



SOUTH DAKOTA HIGH SCHOOL ACTIVITIES ASSOCIATION FOUNDATION
Board of Directors Meeting

October 31, 2018

10:30 a.m.

Pierre, South Dakota

The Board of Directors held a regular meeting on Wednesday, October 31, 2018, at the SDHSAA Office Building in Pierre, South Dakota with members present as follows: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, and Wayne Carney.

The meeting was called to order by Dave Stevens at 10:35 a.m.

Approval of the Agenda

It was moved by Brad Olson, seconded by Dr. Kelly Glodt, to approve the agenda as submitted.

The motion passed 6-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, and Wayne Carney.

Board member Bob Thimjon joined the meeting at 10:45 a.m. via conference call.

Welcoming Comments

Board members introduced themselves and greetings were exchanged.

Election of Officers

The Bylaws of the Foundation Board, Inc. require the following officers of the Foundation Board:

**SECTION VI
OFFICERS**

6.1 Principle Officers. The principle officers of the Foundation shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may from time to time elect such other officers and designate their duties as in their judgment may be necessary to manage the affairs of the Association. A person may hold more than one office simultaneously, except those of President and Vice President. Only the President and Vice President must be members of the Board of Directors.

The Board received a report of the Nominating Committee: President—Dave Stevens, Vice-President—Brad Olson, and Secretary/Treasurer—Wayne Carney.

It was moved by Dr. Kelly Glodt, seconded by Tom Cameron, to approve the Nominating Committee report.

The motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

Review and Adopt Purpose Statement

SDHSAA Executive Director, Dr. Daniel Swartos, has been asked to report to the Government Operations and Audit Committee of the purpose of the funds, present and future, of the Foundation. The current Foundation Bylaws, states:

SECTION 2 PURPOSE

This corporation is established for the purposes that would qualify as a charitable and educational organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) to promote educational purposes, specifically by making grants to fund, assist, recognize, or promote high school students’ participation in extracurricular activities. The actions of the Foundation, and of its assets, shall be dedicated to that purpose.

The Board reviewed Purpose Statements from other state associations foundations.

After much discussion it was moved by Dean Wink, seconded by Brad Olson, to adopt the following Purpose Statement:

“This corporation is established for the purposes that would qualify as a charitable and educational organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) to promote educational purposes, specifically by making grants to fund, assist, recognize, or promote high school students’ participation in extracurricular activities. The actions of the Foundation, and of its assets, shall be dedicated to that purpose. The SDHSAA Foundation will support projects that support educationally based activities programs as deemed appropriate by the Foundation Board of Directors.”

Following further discussion, the motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

Signee Designation

The Foundation has a checking account with Bank West to accommodate the payment of bills incurred by the Foundation. Currently Dave Stevens and Dr. Kelly Glodt are the two Foundation Board members who are signers on the account. With Wayne Carney being elected to the office of Secretary/Treasurer it was the feeling of the Board that he should also be a signer on the account.

Following discussion, it was moved by Bob Thimjon, seconded by Dr. Kelly Glodt, that Mr. Carney be included as a signer on the checking account.

The motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

Dave Stevens will stop at Bank West and inform them of the addition of Wayne Carney as an additional signer of the account.

Tax Preparation

It has been suggested that the Foundation seek a CPA firm to assist the Foundation Board of Directors with the preparation of tax forms as required by the Internal Revenue Service.

Following discussion, it was moved by Bob Thimjon, seconded by Dean Wink, to approve the firm of Eide Bailly, CPAs & Business Advisors, of Sioux Falls to assist the Foundation with the preparation of tax forms as required by the Internal Revenue Service.

The motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

Foundation Financial Goal/Timeline/Disbursement

The Board discussed setting a financial goal for the Foundation, strategies for achieving that goal, and a timeline for achieving that goal. In conjunction to setting a financial goal and strategies for achieving that goal, criteria for disbursements should be clearly stated and articulated to/for all constituents.

Following much discussion, it was moved by Brad Olson, seconded by Dr. Kelly Glodt:

- A. Set a financial goal of 3 million dollars
- B. Strategies to achieve that goal will include seeking donations from:
 - a. Individuals,
 - b. Corporate gifts, and
 - c. Other—wills, endowments, legacies, etc.
- C. Timeline for achieving that goal shall be 5 years
- D. Criteria for disbursements.
 - a. Reinvest into the Foundation until the financial goal is attained
 - b. Special projects, i.e. recruitment/retention of officials, sportsmanship initiatives, grants to schools for special projects that will help insure health and safety for those involved in SDHSAA activities—weight management/body fat measurement for wrestlers, concussion management for all athletes, strength training education, etc.
 - c. Projects approved by Foundation Board of Directors

The motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

Brad Olson, Dr. Kelly Glodt, and Bob Thimjon will develop criteria for accepting restricted donations and report back to the Foundation Board for further discussion and possible action.

Disbursement Committee

As per Foundation Bylaws, page 1, Section 5, Subsection 5.13, page 3, establish a Disbursement Committee having the authority of the Board in the management of the business of the corporation to the extent determined by the Board. Approve four Foundation Board of Directors members to serve on the Disbursement Committee. The SDHSAA Board of Directors shall appoint three members to also serve on the Disbursement Committee.

Following discussion, it was moved by Dr. Kelly Glodt, seconded by Tom Cameron to approve Brad Olson, Miles Beacom, Bob Thimjon, and Dean Wink to serve on the Disbursement Committee with Brad Olson to serve as Chair.

The motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

The SDHSAA Board of Directors shall appoint three (3) members to also serve on the Disbursement Committee.

Foundation Budget

The Board discussed a proposed budget for fiscal year 2018-2019 (July 1, 2018 to June 30, 2019). As per the latest Fund Statement from the SD Community Foundation, the Foundation Board has \$10,331.90 available for distribution. The Board discussed using a portion of that amount to fund the budget and the remaining amount be reinvested into the Foundation for growth.

Following discussion, it was moved by Dr. Kelly Glodt, seconded by Brad Olson, to:

1. Adopt the following budget for the 2018-2019 fiscal year:

<u>Amount</u>	<u>Purpose</u>
\$250.00	Secretary of State—filing fees
\$2000.00	Printing (brochure/stationery), postage, copying, etc.
\$1000.00	Mileage—Board meetings, presentations on behalf of the Foundation, etc.
\$500.00	Office supplies—ink cartridges, binders, tabs, etc.
<u>\$1000.00</u>	Miscellaneous expenses
\$4750.00	

2. Reinvest the remaining amount, \$5,581.90, in the SDHSAA Foundation Fund.

The motion passed 7-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, Wayne Carney, and Bob Thimjon.

Sponsorship Benefits

During the February 28, 2018, meeting of the SDHSAA Board of Directors, a sponsorship benefits proposal received a third and final reading, with passage, for SDHSAA Corporate Partners as well as SDHSAA Foundation Donors. The Sponsorship Benefits was reviewed by the Foundation Board of Directors.

No further action was necessary as the benefits have been adopted by the SDHSAA Board of Directors for both the SDHSAA Corporate Partners as well as the SDHSAA Foundation Donors.

Foundation Brochure

A Foundation brochure was developed and printed several years ago. The current brochure needs to be updated in preparation for distribution to potential donors. Wayne Carney was directed to work on updating the current brochure for review with current Foundation Board members prior to printing.

Website Use

Mr. Carney met with Executive Director Dr. Swartos, Comptroller Isaac Jahn, and Assistant Executive Director John Krogstrand on Thursday, October 11, 2018, to discuss use of the SDHSAA website for distribution of agendas, minutes, and other pertinent information. Mr. Carney will continue to work with SDHSAA staff to develop guidelines for website use.

No further action was taken.

Fund Statement

A Fund Statement was received from the SD Community Foundation on October 18, 2018, for the period January 1 2018 to September 30, 2018. The statement revealed the beginning fair market value in the Fund of \$386,231.16 and an available for distribution amount of \$10,331.90.

No further action was taken.

Bob Thimjon was excused from the meeting at 12:30 p.m.

First Premier Bank/Premier Bankcard Donation

A one-year contract has been signed between the SDHSAA Foundation, Inc. and First Premier Bank/Premier Bankcard in the amount of \$75,000.00. This is the first major corporate gift to the Foundation.

It was moved by Dean Wink, seconded by Brad Olson, to approve the one-year contract with the benefits of the Sponsorship Benefits as adopted by the SDHSAA Board of Directors.

The motion passed 6-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, and Wayne Carney.

It is with great gratitude that the Foundation Board appreciates the generosity of First Premier Bank/Premier Bankcard as this is the first corporate gift to the Foundation. Thank you to Mr. Dana Dykhouse and Mr. Miles Beacom for their encouragement and willingness to support the educationally based activities programs of the SDHSAA.

For the Good of the Order

- Future meetings
- Conference calls with other state associations
- Fundraising events
- Winter travel for some members of the Board
- Minutes to members of the Government Operations and Audit Committee

There being no further items, it was moved by Brad Olson, seconded by Dean Wink, to adjourn at 12:50 p.m.

The motion passed 6-0 with the following voting aye: Dean Wink, Brad Olson, Dave Stevens, Dr. Kelly Glodt, Tom Cameron, and Wayne Carney.

