



Community Foundation *of the* Dan River Region

541 Loyal St · Danville, VA 24541 · 434.793.0884 · www.cfdr.org

Executive Committee Meeting Minutes

September 11, 2023, 3:30 P.M.

Present: Scott Barnes, Vince Kania, Jr., Angeles Atkinson, Steve Bass, Cathy Pulliam and Kathy Milam

Absent: Ginny Foster

Scott Barnes called the meeting to order at 3:38 P.M.

Minutes: On a Kania/Atkinson motion, the minutes for the June 5, 2023 meeting were approved by all.

Old Business: Scott gave a brief summary of the most recent meeting about the Robert T. Marshall Estate lawsuit. Scott, Vince and Kathy met recently with the lawyers and accountants involved. They discussed parameters for a proposal to settle the lawsuit. The Foundation was included as an act of kindness to keep us involved. The following day, Sammy Saunders came back with settlement suggestions differing from those discussed in the prior day's meeting. Our reply to Jim Daniel was that the lawyers, accountants and others involved should work out the details and let us know when done. Scott asked Kathy to contact Jim Daniel to see if there had been any movement related to settling the case. We think it is likely the upcoming depositions will go forward.

Financial Report: Vince referred to the financial statements for June 30, 2023 and compared them to June 30, 2022. He said our assets have recovered. We are now over \$50 MM in assets. We have an administrative surplus of \$185,000. Our month-to-month expenses are in line. All seems to be moving forward. The financial statements are in good shape. On an Atkinson/Bass motion, all approved the financial report.

Finance Committee Report: Vince commented on the following:

1. Pledge Booking Policy Review-We are talking about a significant pledge. Common sense dictates the meaning of a material pledge. No changes to the policy are recommended.
2. Cash Availability-We need \$315,000 for September 30 cash needs. We currently have \$874,828 in the endowed money market account. We can move money as needed from Vanguard for year-end expenses. We are doing a great job of planning for upcoming cash needs.

3. Investment Fee Comparison-Most of the investment fees are reasonable, and those that are not are associated with small investment amounts. Three basis points is a good position.

4. Asset Allocation Mix-The Finance Committee recently adjusted our asset allocation targets to more realistic, attainable percentages. We lowered emerging markets due to uncertainty in China. The new, recommended target allocations proposed for board adoption are as follows:

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

On a Kania/Pulliam motion to approve the Pledge Booking Policy and the revisions to target allocations, all approved.

Governance Committee Report: Angela reported that Sylvia Brooks resigned last week. We can function without a replacement at this time. We can work with those we have. She said that early in the next year, she will start soliciting names for new board members.

Distribution Committee Report: Kathy presented the Distribution Committee Report for September 25, 2023. On an Atkinson/Kania motion, all approved the report.

Executive Committee Policy Review: Scott said that the Bereavement Policy, Annual Leave and Sick Leave Policy, Confidentiality Policy, Conflict of Interest Policy, Nondiscrimination Policy, and the Employee Handbook are all up for review. There were no changes recommended to these policies. On a Bass/Pulliam motion, the policies were approved by all.

Board Retreat Recap/Strategic Plan: Scott said that we had 17 board members present for the retreat, which was a good turnout. The photo of those who attended is very nice!

We will continue working to align community needs with donor interests and support.

Scott referred to the committees formed at the retreat as groups to work in the following areas:

(1) Improved educational outcomes, (2) Increased workforce participation, and (3) Preparation for higher paying jobs.

He said the committees will get some things written down.

The need to focus on reading and literacy for disadvantaged children at a very early age was emphasized by several people. Scott shared current SOL scores for English:Reading, from elementary schools in Danville City, and stated we want to be a part of the solution, but it is going to take money.

Where the personnel component of the Strategic Plan is concerned, we are proposing another position for marketing/outreach/analytics/strategy. This position will allow us to get some of the work of the Strategic Plan done. We have an \$185,000 administrative budget surplus. We can add a position as the cost is already covered. The position fully loaded would be in the \$65-\$78,000 range per year.

We are moving toward the need for a CEO and Executive Director with distinct development versus day-to-day operations roles.

On an Atkinson/Kania motion to develop and advertise for a fourth full-time position focused on marketing/outreach/analytics/strategy, all approved.

Concomitant to the need to increase staff capacity, is the need to replace The Foundation's old and outdated computer system. To the extent possible, new staff should be trained on the new system. The sooner we can decide on a vendor, purchase, and implement new software, the better.

Development Report: Kathy Milam gave the following report:

1. National Standards reaccreditation update-Our recently approved reaccreditation is effective October 15, 2023 through October 15, 2026. Using Constant Contact, 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?
3. Potential Funding Sources:
 - DRF grant-We received notice that 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 a redistribution report and an invoice from CFDRR. Willie Jones is now our Program Officer.
 - If we submit a Capacity Development Grant usage plan, we will be allowed to use the remainder of the \$50,000 reimbursable grant awarded for the last three year cycle. The remainder is approximately \$30,000.
 - Daly grant-Awaiting a reply on our application for funding for the Hospitality Management and Tourism Scholarship.
 - 27th Year Annual Appeal-Asks for contributions to the Unrestricted Community Fund or the Hospitality Management and Tourism Scholarship Fund. To date, our donations to the Annual Appeal total \$7,023.
4. 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.

5. 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.
- We have a draft audit for FY2023. The HHN auditors worked at our office August 21-24. They are complimentary of Kendra's work in this task.
- We are collecting all of 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.

6. 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. The Community Foundation co-hosted.

7. We are working on plans for the Donor Appreciation Luncheon to be held November 9 at IALR. We have \$6,250 in sponsorships, and we are not directly asking individuals for donations to offset the luncheon. The budget for the event is \$6,000. The cost last year was \$7,146.

- We ask for a strong board presence at the luncheon. We would like for board members to serve as greeters at the check-in/nametag table. We would like board members to each sit at a different table. Nametags will indicate that you are a board member.
- The program will focus on the Strategic Plan. We will have a Strategic Plan document for all guests. It is currently being designed. Staff and board members will present the program.

Feedback on Kathy's report included the following:

- The Board Portal link on the website is very discreet and may be a bit difficult to locate. It was noted that the Board Portal password will be changed annually.
- A potential use for the DRF Capacity Development grant is for new software and training on new software.
- Atlantic Union Bank representatives should be invited to the Donor Appreciation Luncheon.

With no further business to address, the meeting adjourned at 5:32 P.M.

Respectfully submitted,



Steve Bass
Secretary