Meeting was adjourned at 1:30 p.m.

Sarah Ann Shaw, Secretary
Norma Howard, Chair