MURRAY STATE COLLEGE FOUNDATION
BOARD OF DIRECTORS
April 22, 2014 MEETING
MINUTES

Murray Administration Bldg. 10:00 a.m. MSC Foundation Conference Room

ATTENDING: Micah Taylor, Judy Huston, Basil Bigbie, Stan Marshall, President McDaniel, Norma Howard (Arrived at 10:15)

OTHERS: John Howell and Elvis Howell (Howell Financial Services), Karen Cantrell, Brenda Stacy

Investment Committee Chair Micah Taylor called the meeting to order at 10:05 am, announced that a quorum for the Board Meeting was present, and indicated that the agenda had been posted in compliance with the Open Meeting Act. Mr. Taylor suggested moving the discussion of the LPL investment portfolio (Agenda Item B) forward since that was the reason that John and Elvis Howell were in attendance. Micah reminded the Investment Committee members that the Board had requested John Howell to change the MSC Foundation investment portfolio from a Growth portfolio to one that will earn funding for scholarships. The Investment Committee had further requested that a customized portfolio be developed representative of specific percentages as determined by the Board of Directors.

John Howell explained that the research service to which he subscribes and that is a part of the cost included in the fees paid by the Foundation, identify five investment portfolios ranging in various levels of risk. These strategies identify Asset Classes and the percentage of funds that should be maintained in each to achieve the investment goal. John selects specific funds with the Asset Classes to be a part of the portfolio. The investment strategy historically adhered to by the MSC Foundation has been a Growth portfolio. With the interest in moving to a strategy that will generate income for scholarships, a different type of portfolio is needed.

He noted that in previous meetings, it had been decided to follow an Income with Moderate Growth strategy. Although, John argued that if he were to customize a portfolio as requested by the Foundation, it would no longer be representative of an Income with Moderate Growth portfolio. Mr. Howell also questioned and disagreed with the Unit Investment Trust the Foundation holds with Landmark Investments. After some debate, a Growth with Income portfolio with some adjustments was agreed upon as a starting point. Dr. Stacy was asked to send all members a copy of the portfolio with the designated changes for input/approval. John will then select the funds he recommends for each Asset Class and present it to the Board again.

Brenda, Karen, John, and Elvis left meeting in progress at 11:15am. Remaining members of the Investment Committee discussed John’s comments. Meeting was RECESSED at 11:25 to attend the Foundation Day Luncheon in the Ballroom.

Foundation Day Luncheon 11:30am – 12:15pm in Park Student Union Ballroom
Annual Meeting of the MSC Foundation Membership 12:15pm – 12:30pm

MEETING RECONVENED at 12:45pm.
MURRAY STATE COLLEGE FOUNDATION
BOARD OF DIRECTORS MEETING
APRIL 22, 2014

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

ATTENDING: Basil Bigbie, Norma Howard, Judy Huston, President Joy McDaniel, Larry Sloan, Micah Taylor, Martin VanMeter, Peggy Shaffer, Stan Marshall, Fred Chapman, Fred Gordon, Dustin Rowe

ABSENT: Dr. Clyde Kindell, Sarah Ann Shaw, Scott Landgraf

OTHERS IN ATTENDANCE: Karen Cantrell, Brenda Stacy

CALL TO ORDER
Chair Norma Howard reconvened the April 22, 2014 meeting of the Murray State College Foundation Board of Directors to order at 12:45 pm. Announcement of meeting notice filed in accordance with the Open Meeting Act was made. Board members in attendance constituted a quorum. There were no public comments on the agenda.

APPROVAL OF MINUTES
It was noted that the phrase “left meeting in progress” should be utilized throughout the minutes when an individual leaves the meeting rather than the term “departed.” The motion was made by Fred Gordon and seconded by Larry Sloan to approve the minutes of the January 28, 2014 Regularly Scheduled Board Meeting as corrected. Motion approved.

YES: Basil Bigbie, Norma Howard, Judy Huston, President Joy McDaniel, Larry Sloan, Micah Taylor, Martin VanMeter, Peggy Shaffer, Stan Marshall, Fred Chapman, Fred Gordon, Dustin Rowe

NO: None

ABST: None

REPORTS

A. UPDATE ON MSC PROJECTS
MSC President, Joy McDaniel, gave an update of the College. Since more extensive update had been given during the Foundation Day Luncheon just prior to this meeting, she limited comments to additional items. President McDaniel reported that the Student Housing LLC Board had met and identified several renovations needed for the Aggie Suites. The Aggie Suites are owned by the MSC Foundation; however, Murray State College manages them. The LLC Board consists of the MSC President, the VP of Student Affairs, the Assistant VP of Facilities, the VP of Administration, and the MSC Foundation Executive Director.

Dustin Rowe left the meeting in progress at 1:15pm, but a quorum was maintained.
B. EXECUTIVE DIRECTOR'S UPDATE

Dr. Stacy had presented the MSC Foundation Annual Report at the Foundation Day Luncheon which highlighted accomplishments, new scholarships, and other updates. She did discuss two proposals submitted by the Science Department (Science Outreach Project) and the Agriculture Department (Collegiate FFA Awards Project) requesting funding for their projects by the Foundation. Dr. Stacy was asked to have those who submitted the proposals to request funding through the College first before the Foundation considered action.

She also noted that Dustin Rowe had indicated that the vote just taken at the MSC Foundation Annual Meeting which changed the quorum for Board of Directors Meetings from five Board members to 35% of the Board of Directors, may be out of compliance with current Oklahoma State Statutes and recommended that the issue be researched. Dr. Stacy indicated that she would do so and report at the July Board Meeting.

C. INVESTMENT COMMITTEE REPORT

The Investment Committee Chair, Micah Taylor, indicated that the committee had met at 10:00am prior to the Board Meeting. John and Elvis Howell of Howell Financial Services (who manages a portion of the Foundation’s investments) were present at the meeting. Mr. Taylor indicated that he would submit Committee Recommendations during Discussion/Action Item B.

D. NOMINATING COMMITTEE REPORT

The Nominating Committee consisted of Basil Bigbie, Micah Taylor, and President Joy McDaniel. The report included a recommended Slate of Officers: Chair-Martin VanMeter, Vice Chair-Micah Taylor, Secretary-Norma Howard, Treasurer-Judy Huston. The report also identified Board Members whose terms will expire in 2014 and recommended renewed Terms of Office for: Fred Chapman, Scott Landgraf, Stan Marshall, Sarah Ann Shaw, and Micah Taylor. It was also noted that a Letter of Resignation had been received from E.J. Tolbert indicating that he was resigning due to health reasons. His term expires in July 2015. The Nominating Committee also recommended consideration of establishing a Board of Directors Emeritus Policy.

IX. ACTION ITEMS

A. CONSIDERATION TO ACCEPT FINANCIAL DOCUMENTS

1) Investments with LPL and Primevest;
2) Monetary Assets (Including NY Life)

The motion was made by Fred Gordon and seconded by Fred Chapman to accept Financial Documents.

YES: Basil Bigbie, Norma Howard, Judy Huston, President Joy McDaniel, Larry Sloan, Micah Taylor, Martin VanMeter, Peggy Shaffer, Stan Marshall, Fred Chapman, Fred Gordon, Dustin Rowe

NO: None

ABST: None
B. APPROVAL OF RECOMMENDATIONS MADE BY INVESTMENT COMMITTEE

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

Investment Committee Chair, Micah Taylor, reminded the Board that the Investment Committee had spent several months studying and ultimately recommending a move from a Growth investment portfolio toward one that would add more funding for scholarships. The Board had agreed and approved such a move; however, after discussions with Howell Financial Services at the morning Investment Committee meeting, the Committee has no further recommendations at this time.

C. APPROVAL THE NEW YORK LIFE ANNUITY POLICY HELD BY THE MSC FOUNDATION

It was noted that the vote at the January 28, 2014 to approve the dividends from the New York Life Annuity to be sent by check twice per year should have included the wording “dividends and interest” for a better clarification of intent. Dr. Stacy reported that a letter had been received indicating the requested action had been taken by New York Life and that the first check should be received June 1. It was estimated that it would be approximately $2000.

Dr. Stacy also reported that a copy of the New York Life Annuity Policy was with the Board materials for their review. President McDaniel had asked Dr. Stacy to provide a copy of the New York Life Annuity Policy for the April 22, 2014 meeting. She suggested that the Board should examine the wording in the policy for clarification to ensure it is the type of investment wanted and that the payout is not tied to anyone’s demise. Dr. Stacy relayed that John Howell of Howell Financial Services (who manages the NY Life Account) had stated this is a corporate account and having an individual’s name on it is common practice and does not mean that the “annuitant” has rights to benefits. However, the wording in the document was concerning to the Board members and Micah Taylor volunteered to research the situation before the Board goes to the expense of requesting the services of an attorney to do so. He will report at the July meeting.

The motion was made by Fred Gordon and seconded by Larry Sloan to change the wording from “dividends” to “dividends and interest” in the motion related to the New York Life Annuity voted upon at the last meeting. Motion approved.

YES: Basil Bigbie, Norma Howard, Judy Huston, President Joy McDaniel, Larry Sloan, Micah Taylor, Martin VanMeter, Peggy Shaffer, Stan Marshall, Fred Chapman, Fred Gordon, Dustin Rowe

NO: None

ABST: None

D. APPROVAL OF DIRECTORS AND OFFICERS (D & O) INSURANCE QUOTES.

Two quotes from one company were available for review; however, the other two agencies from whom quotes were requested, were not received in time for the meeting.

The motion was made Fred Gordon and seconded by Peggy Shaffer to Table this item until the July 22, 2014 meeting. Motion approved.
YES: Basil Bigbie, Norma Howard, Judy Huston, President Joy McDaniel, Larry Sloan, Micah Taylor, Martin VanMeter, Peggy Shaffer, Stan Marshall, Fred Chapman, Fred Gordon, Dustin Rowe

NO: None

ABST: None

E. ACCEPT 990 PREPARED BY HINKLE AND COMPANY FOR THE 2012-2013 FISCAL YEAR.

It was noted by Board members that the 990 is due December 31 and; although, an extension had been filed, Dr. Stacy should relay to Hinkle and Company that the 990 should be prepared earlier in the future.

The motion was made by Micah Taylor and seconded by President McDaniel to accept the 990, but to relay to Hinkle and Company that the 990 should be prepared to meet the December 31 due date in the future. Motion approved.


NO: None

ABST: None

F. APPROVAL TO ENGAGE HINKLE AND COMPANY TO CONDUCT THE 2013-2014 AUDIT (ENDING JUNE 2014) AND TO PREPARE THE 990.

President McDaniel asked that Dr. Stacy remind the auditors that the MSC Foundation Audit is needed in October to be included in the Murray State College Audit materials for the Board of Regents.

The motion was made by Martin VanMeter and seconded by Stan Marshall to approve Hinkle and Company to conduct the 2013-2014 Audit (ending June 2014) and to prepare the 990. Motion approved.


NO: None

ABST: None

G. APPROVAL TO ESTABLISH A BOARD OF DIRECTORS EMERITUS POLICY.

The Emeritus Policy was considered and a revision made to the length of service required to be eligible for the honor, so that the initial statement of the policy reads:
The Murray State College Foundation Board of Directors may confer, at its discretion, the title of “Emeritus” on any Board member who has three or more terms of honorable and distinguished service on the Board of Directors.

The motion was made by Fred Gordon and seconded by Martin VanMeter to approve the MSC Foundation Board of Directors Emeritus Policy. Motion approved.

NO: None
ABST: None

H. APPROVAL TO HONOR SARAH ANN SHAW (SECRETARY OF THE BOARD OF DIRECTORS) BY DESIGNATING HER AS SECRETARY EMERITUS HONORARY SECRETARY.

After discussion, it was determined that it would be more appropriate to designate Ms. Shaw as Honorary Secretary whereby she will remain on the MSC Foundation Board of Directors rather than affording her the title of Secretary Emeritus. It was requested that Dr. Stacy inform Ms. Shaw of the honor that has been bestowed with an appropriate plaque.

The motion was made by Fred Gordon and seconded by Peggy Shaffer to approve the designation of Sarah Ann Shaw as Honorary Secretary. Motion approved.

NO: None
ABST: None

I. ELECTION OF OFFICERS FOR BOARD OF DIRECTORS.

Officers for 2014-2015 with terms beginning in July 2014, include:

Chair: Martin VanMeter
Vice Chair: Micah Taylor
Secretary: Norma Howard
Honorary Secretary: Sarah Ann Shaw
Treasurer: Judy Huston

Board members whose terms were renewed (expiring 2017) include:

Fred Chapman
Stan Marshall
Micah Taylor
Scott Landgraf
Sarah Ann Shaw

Malynda Cobb was elected to the Board of Directors at the 2014 Annual Meeting to complete E.J. Tolbert’s term of office which will expire July 2015.

E.J. Tolbert resigned via letter due to health reasons.
The motion was made by Fred Gordon and seconded by Martin VanMeter to approve the slate of officers, the renewal of the terms of office until July 2017 for Fred Chapman, Stan Marshall, Micah Taylor, Scott Landraf, and Sarah Ann Shaw, recognition that Malynda Cobb was elected to the Board at the 2014 Annual Meeting of the MSC Foundation members, and acceptance of the Letter of Resignation from E.J. Tolbert. Motion approved.


NO: None

ABST: None

J. APPROVAL OF SPECIFIC OFFICERS TO PROVIDE AUTHORIZED SIGNATURES ON BEHALF OF THE MSC FOUNDATION BOARD.

The motion was made by Martin VanMeter and seconded by Larry Sloan to approve the following individuals to provide authorized signatures on behalf of the MSC Foundation Board: Chair Martin VanMeter, Secretary Norma Howard, Treasurer Judy Huston, and Executive Director Brenda Stacy. Motion approved.


NO: None

ABST: None

X. NEW BUSINESS

None.

XI. ADJOURNMENT

Meeting was adjourned at 2:10 p.m.

Sarah Ann Shaw, Secretary

Norma Howard, Chair