



VETERANS TRUST FUND OF SOUTH CAROLINA

Board Meeting Minutes

11 September 2024

Executive Director Update

- A. **Opening Remarks:** For the first time in Trust Fund history, the SC General Assembly provided \$1million in non-recurring dollars.
- i. Grant Requests:
 - Of the five grant requests received, three are recommended for consideration.
 - A matrix has been created to look at grants in categories.
 - Awardees are local or regional non-profits.
 - Critical function of the Veteran Coalition is to integrate Veteran resources across the state
 - ii. Introduction of SCDVA staff attending Board meeting:
 - Alan West, Deputy General Counsel
 - Sean Miller, SC Veteran Coalition
 - Ed Bell, Director of Government Affairs
 - Bobby Patterson, CFO
 - Dave Rozelle, Director of Operations: Operations integrates all services in South Carolina for Veterans
 - Brandon Wilson, Director of Operations
 - Joseph S. McLamb, Chief of Staff
 - Deonte Arceneaux, Administrative Assistant to the Office of the Secretary
 - iii. There was no cabinet agency for Veterans. The former South Carolina Division of Veterans' Affairs is now the Division of Veteran Services, the division pertaining to benefits.
 - iv. Veterans' Trust Fund of South Carolina:
 - Created in 1995 as an eleemosynary, non-profit, organization.
 - Deductions made to the Trust Fund are tax deductible.
 - The Trust Fund has received most of its funding through the South Carolina Tax Check-Off and memorial donations. Due to recent changes in the law, the Trust Fund is now able to utilize fundraisers.
 - Board consisted of 19 members, but legislation changed the size of the Board to 11 members. The Governor's Office has not take action to align the Board with the current law.

B. Fund Management Recommendation

- i. Mr. Patterson opened asking how can limited endowments be optimized and maximized.
- ii. There are three options that the Board can pursue to manage the Trust Fund's current Endowment:
 - State Treasurer
 - Local Broker – preferred. Secretary McCaffrey recommended not tapping into the principal.
 - On-local Broker
- iii. Mr. Jones introduced a motion to proceed as directed by Mr. Patterson and that \$1million be put into an investment instrument to earn interest.
- iv. Actions requested:
 - Mr. Patterson to give download and information to Finance Committee.
 - Subjective and objective evaluation criteria for 4-5 local brokers who will be interviewed by the Executive Committee/Board members.
 - Executive Committee and Mr. Patterson to pull-down \$1 million to the Trust Fund and invest on a temporary basis.
- v. Discussion:
 - Who has granting authority? The three members on the Finance Committee.
 - Mr Mesenburg said they should be authorized to make a decision on a short-term investment with \$1 million at 5% for three months.
- vi. Three motions were introduced:
 1. Dr. Wooten introduced a motion that the Board select the local broker option. Seconded by Dr. Stewart and passed unanimously.
 2. Mr. Jones introduced a motion that the Board charge the Finance Committee to establish objective and subjective criteria and identify local brokers, to interview and bring to the Board in December. Seconded by Mr. Mesenburg and passed unanimously.
 3. Mr. Hawk introduced a motion to allow the Finance Committee, with assistance from Mr. Patterson, to make a temporary investment not to exceed \$1 million for three months/90 days with full liquidity after six months. Seconded by Mr. Finley, passed unanimously.
 - 4.

C. Fund-raising Options

- i. The Trust Fund has \$7,000 to invest with fundraisers.
- ii. There are several fundraising options:
 - Corporate Sponsorships – Partnering with Businesses for financial support in exchange for benefits.

Advantages:

- Potential for significant revenue

- Increased visibility and brand awareness
- Access to corporate resources
- Potential for recurring donations
- No cost associated with this option

Challenges:

- Competitive landscape
- Required strong relationship building
- Potential conflicts of interest

- Individual Donations – Soliciting contributions from individual supporters.

Advantages:

- Strong foundation for long-term support
- Direct connection with donors
- Potential for recurring donations
- No cost associated with this option

Challenges:

- Requires consistent donor cultivation
- Can be labor-intensive
- Reliance on a large donor base
- Potential donor burnout from repeat donors

- Grant Funding – Applying for grants from foundations, government agencies, or corporations.

Advantages:

- Potential for substantial funding
- Supports specific programs or projects
- Aligns with organizational mission
- No cost associated as most grants are given with no expectation of refund or payment

Challenges:

- Competitive application process
- Reporting requirements
- Reliance on external funding

- iii. Secretary McCaffrey suggested that the Fundraising Committee, who can use the \$7,000, get with Mr. Wilson. Trust Fund is currently only set up to accept checks, but SCDVA is checking to see if there is a mechanism in state government for something like venmo.
- iv. Mr. Jones informed the Board he was trying to get Darla Moore Foundation to make a \$1 million donation. They gave \$30 million to USC and donated money to Clemson. The Foundation has invested in Veterans in the past. Recommended approaching Boeing for a donation.

D. Grant Requests Review and Recommendations

- i. Four grant requests were received for this grant period: Eastern Carolina Housing Organization, Habitat for Humanity -York County, Friends of Fisher House-Charleston, Electric City Wellness.
- ii. Mr. Rozelle explained the new matrix that his division created that will aid in rating/evaluating the applications.
- iii. There was a discussion regarding the new matrix and the Board members expressed concern of not having reviewed the applications prior to the meeting.
- iv. The Board moved further discussion of the applications to the Executive Session.

Executive Session

A. Unfinished (Old) Business:


- i. Venmo plans status: SCDVA is checking into the right vehicle, need to determine costs. Will present recommendation(s) to the Board.
- ii. Will fundraising be a single investment of multi-prong? Brandon Wilson will make recommendation (s) to the Board.

B. New Business:

- i. Grants: Analytics have been prepared showing which applications fit the criteria. Decisions in the past were ambiguous, subjective, based on a gut feeling.
- ii. Discussion regarding the grant requests received:
 - Mr. Jones asked if it was still necessary to bring the applicants in to make presentations before the Board.
 - Mr. Ellenburg said objective material was needed, the matrix needed to be changed, and that the Board needed to focus on what the Trust Fund has. To help identify the best and most deserving, the Board should review the applications quickly and compare them to the matrix to get a clear picture of the application.
 - Mr. Mesenburg introduced a motion to award the Fisher House \$7,500 as they provide a direct benefit to families in dire straits. This was seconded by Mr. Pinkston. Mr. Finley said the nomination was out of order because a motion was made without the Board having had an opportunity to review all the applications. Mr. Pinkston said they were discussing grant proposals. Mr. Mesenburg withdrew his motion.

- Secretary McCaffrey said three of the grants were great. The matrix used a Coalition membership as a weight, but it is not a requirement. A selection is good as long as they are serving Veterans.
- iii. December meeting: Need to change the date of the December meeting from the 11th to the 4th due to a scheduling conflict with the location.
 - iv. Structure of the Board: Mr. Finley asked if anyone was being removed from the Board. Secretary McCaffrey explained that there has been no word from the Governor's Office regarding removal of a Board member due to the restructure of membership.

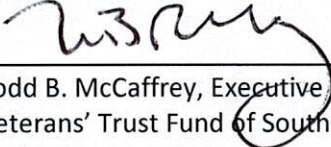
C. Identification of Next Meeting and Adjournment: The next meeting of the Veterans' Trust Fund of South Carolina will be 4 December 2024 at 1300 at the South Carolina Department of Veterans' Affairs, 1800 Saint Julian Place, Suite 305, Columbia SC 29204. The meeting adjourned at 1505.



 TerryLynn Di Chiara, Secretary

4 DEC 24

 Date of Approval



 Todd B. McCaffrey, Executive Director
 Veterans' Trust Fund of South Carolina

12 DEC 24

 Date of Approval