

## Snow College Foundation Board Meeting

Meeting Minutes

March 13, 2019

**Members in attendance:** LeAnn Stoddard (via phone), Mark Jones (via phone), Timothy Blackham (via phone), Randy cox (via phone), David Christensen, Eddie Cox, Mark Howard, Kay McIff, Beverly Nielsen, Jim Tatton, Roger Thompson, Brent Thorne, Gary Carlston, Jake Dettinger

**Employees in attendance:** Rosie Connor, Janie Harris, Tracie Semadeni

**Members not in attendance:** Dave Parrish, Leonard Blackham

**Call to Order:** The Snow College Foundation Board meeting was held on Wednesday, March 13, 2019, on the Ephraim Campus of Snow College in the Heritage Room of the Noyes Building. The meeting was called to order by LeAnn Stoddard at 12:13 p.m.

**Approval of Minutes:** *A motion was made by Mark Howard to approve the minutes of the August 8, 2018, meeting and was seconded by Roger Thompson. The motion passed unanimously.*

**Board Member Resignation:** Rosie Connor reported that the Advancement Office received an official resignation letter from Mark Geiselmayer regarding his Foundation Board membership. He has relocated to St. George and will no longer be able to serve on the Foundation Board.

**Consideration of Nomination:** Rosie announced the nomination of a new Foundation Board member, Ken Denos. Mark Howard further introduced Ken stating that he is an alumnus, and he played football while attending Snow College. He is a donor to the College and has served on the Athletic Steering Committee. Ken is a Chairman of Acadia Law Group, and an officer and director of Equus Total Return, Inc. He attended Snow College in the 1980s, and subsequently received his Bachelor of Science degree in business finance and political science from the University of Utah. He also holds a Master of Business Administration and a Juris Doctor from the University of Utah. *Jim Tatton mad a motion to accept Ken Denos as a member of the Foundation Board. The motion was seconded by Roger Thompson, and the vote passed unanimously.*

**Consideration of Foundation Board Membership Reappointments:** Rosie Connor stated that during the last meeting, she failed to ask the Board to reappoint Mark Jones for a three-year term, though he had agreed to serve as the Vice Chairman as approved in the previous meeting. *A motion was made by Mark Howard to reappoint Mark Jones for a three-year term. It was seconded by Roger Thompson, and the vote passed unanimously.*

Rosie also asked the Board to consider David Christensen's reappointment for another term to run concurrently with his Board of Trustees tenure. *A motion was made by Brent Thorne to reappoint David Christensen for another term concurrent with his Board of Trustees tenure. It was seconded by Mark Howard, and the vote passed unanimously.*

**Urgent Care Facility Update:** Jim Tatton has been working with Mark Howard and Leonard Blackham to make progress towards an Urgent Care Facility. Jim stated that for six months, there was no progress with three of the private entities that they have tried to work with regarding the new Urgent Care Facility. These three entities: University of Utah, Central Valley Medical Center, and Intermountain Healthcare (IHC) did not express an interest in partnering with the College. There is now an opportunity to work with Revere Health, a consortium of almost 200 physicians. Revere Health has been establishing rural facilities throughout Utah in the last six years, two of which are in the Sanpete Valley. Jim mentioned that the Urgent Care Committee plans to meet with Revere Health soon. He also stated that Gunnison Hospital may now be interested in working with Snow College to develop the Urgent Care Facility.

The current plan is to have a public/private partnership developed that will aid Snow College in providing a space for the Wellness Center to be housed in the same space where healthcare will be provided. Jim has talked with Allen Riggs, the Director of the Wellness Center, who expressed excitement in helping design the space for the Wellness Center to be on the main floor of the new

building. This building is proposed to also have imaging equipment and a full-service lab, along with an urgent care area. The upper level would be a proposed combination of office space, student relaxation areas, eating areas, and a lab/lecture room that could also be available as a conference room. This conference room could be used by the public as well. Jim Tatton mentioned that the College has purchased a corner lot from John Meade recently, and he believes that this space is adequate for the Urgent Care Facility. The building would be roughly 5500 – 6000 square feet on each level.

President Carlston added that recently, Aaron Wood, the CEO at IHC in Mt. Pleasant, mentioned potential interest in assisting with the Urgent Care Facility. President Carlston would like to have an additional meeting to discuss and develop an RFP and begin designing the building and plans for the facility. Mark Howard suggested that in developing an RFP, to ensure there are sufficient reserves to fund the project and follow through as healthcare buildings cost roughly \$227 per square foot to build. Jim mentioned that once things started moving forward with Revere Health other organizations have expressed increased interest in partnering in the project. Regarding the public/private partnership, Jim stated that the urgent care clinic, imaging, and a portion of the elevator would be the proposed responsibility of the partner. The upper & lower levels of the center would be Snow College's responsibility. Snow College could possibly pay for or lease the space they use.

President Carlston stated that the details of this project will be discussed with the development of the RFP. He mentioned some of the difficulties faced by the Richfield campus to build student housing under the public/private partnership model. The College is working to find a consultant who can assist with the public/private partnerships for both the Richfield housing development and the Ephraim Urgent Care Facility. *A motion was made by Roger Thompson to explore and develop an RFP for the Urgent Care Facility. The motion was seconded by Mark Howard, and the vote passed unanimously.*

President Carlston suggested that a committee be formed to discuss and develop the RFP for this project. When the consultant is chosen for the Richfield housing development project, the hope is that this person can simultaneously help create the Urgent Care Facility RFP. President Carlston added that Jake Dettinger, the Advancement Office, and Foundation Board members should be a part of this committee. Jim Tatton asked that Steve Hood be involved in the committee as well, as other programs may expand and be developed within the Allied Health Department. These programs may include an Associates of Radiology, an Associates of Medical Technician, and an Associates of Science for those who want to continue their education in Community Health.

**Scholarship Committee Update:** Brent Thorne reported that the Scholarship Committee has set a \$3.5 million goal, and they have reached approximately 10% of that goal to date. Eddie Cox, CEO of CentraCom, added that CentraCom currently offers six \$500 scholarships to Sanpete Valley high school students. If the student chooses to attend Snow College, CentraCom doubles the scholarship to \$1,000, and the College matches with an additional \$250. CentraCom is proposing to increase the scholarships to \$750, this amount will still be doubled if the student chooses to attend Snow College. With this offer, they are asking that the College contribute \$500. These scholarships would continue to be one-year scholarships. Roger Thompson mentioned that he and his wife Colleen are considering the creation of a challenge grant where they would match up to \$100,000 donated to Snow College's general scholarship fund by other donors. Brent Thorne also stated that he met with an individual from the Sevier Valley School District recently, and he has learned that there are several rural school districts who have foundations with unused funds. Brent suggested that the Sevier Valley School District contribute to Snow College through the creation of an endowment fund that could support a four-year program for teacher assistants in the Sevier Valley School District with courses that could be taught in Richfield or online. There are currently several districts struggling to fill educator positions, a partnership with Snow

College may be beneficial in filling these needs. Brent mentioned that these partnerships may lead more students to attend Snow College. President Carlston added that the College could potentially work with other four-year institutions to offer more four-year programs to aid in this effort.

President Carlston stated that the College has started to offer “Snow College Promise” scholarships in the Six-County region. Attendance from this area has declined in recent years partially due to concurrent enrollment and also due to competition from other colleges both in and out of state. This scholarship would be directed towards students who are capable of attending college, but are not receiving scholarships from other institutions for various reasons. This would be a pilot scholarship, with an initial funding of \$52,000. This money would be distributed to each high school based on the senior class size. Counselors and principals would identify students who could go to college, but are not receiving incentives to do so. They would relay student names to Snow College, and these students would be awarded a \$500, \$750, or \$1,000 scholarship for the year if they qualify. It is anticipated that this scholarship could affect up to 100 students. Brent suggested that the Six-County Association of Governments be contacted to add this new scholarship opportunity to their meeting agenda. Rosie Connor stated that she attends these meetings, and she could discuss this scholarship at their next meeting.

President Carlston stated that though families and students are becoming more informed of the costs of higher education, they may not realize that Snow College is more affordable overall in Utah. He added that we need to work more to advertise this information and to help promote not only scholarships, but also the cost and affordability of Snow College as a whole. He also mentioned that there would be Truth in Tuition meeting to discuss the new costs of tuition at Snow College. This meeting is open to the public.

**Athletic Steering Committee Update:** Mark Howard reported that over \$6 million has been generated to build the new Athletics Center. The construction of this building has begun and is making significant progress towards its projected completion date in August. Mark expressed his gratitude to all committee members, as they have been very successful in raising the needed funds for various projects of the Athletics Campaign.

President Carlston stated that Rosie was very instrumental in reaching out to Eric and Chandra Bergeson soliciting their naming gift for the new Athletics Center. Eric is a Snow College alumnus, an Athletic Steering Committee member, and a longtime supporter of Snow College. Rosie stated that Eric and Chandra had previously donated \$100,000. Rosie met with both Eric and Chandra and relayed stories from members of the Athletic Steering Committee, the coaching staff, and Snow College athletes. Both Eric and Chandra saw the vision of how important football is to not only Snow College, but also to the young men attend. A few days after the conversation, Eric contacted Rosie and said they would donate \$500,000 to the Athletics Center. The new Athletics Center will be named “Eric and Chandra Bergeson Athletics Center” in honor of Eric and Chandra Bergeson.

The Athletics Steering Committee has primarily been focused on the stadium and on the football program. The committee has met most of the goals they set, but the stadium could still use additional seating. President Carlston expressed his gratitude to all the donors and committee members for their hard work. He recommended to the Foundation Board that they create a committee dedicated to Athletics in general, as there are specific needs in other areas. There is currently a group of parents who are wanting to help with the Softball facilities, and other needs in athletics. President Carlston suggested that Rosie and Athletic Director, Rob Nielson, meet to come up with some names as well as goals for the new committee. *A motion was made by Mark Howard to create a new committee to facilitate the needs*

*of the Snow College Athletics programs. The motion was seconded by Roger Thompson and the vote passed unanimously.*

President Carlston stated that at the next Board of Trustees meeting, the Trustees will consider the addition of E-sports as an official sport for the College. This sport will likely attract several more students to attend Snow College. There are currently about 120 institutions across the nation, both two-year and four-year, that have E-sports.

**Foundation Donated Properties:** Rosie Connor reported that the College owns an unimproved lot in Panguitch that was donated about 30 years ago. There has been an inquiry to purchase the land, but the individual has not submitted an official offer to the Advancement Office at this time. Jake Dettinger added that the lot is in a sub development area on the outside of town. He also mentioned that another piece of land in that area sold for about \$14,000. This land that the College owns is about .5 acres. Rosie added that this land does not yet have water and sewer hooked up, but the developers are putting it in the surrounding land that is currently under development. Jake said that it would be the responsibility of the developer to get sewer and water connected to the land as there are about 30 to 40 lots in that subdivision. Jake stated that Snow College was made aware of the land in its possession about a year ago when the individual interested in the land, who works in the county assessor's office, called Snow College.

Rosie Connor mentioned that the College also owns donated land near Snow College's West Campus. A new business has inquired about the possibility of purchasing this land. Rosie received a phone call from the real estate agent who is helping this new business, and the gentleman mentioned that he would be willing to donate his commission if the sale does go through. Rosie stated that the original appraisal was roughly \$94,000.

**Surplus Books Sale:** Janie Harris stated that the surplus books have not been sold yet, and have been put back on the surplus site. A minimum purchase bid was set for \$7,000. There were two potentially interested buyers. One did not submit an offer, and the other looked at the books, but wanted to make a much lower offer. Rosie Connor stated that Rick Wheeler was interested at one time, but as he is serving as an LDS Mission President currently, she has not had any contact with him. Jack Dettinger stated that the individual wanting to make the lower offer for the books said that many of the books are in bad condition and he would have to throw them away. These books used to be sold on Amazon, but these sales ended when the decision was made to tear down the former TBSI House where the books were housed. The books were then moved to the storage containers and taken off of Amazon, as it was no longer feasible to sell them since they could not be accessed. Jim Tatton suggested having a book display at the Scandinavian Festival. Brent Thorne and Beverly Nielson suggested finding volunteers that would help sell the books that day. Rosie stated the only concern with that scenario is that the cash handling policy would have to be followed, though this is a great idea and worth investigating.

**Finance Report:** Mr. Dettinger reported that during the fourth quarter of 2018, the markets declined. In January, the College was able to recover some of the unrealized losses from the fourth quarter. Endowment returns for January 2019 had a rate of return of 5.56%, with unrealized gains of \$551,974. For fiscal year 2019, there are still \$421,696 unrealized losses due to the fourth quarter market performance. The market has performed fairly well in the last month, and Mr. Dettinger expects to recover more of those losses. The total endowment balance is \$10,007,412, with \$2.2 million in quasi endowment funds and \$7.7 million in the regular endowment funds. The year-to-date rate of return for the endowment funds is -1.22%, while compared to the market, the S&P 500 is -0.83%, the ACWI Index is -2.24%, and the Dow Jones is up 2.85%. Snow College has a mix of mutual funds with some in equity and some in bonds.



As of January, donations were just shy of \$1.1 million for the fiscal year. Roger Thompson questioned if equity funds were mutual funds and if stock funds were directly owned stock. Jake Dettinger confirmed that was correct, and he said that the college is allowed to keep up to 10% in specific stock. One donation of AT&T stock from years ago, has been held at the request of the donor. The rest are in stocks or mutual funds, meaning that there are a variety of different stocks. *A motion was made by Roger Thompson to approve the finance report and was seconded by Jim Tatton. The motion passed unanimously.*

**Athletics Center Update:** President Carlston reported that even with the generous \$500,000 donation from the Bergesons, there is still a small amount needed to finish the building. He added that the Legislature would appropriate \$650,000 to finish and furnish the building, as well as an additional \$50,000 that will go towards the operating costs of the building. The \$650,000 is a one-time appropriation, though the \$50,000 is an ongoing amount. Part of the appropriation will be used to work on the existing stadium building.

He added that the Athletics Center was originally going to be a renovation and addition to the existing stadium. Once the architect reviewed the facility, they advised that if they worked on the stadium they would trigger several codes and greatly increase the costs. The architects suggested building a new building instead. In the existing stadium, the asbestos has been removed, lockers will be added, and the showers will be restored. Heating will also be added to this building as well.

The Athletics Center will be a pre-cast cement building. They have started the brick trim, and are currently pouring the footings. Steel will be put in within the next 10 days. By mid to late-April, the pre-cast cement walls will be up. The completion date is set for August 30, 2019. Layton Construction is the company running the project, and they have been keeping up with the schedule.

**Football Program Update:** Snow College hired a new head football coach, as former head football coach, Paul Peterson, was hired by Dixie State University. The new head coach is Andrew Mitchell, and was previously the assistant football coach at Snow College. Mitchell was offered a position with Paul Peterson at Dixie, but he elected to stay and coach at Snow College. He had played for Snow College years ago where he was an All-American. He went on to play for Oklahoma State, and for the NFL.

President Carlston stated all the Arizona schools within the Western States Football Conference dropped out in December. Snow College has tried several options, including joining the Kansas conference. President Carlston stated that Snow College will be an independent college this football season. The College is hoping to get into the Kansas J-Hawk Conference in 2020. Travel will be an issue due to additional cost. President Carlston added that there are seven to eight Kansas schools and three Iowa schools.

President Carlston stressed the importance of the football program at Snow College. He said Snow College needs to do the following things: keep the football program going; not take the players out of the classroom any more than they already are; and determine how to pay for the additional travel. No other college resources will be taken out of regular programs to support the Football program. President Carlston mentioned that they asked the Legislature for more funding for the Football program, however, that was denied. President Carlston stated that he hopes to work with Ken Denos, the newly approved Foundation Board member. Ken has a friend who is a client who may be interested in establishing a possible endowment to support the athletics program. An endowment of at least \$500,000 could create sustainable support for the football program as the travel costs alone could be as high as \$50,000 per year.

**Social Science Building Update:** President Carlston stated that Snow College did not receive funding for the Social Science Building during this Legislative session. He stated that there are at least three other

institutions' projects ahead of the Social Science Building that will be funded by the legislature this year. Assuming that the level of competition does not change significantly, in the next year or two, Snow College should be in good position to receive funds to build the new Social Science building in the 2020 or 2021 session. The campaign goal is to raise \$2 million, if the College can raise closer to \$2.5 million, the chances of receiving funding are better. The College has not quite raised \$1 million to date. President Carlston expressed his gratitude to the Stoddards for their generous donation. He also mentioned that the Board of Trustees approved that the new Social Science Building be named in honor of the Stoddards.

President Carlston discussed Senate Bill 102, appears to be passing, this bill creates a different way of funding higher education buildings. In theory, instead of all the colleges going to the Building Board and the Legislature to compete for buildings to be built, the legislature would instead appropriate an amount of money which is then divided by the Regents back to the institutions. The institution would then prioritize the building and eventually save enough money to build it. The money would be distributed based off of a performance metric involving the following six areas: enrollment, total performance across the metrics described in Utah Code 538-7-706, projected growth in student population, existing square feet per student full-time equivalent, facility age and condition, and utilization of academic space including off-campus facilities. President Carlston added that Snow College does not usually do well in formula distributed situations. Snow College cannot compete with potential student growth, but does do well in graduation success. Capacity and existing space usage is often space is sometimes a challenge because the College has a lot of square footage, but both campuses need to grow. President Carlston stated that if the legislature appropriates \$33 million in the first round of legislation, Snow College would get just over \$1 million. The Social Science Building is going to cost

roughly \$17.5 or \$18 million to build, so it could potentially be a long time before that building could be built.

President Carlston also stated that there is a second process which allows the Regents to select between one and three additional projects to be submitted to the legislature for funding each year. He added that if this bill passes, it will most likely be the way that Snow College will have to obtain funds. The College will have to demonstrate the need for the building and that it is crucial to the College programs. Rosie Connor mentioned that with this new process, the legislature would hold onto appropriated money as a project would still have to be approved through the Legislature. President Carlston noted that money would probably not come to the College until there is an actual project, and that the legislature would be the holder of the money.

**Other Business/Announcements:** Janie Harris reported that commencement on the Richfield campus will be on May 3<sup>rd</sup> at 1:00 p.m., all guests should be seated no later than 12:30 p.m. Commencement on the Ephraim campus will be on May 4<sup>th</sup> at 10:00 a.m., and all guests should be seated by 9:30 a.m. Rosie added that if any Foundation Board members would like to attend Ephraim commencement, they should let the Advancement office know so tickets can be reserved for them.

**Adjournment:** The remaining Foundation Board meetings for the 2019 year are scheduled as follows: May 8, August 14, and November 13. The meeting was adjourned at 2:11 p.m. The next meeting is set for May 8, 2019 at noon.