

CE&CF

BOARD MEETING - May 17, 2019

President's Report – Bill Giesler

Active Chapter - Luke Bowles, Active Chapter President

As the school year is coming to a close, Alpha Xi is leaving a year full of lasting memories and continued success. The amazing achievements of our chapter were recognized at the annual Greek Awards, where Alpha Xi took home recognition for Outstanding Leadership Development Program, Outstanding Service Project, and Outstanding Individual Achievement, awarded to senior Brian Kurtz, who recently completed Officer Candidacy School for the United States Marines, while also serving as the chapter's Risk Manager. Once again, this served as a reminder of the strength of our great chapter!

The spring months have been very busy for active chapter, beginning with a group of 27 brothers attending the PIKE University Leadership Conference in Chicago. Alpha Xi is always one of the most well-represented chapters at this conference and brothers are consistently able to bring back a polished leadership skillset. As always, March was a great and exciting month for Alpha Xi, obviously centered around Founder's Day. Many brothers attended an excellent event at Kenwood Country Club, where CE&CF was able to award a record-breaking amount of scholarships to many well-deserving men. The generosity of Alpha Xi's alumni has been phenomenal and truly goes a long way in changing the lives of many of our brothers.

The semester wrapped up with Alpha Xi's annual Karen Wellington Foundation Week, a week full of various events including fundraisers, a comedy night, and even a PIKE-sponsored concert at Bogarts that all center around raising money for families of women affected by breast cancer. After conclusion of another successful KWF week, Alpha Xi initiated 18 new brothers from the Rho Class, one of largest spring classes in recent years. These new brothers were one of the strongest classes that we have seen in recent years and have cultivated an amazing sense of passion for Alpha Xi.

While the past year was certainly a strong one for Alpha Xi, active chapter is looking ahead to next year with great excitement and aspiration. Elections were held in late February, which consisted of many great discussions and challenging decisions as the next leaders of Alpha Xi were chosen. I know that I speak for the entire new Executive Board when I say that I am honored to serve as the next SMC and that I will work tirelessly to enable the continued success of Alpha Xi, while preserving its great legacy. I am surrounded by a great group of leaders that will enable Alpha Xi to capitalize on its past success, while pushing the chapter to achieve new heights. Alpha Xi's morale and brotherhood are as strong as ever, which makes me very excited for the year ahead!

SHA - Mark Woods, SHA President

First effort will be on recruiting, which will kick off with an SHA happy hour targeted towards the more recent grads. Ryan Boggs and I will then commence building out a larger team, more apt to take on the lion's share of event planning next school year.

We're also working on collecting and cataloging past SHA docs (budget spreadsheets, event planning guides, mtg agendas) into a shared Google Drive. This will aid both transitions, as well as simple recall year after year. Steve Armsey will aid in bringing renewed life into SHA.

UCPHC - Alex Glutz

- The board brought Doug Cushman on board to assist Jim with the all Treasurer responsibilities. Doug is an active CPA at EY who served as THC / Treasurer during his years as an Active Chapter member. Goal is to have Doug assume Jim's role by years end.
- In April the board met with A/C to execute the 2019-2020 Master Chapter House Lease & In-House Scholarship and set goals and expectations for the 2019-2020 term. Anticipate full house residency for fall semester.

Pike Foundation Update

Mark Sims received the following email from the Pike Foundation Attorney.

Mark, your new client, College Education and Charitable Foundation (hereafter CECF), made a request to the Pi Kappa Alpha Foundation (hereafter Foundation) for a grant. I provided their terms of that grant to their former attorney. Your letter disputed the terms of that grant and indicated that your client was not going to accept that grant under those terms and if I wanted to discuss it to contact you.

The Foundation Board and staff and advisers set out those terms after a thorough discussion and analysis. The Foundation is entitled to set the terms for such grants as it deems necessary to protect the integrity of the grant and to protect the recipient. Consequently, since CECF declined those terms, there was nothing to discuss.

The Foundation, as stated in my earlier correspondence containing the parameters of the requested grant, will continue to maintain the fund for the benefit of the Chapter and its members per the existing protocol. You had the information to contact me directly on the letter that I sent to CECF's former counsel. There is no need to use it now that CECF declined the terms of the grant.

Business aside, I send my professional regards.

Sincerely, Rick Charlton

After discussing the response with Mark Sims and a few CE&CF Board Members, Bill Giesler sent an email to Ryan Flickinger requesting a phone conversation. In early April, Bill and Ryan spoke via telephone and had a conversation about CE&CF's disappointment in their reply. The outcome of the conversation was: (1) Ryan's acknowledgement that their reply was not professional; (2) The terms of the Grant are not negotiable. They are the same as the terms the Lily Foundation imposes on the Pike Foundation for grants coming into the Pike Foundation; and (3) If CE&CF is still interested in the Grant, Ryan will discuss it with the Foundation Board.

Bill Giesler inquired about donors requesting scholarship awards that are over the 3% amounts determined by the Pike Foundation. Ryan said this has been done on occasion and the Pike Foundation records would reflect the invasion of principle at the request of the donor. This opens an alternative for our donors to explore. Further discussion will follow at the CE&CF Board meeting on May 17, 2019.

Elections

CE&CF has three (3) Board Members with terms expiring this year. Jerry Lang, Jim Sparrow and Bill Giesler have agreed to serve another term. The vote will be at the May 17, 2019 meeting.

Two (2) Officers have expiring terms in 2019. Jim Sparrow and Bill Giesler have agreed to serve another Officer term as Treasurer and President, respectively. In addition, after 26 years of service as Secretary of the Board, Jerry Lang is retiring as Secretary, but will remain on the Board. Dick Fenstermacher has agreed to fill the Secretary position. All three (3) Officer candidates are up for election at our May 17th meeting.

Digby Lot

Bill Giesler would like to have a discussion at the May 17th Board meeting about selling the Digby lot to UCPHC. Based on our previous conversation, the Board agreed in principle to selling the lot to UCPHC. The issue up for discussion is determining the price for the lot.

Founders' Day 2020

Proposed date is Friday, February 29, 2020 at Kenwood Country Club. Until SHA comes out of hibernation, Founders' Day will remain a CE&CF event.

Planned Giving Program

One of my CE&CF goals for this year is to further develop and formalize our planned giving program. The first step I'd like to take is to connect our various fund-raising initiatives. I am considering assistance outside of CE&CF to help accomplish this. I would like a few Board Members and some non-Board members to assist in further developing the Planned Giving Program.

Alumni Advisory Board

Kyle Quinn has accepted another position at Ernst & Young, effective July 1, 2019 in Germany. He has identified a couple of candidates for his replacement and we hope to hear soon who his successor will be. We wish Kyle well in his new career opportunity and thank him for his service to Alpha Xi.

Endowed Fund

Steve Simendinger and Bill Giesler spoke, via conference call, with Michael Barnes, President of Johnson Charitable Gift Fund, to better understand Endowed Fund options for CE&CF. This will be discussed further at the May 17th Meeting.

Treasurer's Report – Jim Sparrow

Nothing is going through CE&CF checking - payments are through Johnson Investment. Checking account is currently less than \$2000.

Fundraising Report - Bill Hoeb

Annual Fund Raising Program (AFRP)

As of April 30, there has been no change to the OmegaFi report since our last board meeting. They remain at 39 pledges totaling \$10,790 for the 2018-2019 CE&CF Annual Scholarship Fund with \$10,190 collected.

Contributions to Funds

The 2019 Founders' Day Banquet realized a profit of \$1,964.53 (*We await an additional contribution that, when and if received, will increase our profit*). We received a \$250 matching gift check from the Steelcase Foundation (Chris Dalambakis).

Johnson Investment Counsel

CE&CF account transaction information is now available as we are able to track deposit/expense information on the Schwab website.

Expenses

Checks for 2019 CE&CF scholarships and awards totaled \$19,545.

OmegaFi has not deducted their \$188 monthly fee from our JIC account since September 2018. They also incurred expenses of \$23.07 for letters and postage for donors who made tax-deductible contributions in 2018. Our balance due is currently \$1,527.07 (there has been no charge for overdue invoices).

Investment Committee Report - John Strohbach

The market has not been good to us in the last few days. As of May 14, 2019, the Portfolio value was \$1,113,347 (\$1,126,000 May 17). At the end of our fiscal third quarter it was \$1,115,913. What has helped is the composition is heavier in fixed income. i.e.

Equities 58%

Fixed Assets 40% (previously 20%)

Cash 2%

It is with regret that we report Gabrielle Calderone who has managed the tracing of our account is leaving Johnson Investments. A discussion of how this will impact our relationship with JIC is suggested. Investment Committee will meet following CE&CF meeting.

Scholarship Committee Report - Barry Wanninger

Getting ready to send out email blast for 2019 CE&CF "UC Bearcat" Scholarship with Bill Hoeb's assistance. Applications with transcripts will be due back to Barry via email by July 31, 2019. The scholarship will be presented at the Alpha Xi scholarship dinner during the fall semester. The scholarship committee is also looking for a soon to be Alpha Xi graduate to add to the committee for this coming year. Brian Kemper (past SMC) is assisting in finding the new committee member.

Old Business

CE&CF Succession - Discussed need for a contingency plan if CE&CF is no longer able to perform (for whatever reason). Steve Simendinger noted that Johnson Charitable Gift Fund is a \$70 million tax-free fund with a history and 1% fee that manages, does taxes, etc. for situations like this. Alternatively, could use Greater Cincinnati Foundation, or UC Foundation (although higher fees and bureaucracy). Discussion will be continued next meeting while Steve gets more information. JIC is an option but topic is tabled until we conclude down the road some action may be required.

Digby Lot - In deciding the price to sell the property to UCPHC, the valuation may be based on the last sale of the property (\$148,500), not the tax evaluation (\$27,000). Our insurance company wants notification of use for the acquired property. Luke Bowles will let us know what A/C's plans are.
Discussion to continue next meeting.

Pike Foundation - Bill Giesler proposed withdrawing maximum scholarship awards from the Pike Foundation (over their 3%) with intent to invade principal and transfer our donor's gift to CE&CF control. CE&CF would transfer an amount into an Endowed Fund in the donor's name sufficient to support the awarded scholarship. Mike Dever agreed to send a letter to Pike Foundation this fall requesting a larger scholarship.

New Business

Election of Officers - Bill Hoeb moved to renew the 4-year terms of Jim Sparrow, Bill Giesler and Jerry Lang. Wayne Gilsdorf 2nd. Approved. With Jerry's resignation as Secretary, Dick Fenstermacher has agreed to assume the 6/18-6/20 term. Bill Giesler thanked Jerry for serving 26 years as Secretary of the Board.

Founders' Day - The date will be Friday, February 28, 2020 and CE&CF will continue to manage this function until SHA is able. Steve agreed to organize the event.

Planned Giving - Bill Giesler noted that years ago we set a goal of raising \$1,000,000 and we've achieved it. To reach our next goal (of \$2,000,000?) may require outside short-term help. After discussion, John Strohbach moved that Bill Mulvihill be engaged for an amount not to exceed \$6000 for developing a strategy and program to initiate a smart, efficient and effective fund raising effort to grow our portfolio and scholarships. Hoeb 2nd. Approved. Nick Orphan has agreed to work with the Planned Giving team.

Steve urged members to be looking for opportunities to pick up raffle prizes for the Fri. Dec. 1st Christmas Luncheon.

2019 Meeting dates: Aug. 9, Nov. 1

Jerry Lang (CE&CF Sec'y)