



**Executive Committee Meeting Minutes
Friday, May 7, 2010, 10:00 a.m.
(Videoconference)**

Committee Members Present:

Mike Benjamin, Chair
Dan Barnett, Chair, Board Governance Committee
Chuck Creigh, Chair, Development Committee
John H. O. La Gatta, Treasurer
Tom E. Gallagher
Stephen G. Wells, President, DRI

Committee Members Absent:

Lawrie Lieberman, Secretary
Jeff Shaw, Chair, Audit Committee

Staff:

Cleve McDaniel, SVP for Finance & Administration, COO
Steve Salaber, Interim AVP & Controller
Russel Kost, Vice President for Development
Karen Severin, Executive Assistant

Call to Order

Chair Mike Benjamin called the meeting to order on May 7, 2010 at 10:00 a.m. He asked for a review of the minutes of April 09, 2010 Executive Committee Meeting. Steve Wells moved, Chuck Creigh seconded, and the Committee unanimously:

Approved the minutes of the April 09, 2010 Executive Committee Meeting

Treasurer's Report – John H. O. La Gatta

The FY 2011 Draft Budget was presented with a streamlined format and one line for Revenue instead of separate lines for Restricted and Unrestricted funds. Mike Benjamin noted that because the Nevada Medal Dinners are moving to the fall next year there will be no revenue in FY 2011, however some expenses will be incurred for deposits.

Progress continues on the funds management policy and procedures.

Cleve and his team uncovered \$139,000 which had been allocated for, but never disbursed to, the Maxey Addition loan. This amount will be applied to the principal.

The initial draft of the Investment Policy will go before the Finance and Investment Committee for review, amendments, and approval before presentation to the Executive Committee and approval by the full Board at the October 22 meeting.

Mike asked for a motion to accept the Treasurer's Report. Tom Gallagher moved, Chuck Creigh seconded and the Committee unanimously:

Accepted the Treasurer's Report for the DRI Foundation

A second motion to approve the FY 2011 Draft Budget was moved by Tom Gallagher, seconded by Dan Barnett and the Committee unanimously:

Approved the FY 2011 Draft Budget

Executive Committee Report – Mike Benjamin

As it was explained to Mike by NSHE, the 1.5% management fee is paid out of the corpus not the investment earnings. This does not make sense and he proposed a meeting with the development officers from UNLV and UNR to discuss and determine if all parties need to approach NSHE collectively, about changing this policy.

Dr. Wells noted that taking this management fee from the corpus would have a negative impact and cause extensive internal damage within the institution. He recommended not taking the fee until it is paid from investment earnings and not the corpus. As a process of engagement Dr. Wells proposed having the Division Directors report to the Board of Trustees on their stewardship of the current endowments.

Audit Committee Report – Jeff Shaw

No report

Board Governance Committee Report – Dan Barnett

Nothing new to report since last meeting, however Dan would like time on the agenda at the May 21 Board of Trustees meeting to present Board Governance topics (yet to be determined). He also requested the 2011 meeting and events dates be announced as soon as possible for calendar coordination.

Development Committee Report – Chuck Creigh

Using the organizational chart developed by Mike Benjamin, Russ, Mike, and Chuck created teams for each of the funding initiatives. Campaign Chairs, 5 board members, and a DRI scientist will be assigned to each team. Board members will receive an object related to their funding initiative as a reminder of the goal. In addition, the Annual Fund goal was reduced to \$360,000 (from \$650,000) as a more realistic number and one that would cover the expenses of the Foundation. Chuck proposed a portion of the funds raised by each committee, over and above their target goal, go toward the Annual Fund. In this way the trustees are only focused on their specific funding initiative and not overwhelmed with multiple fundraising requests.

Update on DRI Development Activities – Russ Kost

The Development Office meets with Steve Salaber every six weeks; Russ and Steve are currently working on the endowment reporting policy and procedures. It will detail how the Development Office will take responsibility to ensure stewardship of gifts and report back to donors.

The 2010 Nevada Medal Dinners resulted in \$110,000 gross revenue and a total of 700 attendees (360/ Reno, 340/ Las Vegas). As a development tool this event was a great success. The Nevada Medal link is still on the portal and provides links to the extensive media coverage for DRI. Russ thanked all Trustees for sponsorships and bringing people to the tables.

Currently Steve and Russ have 28 major gift prospects: two are currently in solicitation; five are six months out; 10 are less than one year out; and 11 are more than 13 months out. Nevada Energy tentatively approved a \$100,000 gift to the GreenPower program, subject to final approval at their May board meeting. In addition, the Keyser Foundation made a matching donation of \$100,000 also for GreenPower. Regarding the annual giving goal, 25 of 30 board members are currently giving.

President's Report – Dr. Stephen Wells

Due to the positive response from the last two Nevada Medal Dinners, Dr. Wells has decided not to take a year hiatus. Instead the dinners will be moved to the fall beginning in 2011. A new process is being developed for nominating, screening, and selecting the scientists.

The Computational Research and Visualization Building (CRVB) on the DRI campus in Reno received LEED Gold Status. A reception to honor this designation will be held on Wednesday, June 2, 2010, 5:30 – 7:00 p.m. Invitations will be sent out and available on the portal.

A new EVPR candidate, Terry Surles will be in Reno and Las Vegas, May 17-19 for interviews and question and answer sessions. He has a strong background in renewable energies.

Dr. Wells and Dr. Eric McDonald traveled to Washington, D.C. to meet with the delegation staff and give an update on the defense work they supported and the kinds of productivity that resulted from those funds. It was well received, and Senator Reid requested funding for \$7 million in Energy and Water, \$10.5 million for the Renewable Energy Consortium, and \$5.2 million for Defense.

The Board of Regents held a special session on April 18 where they approved the budget reductions prepared by Dr. Wells and Cleve McDaniel:

FY 2010: Reduction of \$170,000

FY 2011: Reduction of \$509,000

Since 2008: DRI has lost \$460,000 in capital, \$1.6 million in the general operating fund, and more than \$1 million in administrative pay and fringe benefits (a small portion of this was lost from the cloud seeding program).

At the June Board of Regents meeting DRI will present a request for a Clean Technologies and Renewable Energy Center (CTREC) to replace the Center for Arid Land (CALEM). Dr. Alan Gertler will lead the center; he is also the director for the Renewable Energy Consortium.

Public Comment

No public comment.

Meeting adjourned at 11:20 a.m.