Korean American Scholarship Foundation

Korea American Scholarship Foundation National Board Meeting of 2019
Date: 7 March 2020 Location: Sheraton Tysons, Tysons, Virginia

Meeting Called to Order by Executive Director, EJ Lee at 8:45 am

Welcome Remarks by Chairman Frank Lee

Introductions

Attendance (NBD names are in BOLD):

NB: Frank Lee, Sang Kim, Eun Jeong Lee, Cathy Choi, Michelle Cho, KiDon Cho
ERC: Sandy Chang, Raymond Kim, Henry Choi, Jong Ahn, Eric Suh, Alex Yeon, Sharon Yun, Sue Lee (Former CFO)
NERC: Hyun Joo Lee, Jay Lee, John Kang, Christine Kang
WRC: Robyn Brinkerhoff, Eric Choi
MWRC: N/A
SRC: Young Jin Lee, Michael Park, Jason Park
SWRC: Alex Lee
MSRC: Douh Young Lee, Young Ran Lee
Former Chairman: Sang Nam Lee, Leonard Kim, Hongja Okim**,**
YP: Charles Kim, Eunice Choi
Via Skype: John Yi, Youngji Rhee

Role of Nominations Committee: Leonard Kim

Nominated HJ Lee (NERC President), HJ Nam (NERC Treasurer) as 2020 National Board Members and John Kang as Honorary Board Chair.

Motion to by Leonard, Second by Sang

Motion Passes: Unanimous

Approval of minutes and Review of the Annual Report

Review of 2019 minutes and Annual Report from National board meeting by Frank Lee.

Minutes were unanimously approved by electronic vote and passed in May 2019.

The revisions include corrections on the finance report.

Business: 2020 Reports by Regional Chapters

- ERC – Continuing the regions regular chapter activities. The region is focusing on recruiting more YPs for future transition and eventual leadership roles. More donors and Chair Scholarships remains a priority. Main annual chapter activities are the Banquet and Golf Tournament. Fundraising through additional channels remains a challenge. More efforts to be spent on PR and spreading the news through various channels including

local media and social media.

- MSRC – 2019 was a successful first year for the newly established chapter. Awarded 15 students last year with scholarships at their banquet ($30K). The 2020 board is focusing on at least 15 students. Internal goals to add more board members and to continue to build capacity. Currently, the chapter stands at 6 members with a goal to reach 10 for the board. Working to establish fundraising activities for 2020.
- NERC – The 2019 gala was held in NJ, in 2020 moving the gala to the Yale Club in Manhattan. Ivy League students get plenty of financial aid so there is some focus on reaching out to community colleges and smaller schools. Encourage donors to give more to charity. Focus on fundraising goals for 2020.
- SRC – Challenges in SRC is that the donations are decreasing. 2020 goals enhance the fundraising activities with increased communications. New fundraising chair, Jason Park has joined th board. Develop other activities in addition to concert and golf tournament. Last year's event with KLPGA Pro golfer for a clinic to fundraise was very successful. Increase other new activities to boost funds and interest. Generation changes so how do we maintain continuity. Many new younger members have joined and will lead in the future. Moving the venue to a church from hotel for banquet in 2020 to see cost benefits.
- SWRC – New approaches to fundraising. Set up to a GoFundMe raised 5K while reaching a broader audience. Continuously focusing on new projects such as helping students with resume and job interviews. Creates additional relationship with recipients beyond the annual gala. 26 scholarships awarded last year. Getting the recipients with donor for networking as an event and another touchpoint. Additional funding to help with travel for students who are coming to the banquet. New officers on the board. Reaching out to Dallas-FW area for potential partnership and expansion.
- WRC – 2020 full year planned. Act as a resource for students. Increase volume of activities to enhance visibility. Innovative fundraising idea with kimchi production company for a portion of proceeds to be donated to KASF. Alumni reunion planned and in the works. May benefit concert with approximately 5-6 performers. June KASF award received from the Asian Pacific Community Fund.

Business: 2020 Budget by Cathy Choi, NB Treasurer

- KASF is making strides to become compliant as a 501c3 organization. Compliance is important as we are stewards of our endowment. We are moving towards necessary requirements such as having an audit. Working with a nonprofit CPA firm. We are seeing more transactions which is a good thing.
- 2019 came in slightly under budget. 166,113.00 vs. 164.715.60
- 2020 budget is 197,350.00 increasing due to several factors such as ED full-time salary, regional support to MSRC and MWRC, travel for ED, and finally added D&O insurance for the National Board of Directors.

Business: Review of Investment Updates by Henry Choi

Investment Committee presentation by Henry Choi including but not limited to the following content. Please refer to presentation materials for detailed information.

- Domestic equities finished with the best returns ever for our account. 2019 was an exceptional year with the best performance of the stock market in decades.
- China trade tension has been subsided since reported at during the 2019 NB meeting. However, 2020 market condition is uncertainty due to COVID-19. High market volatility as seen in recent days with the volatile stock market. Expect more to continue throughout the year.
- The team will conference regularly with TIAA and work to make necessary adjustments, but these are unprecedented times.
- 2019 was 20.27% return net 19.68% of fees
- U.S. has a stable economic foundation and in a good place across a number of areas relatively speaking. Unemployment is at an all time low, interest rates have been cut, and lots of liquidity in the market. Cash is cheap. Keeping these factors in mind, the Investment Committee will continue to work with our advisors to make adjustments and changes.
- January 31 portfolio market value: 4,607,813 4.4 million. Down about 5%
- TIAA has done a good job of adhering to the IPS with active management. Communication between the committee and manager is regular and good.
- Since inception and move to TIAA in 2017, average return per year is 6.17%. Prior to the change the annual return used to be around 1% for several years.
- Total earnings: 698,218.58 since inception in May 2017
- Committee will reassess the allocation due to the significant changes for the month of February

Business: Committee Reports and Updates to NB

- **Communications Committee** by Michael Park
    - Will create a standardized way to communicate with the donors, former recipients, parents, etc using various means such as the website and social media.
    - Branding is essential for KASF. Other organizations are offering scholarships, and the field is becoming muddled with no clear branding from KASF National.
    - We need to focus on the national reach of our organization and our 50 year legacy.
    - Currently, if you look across each region's banquet program, you would not be able to tell that KASF is a national organization with several regional chapters.
    - Really need to expand and rely on younger members to help with social media channels especially ones that are newer such as Instagram, TikTok, etc. Facebook and LinkedIn are not as wide reaching as they used to be.
    - Communications will also include a quarterly newsletter with input from regional chapters. Need assistance from each region for content.
    - Our goal is to brand a strong, national organization in conjunction with all of the compliance work being done by the organizational committee so that we may expand fundraising to larger foundations and corporations.

- **Fundraising** by Jay Lee and EJ Lee
    - 2019 Scholarships awarded amounted to $529,395
    - Regions contributed $341,018. More contributions came from regions and their fundraising activities than the Chair Scholarship distribution
    - We must look to fundraise more as Chair Scholarships are great, but are a liability. They will require an additional $1K of fundraising per Chair Scholarship for the regions. Chair Scholarships can be used as a strong marketing tool, but we are not doing a good enough job promoting the CS.
    - Proposed a goal of one CS per region per year for 5 years, but it may be more realistic to at 55 total new CS with assistance from regions that have more capacity.
    - Recognize that each region has their own method of fundraising ie. Golf tournaments, music concerts, etc. Benchmark with other organizations and regions. What works in one may not work in others, but the sharing of ideas and information is important. No need to constantly reinvent the wheel.
    - 50 for 50 Capital Campaign. 24 as of April 2019 and 10 donors signed as of today.
    - Donor database: Donors usually have an experience or history of giving. Institutional memory and legacy of who is giving or has given.
    - Perhaps the use of ClubExpress? Regions must help with populating the database that already exists.
    - Relationship management issue. Who is a the key point of contact?
    - Lack of Personalization and loss of connectivity are other issues. How do we create a unified message and pitch to current and potential donors?

- **Scholarship** by KiDon Cho
    - 2019 Overall submission increased 11% with an increase in total applications of 8% and awarded up by 9%
    - Regional collarboration and big improvement thanks to Dr. Hahm and the work of the Scholarship Committee.
    - The committee has worked to clear up communication on issues such as defining Korean heritage and the deadline
    - Key Dates for 2020: April 1, 2020 applications are now open
    - Challenges: Grace Period and getting Recommendation letters from the recommender directly
    - Added a new question to the application: Is the student the first to attend college in their family?
    - NB started to collect statistical data

- **Honorary Directors** by John Kang
    - Recruiting older members as honorary members; History as well as institutional legacy
    - Put together stories of history of the legacy members; Perhaps these can be compiled in some form one day
    - These directors will serve as non-voting members and act as an advisory board
    - NBD opens a channel from past leadership to next generation. One of our strengths is our 50 year history if we can tap into it.
    - Past regional Presidents and Past NBD Chairs qualify for these posts
    - Candidates will be sent to Nomination Committee for approval
    - Each region may consider nominating Honorary Director candidates for submission

- **Nomination** by Leonard Kim and Sang Nam Lee
    - 4 people currently to serve as the Nomination Committee; Frank Lee, Sang Kim, Leonard Kim and Dr. Sang Nam Lee
    - More Region representatives outside of ERC and WRC are needed for geographical balance.
    - Nominations for next term 2021-2022
        - Sang Lee as Chair automatic as the current Vice Chair
        - Other positions to be discussed and coming from the Nominating Committee

- **YPC** by Christine Kang
    - Review YP Regional YP committees – Active in WRC, NERC, ERC, and SRC. Need member recruitment for MWRC, SWRC, MSRC
    - Why YP? Leadership development, Programming (Mentoring, Internships, and Resume assistance), and Sustainability (Future Board Members and potential donors)
    - Requirement for Success
        - National Cohension
        - Admin Support
        - Financial Support
        - Generational Empowerment
        - Succession planning
        - Name change – Emerging Leaders as opposed to YP
    - Next Steps
        - Cohesive mission and member orientation, cross regional communication, name change?

        - Committees in all regions, develop long term committee structure
        - Quarterly meetings
        - Establish financial and admin support
        - Support National YP Committees nationwide

- **Organization** by Sang Kim
    - Committee made up of Regional Presidents. In the past, this was a regional representative, but with the type of decisions being made especially as KASF moves towards compliance, it is necessary to have the regional presidents on the organization committee.
    - Key activities from 2019 include amending the By-laws, hiring a full-time Executive Director, checking on legal status, D&O insurance, the MWRC issue, etc.
    - Changed to a Director Managed organization, organized a single EIN. Take care of DC organization and move to VA organization. Consolidate and come into compliance. Working towards a central bank account with 7 sub accounts for the regions.
    - MWRC leave of absence for personal reasons. Financial support needed from NB in the amount of $20K while they handle the scholarship selections and prepare for the annual banquet.
    - MSRC continue to receive support in the amount of $15K, 2020 amount to be determined by NB
    - SWRC exploring expansion into the Dallas area which is currently untapped but with a much larger Korean population and base.

Motion Approve to approve funding for $20K to MWRC for Scholarship funds by Frank Lee. Second John Kang. Passes unanimously.

Motion approve 15K MSRC for MSRC raises same amount by Frank Lee. Second by John Kang. Passes Unanimously.

Motion to Approve the 2020 budget by Frank Lee. Seconded by Sang Lee. Motion approved unanimously.

2021 NBD Meeting in Denver, CO

OPEN DISCUSSION

Proposal to sunset or eliminate 27 CS at the 10K level to free up 370K.

Motion by Frank Lee

1) Motion to adjourn the meeting
2) Seconded by Sang Kim
3) Vote passes unanimously

Meeting adjourned at 4:58 PM