



Executive Committee Meeting Minutes
Thursday, September 2, 2010
(Originally scheduled August 13, 2010)
10:00 a.m. (PDT) - DRI Campus
Las Vegas – President’s Conference Room
Reno – Maxey Addition Conference Room
(Telephone Conference call-in: 1 (888) 278-0296; enter code: 9290958 #)

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
Lawrie Lieberman, Secretary
Stephen G. Wells, President, DRI

Committee Members Absent:

Jeff Shaw, Chair, Audit Committee

Staff Present:

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

Call to Order

Chair Mike Benjamin called the meeting to order on September 2, 2010 at 10:05 a.m. He asked for a motion to approve the minutes of the June 9, 2010 Executive Committee Meeting. Dan Barnett moved, Steve Wells seconded, and the Committee unanimously:

Approved the minutes of the June 9, 2010 Executive Committee Meeting

Mike notified the committee that Jeff Shaw will be resigning from the board to focus his attention on other matters. He has committed to identify another senior level executive at Southwest Gas who is engaged in environmental issues and would also be an active participant on the board. In addition, Jeff committed his financial support and agreed to meet with Mike regarding additional funding from Southwest Gas for the scholarship funding initiative.

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

John presented the balance sheet for the year ending June 30, 2010. While many changes have been made to the format John felt it could be more concise. He is consulting with his peers for examples to present to the board. Special notice was given to the reduction of the Maxey Addition loan from last year’s balance of nearly \$500,000 to \$271,000. Mike Benjamin congratulated the committee for this

accomplishment. A motion to accept the Treasurer's report for Fiscal Year 2010, ending June 30, 2010 was made by Steve Wells, seconded by Chuck Creigh, and the Committee unanimously:

Accepted the Treasurer's Report for Fiscal Year 2010, ending June 30, 2010 for the DRI Foundation

The Finance and Investment Committee met via conference call on July 22, 2010 to review the Investment Policy Draft. The committee agreed to present the policy as written to the Board of Regents. Once approved, the committee recommended the trustees require the Finance and Investment Committee to review and amend the policy within one year, with specific emphasis on but not limited to, the areas of risk and investment vehicles.

Dr. Wells requested the opportunity for DRI to work with John and the Finance and Investment Committee to improve the format of the balance sheet.

Mike asked for a motion to approve the DRI Foundation's Investment Policy and to recommend the same to the Board of Trustees at the October 22 meeting. Steve Wells moved, Tom Gallagher seconded, and the Committee unanimously:

Recommended the establishment of the DRI Foundation's Investment Policy

Executive Committee Report – Mike Benjamin

Mike noted the plans to transfer the management fee from NSHE were still on hold as Steve Salaber continues his efforts to understand the process in use at UNR and UNLV.

Mike and Russ have been working on a leadership matrix and will forward a draft to Dan next week. The goal is to put a chain of leadership in place making the job easier for Dan and future chairpersons.

At their next meeting, the Board Governance Committee will discuss and make a recommendation to the Executive Committee to amend trustee terms from 3-3-1 to 4-4-1. The change will allow for better cycling of trustees. Existing trustees who are currently serving their first three year term will have their second term extended to four years.

On October 12, Mike will meet with DRI's Faculty Senate to give them a better idea of what the Foundation is and how it works, where we are now and our plans for the future, and establish a dialog between the two groups. Dr. Wells acknowledged this plan as an important step to help the Faculty Senate understand the role of the Foundation and the trustees.

Mike recommended a policy establishing DRI Foundation as the sole fundraising entity for DRI. This policy will legitimize the Foundation's role within the institution. Second, it will legitimize the Foundation by the nature and size of the dollars coming in and allow the Foundation to raise even larger gifts. Dr. Wells believes this policy will benefit everyone but felt the wording does need to state that this is for private funding sources only. Monies raised by faculty for their own work is not included. Russ agreed and the wording will be amended to clarify, "gifts from private sources where there are no expected benefit or contractual return of benefits." This recommendation will be brought to the full board at the October 22 meeting.

Additional recommendations for discussion and action at the October 22 Board of Trustee Meeting include: a corporate resolution identifying Russ Kost as the Executive Director of the DRI Foundation; and a corporate resolution authorizing Russ, as the Executive Director, to expend DRI Foundation funds concurrent with and as approved in the DRI Foundation 2011 fiscal year budget.

Mike asked everyone to review the 2011 meeting dates. Dr. Wells explained to those trustees not in attendance at the May 21 Board Meeting, why the Nevada Medal Dinners were moved to the fall. Dan reminded everyone of the idea of making/offering the Nevada Medal inner an automatic fellowship on the DRI Foundation. Dr. Wells would like to test this idea before moving forward and will report back to the Executive Committee.

Russ presented additional topics for the October 22 Board Meeting. A Board skills session on Endowments will be presented by Steve Salaber. Dr. Alan Gertler will be the featured speaker at the dinner Thursday, October 21. He will discuss the new Center for Technology and Renewable Energy Center. Fayth Ross will make a presentation on the GreenPower program at the Board meeting Friday morning.

Russ asked Committee Chairs to commit to their meeting schedules for 2011 and work with Karen to implement the dates.

In an effort to move the Nevada Medal Dinners to the national level, Mike supported the idea of hiring an outside professional. John La Gatta suggested having the finalists make presentations to the board. Cleve reminded everyone of the need to follow NSHE policy and procedures regarding bids and contracts.

Audit Committee Report

Steve Salaber has been in contact with the audit manager and the completed audit, with comments, should be delivered next week.

Board Governance Committee Report- Dan Barnett

Dan, Mike, Russ, and Gayle have identified the final prospective trustees. Russ noted that of the 21 candidates, three quarters have been contacted with one yes and one very close to accepting. Russ is confident we will obtain eight new Board members for 2011.

Dan stated that Gayle and Sandy have created a board member profile and criteria. The final version will be brought to the Executive Committee at the October 1 meeting and to the full board on October 22. The criteria will be used to evaluate the current board, identify areas where we are strong and weak and use this information for selecting future board candidates.

Development Committee Report – Chuck Creigh

Since the last Executive Committee meeting there have been several calls with about 20% participation for each of the funding initiative groups. A comprehensive spreadsheet showing each division and the targeted donors will be sent out to all trustees. This is necessary to ensure none of the prospective donors receive duplicate calls/visits (i.e. the mining corporations). Instead, Steve Wells and Russ can make a “Big Fish” approach. Russ detailed the activity within each division, specifically the efforts of Bob Goff and his outreach on behalf of DRIF to three major prospects from Incline Village to underwrite the Nearshore monitoring equipment for DHS. Other participation includes Ken Kunkel and Robert Lewis (DAS); Paul Verburg and Tom Gallagher (DEES); Ed Ricks (Maxey Addition Naming Opportunity; and Bill Botts (Scholarships).

Development Report – Russ Kost

Russ reported several asks have been submitted for the GreenPower program. He thanked Mike Benjamin for facilitating an ask through the Community Foundation to the Donald W. Reynolds Foundation for \$20,000. Another request has been made to Air Quality Management Division in Washoe for \$50,000. We applied for and received from the Board of Regents a grant that will fund at DRI a

graduate student for Foundation research. Specifically he/she will conduct prospect research on the foundations we apply to.

One item brought up in the audit relates to the Nevada Medal expenses coming in higher than budgeted. As a formality this will be on the agenda at the board at the October 22 meeting.

Unofficially, the DRI Foundation closed FY2010 at \$690,034, of which \$234,000 was unrestricted. This total is 19% over 2009. Actual numbers will be reported when the audit comes in.

President's Report – Dr. Stephen Wells

Dr. Wells informed the Committee that DRI has lost 28 faculty over the past two years. This is attributed to the economic condition of the state and the fact that DRI has become a poaching ground for other institutions. John Warwick has returned to his position as Director of DHS and is looking to hire eight new faculty during this fiscal year. John has also agreed to work one day a week as the Acting Vice President of Academic Affairs. Dr. Tom Jackman is the new Director of DRIVE6, he comes to us from IBM. Ken Kunkel has accepted a position in North Carolina where he will be the senior scientist in the NOAA Cooperative Institute for Climate Change and Satellites and he will be working at the national Climatic Data Center on climate issues. Dr. Jack Gillies will be taking over as the Interim Director for DAS for the next year as DRI conducts a nationwide search.

Dr. Wells and Russ have been working on the idea of having two anchoring events each year. One would be the Nevada Medal Dinners in the fall and the other involves taking all activities from fundraising and honoring the awardees who benefitted from fundraising and putting it into one convocation. This would be preceded by a *State of the Institution* address given by Dr. Wells and followed, if possible, by a science day where for two or three hours DRI staff presents key scientific accomplishments for the previous year and where we might be going for next year. This one day event would be held in the spring and together with the Nevada Medal would be a good way of keeping people engaged with DRI over the entire year.

Mike suggested that with the goal of trying to create additional connectivity between the Foundation and the institute that the Foundation give an *Employee of the Year* award to someone on staff that the Board works with. Dr. Wells like the idea but felt the pool of candidates would be very limited, but noted that the Faculty Senate had come to him with the suggestion of giving an award to a member of the "Rank 0" or administrative staff, similar to the annual *Technologist of the Year* award. Chuck Creigh and John La Gatta agreed this was a good idea and something the Foundation could do.

Public Comment

No public comment.

Meeting adjourned at 11:25 a.m.