CALL TO ORDER
Chairman Norma Howard called the March 28, 2013 Special Board Meeting of the Murray State College Foundation Board Members to order at 4:05 pm.

Action Item:
PRESENTATION: HOWELL FINANCIAL SERVICES

John Howell explained the current MSC Foundation portfolio with Howell Financial Services. He explained how he bought and sold bonds, the percentages he used to keep us in the “growth portfolio” that we chose for our investments. He explained that every quarter he goes into the account, sells off shares that are over its limit and buys stock in areas that is too low. Mr. Howell subscribes to research that guides him in what stocks and bonds to purchase. These research companies research and rank the funds and he uses those rankings to choose what stocks and bonds to purchase.

Mr. Howell also explained that the Foundation pays a set fee for the year, not fees based on each transaction. The fee is charged on the balance of the account, which is 1.4%. Therefore, it doesn't matter how many transactions are made in a year, the fee remains the same. The 1.4% annual fee is divided quarterly and paid quarterly based on the market value.

Mr. Howell explained that if the Foundation wishes to generate money, the income with capital preservation portfolio would be appropriate to meet this goal. He explained that there are two ways to make money in stocks, sell a stock for profit, which is capital gain, or through dividends. Through the income with capital preservation portfolio, the Foundation should make 3-4% annually in profits.

Mr. Howell's recommendation for the Foundation's investments is a little more in equities with the income with capital preservation portfolio.

ADJOURNMENT
Meeting adjourned at 5:40 pm.