

Board
NC STATE NATURAL RESOURCES FOUNDATION, INC.

Via Hybrid-Zoom and JB Hunt Library

October 1, 2021 9:00 a.m.

Minutes

Members Present: Lewis Ledford, Genie Ussery, Myron Floyd, Lara, Jewel, Barbara McCutchan, Gary Allred, Sam Cook, Jim Bowen, Mary PD, Tom Hines, Brian Dangler, Hunter Jenkins, Harry Sideris, Dick Ludington, Blas Arroyo, Larry Perkins, Lou Boos

Members Absent:

Others Present: Cathy Moon, Kayla Esan, Erin Delehanty, Melissa Pasquinelli, Erin Seekamp, Robin Banker, Erin Sills, Bob Bardon, Josh Gira, Sarah Corica, Shane Jarvis

Lewis Ledford called the meeting to order at 9: 00 a.m.

Lara Brown de Fuenmayor presented the Advancement Committee report. The Committee met yesterday and talked about best practices for affiliated foundations. A group was formed about a year ago and after a delay caused by Covid, comments were finalized recently. There are several tasks that are still in need of review including the Foundation's mission statement and Ms. Brown deFuenmayor asked if anyone would be willing to do this as some of the original members are leaving the board. Erin Delehanty and Tom Hines indicated that they would be willing to continue on this committee.

Hunter Jenkins presented the Nominating Committee report on behalf of the Executive Committee. He stated that the Committee will be providing a full set of recommendations by October 15, 2021. The board will be given 30 days to review the slate of nominees and then a vote will be held on November 15, 2021 at 2 p.m. via Zoom.

Jim Bowen presented the Audit and Finance Committee report. A one page Investments Summary pie chart for the Natural Resources foundation was provided and Libby George, Director of Investments, reported on investable assets. At June 30, 2021, the Foundation had total investable assets of \$53 million. Operating Cash was \$4.7 million, Life Income funds were \$1.7 million. The bulk of the Foundation's assets are endowments that were valued at \$46.6 million at June 30, 2021. Endowments are invested with the NC State Investment Fund, which realized a net investment return of 39.3% for the year ended June 30, 2021.

In addition to the endowments held by the Foundation, the College also receives support from 12 endowments invested in the long-term pool as well as other directly-owned assets held by the University Endowment Fund and the NC State Foundation, with a combined market value of \$1939 million at June 30, 2021. This includes the Hofmann Forest timber deed proceeds invested in the long-term pool as well as the residual, non-timber deed portion of Hofmann Forest. Including endowments and directly-owned assets held by the Natural resources Foundation and other associated entities, the College of Natural Resources had 243.5 million in endowment support at June 30, 2021.

Barbara McCutchan presented the Forest Management Committee report. Department Head Erin Sills had reported that there are a lot of hiring challenges in the College. Dr. Kelly Oten

gave a presentation of her work in tree improvement. Sam Cook continues to be diligent in managing the forest. The committee discussed the athletic complex proposal as well as a new solar project. Mr. Cook updated the committee on the leases and construction projects adjacent to the Hofmann. There is one year left on the option for Duke for the solar project. Nothing is final yet on the option. Mr. Cook gave an update on the Mitigation credit sales, with the most recent about 2 weeks ago for about \$100K. Carbon credits are being sold which should generate about \$283K. A veteran's group is interested in using the forests to train youth and discussions are ongoing.

Dean Floyd discussed the Strategic Plan to start a working session. He asked the board to think about how they interact with networks and how we can connect with those to advance the plan. We want to take this plan out to the world. We are a land grant university and we do a lot of teaching and research off campus. He asked how we should take our best assets out to the rest of the world. Dean Floyd reviewed the Mission and vision. We are engaged with public and private partners, and participate in economic development. He stated that our forests are great classrooms and asked how we can use those in an equitable manner. The board broke into small groups for discussion and collection of ideas.

Ms. McCutchan asked why the plan did not identify that we are a University and our product is education and that our priority should be that we are a college and we will educate students to be prepared to be productive in the world.

Jim Bowen asked about how metrics could be introduced to measure if strategic priorities are being met. It is not clear how to gauge this in the plan. Industry doesn't necessarily care about our strategic plan but how the College can help the business achieve their goals. They want to know what research will benefit them in exchange for support and if we are providing properly trained students that will be the company's future leadership. If we want to partner with a business, we have to have something to offer. Companies today have very succinct visions. Not the grandiose visions of yesterday. They have a short time frame and competition is brutal. The three most critical decisions in business are, who got hired, who got fired and who got promoted. Companies turn to NCSU for the management trainees-they want diverse, trained candidates.

Genie Ussery asked how the College knows what a company needs. Mr. Cook stated that there is a program in place in Forestry where he is in touch with companies about interns and their performance and other company needs. The Pulp and Paper Advisory Committee (P&P) also interfaces with industry and advises on curriculum based on real world needs. P&P is a great collaborative model. They ask industry what they need and work to make sure students are properly trained. Dean Floyd stated that surveys are done regularly of alumni and employers to gauge real world needs.

Dean Floyd thanked everyone for engaging and helping to address challenges. The Board provided important insights which will be used to communicate the plan to various audiences.

Dean Floyd also thanked Mr. Bowen for his service to the board as well as Chair Ledford who is ending his term as Chairman.

Mr. Jenkins thanked all the board members who are ending their terms and not returning. The next meeting will be January 20-21, 2022 in person and there is a plan to thank the exiting board members in person. The meeting to nominate new board members will be in November.

Mr. Jenkins adjourned at 11:18 a.m.

Respectfully submitted:

A handwritten signature in black ink, appearing to be 'Lara Brown de Fuenmayor', with a long horizontal flourish extending to the right.

Lara Brown de Fuenmayor