**ALPHA GAMMA SIGMA BOARD OF TRUSTEES**

**Minutes for Spring 2019 MEETING**

**April 5, 2019**

**2019 Spring Convention**

**Double Tree Hotel**

**Ontario, California**

1. **Call to Order: 4:47 p.m.**
2. **Trustees Present:** Obed Vazquez-President, Diablo Valley College; Kaycea Campbell-Vice President, LA Pierce College; Lisa Carlsen-Trustee, Chabot College; Terry Green-Secretary, Santa Monica Junior College; Chris Wardell-Treasurer, San Joaquin Delta College; Ashley McHale-Trustee, Las Positas College; Chris Capozzo-Trustee, Diablo Valley College; Matthew Jaffe-Trustee, Antelope Valley College; Megan Lange-Trustee, Santa Ana College; Valerie Venegas-Trustee, Golden West College; Student Trustee – South – Alexis Kelley, San Bernardino Valley College; Student Trustee North – Jacquelyn Elder, Diablo Valley College. Monica Peterson, our financial advisor from Stifel joined us. David Powers from Las Positas College was visiting.
3. **Review and Approval of Agenda:** The agenda was approved.
4. **Approval of Minutes of October 6, 2018, at Chabot College, Hayward, CA.** The minutes were approved as written.
5. **Announcements:** None
6. **Treasurer’s Report:** Chris Wardell submitted the following report about our assets.

**AGS Trust Assets: 2/28/2019**

Total Assets February 28th, 2019 **$812,916**

Total Assets April 1st, 2018 **$781,447**

Change in Fund Value: **+$31,469**

Change in Value: **$12,024**

Income and Distributions: **$29,424**

Fees paid: **($3,652)**

Scholarship Fund (4/17/18) **$6,327**

Assets 2/28/19: **$31,469**

Cash: **$14,001**

Equities: **$284,782**

Mutual Funds: **$514,133**

Total Trust Asset **\_\_\_\_\_\_\_\_**

Market Value 2/28/2019 **$812,916**

He reported that we had bought a $100,000 CD and that CD after 9 months accrued $1,376 which could be used for scholarships at the is convention. The then available $100,000 was used by the State Treasurer Kaycea Campbell to make payments to the DoubleTree Hotel while she waited for the convention fees from chapters to arrive. He recommended that the State Advisory Board should buy another $100,000 CD after the convention to that we would be able to accrue interest for scholarships rather than just have it sit in account earning nothing. He reported that we also had not solved the Wells Fargo issue because the credit union we were considering moving to does not do business with incorporated organizations. He told us we had $3,652 in Stifel Fees and we gave $6,327 to the State Advisory Board last year for scholarships. Lastly, he let us know that at the end of February 2019 our endowment fund had reached $812,916 increasing $31,469 from last year.

1. **State Treasurer’s Report:** Kaycea Campbell had the following scholarship report in her BOT report.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Scholarship money collected in 2018 for 2019** | | | |
|  |  |  | BOT share |  |
|  | Bell | **$30.00** |  |  |
|  | Coffey | **$30.00** |  |  |
|  | General | **$565.00** |  |  |
|  | Jackson | **$530.00** |  |  |
|  | Loly | **$31,087.00** | **$15,543.50** |  |
|  | Mantovani | **$855.00** |  |  |
|  | Taylor | **$30.00** |  |  |
|  | Walsh | **$58.00** |  |  |
| **TOTAL** |  | **$33,185.00** | **$17,641.50** |  |
|  |  |  |  |  |
|  | |  |  |  |
| All of 2017 Convention Profits Board (Expected) | | **$2,000.00** |  |  |
| CD Interest | | **$1,376.02** |  |  |
|  | |  |  |  |
| **TOTAL if BOT gives us their share back** | | **$36,561.02** |  |  |
|  |  | **$44,850.00** | awarded in 2018 |  |
| **TOTAL if BOT does not give us their share back** | | **$21,017.52** |  |  |

She told us our bank balance in our State Treasury as of 3/19/19 was $148,207.79. She gave us the breakdown of our Financial Categories that explained that balance and is listed below.

|  |  |  |
| --- | --- | --- |
|  | **$148,207.79** | **Money in the bank as of 3-16-2019** |
|  |  |  |
|  | **$33,185.00** | earmarked for scholarships/endowment |
| Plus | **$8,628.99** | Money that belongs to the Jewelry account |
| Plus | **$11,767.15** | Money that belongs to the Operating Budget account |
| Plus | **$2,055.19** | Money from FAM. |
| Plus | **$71,806.45** | Balance to pay for 2018 Convention + Surplus/deficits from all past conventions |
| Plus |  |  |
| Plus | **$23,181.22** | Starting balance in 2005 |
|  |  |  |
| Equals | **$150,624.00** |  |
| minus | **$2,416.21** | Money spent on special projects |
|  |  |  |
| Equals | **$148,207.79** |  |
| difference of | **$0.00** |  |

In her report, she also had a statement about our 4 Year Trend in terms AGS Convention Profits and Losses. In 2016 and 2017 she showed that we had profits of $14,510.00 and $17,521.00 while in 2018 we had profits of $4,835.15 and an estimated profit of $1,738.65. She clearly demonstrated that profits from our conventions had been dropping dramatically and if we did not make some changes, it was very possible that we might have losses during future conventions. She made the point that we are in the process of losing one of our sources of scholarship funding. She made it clear that registration fees for students would have to increase in 2020 or we might not even break even. She also noted that we are having less students attend our conventions which affects the amount of profits we earn from conventions. In 2016 we had 450 attendees, and in 2017 we had 449 attendees. In 2018 we dropped to 390 attendees and only 388 attendees in 2019. We need more students and advisors to stay in the hotel rather than drive-in in order to improve our profits in the future.

She also talked about our falling membership in our organization and how it affected scholarship donations. She made the very strong point that we need to get back to seeing our membership in AGS grow throughout the state to strengthen our organization. We need more community colleges to have chapters at their schools.

1. **Old Business:** None
2. **Unfinished Business:** 
   * 1. **Report Subgroup on Student Trustee Position:** Ashley McHale, Chris Capozzo, Valerie Venegas and the two student trustees agreed to meet at breakfast tomorrow. They will develop some specifics and report their findings to the Fall Advisory Board.
3. **New Business:** 
   1. **Report from Monica Peterson, Our Financial Advisor, Stifel:** Monica gave us a report complete with table and graphs which I will include with these minutes. Her report showed that our endowment fund had a market value of $826,278 as of March 29th and continues to increase in value.

Monica read the following statement: “2018 ended up the worst year since 2008 driven by fear of a global economic slowdown, monetary policy, political dysfunction and inflation fears in the 4th quarter.

We have rebounded nicely year to date and the current outlook is positive. The consensus for the next 18 months is that we have a solid economy but are slowing down a little. Manufacturing numbers dipped in February but have bounced back in March and unemployment is very low.

So while the economy is starting to slow, it is still growing, we remain optimistic as the Fed has already indicated that another hike in the interest rate will not be needed in 2019. We continue to believe that a resolution on the trade front can invigorate global growth, especially should previously implemented tariffs be removed as this would remove a tax burden that has caused an increase in prices for US companies and lower market prices for US consumers.”

* 1. **Convention Scholarships for 2019:** Ashley McHale reported that the online system, jotform.com, worked well for her scholarship readers throughout the state. In the past years she told us about 73-75% of the scholarship applicants received scholarships. She told us that last year the scholarship committee awarded $44,850 in scholarships and the least amount was the Ed Walsh Award at $900 and the greatest amount was the Tom Jackson Award at $1,900. She noted that we have had a decrease in attendees at the convention, a decrease in scholarship candidates, and a decrease in chapters. We all agreed that we needed to turn around these negative trends in our organization. On the positive side, our endowment fund is in the best shape ever and we already had $36,651.00 collected in scholarship funding for this year. Ashley decided that she would ask for the highest total for scholarships ever, $50,000.00. **MOTION #1)** Chris Wardell moved that we give an additional $13,349.00 from our endowment fund so that our total amount given for scholarships would be $50,000.00 this year. Terry Green seconded the motion. **(MOTION #1 CARRIED.)** Note: This would be the highest amount given out by the Board of Trustees breaking the previous record by $5,000!
  2. **Officer Elections:** None were needed at this meeting because no one’s term had run out.
  3. **Convention Profits and Scholarships Discussion:** Valerie Venegas stated that students were getting a great deal attending our convention because of the affordability. She has experience with working with other hotels and she told us that the DoubleTree was giving us fair prices for our conventions. We all agreed that we were going to have to increase registration fees to allow us to at least break even at our conventions to avoid losses. The fees might have to be substantially raised if we were going to have the type of profits in the $10,000+ range we used to have a few years ago. The problem with raising fees is that it might result in even lower attendance at conventions in upcoming years. Terry Green suggested that he agreed we needed to raise our registration fees but only as much as would be needed to break even. He felt we did not need to worry about using hotel profits for scholarships anymore because our endowment fund was in such good shape. He stated we could use money from it to supplement what we give to the State Advisory Board each year. We agreed we needed to do a better job of marketing AGS to see that new chapters are installed at community colleges that do not already have one. We also need to work on increasing membership at community colleges that already have chapters. It was suggested that we should find a way to let community colleges throughout the state know we are giving out $50,000 in scholarships to AGS students this year. We need to find ways to turn around the negative trend of a decline in membership.

1. **Adjournment:** The meeting was adjourned at 6:03 p.m.