

APPENDIX B

Board of Directors Special Meeting August 26, 2022 MINUTES

Date: August 26, 2022

Time: 2:00-3:00 p.m.

Location: Virtual via Zoom

Board members present: Brett Bina, Jo-Lynn Brown, Tom Furlong, Nikki Gaskin-Capehart, Michelle Grimsley, Adam Johnson, Dan Mageras, Mike Meigs, Liz Sembler, Mark Strickland

Board members absent: Gershom Faulkner, Deveron Gibbons, Alysén Heil, Jeff Johnson,

Ex-officio members present: Kimberly Jackson

SPC Leadership Representation: Susan Demers, Matthew Liao-Troth

SPC/ISPS Representation: Aron Bryce, Sam Jenkins, Matthew Lee, Sharon Panov

Other Guests: Clark Mason (RBC), David Henwood (RBC), Dan Shuey (CRI)

Discussion Items	Action/Response
1. Welcome/Call to Order	Chair Jo-Lynn Brown called the meeting to order at 2:02.
2. Introduction of New Board Members	Welcome new board members Michelle Grimsley, Tom Furlong.
3. Finance Report a) Current Status, Dan Shuey, CPA APPENDIX F – 8.8.22 Financial Report	The financial report presented at the August 16 meeting was unanimously approved.
4. Budget Amendments b) 2022-2023 Budget Budget Amendments APPENDIX J – 2022-2023 Amended Budget	<p>The 2022-2023 budget amended from \$576,041 to \$784,911 was presented to the board for review of and approval of each amendment.</p> <p>Model United Nations (MUN) budget of \$90,000 was approved. <i>Executive Director Kimberly Jackson</i> provided a review of MUN origins. <i>Adam Johnson</i> and <i>Tom Furlong</i> provided testimonies. The 2022-2023 MUN proposal was presented to the board for consideration. MUN budget line item was approved by quorum vote.</p> <p>Personnel expense amended increase of \$43,870 due to SPC HR compensation study salary adjustment recommendations. Motion approved by quorum vote.</p> <p>Great Debate budget of \$2,000 for cash prizes was approved by quorum vote.</p> <p>Videographer fees budget amended by decrease of \$1,000 was approved by board quorum vote.</p> <p>Phone plan budget of \$8,000 for business phones for staff was presented to the board for review. Includes business phones for 5 staff members, monthly charges. <i>Project Coordinator Sam Jenkins</i> shared information on the quote</p>

	<p>obtained from a single vendor for estimation of cost for remaining 7 months in the fiscal year. Final purchase to align with SPC Purchasing dept guidelines. <i>Brett Bina</i> asked if a stipend for use of personal phone for work would be more cost effective. <i>ED Jackson</i> said a separate phone is more convenient and practical for Teams meetings, mobile communications in transient workspace. It also provides a separate space for business transactions. <i>Mike Meigs</i> said SPC stipend capped at \$50/mo. <i>Nikki Gaskin-Capehart</i> said the downside of using personal phone for business under Sunshine Law is if inquiries arise redactions would be required, favored use of separate phone for business. <i>Liz Sembler</i> asked for clarification on the average cost per month under the plan, and supports a plan that aligns with college's policy. <i>Tom Furlong</i> supports use of separate business phone to avoid complications with audit. <i>Michelle Grimsley</i> provided clarification of cost of purchase of phone vs. cost of plan includes a one-time purchase of phones with subsequent monthly charges of \$237/mo for 5 months after that. She supports separate business phone to avoid having personal information tied to professional records requests. <i>Sam Jenkins</i> confirmed the cost may decrease if there is an education discount available. <i>Matthew Liao-Troth</i> confirmed clarifications provided by Michelle Grimsley and Sam Jenkins on monthly charges after the purchase of phones. Also, confirmed that the college does approve of separate business phones for certain staff. <i>Brett Bina</i> supports use of separate business phones after clarifications provided regarding monthly charges at approximately same as college stipend after the initial purchase of phones. The business phone budget was approved by quorum vote.</p> <p>Honorarium Fees \$60,000 budget to attract high-end speakers. <i>Mark Strickland</i> said this was previously removed from budget in order to get full board approval of budget since at the time all members did not support the cost. <i>Tom Furlong</i> said statewide initiative may justify high-cost speakers. <i>Liz Sembler</i> requested clarification on speaker fee estimates and requests for next year's budget a breakdown of estimates, background, and justification of cost estimate. <i>ED Jackson</i> provided background of estimate based on Trustee Gibbons' request for high-end speaker. Her initial focus was branding and bringing in local and state officials in hopes of raising awareness of ISPS. She supports high-end speaker costs when ISPS is ready and with the approval of the board. The honorarium budget amendment was approved by quorum vote.</p> <p>OPS Position \$7,000 (\$11.66/hour) for student employment as an alternative to FWS (Federal Work Study). Budget for part-time position salary was approved by quorum vote.</p>
5. RBC Presentation, Clark Mason	<p><i>Clark Mason</i> and <i>David Henwood</i> presented an overview of RBC Wealth Management to the BOD. RBC has worked with SPC Foundation for 25 years. RBC philosophy includes relative-value approach based on cash flow; long term focus; primarily invest in individual blue chip stocks with 40-50 positions in an account; conduct own research, includes equity research through RBC, Credit Suisse, Argus and Morningstar. Fixed income - value oriented approach looking for best deals across yield curve and across/within sectors; primarily individual bonds but will use funds to access certain sectors such as senior loans, high yield and international; strive to minimize interest rate, inflation and credit risks; leverage RBC's fixed income department, "strongest the US".</p>

	<p><i>Clark Mason</i> provided an overview of the ISPS investment policy, with an understanding of it as follows: RBC reviewed ISPS investment policy, understands it to be outlined as follows: \$1MM set aside in cash, for deposit to bank account; remainder is split in half – Semi-short fixed-income, government bond type investments; 60/40 mix of stocks and bonds invested for long-term growth. RBC will adjust accordingly to changes as requested. They provided an example of investment plan for stock and bond portion of low-risk income account. <i>Mark Henwood</i> reviewed detailed options listed on example of investment plan. <i>Brett Bina</i> asked for further clarification on terms for board members not familiar with investment jargon. <i>Brett Bina</i> requested a sample portfolio be provided to the BOD. <i>Mark Henwood</i> responded to question by Brett Bina, “who makes the bond selection decision (SP Office or RBC Research make the final call)?” <i>Mark Henwood</i> replied that he makes those decisions as the fixed-income portfolio manager. <i>Mark Henwood</i> responded to question by Brett Bina, “how many stocks exist in your research coverage universe that you or RBC follows that could potentially go in the ISPS account?”</p> <p><i>ED Jackson</i> requested clarification on what fees are. <i>Clark Mason</i> said RBC will provide a written proposal of what services are provided and the charges. Once the proposal is agreed upon, it will not change unless extenuating circumstances call for change, but with pre-approval by the board. A flat fee is charged, .8% of 60/40 portfolio, .4% of “super safe half,” as will be stated in the written proposal.</p>
<p>6. Wrap-up and Adjournment</p> <p><i>Respectfully submitted by Sharon Panov, Recorder</i></p>	<p><i>ED Jackson</i> recognized past director Rev. Watson Haynes’ passing, adding he would be honored at the September 15th event.</p> <p>The meeting was adjourned at 3:05 p.m.</p> <p>Next meeting is November 14, 2022, 6:00-7:00 p.m.</p>