



Community
Foundation
of the
Dan River Region

Board of Directors' Meeting Minutes
December 11, 2023 at 4:00 p.m.
541 Loyal Street and via Zoom

Present: Scott Barnes, Steve Bass, Kerri Burchett, Bill Riddle, Vince Kania, Richard Dixon, Dan Angell, Angeles Atkinson, Teresa Petty, Tiffany Hairston, Howard Graves, Lisa Johnson-Knight, Sheila Williamson-Branch, Nina Beth Thornton, Danielle Montague, Lee Farmer, Cathy Pulliam, Cookie Edmunds, Kendra Floyd, Debrielle Williams, and Kathy Milam

Absent: Ginny Foster, Sandy Saunders, Jennifer Hiltwine, and Kunal Patel

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

Consent Agenda: Minutes with one amendment of the September 25, 2023 Board Meeting and the Executive Director's December 2023 Report were presented by Scott for approval. On a Dixon/Petty motion, all approved the Consent Agenda.

Old Business: Scott stated the Marshall Estate was finalized. The law suit was dismissed. In the near future, The Foundation will receive \$10-\$12M, which will go to the Marshall Family Fund, a designated fund. The organizations named in the Fund agreement to benefit from the Fund's payouts are the following:

10% to Grace Design United Methodist Church

5% to The Community Foundation of the Dan River Region's Endowment Fund

Through an annual application process:

Averett University

Boy Scouts (local)

DCC Educational Foundation

God's Storehouse

Grace Design United Methodist Church may also apply for additional assistance for special building and grounds needs.

Free Clinic of Danville (Closed, but residual payout will go to The Free Clinic of Danville Fund of The Community Foundation of the Dan River Region.)

Donor Activity Update: Debrielle Williams provided an update on one new fund, the Addison Singh Scholarship. Addison's coworkers and friends raised funds for the scholarship when he died precipitously. He was a sonographer with Life Point, and the scholarship is intended for students

who are pursuing the field of sonography, or if no applicants for sonography, then the field of radiology. The board was asked to sign two notecards thanking donors Erin Fowlkes and Charlotte Adkins for establishing this new scholarship in Addison's memory.

Treasurer's Report: The report was presented by Vince Kania, who referred to the financial statements for September 30, 2023. He stated The Foundation has gained greatly with earnings increasing the last month and a half. He reminded that our investment philosophy is to "stick to our knitting." He acknowledged the Income Statement shows a \$2M unrealized loss. He commended the staff for doing a good job keeping the operating budget in line. He says we stay ahead; every check written has documentation. On an Atkinson/Dixon motion, all approved the Treasurer's Report.

Finance Committee Report: Vince Kania gave this report on the following topics:

1) He stated the changes for the Financial Policy and Procedure were the result of administrative updates, specifically the renaming of staff and setting names that are correct. The Finance Committee recommends approval of these policy changes.

2) The audit presentation by HHN & Co. suggested we consider reinvesting a large sum of money deposited in a money market account with AMNB earning 1.20%. Recognizing the need to keep money available, we established a new money market account with the AMNB Wealth Division in order to earn higher interest (approximately 5% currently). More than \$2M was transferred to the new Investment Management Account with the AMNB Wealth Division from the low interest bearing money market account.

3) Insurance Review: A lack of professional communication regarding our insurance coverage was resolved by contact with Robert Jones at Banker's Insurance. As a result of Robert's review, we are obtaining a quote for a cyber-liability policy.

4) Audit Planning: Harris Harvey Neal & Co. is going to perform our FY2024 audit again with a slight increase in cost.

Coming from the Finance Committee, on a Williamson-Branch/Angell motion, all approved the Finance Committee Report.

Distribution Committee Report: Rick Dixon presented the payouts listed in the December 2023 Distribution Report. He asked for full board approval of the recommended, recurring quarterly grant payouts totaling \$48,556 and payouts totaling \$904,688.63 for the Competitive Grant Cycle. The total of December grant payouts is \$953,244.63. On a Burchett/Williamson-Branch motion, all approved the Distribution Committee Report.

On the subject of the Competitive Grant Cycle, Rick said one quirk this cycle was an application that was disqualified due to a discovery that the organization manifests a discriminatory practice related to homosexuality. It is recommended that an eligibility statement pertaining to nondiscrimination be added to the beginning of CFDRR's grant application. Scott indicated that he would like legal review of said nondiscrimination statement.

Comments were also made by several board members related to the receipt of grant funding by government entities. Scott assured that these topics would receive subsequent attention.

Governance Committee Report: Angeles reported that she will begin work toward replacing retiring board members in early 2024. There will be a call for potential new member suggestions. The Board Composite of Skills, Experience and Knowledge document was uploaded to the Board Portal under Governance to help identify gaps.

Strategic Planning Update: Scott stated our focus has been on page three of the Plan: *Provide leadership in charitable revenues*. He said the article about the strategic plan goals following the Donor Appreciation Luncheon was helpful.

He reported that he met with staff regarding next steps and to identify partners to provide services. The key questions asked are: Who is doing this? Who would do this if make the right ask? How do we reach them?

We also need to identify targets for a campaign.

Scott stated that we currently have approximately \$52M in assets and anticipate \$10-12M more coming in from the Marshall Trust. Using the FY2023 Annual Report, he reviewed the top pie chart on page three, pointing out how much money is in each fund area: 31% is unrestricted and 69% is designated or field of interest. Designated and field of interest mean the payouts already have a tag on them. The Marshall Fund falls into the designated category. Therefore, despite the large gift to the Marshall Fund, we still need to raise unrestricted funds if we want to accomplish our strategic objectives.

Development Report: Kathy provided the following information:

Board Governance: Semi-annual fund statements were reviewed by staff and mailed to donors on October 11th; during November the Finance, Distribution, Executive and Halifax Advisory Committees met. Scholarship applications open online January 1, 2024; the Grant Award Reception will be held January 10, 2:30p.m. at Ballou Park Recreation Center. We are prepared to open the Autism and Keokee grant cycles as well as to present grants in Halifax County during January. We hope many of you will attend the Grant Award Reception on January 10 where grantees receive their grant awards and speak briefly about the purpose of their grant.

Staff Operations: Debrielle Williams began working for CFDRR on October 30 as our Foundation Administrator. She recently participated online in Council on Foundations training—*Community Foundation Excellence Fundamentals*. This training provided her with a solid introduction to many aspects of community foundation work.

Most of the finance functions of the former Donor Services Manager position were transferred to Carole Holland, in her new position as Finance Manager. Carole transitioned to part-time on December 1. Her work schedule is: Monday and Tuesday 9:00-5:00 and Wednesday 9:00-4:00.

Finances: The FY2023 audit and 990 are posted to our website including on the Board Portal. Annual insurance review and the renewal process is currently underway. Carole and Kathy met with Robert Jones, from Banker's Insurance, on December 6 to review our insurance coverage. We are currently checking into quotes for a new cyber-liability policy. An engagement letter from HHN & Co. for our FY2024 audit and 990 was signed today. As mentioned in the Finance Committee report, time and effort was recently put into obtaining a clearer picture of our cash balances, their purpose, location, and how they can be invested to earn a higher interest rate. A new Investment Management Account was established with AMNB's Wealth Division to separately hold sufficient funds for one year's emergency needs, along with other funds currently held in an AMNB money market account earning a low interest rate.

Philanthropic Funding and Creative Sources of Revenue: The 27th Year Annual Appeal \$27,000 fundraising goal was reached, with \$42,423 raised through 46 gifts from 33 individuals/couples. Our final 2023 grant redistribution report was sent to Danville Regional Foundation, with an invoice requesting \$300,000 from the new three-year grant.

Our Philip N. Daly Sr. and Frances K. Daly Trust grant application yielded a grant of \$4,358.61 for the Hospitality Management and Tourism Scholarship Fund. The scholarship opportunity from the new Fund becomes available for the first time this January. The scholarship balance is \$31,804.

We still have DRF Board and Staff Capacity Development grant funding available on a reimbursable basis. The remaining balance is about \$31,422. We are working to determine a plan for its use to submit to DRF.

Liaison to Donors and Prospective Donors: Foundation staff worked hard to ensure a successful Donor Appreciation Luncheon. We are appreciative of the strong board participation at the event. One hundred twenty people attended. We received strong corporate sponsorship, for which we are grateful. We worked hard to develop an informative program and oral presentation for the event, both of which were well-received by guests.

Implementation of Philanthropic and Marketing Strategies: Scott shared our philanthropic strategy with guests during the Donor Appreciation Luncheon, and it was noted in Kathy's press release disseminated to media outlets following the event. Hopefully, everyone saw our press release and social media posts about the luncheon.

Following the luncheon, Scott facilitated a discussion with staff to discuss next steps for strategic plan development.

The FY2023 Annual Report was printed and mailed on December 7. Carole took the lead on working with the printer this year. All staff contributed to the publication and we are pleased with the result!

A letter addressed to past and present board members requesting contributions to the Board Endowment Fund as the Strategic Plan recommends was mailed December 6.

Cannon Financial Institute webinars continue, however, we canceled the October 24 webinar due to a lack of interest. The November 14 webinar had six participants, which is two less than the minimum we normally require in order to offer these.

If you attend a Danville Concert Association event this season, notice The Foundation's full-page ad in the program booklet. It focuses on creating a legacy.

Debrielle is coordinating our monthly communication with stakeholders via Constant Contact. All staff contributes to it, and this is a good way for Deb to learn more about current initiatives and projects. She is skilled with social media and posts for us on social media platforms. She took the lead on our holiday card. Photos from the Donor Appreciation Luncheon were inserted into many of them.

On behalf of all of our staff, we wish each of you a happy holiday season. We look forward to seeing you again early in the new year at the Grant Award Reception!

With no further business, the meeting adjourned at 5:02 p.m.

Respectfully Submitted,



Steve Bass
Secretary