

**Board of Visitors and Norfolk State University Foundation
Liaison Committee Meeting**

McDemmond Center for Applied Research (MCAR)
555 Park Avenue, Norfolk, VA 23504
6th Floor Conference Room
December 8, 2016

MINUTES

1. Call to Order/Attendees

Mr. Bryan D. Cuffee, Chair, called the meeting to order at approximately 9:05 a.m. A quorum was established in line with the guidelines to have two members from the Board of Visitors and two members from the Norfolk State University Foundation present for the meeting.

Board of Visitors Liaison Committee Members:

Mr. Bryan D. Cuffee, Chair, University Advancement Committee
Mr. Elwood B. Boone, III

Norfolk State University Foundation Board Members:

Dr. Glenn Carrington, President (*via conference call*)
Dr. Lajuana Collins-Morgan
Mr. James Whitehead, Jr.
Mr. David Kennerson (*arrived 9:23 a.m.*)

Norfolk State University Foundation Staff:

Kelvin W. Arthur, Foundation Manager
Crystal D. Jenkins, Foundation Accountant

Board of Visitors Liaison Committee Member Absent:

Dr. Melvin T. Stith

Norfolk State University Staff:

Mr. Eddie N. Moore, Jr., President and CEO
Dr. Stacey Franklin Jones, Interim Provost and Vice President for Academic Affairs
Dr. Deborah C. Fontaine, Interim Vice President, University Advancement
Ms. Pamela F. Boston, University Counsel
Mrs. Kimberly Gaymon, Financial Services Specialist I
Mrs. Crystal D. Square-Williams, Director, University Events
Mrs. April T. Allbritton, Office Manager/Board Liaison

2. Review and Acceptance of the Agenda

The agenda was accepted and Mr. Cuffee proceeded to the next order of business.

3. Approval of the Minutes

Dr. Collins-Morgan motioned, seconded by Mr. Boone and unanimously voted by the Committee to approve the minutes of December 11, 2015.

4. Compliance Report/Annual Certification Letter

Mr. Arthur stated that the audit received an unmodified opinion, which means a clean audit. He proceeded to discuss the Certification Letter and provided the following:

1. Copies of the Policy (51-001) and BOV Policy #13 (2015) University-Related Foundations have been circulated among all members of the Foundation staff and its governing board. Yes.
2. Compensation of any kind which the Foundation has provided to any University employees has been approved by the Rector, President or their designees prior to payment. A listing of total payments to specific individuals should be attached to the certification letter. Yes.
3. An audit by an independent certified public accountant has been completed, and the Audit Committee of the Foundation has met and reviewed the management letter and response with the auditor. Yes. The Foundation Audit Committee met with the auditors on August 26, 2016 to review the management letter. Mr. Hunter, the Vice President for Finance and Administration, attended this meeting on behalf of the university. NSUF now operates on a calendar year; therefore, the audited financials are as of December 31, 2015. Preliminary financials were provided to the university controller on September 2, 2016 and final financials were provided on September 6, 2016.
4. The annual budget of the Foundation has been approved by the Foundation governing board and has been provided to the Rector or his/her designee. Yes.
5. Written approval has been obtained for any funds the University borrowed from the Foundation. N/A
6. Written approval has been obtained from the Board of Visitors and the Rector for any substantial proposed business ventures or changes in the nature, scope, or propose of the Foundation. N/A
7. Other specific requirements as mutually agreed upon by the Foundation governing board and the President or his/her designee. Yes.

The Liaison Committee had no questions and accepted the compliance report/annual letter of certification as presented.

President Moore thanked the NSUF for making the changeover to the fiscal calendar year, as this has been most beneficial to the university. He explained that the next audit would need to be completed by August 2017 in order to meet the requirements of submitting the SACSCOC report. Mr. Arthur asked President Moore to make this request formally in writing to the Foundation.

Mr. Arthur also stated that the timeframe to have the audit completed is July and going forward this will be done. He noted that the audit was a little behind this year. The

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Foundation plans to send out a solicitation for audit services. The Foundation has been with Dixon-Hughes for seven years.

5. Draft Memorandum of Understanding – Comments from this discussion include the following:

- The Foundation established a subcommittee to review the MOU. Committee members include David Kennerson, Chair, James Peterson and Lamont Maddox, along with Ed Hamm and Yvonne Allmond, who signed the original agreement in 2010 on behalf of the Board and Foundation. The changes made to the MOU reflect the revisions made to BOV Policy #13 – University-Related Foundation and also guidance from the American Governing Board Illustrated Model for MOUs between related foundations and university
- The Foundation seeks input from the administration and the Board on the draft MOU and hopes to finalize the document by March 1, 2017.
- The designees in Section 4 was changed to reflect the representation as stated in BOV Policy #13. Now there will be only two representatives, the Rector or designee and the President or designee. President Moore stated he would check the policy as it was thought the University Advancement would be represented.
- Clarify/check the titles, i.e., Chief Executive, Executive Director, Foundation Director.
- What is the intent of added language on page 1 highlighted below in red? “WHEREAS ... private gifts made in support of the University **unless otherwise specified by the donor**; and

Mr. Arthur stated that this is catch all for dollars that have to be deposited on the university side such as grant funding (examples include the UNCF grant funding and the support of the State match for DNIMAS).

Mr. Whitehead stated that a line could be added to the sentence to make it clearer.

Add vice presidents as designees to process funds, not just the President. The funds are expended through vouchers requests.

Mr. Arthur was asked to explain how the amount that is designated for the university’s disposal is calculated. He listed the components of the calculation (spending policy, spending rate, earnings on funds, amount of restricted and unrestricted dollars, administrative fee, etc.). The President’s salary is not included in this amount. The President may indicate to the Foundation when the available funds should change over. The President asked that the details of the calculation be presented (joint presentation to include Dr. Fontaine) at the May Board meeting.

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6. Relationship of the Parties

Both parties stated that there is a very good working relationship.

7. Adjournment

There being no additional business, the meeting was adjourned at 9:49 a.m.

Respectfully submitted,

April T. Allbritton, Board Liaison

Bryan D. Cuffee, Chair
BOV/NSUF Liaison Committee