**THE NATIONAL GUARD ASSOCIATION OF ARKANSAS**

P.O. BOX 663

NORTH LITTLE ROCK, ARKANSAS 72115

MEMORANDUM FOR RECORD

SUBJECT: Minutes from the January 23, 2018 Endowment Board Meeting

1. The National Guard Association of Arkansas (NGAA) Endowment Board met on 23 January 2018 at the NGAA conference room on Camp Joseph T. Robinson. Attendance is at Enclosure 1.
2. (Man in navy shirt) goes over the meeting’s agenda. He explains that last year was NGAA’s first attempt at starting an endowment. He also discusses plans to make pitch to Col. Stanger’s command group explaining the foundation and its purposes.
3. Meeting goals proposed by (man in navy shirt) include coming up with a strategic plan, reviewing quarterly statements, and discussing third-party giving plans. The board will also decide what to disperse of funds made during the 2017 fiscal year in 2018.
4. Chris Pack (?) and Russell (?) from the Investment Committee will talk to the board about the investment policy statement and their selection process for an investment policy advisor in a future meeting.
5. The next day, the board meeting will focus on the corporate governance side of the endowment by looking over confidentiality statements, conflict of interest statements, how they will be posting minutes, as well as putting together a briefing Col. Stanger and the command group. The board will decide later if the briefing is to be formal or informal.
6. Board members were given an orange file to review during the meeting. As (man in navy shirt) explains, the first document in the file announces the new name for the National Guard Association of Arkansas Endowment. It is now called the Arkansas National Guard Foundation. This document was part of the original 1023 that was filed when the endowment was initially created. It details the endowment’s charitable activities. These include:

* Scholarships
* Educational programs (written fairly broadly)
* Communal education (will help underwrite other activities)
* Scientific literacy
* Supporting institutions for National Guard members and their families

1. Veteran’s Coalition is a 501 c (19) and we’re working on establishing a foundation for them.
2. (Man in navy shirt) discusses how funds must be managed and rules on non-restricted gifts. The board also discusses both last year’s strategic plan and the NGAA’s strategic plan moving forward. Last year’s spending rate on funds was 4.5%. The board wants that number to increase in 2018. To do this, the board agreed to set long-term goals and objectives for the endowment by using information from last year and by studying the growth of similar organizations.

The Balance Sheet

The Diamond Fund is the primary fund. It was created through a donor-restricted gift from the trustees to the foundation. The original principal can’t be touched (i.e. “is permanently restricted”), only the income from it can be spent (i.e. “is temporarily restricted”). The scholarship fund is the secondary fund (not an investment fund). The foundation doesn’t run the scholarship program, just funds it. Then there’s a fund for each of the associations. Then there’s the National Guard museum sub-account.

1. The money that goes in to the investment account needs to be long-term, it doesn’t need to be short-term.
2. Kendall Penn announced that he will find another part-time graduate intern to help with the foundation. The board will establish the duties and responsibilities of that position. Fundraising, professionalize the management structure for the foundation, and keep strategic plan focused. In five years, the organization will be big enough to hire an Executive Director to take over these duties.
3. The mission statement- what is this organization trying to accomplish? Providing charitable and educational support to members of the Arkansas National Guards, veterans, and their families. (Leadership skills, writing skills, patriotic activities, etc.) The foundation will also support other charitable organizations and programs. In Arkansas as well as the rest of the U.S. NGAA is the lead charitable institution that promotes giving, builds strong communities, and fosters learning and education.
4. Values- Accountability, fiduciary responsibility, transparency, prudent management, teamwork, and stewardship.
5. Goals- Establish and grow self-sustaining scholarship program; support association fundraising; provide nonprofit infrastructure for giving to the Arkansas reserve component and the emergency relief fund.
6. The foundation needs a website. AR Community Foundation- look at them for example (good verbage for mission statement) and Heifer International. Important to prove that we occupy a niche for the state of Arkansas.

Investments at 1.2 million as of June 30, 2017

$62,331.45 5% Spend Plan

-$37,500.00 Scholarships

$24,830.45

$2,724.75 NGAA 5%

$837.50 EAANG 5%

$21,268.20

$11,577.73 EAANG

$9.690.47 NGAA

3:40:00