



**WEDNESDAY, APRIL 24
8–10 A.M.**

Finance & Audit Committee Meeting

NORTH END ZONE PROJECT

Designed to solve several structural issues with Albertsons Stadium while elevating the student-athlete and fan experience, the North End Zone Project will infill existing north end bleacher seating with approximately 1,500 premium seats, including field-level suites, loge boxes, and club seats to offer uniquely immersive and comprehensive game day experiences.

The multi-use space will also serve as a dining room and nutrition center for all student-athletes to provide the fuel and education they need to best position them for success on and off the field.

The project will improve the gameday experience for all fans by producing wider concourses to increase ingress and egress efficiency, added restrooms, more concession stands, and give Albertsons Stadium its first-ever 360-degree concourse.

Updating and enhancing athletics facilities ensures that Boise State student-athletes have access to state-of-the-art resources, creating an environment that promotes their physical, mental and professional development, fosters their competitive spirit and fuels their drive for success.



Scan the QR code to learn more.

UNBRIDLED

The Campaign *for* Boise State University



**BOISE STATE UNIVERSITY
FOUNDATION**

FINANCE & AUDIT COMMITTEE MEETING

Wednesday, April 24, 2024, 8:00 a.m.

AFC Room 406

[Join Zoom Meeting](#)

AGENDA

I. Call Meeting to Order	Glen Walker
II. Approval of Minutes from January 24, 2024 [VOTE]	Glen Walker
III. Conflict of Interest Policy Revisit [VOTE]	Paul Powell
IV. FY24 YTD Financials	Paul Powell
V. Campaign Financials	Paul Powell
VI. Payments over \$25,000	Paul Powell
VII. Recommend approval of Form 990 [VOTE]	Anne Sorenson
VIII. FY25 Budget [VOTE]	Paul Powell
• Traditional Budget	
• Proposed Merger Budget	
VIII. Other Business	Glen Walker
IX. Executive Session	Glen Walker
X. Adjournment	Glen Walker

Next Foundation Board of Directors meeting is 5/10/2024, 9:30 a.m. – 1 p.m., AFC Ballroom/Zoom,

Foundation Board Social is 5/10/2024, 5:30 p.m., Bleymaier Football Center

Finance & Audit Committee meeting is 7/24/2024, 8 - 10 a.m., AFC 406/Zoom.



**BOISE STATE UNIVERSITY
FOUNDATION**

FINANCE & AUDIT COMMITTEE MEETING

Wednesday, January 24, 2024, 8:00 a.m.

AFC Room 406

Meeting Minutes

Directors Present

Glen Walker, Committee Chair

Brain Yeargain, Co-Chair

Chuck Hallett, Darren Kyle, Bernadette Madarieta, Rick Stacey

Staff Present

Paul Powell, Matthew Ewing,

Anne Sorenson, Alison Bilgic

Guests

Rachelle Brower, Faculty Representative

Kaylee Halstead, student

I. Call Meeting to Order

Glen Walker called the meeting to order, and initiated introductions with Kaylee Halstead, an accounting student, and the committee.

II. Approval of Minutes from September 6, 2023 [VOTE]

After confirming there were no questions, comments, or changes, Mr. Walker called for a motion to approve the September 6, 2023 Finance and Audit Committee Meeting Minutes.

Motion by Brain Yeargain

Seconded by Bernadette Madarieta

Approved by unanimous vote

III. Conflict of Interest Policy

Paul Powell clarified that there weren't any flaws with the current policy, but that the redlined version simplifies, focuses on broad definitions rather lists, and brings our policy in line with those of peer institutions. Those changes are particularly noticeable in the disclosure statement. Mr. Powell also emphasized that conflicts can exist they simply need to be documented and the process followed to determine if the perceived conflict is a problem.

No vote was taken on this, noting that it is still being reviewed by counsel.

Action: Vote on a clean copy of this policy at the April

Action: Once the new policy is in place Ms. Bilgic will ensure that everyone has signed, and that the review and signing of the conflict of interest disclosure takes place annually.

IV. FY24 YTD Financials

Paul Powell provided a review of the financials noting that performance of the markets continues to significantly influence our balance sheet.

All Funds Balance Sheet

- The Endowment Portfolio increased \$8M in December, bringing it up 6% for the fiscal year to date, and 14.7% over the calendar year.
- Received \$7.5M cash in door in December.
- Clearwater Portfolio was at \$63M, increasing by \$5M in December.
- Total Investments are up \$17.8M YTD.
- Total Net Assets of \$244M is up \$20M YTD.

Income Statement

- \$16M in gifts (\$3M better than this time last year).
- Change in Fair Value of Investments improved by \$7M in December.
- Total Operating Income \$20M (\$10.5M better than last year).

Foundation Budget Report

- Revenue is \$0.5M better than planned Driven primarily by the Advancement Fee.
- No unusual expenses. Mr. Powell did note that credit card fees continue to be high, and as we move to a single platform for online donations, donors will be able to choose to cover fees with all transactions (currently we have that option on some, but not all transactions).

Mr. Powell responded to a question from Darren Kyle confirming that fees are taken on cash in the door not on pledge amounts.

Unrestricted Balance Sheet

- Unrestricted Net Assets are up \$2M
- Unrealized Loss on the Clearwater Portfolio decreased by \$1M in December.

V. Payments over \$25,000

Mr. Powell reviewed these payments.

VI. Campaign Financials

Paul Powell reviewed the UNBRIDLED Campaign Budget Report through December 31, 2023.

- Campaign launch was the biggest expense for marketing/events.
- Ramping up hiring for new positions (10 positions planned overall). Matthew Ewing provided an update on the folks that have been hired.
- Mr. Ewing also provided an update on the payout for the Bridge Program and the Incentive Program. He outlined the four key goals which will trigger an up to 6% possible bonus: Total Productivity, Cash Receipts, Endowment, and Overall Donor Count. These are weighted with the biggest emphasis on Total Productivity. This will apply to the entire team.

VII. MANE Link Access (demo)

Alison Bilgic provided an overview of the new Board Portal; how to get access and what resources to expect. **Action: Ms. Bilgic will send usernames and guidance doc for accessing the site. Committee members will set up their logins, review their bios, and send her any changes.**

VIII. Other Business

No other business was presented.

IX. Executive Session

No need for Executive Session

X. Adjournment

Glen Walker adjourned the meeting.

Minutes Approved:

Glen Walker, Committee Chair

The next Finance & Audit Committee meeting is 4/24/2024, 8 - 10 a.m., AFC 406/Zoom.



**BOISE STATE UNIVERSITY
FOUNDATION**

Memo

TO: Boise State Foundation Finance & Audit Committee

FROM: Alison Bilgic
Director for Foundation and Board Operations
Boise State University Advancement

SUBJECT: Conflict of Interest Policy Statement Discussion

MEETING DATE for REVIEW: 4/24/2024

REFERENCE: Conflict of Interest Policy of 4/9/2008 revised on 1/27/2010, other university foundation's conflict of interest policies (i.e. Uofl Conflict of Interest Policy).

Background:

The Conflict of Interest Policy was last updated in January 2010, and is due for review.

Updating the formatting to bring it in line with the new Foundation Policy format.

After reviewing our existing policy and comparing with other university foundation's conflict of interest policies including that of University of Idaho, as well as consulting with our legal counsel, we have drafted the attached updated version. The language of the policy has been updated to provide clarity, simplify, remove redundancies and non-exhaustive lists in favor of definitions, and adherence to industry standards.

We have shortened the Appendix which should be signed by each Director of the Foundation Board annually. We trust that if conflicts should arise our board members will communicate those, and by signing they acknowledge that they've received the policy, understand it, and are willing to live up to that expectation. We also feel it is enough to ask if someone has a conflict rather than go through each possible scenario where a conflict may exist; hence the simplification of the disclosure.

Boise State University Foundation

Conflict of Interest Policy

Effective date: ~~January 2010~~ May 2024

Latest review: April 2024



BOISE STATE UNIVERSITY

Introduction & Purpose:

The Boise State University Foundation, Inc. (“Foundation”) is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of the Foundation as a public trust which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between the Foundation and Responsible Persons (defined below) and the public a fiduciary duty which carries with it a broad and unbending duty of loyalty and fidelity. Responsible Persons have the responsibility of administering the affairs of the Foundation honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the Foundation. Those persons will exercise the utmost good faith in all transactions involved in their duties, and they will not use their positions with the Foundation or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

The purpose of the Conflict of Interest Policy is to protect the Foundation’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of any Responsible Persons of the Foundation. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

I. Definitions:

1. *Responsible Persons* – any director, officer, employee and others who can influence the actions of the Foundation (“Responsible Persons”), including anyone who has a direct or indirect financial interest (defined below). For example, this would include all who make purchasing decisions, all persons who might be described as “management personnel,” and anyone who has proprietary information concerning the Foundation.
2. *Related Party Transaction* – any transaction, agreement or any other arrangement in which a Responsible Person has a Financial Interest (defined below) and in which the Foundation is a participant.
3. *Financial Interest* – A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. an ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,
 - b. a compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or
 - c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a

transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

4. *Conflict of Interest* – a conflict of interest may exist when a Responsible Person:
 - a. owes a duty to more than one person or organization,
 - b. has Financial Interests that are potentially inconsistent with the interest of the Foundation, or
 - c. has any interest in, or engages in, a Related Party Transaction.

II. Procedures:

1. *Duty to Disclose* – in connection with any actual or possible conflict of interest and/or any actual or proposed Related Party Transaction, a Responsible Person must disclose, in good faith, the existence of his or her Financial Interest and all material facts concerning such interest to the Executive Director and members of committees with Board-related powers considering the proposed transaction or arrangement.

Responsible Persons who are not members of the Board of Directors or who have a conflict of interest with respect to a contract or transaction that is not the subject of Board or Committee action, will disclose to their supervisor, the Executive Director, or the Board chair any conflict of interest that such person has with respect to any contract or transaction. Such disclosure will be made as soon as the conflict of interest is known to the Responsible Person. The Responsible Person will refrain from any action that may affect the Foundation's participation in such contract or transaction. A supervisor will inform the Executive Director of any such conflict of interest. The Executive Director will bring the matter to the attention of the Board or Executive Committee.

Disclosure involving Directors will be made to the Board Chair (or if she or he is the one with the conflict, then to the Board Vice-Chair) who will bring these matters to the Board or the Executive Committee

Information acquired in connection with disclosures of conflicts of interest or potential conflicts will be treated as confidential and will generally be made available only as necessary for the implementation of this Policy.

2. *Determining Whether a Conflict of Interest Exists* – after disclosure of the Financial Interest and all material facts, and after any discussion with the Responsible Person, he or she shall leave the Board or committee meeting while the determination of a Conflict

of Interest is discussed and voted upon. The remaining Board or committee members shall decide if a Conflict of Interest exists.

3. *Procedures for Addressing the Conflict of Interest.*

- a. the person with the conflict of interest will not participate in or be permitted to hear the Board's or Committee's discussion of the matter except to disclose materials facts and to respond to questions. Such person will not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- b. the person with the conflict of interest with respect to the contract or transaction that will be voted on at a meeting will not be counted in determining the presence of a quorum for purposes of the vote. The person who has the conflict of interest may not vote on the contract or transaction and will not be present in the meeting room when the vote is taken, unless the vote is by secret ballot.
- c. If the matter involves a Related Party Transaction, the chairperson of the Board or committee shall appoint a disinterested person or committee to investigate alternatives to the Related Party Transaction.
- d. the Board or committee shall determine whether the Foundation can obtain, with reasonable efforts, a transaction or arrangement more advantageous to the Foundation from a person or entity that would not give rise to a Related Party Transaction.
- e. if a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Related Party Transaction, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Foundation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. *Violations of the Conflict of Interest Policy*

- a. if the Board or committee has reasonable cause to believe that a director has failed to disclose actual or possible conflicts of interest, it shall inform the director of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. if, after hearing the response of the director and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

III. Records of Proceedings:

Each Responsible Person will be provided with and asked to review a copy of this Policy and to acknowledge in writing that he or she has received, read, understands, and agrees to comply with the Policy. Any changes to the Policy will be communicated to all Responsible Persons.

Annually, each Responsible Person will complete a disclosure form (Addendum) identifying any relationships, positions or circumstances in which s/he is involved that he or she believes could contribute to a conflict of interest.



**BOISE STATE UNIVERSITY
FOUNDATION**

**APPENDIX
CONFLICT OF INTEREST POLICY**

**Initial/Annual Disclosure Statement of the Board of Directors of
the Boise State University Foundation**

Each of the undersigned members of the Board of Directors of the Foundation states for himself or herself that he or she:

1. has received a copy of the conflicts of interest policy,
2. has read and understands the policy,
3. has agreed to comply with the policy,
4. understands that the Foundation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

To the best of my knowledge:

1. I am an officer, director, trustee, member, owner, or employee of the following entities with which the Foundation has a relationship:

2. I may have a conflicting interest with the following transactions in which the Foundation is a participant:

Print Name

Signature

Date

**Boise State University Foundation
Financial Report Summary
as of 3/31/2024**

I. Balance Sheet – All Funds

- The biggest change this month was the Endowment Portfolio increased \$4.8M to \$162.9M due to gifts and market performance.
- The Clearwater Portfolio increased \$2M this month to \$63.3M.
- Other Investments increased \$1M with the move of \$1M of BSPR money from a savings account to a new Schwab account.
- Total Net Assets of \$254.7M increased \$8M this month, and is up \$30.3M YTD.

II. Income Statement – All Funds

- Gifts of \$21.6M increased \$1.8M this month and is up \$5.5M for the quarter. Last month Gifts were \$3.3M better than last year and are now \$1M below last year due to a \$5M gift last March.
- Change in Fair Value of Investments increased \$4.7M this month to \$14.5M.
- Ending Net Assets of \$254.7M increased \$8M this month and is \$31.5M better than last year..

III. Foundation Budget Report

- Total Revenue of \$4.5M increased to \$810k better than plan driven this month by the Advancement Fees and Restricted/Unrestricted Earnings.
- Most expense variances are timing, except for Salaries, Equipment and Credit Card Fees.
- Total Foundation and University Support is \$828k better than plan.

IV. Balance Sheet – Unrestricted

- Investment-Endowment of \$7.1M increased \$200k and investments in Short-term Funds of \$2.7M increased \$644k for the month.
- Unrealized Loss on the Clearwater Portfolio decreased \$200k this month to \$4.1M.
- Foundation Net Assets of \$10.1M increased \$627k this month.

Boise State University Foundation, Inc.
Comparative Balance Sheet - All Funds

	3/31/2024	3/31/2023	Difference 3/31/2024	6/30/2023	Difference 6/30/2023
Assets					
Cash & Cash Equivalents					
Checking	1,581,567.73	612,768.82	968,798.91	1,311,123.01	270,444.72
Petty Cash	200.00	200.00	0.00	200.00	0.00
KBSU, BAA, Alumni Assn Accts	3,069,868.91	2,014,867.82	1,055,001.09	2,095,279.06	974,589.85
Total Cash & Cash Equivalents	4,651,636.64	2,627,836.64	2,023,800.00	3,406,602.07	1,245,034.57
Receivables					
Accrued Interest & Other Receivables	690,813.66	560,276.68	130,536.98	481,512.76	209,300.90
Pledges Receivable	12,931,558.24	15,046,204.17	(2,114,645.93)	14,386,003.95	(1,454,445.71)
Total Pledges Receivable	13,622,371.90	15,606,480.85	(1,984,108.95)	14,867,516.71	(1,245,144.81)
Investments					
Endowment Portfolio	162,943,564.62	141,895,977.75	21,047,586.87	145,702,594.82	17,240,969.80
Clearwater Portfolio	63,275,165.01	54,478,843.27	8,796,321.74	53,579,165.06	9,695,999.95
Other Investments	11,572,654.85	10,918,497.39	654,157.46	10,129,733.09	1,442,921.76
Total Investments	237,791,384.48	207,293,318.41	30,498,066.07	209,411,492.97	28,379,891.51
Other Misc. Assets					
Miscellaneous Other Assets - Endowment	418,441.89	397,127.92	21,313.97	418,441.89	0.00
Miscellaneous Other Assets - Restricted	462,429.92	406,306.61	56,123.31	462,429.92	0.00
Total Other Misc. Assets	880,871.81	803,434.53	77,437.28	880,871.81	-
Construction In Progress					
South Video Board, CM Building, Soccer Lig	5,725,718.57	5,250,552.64	475,165.93	5,459,602.14	266,116.43
Total Construction in Progress	5,725,718.57	5,250,552.64	475,165.93	5,459,602.14	266,116.43
Total Assets	262,671,983.40	231,581,623.07	31,090,360.33	234,026,085.70	28,645,897.70
Liabilities and Net Assets					
Liabilities					
Payables	784,477.32	1,152,898.99	(368,421.67)	2,004,846.39	(1,220,369.07)
Prepaid Liabilities	1,622,813.43	1,560,734.70	62,078.73	1,690,853.35	(68,039.92)
Bonds/Loans Payable	3,000,000.00	3,000,000.00	0.00	3,000,000.00	0.00
Trust and Annuity Liabilities	2,515,104.53	2,642,869.70	(127,765.17)	2,934,504.21	(419,399.68)
Total Liabilities	7,922,395.28	8,356,503.39	(434,108.11)	9,630,203.95	(1,707,808.67)
Net Assets					
Net Assets - Endowment	159,087,777.47	137,573,485.70	21,514,291.77	141,753,404.19	17,334,373.28
Net Assets - Restricted	73,186,216.48	66,574,817.00	6,611,399.48	66,532,120.14	6,654,096.34
Net Assets - Unrestricted	15,211,914.41	12,436,792.66	2,775,121.75	11,230,792.00	3,981,122.41
Net Assets - Committed Scholarships	7,263,679.76	6,640,024.32	623,655.44	4,879,565.42	2,384,114.34
Total Net Assets	254,749,588.12	223,225,119.68	31,524,468.44	224,395,881.75	30,353,706.37
Total Liabilities and Net Assets	262,671,983.40	231,581,623.07	31,090,360.33	234,026,085.70	28,645,897.70

Boise State University Foundation, Inc.
Year-to-Date Income Statement - All Funds

	YTD Actuals to 3/31/2024	YTD Actuals to 3/31/2023	Difference
Income & Expenses for Operations			
Operating Revenues			
Gifts	21,598,269.79	22,668,113.82	(1,069,844.03)
Non-Cash Gifts	0.00	448,000.00	(448,000.00)
BAA and Alumni Assn Membership & Parking Re	2,430,544.99	1,986,916.97	443,628.02
Non-Charitable Income	3,300,496.74	3,236,834.44	63,662.30
Interest and Dividends	5,056,001.31	3,994,501.25	1,061,500.06
Change in Split Interest Trusts	307,359.56	0.00	307,359.56
Change in Fair Value of Investments	14,482,363.46	5,224,373.06	9,257,990.40
Donation from Alumni Association	0.00	0.00	0.00
Total Revenues	47,175,035.85	37,558,739.54	9,616,296.31
Operating Expenses			
Distribution of Scholarships and General Endowm	(3,061,809.53)	(3,654,910.85)	593,101.32
Distribution of Funds for Academic Programs	(1,783,567.69)	(2,554,560.46)	770,992.77
Distribution of Funds for Athletic Programs	(5,985,085.00)	(3,767,112.40)	(2,217,972.60)
Non-Collectible Pledge Expense	(211,389.37)	(86,278.00)	(125,111.37)
Administrative Expense	(5,268,788.59)	(4,008,987.50)	(1,259,801.09)
Transfer Assets to Boise State University	(510,689.30)	0.00	(510,689.30)
Total Operating Expense	(16,821,329.48)	(14,071,849.21)	(2,749,480.27)
Total Operating Income (Expense)	30,353,706.37	23,486,890.33	6,866,816.04
Nonoperating Revenues & Expenses			
Nonoperating Revenues			
Gain (Loss) on Sale of Other Assets	0.00	(42,072.78)	42,072.78
Total Nonoperating Revenues	0.00	(42,072.78)	42,072.78
Transfers and Account Adjustments			
Transfers Between Funds - Permanently Restricted	4,132,417.95	4,370,849.67	(238,431.72)
Transfers Between Funds - Temporarily Restricted	119,673.95	233,191.63	(113,517.68)
Transfers Between Funds - Unrestricted	5,847.83	(13,929.10)	19,776.93
Transfers Between Funds - Committed Scholarships	(4,257,939.73)	(4,590,112.20)	332,172.47
Total Transfers and Account Adjustments	0.00	0.00	0.00
NET SURPLUS/(DEFICIT)	30,353,706.37	23,444,817.55	6,908,888.82
BEGINNING NET ASSETS	224,395,881.75	199,780,302.13	24,615,579.62
ENDING NET ASSETS	254,749,588.12	223,225,119.68	31,524,468.44

Boise State University Foundation, Inc.
Year to Date Budget Report - Unrestricted Fund

	Total Budget	3/31/2024	YTD Budget to 03/31/2024	YTD Variance	Total Budget Variance	Explanation of Significant Differences		
						Timing	Non-Timing	Comments
Revenue								
Advancement Assessment	1,966,511.00	1,575,283.30	1,474,883.00	100,400.30	(391,227.70)	100,400.30		Monthly assessment was \$26k better than plan.
Advancement Fee	1,250,000.00	1,402,427.73	937,499.00	464,928.73	152,427.73	464,928.73		Monthly fees were \$65k better than plan.
Contributions & Misc. Income	5,000.00	2,004.02	3,752.00	(1,747.98)	(2,995.98)	(1,747.98)		
Restricted/Unrestricted Earnings	1,269,000.00	1,199,029.68	951,750.00	247,279.68	(69,970.32)	247,279.68		Monthly earnings were \$50k better than plan.
Payout from Quasi-Endowment	219,880.00	219,880.00	219,880.00	0.00	0.00	-		
Payout from Brown Funds	122,210.00	122,210.00	122,210.00	0.00	0.00	-		
Total Revenue	4,832,601.00	4,520,834.73	3,709,974.00	810,860.73	(311,766.27)	810,860.73	0.00	
Expenses								
Personnel Expenses								
Salaries	420,099.00	331,659.41	323,267.00	(8,392.41)	88,439.59		(8,392.41)	Variance is due to about a month of overlap between accountant positions.
Fringe Benefits	139,746.00	104,182.21	106,440.00	2,257.79	35,563.79	2,257.79		
Total Personnel Expenses	559,845.00	435,841.62	429,707.00	(6,134.62)	124,003.38	2,257.79	(8,392.41)	
Operating Expenses								
Office Operations	13,050.00	4,000.81	9,992.00	5,991.19	9,049.19	5,991.19		
Staff Support	16,500.00	7,586.16	15,750.00	8,163.84	8,913.84	8,163.84		
Purchased Services	59,800.00	50,746.00	49,750.00	(996.00)	9,054.00	(996.00)		
UA Consulting - Unbudgeted	0.00	16,540.00	0.00	(16,540.00)	(16,540.00)		(16,540.00)	Claire Thibeau, White Whale
Cultivation and Stewardship	17,500.00	6,124.69	1,499.00	(4,625.69)	11,375.31	(4,625.69)		
Software and Services	540,000.00	491,628.64	540,000.00	48,371.36	48,371.36	48,371.36		
UA Software & Services - Unbudgeted	0.00	6,627.02	0.00	(6,627.02)	(6,627.02)		(6,627.02)	Trello, Flockler, Bluefin
Equipment	3,500.00	12,816.26	3,500.00	(9,316.26)	(9,316.26)		(9,316.26)	2 unplanned computer replacements
Travel	8,000.00	2,696.69	6,001.00	3,304.31	5,303.31	3,304.31		
Foundation Grants	15,000.00	15,000.00	15,000.00	0.00	0.00	-		Bronco Giving Day
Board Expenses	47,300.00	40,101.37	37,983.00	(2,118.37)	7,198.63	(2,118.37)		
Credit Card Fees & Bank Charges	90,000.00	107,736.85	67,500.00	(40,236.85)	(17,736.85)	(40,236.85)		
Total Operating Expenses	810,650.00	761,604.49	746,975.00	(14,629.49)	49,045.51	17,853.79	(32,483.28)	
Total Expenses	1,370,495.00	1,197,446.11	1,176,682.00	(20,764.11)	173,048.89			
Net Income	3,462,106.00	3,323,388.62	2,533,292.00	790,096.62	(138,717.38)			
Transfers to the University								
Transfers for UA	3,462,106.00	2,526,832.98	2,550,000.00	23,167.02	935,273.02	-	23,167.02	
Total Transfers	3,462,106.00	2,526,832.98	2,550,000.00	23,167.02	935,273.02	-	23,167.02	
Total Foundation and University Support Activity	0.00	796,555.64	(16,708.00)	813,263.64	796,555.64	830,972.31	(17,708.67)	

Boise State University Foundation, Inc.
Comparative Balance Sheet - Unrestricted

	<u>3/31/2024</u>	<u>3/31/2023</u>	<u>Difference 3/31/2024</u>	<u>6/30/2023</u>	<u>Difference 6/30/2023</u>
Assets					
Cash & Cash Equivalents					
Checking Account - Wells Fargo	33,023.84	375,993.43	(342,969.59)	474,254.50	(441,230.66)
Petty Cash Account	200.00	200.00	0.00	200.00	0.00
Due From BAA - Checking Account	2,131,515.73	12,085.99	2,119,429.74	(320,721.63)	2,452,237.36
Due From AA - Checking Account	55,481.75	61,910.97	(6,429.22)	15,357.11	40,124.64
Total Cash & Cash Equivalents	<u>2,220,221.32</u>	<u>450,190.39</u>	<u>1,770,030.93</u>	<u>169,089.98</u>	<u>2,051,131.34</u>
Receivables and Prepaid Expenses					
Interest Receivable	539,124.09	416,709.41	122,414.68	330,083.21	209,040.88
Prepaid Expense & Other receivables			0.00		0.00
Alumni Assn Lifetime Pledges Receivable	8,164.43	22,733.75	(14,569.32)	16,798.14	(8,633.71)
Less Uncollectible Lifetime Pledges	(10,000.00)	(10,000.00)	0.00	(10,000.00)	0.00
Total Accrued Interest & Other Receivables	<u>537,288.52</u>	<u>429,443.16</u>	<u>107,845.36</u>	<u>336,881.35</u>	<u>200,407.17</u>
Investments					
Investments-Endowment	7,156,491.53	6,463,116.25	693,375.28	6,730,735.26	425,756.27
Short-term Funds	2,728,420.48	796,241.90	1,932,178.58	1,304,410.95	1,424,009.53
Short-term Funds - BAA	2,715,954.63	4,071,088.08	(1,355,133.45)	2,620,732.69	95,221.94
Short-term Funds - BSUAA	381,750.38	409,827.05	(28,076.67)	408,550.96	(26,800.58)
Total Investments	<u>12,982,617.02</u>	<u>11,740,273.28</u>	<u>1,242,343.74</u>	<u>11,064,429.86</u>	<u>1,918,187.16</u>
Total Assets	<u>15,740,126.86</u>	<u>12,619,906.83</u>	<u>3,120,220.03</u>	<u>11,570,401.19</u>	<u>4,169,725.67</u>
Total Assets without BAA and AA	<u>10,457,259.94</u>	<u>8,052,260.99</u>	<u>2,404,998.95</u>	<u>8,839,683.92</u>	<u>1,617,576.02</u>
Liabilities and Net Assets					
Liabilities					
Accounts Payable	314,394.44	76,398.42	237,996.02	57,751.26	256,643.18
Deferred Revenue	0.00	0.00	0.00	0.00	0.00
Prepaid Revenue - BAA	213,818.01	106,715.75	107,102.26	281,857.93	(68,039.92)
Total Liabilities	<u>528,212.45</u>	<u>183,114.17</u>	<u>345,098.28</u>	<u>339,609.19</u>	<u>188,603.26</u>
Net Assets					
Net Assets	<u>15,211,914.41</u>	<u>12,436,792.66</u>	<u>2,775,121.75</u>	<u>11,230,792.00</u>	<u>3,981,122.41</u>
Total Net Assets	<u>15,211,914.41</u>	<u>12,436,792.66</u>	<u>2,775,121.75</u>	<u>11,230,792.00</u>	<u>3,981,122.41</u>
Total Liabilities and Net Assets	<u>15,740,126.86</u>	<u>12,619,906.83</u>	<u>3,120,220.03</u>	<u>11,570,401.19</u>	<u>4,169,725.67</u>
Total Liabilities and Net Assets without BAA & AA	<u>10,457,259.94</u>	<u>8,052,260.99</u>	<u>2,404,998.95</u>	<u>8,839,683.92</u>	<u>1,617,576.02</u>
Target Reserve:					
1.5 times FY2024 budget (\$4,832,601)	7,248,901.50				
Amount in cash, cash equivalents, short-term inv	2,761,644.32				
Unrealized (Gain)/Loss on Clearwater Portfolio	<u>4,124,624.03</u>				
Difference	<u>(362,633.15)</u>				
Foundation Net Assets	<u>10,149,554.39</u>				
BAA Net Assets	4,633,652.35				
BSUAA Net Assets	<u>428,707.67</u>				
Total Net Assets	<u>15,211,914.41</u>				

**Boise State University Foundation,*
UNBRIDLED Campaign Budget Report**

FY2024 Budget as of 2/29/2024

Description	FY2024 Budget	FY2024 Expenses	Budget Variance	% of Budget Remaining
Marketing/Events (03-5951)	\$ 346,500	\$ 299,489	\$ 47,011	14%
Operations (03-5952)	\$ 244,850	\$ 76,665	\$ 168,185	69%
People (03-5953)	\$ 782,863	\$ 143,449	\$ 639,414	82%
Incentive - Max Distribution		\$ -	\$ -	
Scholarship Matching Program		\$ -	\$ -	
Total Budget	\$ 1,374,213	\$ 519,603	\$ 854,610	

Approved Campaign Budget

	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Total Budget
Marketing/Events	\$ 346,500	\$ 81,500	\$ 81,500	\$ 84,000	\$ 36,500		\$ 630,000
Operations	\$ 244,850	\$ 99,518	\$ 100,343	\$ 109,336	\$ 195,002		\$ 749,049
People (Campaign Employees)	\$ 782,863	\$ 964,807	\$ 998,846	\$ 1,116,536	\$ 1,156,367		\$ 5,019,419
Incentive - Max Distribution		\$ 416,000	\$ 432,000	\$ 449,946	\$ 467,943	\$ 486,660	\$ 2,252,549
Scholarship Matching Program		\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000		\$ 2,000,000
Total Budget	\$ 1,374,213	\$ 2,061,825	\$ 2,112,689	\$ 2,259,818	\$ 2,355,812	\$ 486,660	\$ 10,651,017

Boise State University Foundation, Inc.
FY2025 Cash Budget - Current Structure

FY2025 Budget Assumptions:

1	Endowment Assessment Basis	\$145,482,978	\$158M Endowment less approx. \$6.9M not subject to fees and \$5M planned distributions by 7/31.
2	New cash gifts to the endowment	\$2,900,000	Average annual gifts to endowment = \$5.8M.
3	Advancement Fee Basis	\$30,000,000	
4	Fee on Endowment funds	1.5%	
5	Fee on cash gifts	5.0%	
	Reserve Portfolio Balances	\$ 63,000,000	
6	Net Income on Liquidity Reserve	4.00%	
7	Net Income on Intermediate Reserve	3.40%	

	Proposed FY2025 Budget	FY2024 Forecast	FY2024 Budget	Budget Variance	Notes	FY2023 Forecast Variance
Revenue						
Foundation Unrestricted Funds					Revenue forecast based on March actuals.	
Advancement Assessment	2,225,745	2,100,283	1,966,511	259,234		133,772
Advancement Fee	1,500,000	1,732,427	1,250,000	250,000		482,427
Restricted/Unrestricted Earnings	2,084,400	1,634,029	1,269,000	815,400		365,029
Contributions and Miscellaneous Income	5,000	3,000	5,000	0		(2,000)
Payout from Quasi Endowments	258,430	219,880	219,880	38,550		0
Payout from Brown Funds	124,130	122,210	122,210	1,920		0
Total Revenue	6,197,705	5,811,829	4,832,601	1,365,104		979,228
Expenses						
Salaries	497,490	428,400	420,099	77,391	Add second accountant	8,301
Fringe Benefits	167,054	139,000	139,746	27,308		(746)
Personnel Expenses	664,544	567,400	559,845	104,699		7,555
Office operating costs	13,550	10,000	13,050	500		(3,050)
Staff support costs	16,500	12,000	16,500	0		(4,500)
Purchased Services	65,500	59,800	59,800	5,700		0
UA Consulting - Unbudgeted	0	112,000	0		Netted from UA distribution	112,000
Cultivation and Stewardship costs	21,500	21,500	17,500	4,000	\$15k for Foundation Scholar Awards	4,000
Software and Services	562,000	520,000	540,000	22,000	License increases	(20,000)
UA Software & Services - Unbudgeted	0	8,000	0		Netted from UA distribution	8,000
UA Campaign Expense - Unbudgeted	0	193,944	0		Netted from UA distribution	193,944
Equipment Costs	6,000	13,000	3,500	2,500		9,500
Travel Costs	8,000	3,000	8,000	0		(5,000)
Bronco Giving Day Support	15,000	15,000	15,000	0		0
Board Expense	58,750	47,300	47,300	11,450		0
Credit Card and Bank Fees	135,000	134,500	90,000	45,000		44,500
Operating Expenses	901,800	1,150,044	810,650	91,150		339,394
Total Expenses	1,566,344	1,717,444	1,370,495	195,849		346,949
Net Income	4,631,361	4,094,385	3,462,106	1,169,255		632,279
Total Distribution to University	3,600,000	3,154,308	3,462,106	137,894		(307,798)
Allocation (from)/to Unrestricted Assets	1,031,361	940,077	0	1,031,361		940,077

Boise State University Foundation, Inc.
FY2025 Cash Budget - Merged Structure (DRAFT)

FY2025 Budget Assumptions:

1	Endowment Assessment Basis	\$145,482,978	\$158M Endowment less approx. \$6.9M not subject to fees and \$6M planned distributions by 7/31.
2	New cash gifts to the endowment	\$2,900,000	Average annual gifts to endowment = \$5.8M.
3	Advancement Fee Basis	\$30,000,000	
4	Fee on Endowment funds	1.5%	
5	Fee on cash gifts	5.0%	
	Reserve Portfolio Balances	\$ 63,000,000	
6	Net Income on Liquidity Reserve	4.00%	
7	Net Income on Intermediate Reserve	3.40%	

	Proposed FY2025 Budget	FY2024 Forecast	FY2024 Budget	Budget Variance	Notes	FY2023 Forecast Variance
Revenue					Revenue forecast based on March actuals.	
Foundation Unrestricted Funds						
Advancement Assessment	2,225,745	2,100,283	1,966,511	259,234		133,772
Advancement Fee	1,500,000	1,732,427	1,250,000	250,000		482,427
Restricted/Unrestricted Earnings	2,084,400	1,634,029	1,269,000	815,400		365,029
Contributions and Miscellaneous Income	5,000	3,000	5,000	0		(2,000)
Payout from Quasi Endowments	258,430	219,880	219,880	38,550		0
Payout from Brown Funds	124,130	122,210	122,210	1,920		0
Total Revenue	6,197,705	5,811,829	4,832,601	1,365,104		979,228
Expenses						
Salaries		428,400	420,099	(420,099)	University pays for people	8,301
Fringe Benefits		139,000	139,746	(139,746)		(746)
Personnel Expenses	0	567,400	559,845	(559,845)		7,555
Office operating costs	187,350	10,000	13,050	174,300		(3,050)
Staff support costs	118,500	12,000	16,500	102,000		(4,500)
Purchased Services	320,500	59,800	59,800	260,700		0
UA Consulting - Unbudgeted	0	112,000	0	0	Netted from UA distribution	112,000
Cultivation and Stewardship costs	166,500	21,500	17,500	149,000	\$15k for Foundation Scholar Awards	4,000
Software and Services	584,000	520,000	540,000	44,000	License increases	(20,000)
UA Software & Services - Unbudgeted	0	8,000	0	0	Netted from UA distribution	8,000
UA Campaign Expense - Unbudgeted	0	193,944	0	0	Netted from UA distribution	193,944
Equipment Costs	46,500	13,000	3,500	43,000		9,500
Travel Costs	134,000	3,000	8,000	126,000		(5,000)
Foundation Grants	15,000	15,000	15,000	0		0
Board Expense	58,750	47,300	47,300	11,450		0
Credit Card and Bank Fees	141,100	134,500	90,000	51,100		44,500
Operating Expenses	1,772,200	1,150,044	810,650	961,550	Added \$870,400 of UA operating expenses	339,394
Total Expenses	1,772,200	1,717,444	1,370,495	401,705		346,949
Net Income	4,425,505	4,094,385	3,462,106	963,399		632,279
Total Distribution to University	3,600,000	3,154,308	3,462,106	137,894		(307,798)
Allocation (from)/to Unrestricted Assets	825,505	940,077	0	825,505		940,077

Foundation and Advancement: Budget Illustration

	FY2024 Foundation Budget	FY2024 New Structure Illustration
Revenue		
Advancement Assessment	\$ 1,966,511	\$ 1,966,511.0
Advancement Fee	\$ 1,250,000	\$ 1,250,000.0
Restricted/Unrestricted Earnings	\$ 1,269,000	\$ 1,269,000.0
Contributions and Miscellaneous Income	\$ 5,000	\$ 5,000.0
Payout from Quasi Endowments	\$ 219,880	\$ 219,880.0
Payout from Brown Funds	\$ 122,210	\$ 122,210.0
Foundation Service Charge	\$ -	\$ 10,000,000.0
Total Revenue	\$ 4,832,601	\$ 14,832,601.0
Existing Operating Expenses		
Reimbursed Salaries	\$ 420,099	
Reimbursed Fringe Benefits	\$ 139,746	
Office operating costs	\$ 13,050	\$ 13,050.0
Staff support costs	\$ 16,500	\$ 16,500.0
Purchased Services	\$ 59,800	\$ 59,800.0
Cultivation and Stewardship costs	\$ 17,500	\$ 17,500.0
Software and Services	\$ 540,000	\$ 540,000.0
Equipment Costs	\$ 3,500	\$ 3,500.0
Travel Costs	\$ 8,000	\$ 8,000.0
Foundation Grants	\$ 15,000	\$ 15,000.0
Board Expense	\$ 47,300	\$ 47,300.0
Credit Card and Bank Fees	\$ 90,000	\$ 90,000.0
	\$ 1,370,495	\$ 810,650.0
UA Operating Expenses	\$ -	\$ 745,000.0
Foundation Funding to University	\$ 3,462,106	\$ -
Subtotal	\$ 4,832,601	\$ 1,555,650.0
University Service Charge		
Loaned Employee Payments		\$ 6,415,000.0
College and Unit Development Costs		\$ 358,231.0
Operations Support Costs		\$ 110,000.0
Rent		\$ 742,500.0
Subtotal	\$ -	\$ 7,625,731.0
Additional Operating Costs Due to Transition		
Additional Insurance		
Subtotal	\$ -	\$ -
Total Expenses	\$ 4,832,601	\$ 9,181,381.0
Reconciliation of Service Charges		\$ (2,374,269.0)
Net Surplus/(Deficit)	\$ -	\$ 3,276,951.0

\$0.20 x \$50M = \$10M, but reconciled to University Service Charge

\$560k Salaries & Fringe moved to University Service Charge

UA Operating Expenses moved to Foundation
Determined based on Surplus

Current UA & BSUF Personnel Included in College/Unit budgets

33,000 sq.ft. x \$22.50 if included

\$0.18 x \$50M

Univ. Charge - Foundation Charge

Available for University



BOISE STATE UNIVERSITY

Operating Agreement between the Foundation and University

Matthew Ewing, VP for University Advancement

Paul Powell, Executive Director, Boise State University
Foundation



VISION FOR INTEGRATION

Creating a **unified philanthropic enterprise** will position Boise State University and Boise State University Foundation to create the best culture of philanthropy and alumni engagement of any public university in the country.



GUIDING PRINCIPLES OF INTEGRATION

- Boise State Foundation will remain fully independent and a separate organization.
 - Fiduciary controls for the Foundation will reside with the Foundation Board.
 - CEO for the Foundation will report to and be directed by the Foundation Board.
- All Foundation staff will be loaned employees reporting to the Foundation Board.
- Fundraisers will maintain robust partnerships with deans/colleges/units.
- Annual planning will be done jointly between Foundation and University aligning Foundation fundraising goals with University priorities including coordinated donor stewardship.
- Aligning organizations will allow for best practices (both current and future), resiliency and strong internal controls.
- Integrating the Foundation and University Advancement institutionalizes the integrated advancement model we have created over the last three years.
- Integrating the Foundation and University Advancement does not incur additional costs.
- Maintaining 501(c)3 status will help ensure donor privacy and sensitive data protection.



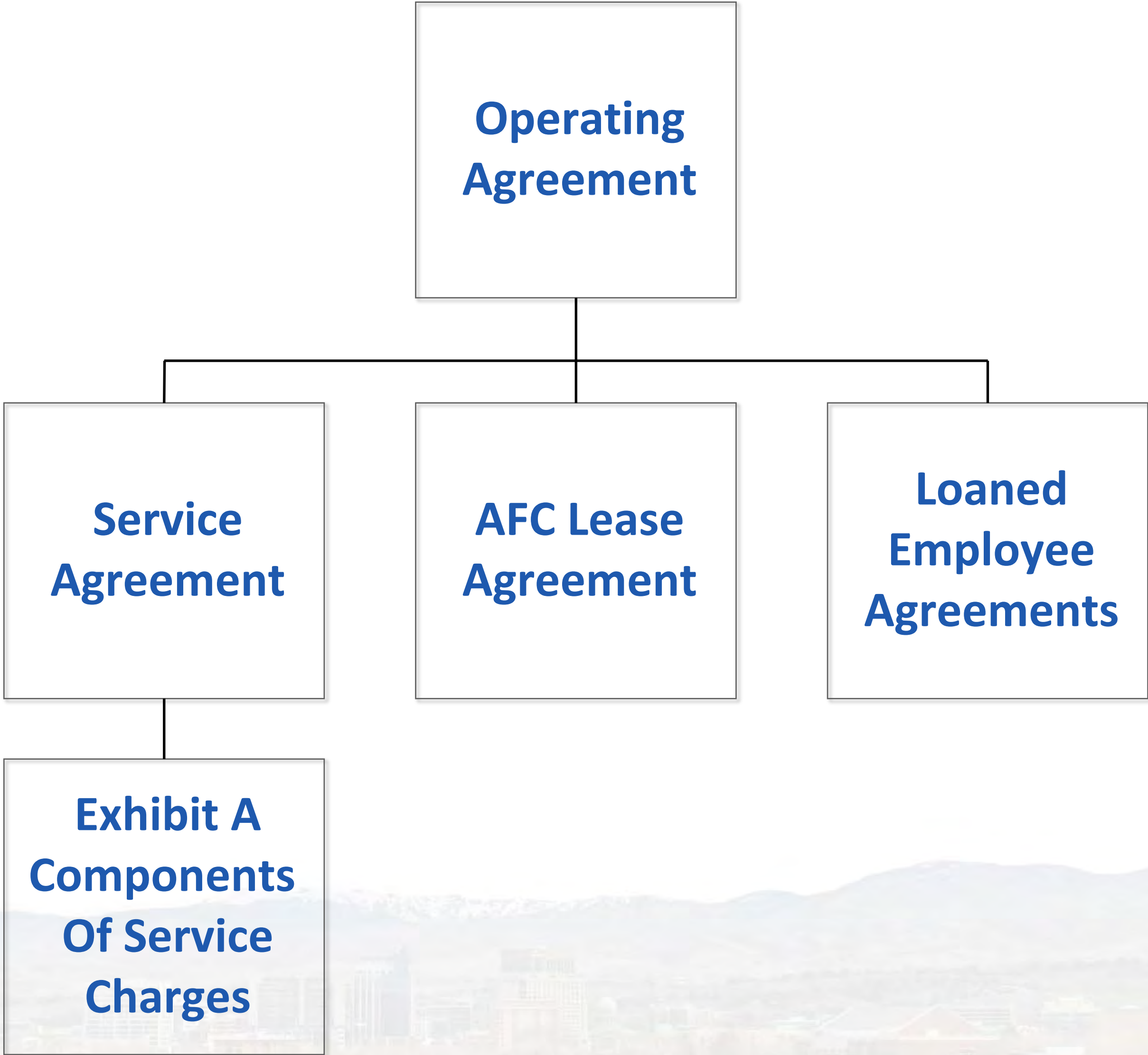
CURRENT CASH FUNDING MODEL

FY24 Budget	University Advancement		Foundation	Total
	University Funded	Foundation Funded	Operations	
Salaries & Fringe	\$ 3,080,000	\$ 2,775,000	\$ 560,000	\$ 6,415,000
Operating Expenses	\$ 120,000	\$ 625,000	\$ 810,000	\$ 1,555,000
Total Expenses	\$ 3,200,000	\$ 3,400,000	\$ 1,370,000	\$ 7,970,000
Fundraising Goal	\$ 50,000,000			
University Cents/Dollar Raised	\$ 0.064			
Foundation Cents/Dollar Raised	\$ 0.095			
Total Centes/Dollar Raised	\$ 0.159			

- University services not currently charged to units such as HR, Payroll Support, OIT, Rent, etc. would add about \$.02/dollar raised.



AGREEMENT STRUCTURE



OPERATING AGREEMENT

- Starting point is the SBOE Template Operating Agreement that essentially mirrors the SBOE policies regarding university affiliated foundations.
- SBOE must approve changes before the University can sign the agreement.
- The Operating Agreement defines the relationship, roles and responsibilities of the University and Foundation.
- Our last Operating Agreement was signed in January 2021.
- 2024 Operating Agreement changes:
 1. Reflect integrated Foundation organization and University relationships.
 2. Defines University Services and Foundation services to create an arms length transaction.
 3. Adds a more cooperative planning and budgeting process to determine service charges.
- Related agreement such as the Service Agreement, Lease Agreement and Loaned Employee Agreements don't require SBOE approval.



SERVICE AGREEMENT

- Details the arms length transaction by identifying key services exchanged.
- Remain relatively cash neutral to both parties.
- Only cash difference is Foundation pays about \$750k of UA operating expense in exchange for University absorbing \$560k of Foundation loaned employee expense.
- The process is to bookkeep service charges all year and do an annual reconciliation by June 30.
- Foundation Service Charge may not exceed University Service Charge.
- If University Service Charge exceeds the Foundation Service Charge, the Foundation pays University the difference.
- University President and Foundation CEO determine annual Fundraising Goal. They may annually negotiate changes to each component of University Service Charge +/- 5% without requiring approval of SBOE and Foundation Board.
- Foundation Net Income remains available to support University.



UNIVERSITY SERVICES PROVIDED

- Loaned Employee Pay and Benefits
- Payroll Processing
- Accounts Payable (expense reimbursement and P-cards)
- Human Resources
- OIT Services
- Rent
- Travel Support
- Mail Services



PROPOSED MOTION

“Move to recommend approval of the 2024 Operating Agreement in substantially the form as presented subject to approval by the State Board of Education and that any material changes must be approved by the Executive Committee.”

