



**Community
Foundation**
of the
Dan River Region

**Board of Directors' Meeting Minutes
September 25, 2023
541 Loyal Street and via Zoom**

Present: Scott Barnes, Steve Bass, Kerri Burchett, Bill Riddle, Vince Kania, Richard Dixon, Ginny Foster, Dan Angell, Angeles Atkinson, Teresa Petty, Sandy Saunders, Tiffany Hairston, Jennifer Hiltwine, Kunal Patel, Howard Graves, Lisa Johnson-Knight, Sheila Williamson-Branch, Kendra Floyd, Carole Holland, Kathy Milam, and Stephen Gay and George Brooks (guests).

Absent: Nina Beth Thornton, Danielle Montague, Lee Farmer, Cathy Pulliam, and Cookie Edmunds

Scott Barnes opened the meeting at 4:00 p.m., welcoming everyone.

Presentation of Consolidated Financial Statements for June 30, 2023: Stephen Gay and George Brooks, auditors, were present to review the audit for the full board. They remarked that Kendra Floyd, The Foundation's bookkeeper, is a steady force in the audit process and acknowledged their appreciation of the staff. They gave The Foundation a clean, unqualified opinion for all the testing that occurred. We had a good year, paid out more money and made more money. On a Kania/Dixon motion, all approved the audit.

Consent Agenda: Amended minutes from the June 12, 2023 Board Meeting and the Executive Director's September 2023 Report were presented by Scott for approval. On a Graves/Atkinson motion, all approved the Consent Agenda.

Old Business: The Board President reported on the status of litigation, pending in the Danville Circuit Court and in which the Foundation, as a designated testamentary beneficiary, is named as a party. Because of recent settlement discussions, officers of the Board were advised by legal counsel of a settlement offer of which the Board were advised. Acceptance of the settlement terms is recommended by counsel as in the best interest of the Foundation. On a Dixon/Atkinson motion the settlement as recommended by counsel, was unanimously approved. An additional motion by Bass/Dixon was unanimously approved authorizing the President, on behalf of the Foundation, to sign any documents recommended by counsel as necessary to conclude the settlement on the terms as disclosed, discussed, and approved.

Donor Activity Update: Carole Holland provided an update on new funds. The Hospitality Management and Tourism Scholarship Fund was established by The Foundation to provide

scholarships to students in the Dan River Region to attend Hospitality Management and Tourism programs operated inside the geographical service area of The Foundation. We received \$4,000 from Averett toward the scholarship.

The Wintrode/Stoddart Designated Fund was established in July by Scott and Lisa Wintrode. This endowed Fund will provide grants designated to support the Danville Area Humane Society and eight other organizations as the fund balance increases. It is not the norm to set up a fund with nine recipient organizations; however, the Wintrode's plan to make a sizeable bequest upon Scott Wintrode's death. The Wintrode's are our newest members of the 1996 Legacy Society. Carole refreshed the board on the purpose of the Legacy Society, which is to honor people who have notified us they plan to give to The Foundation through their estate. These gifts can be made through wills, life insurance, trusts, etc. Legacy funds, like all donations, can be earmarked for unrestricted use or designated to support a specific cause or charity. The board was asked to sign a notecard thanking Lisa and Scott Wintrode for establishing their new designated fund.

Treasurer's Report: The report was presented by Vince Kania, referring to the July 31, 2023 financial statements. July was solid with gifts of \$4.2 MM. Our assets grew from \$49.7 MM to \$54.6 MM. Our FY2023 audit is complete and our 990 is almost ready. On a Bass/Dixon motion, all approved the Treasurer's Report.

Finance Committee Report: Kerri Burchett reviewed the Pledge Booking Policy, the Cash Availability report, the Investment Fee Comparison report, and the Revisions to Target Allocations document. The Foundation is in a good place with cash balances for now, but we will need additional funds for year-end grant payouts. The amount needed is unknown as it could be affected by large gifts this fall. The Investment Fee Comparison is an annual report. These fees compose a significant part of The Foundation's expenses. She noted the fees have dropped a little bit. Revisions to target allocations are not made often. The new, recommended target allocations proposed for board adoption are:

Large Cap	25%
Mid Cap	20%
Small Cap	10%
International Equity	20%
Emerging Markets	5%
Private Equity	5%
Real Estate	5%
Fixed Income	10%

Revisions are needed because private equity is unavailable and emerging markets are volatile, therefore those target allocations were not being met. On a Riddle/Kania motion, the allocations above, including the pledge booking policy and the revisions to target allocations, were unanimously approved.

Distribution Committee Report: Rick Dixon presented the quarterly payouts listed in the September 2023 Distribution Report. He asked for full Board approval of the recommended quarterly grant payouts totaling \$194,284.80. On a Kania/Bass motion, all approved the Distribution Committee Report. He noted that the Distribution Committee met last week to discuss grant applications and vote on funding levels for competitive grant cycle applicants.

Executive Committee Policy Review: Scott listed the policies recommended for board approval: Bereavement, Annual Leave and Sick Leave Time, Confidentiality, Conflict of Interest, Nondiscrimination, Due Diligence for Grant Making and Employee Handbook Approval. On a Burchett/Angell motion, the policies were unanimously approved.

Governance Committee Report: Angeles reported that she received a nice letter from Sylvia Brooks tendering her resignation from the board citing a lack of time to dedicate to board responsibilities. We will not replace Sylvia at this time. Angeles outlined a timeline for early 2024 to begin working to fill board positions for next fiscal year.

Board Retreat Recap and Strategic Planning Update: Scott spoke of the great turnout for the Board Retreat. He reminded everyone that the slides from the presentation are now available on the Board Portal. He continued that he, Vince and Kathy had met since the retreat to review staffing needs of The Foundation. To accomplish some of the Strategic Plan goals, we need a larger staff. We propose adding another staff person for marketing, outreach, analytics and strategy. The cost will be approximately \$65,000-\$75,000 with benefits. We have the money in our administrative budget and the position is needed. We will create a job description for this new full-time position and post for the job. On a Kania/Dixon motion, the new position was approved by all.

Development Report: Kathy provided the following report.

1. National Standards reaccreditation update-Our recently approved reaccreditation is effective October 15, 2023 through October 15, 2026. We emailed notice of our reaccreditation to local professional advisors and to our general mailing list. We submitted a press release to local newspapers and ran a social media post linked to the press release.
2. Board Portal-To augment the availability of information and material needed by each committee, we created the Board Portal for easy access to information for board members. Is there any feedback about the Board Portal? Has everyone tried to use it? Is there other material you would like to see there? The link to the portal is discreet at the bottom of the homepage and that is intentional.
3. Funding Sources-DRF-We received notice we were approved for another three-year DRF grant, with an increase of \$50,000 per year. The total is \$900,000. \$300,000 will be dispersed to us each December pending our redistribution outcome report and an invoice from CFDRR. Willie Jones is now our Program Officer for DRF.

- If we submit a Capacity Development Grant usage plan, we may use the remainder of the \$50,000 reimbursable grant awarded to us by DRF for the last three year cycle. The remaining balance is \$31,422.

- We received nine gifts of more than \$5,000 totaling \$4,751,129.61 between mid-June and mid-September.

- Total gifts during the mid-June to Mid-September period were \$4,773,286.01 received from 99 donors.

4. Potential Funding-

- Philip N. Daly, Sr. and Frances K. Daly Trust grant–We are awaiting a reply on our application for funding for the Hospitality Management and Tourism Scholarship Fund.

- 27th Year Annual Appeal– Our ask this time is for contributions to the Unrestricted Community Fund and/or the Hospitality Management and Tourism Fund. To date, 40 donations to the Annual Appeal total \$40,548.

5. As part of our marketing strategy and to better position ourselves as a leader in gathering financial resources, we plan to offer two Cannon Financial Institute learning opportunities this fall for estate planning professionals. Classes will be held on October 24 and November 14.

6. Governance responsibilities are current-

- A Board Orientation was held on August 3 for Sheila, Sylvia and Dan. We used the Board Portal for the orientation as a digital resource rather than producing a binder that becomes obsolete rather quickly.

- The HHN auditors worked at our office August 21-24.

- We are collecting the information needed for the FY2023 annual report. Most of it has been provided to the designer/printer and we are awaiting a first draft.

7. We maintained our relationship with other philanthropic organizations by coordinating with DRF for a Funder’s Forum lunch meeting focusing on Out of School Time Learning held August 2. On July 12, Scott and I attended the Southside Regional Funders Lunch held at the Harvest Foundation in Martinsville, which we co-hosted. Last Thursday morning, I gave the program for the Riverview Rotary Club. It was well-received. I am happy to similarly present for other civic clubs that some of you may be affiliated with. Let me know if you would like me to do that.

8. We are working on plans for the Donor Appreciation Luncheon to be held November 9 at IALR. We have received \$6,250 in sponsorships. The cost last year was \$7,146. We appreciate a strong board presence at this annual luncheon. We would like for board members to serve as greeters at the check-in/nametag table. We would like board members to sit at different tables to mix and mingle with guests. Nametags will indicate that you are a board member. We will follow up with you about this.

Scott adjourned the meeting at 5:00 P.M.

Respectfully Submitted,

Steve Bass
Secretary

