Korean American Scholarship Foundation

Korea American Scholarship Foundation National Board Retreat of 2022

Date: Oct 22nd, 2022 **Location: Renaissance Glenview Suites Hotel**
1400 Milwaukee Ave. Glenview, IL 60025

Attendance

NBDs; Sang Kim (Chair), Jay Lee (Vice-chair), Alex Lee (Secretary), Michelle Cho (ED), Frank Lee (Org chair), Leonard Kim (Communication Chair), Sungsu John Kang (Fundraising chair), Henry Choi (Investment chair), Sang Nam Lee (Past chair), HJ Lee (NERC President), Sandy Chang (ERC President), Elizabeth Kim (ERC Treasurer), Mikyong Hahm (SRC President) , Jane Lee-Kwon (MWRC President), Tomas Ritter (MWRC Treasurer), Don Lee (SWRC President), Jihee Lee (SWRC Treasurer), Philip Yun (MSRC President), Inkyung Chung (MSRC Treasurer), Eric Choi (WRC President), Gloria Lee (WRC Treasurer)

Guests; Kevin Shin (NERC), Boklim Choi (Honorary member), Whayoung Cho (ERC), Grace Lee (SRC), John Kwon (MWRC), Eun Jung (MWRC), Patty Celmer (MWRC), Scott Lee (MWRC), Gina Huh (SWRC), Doo Chung (SWRC), Amy Yun (MSRC), Sung Wook Chung (Honorary member), Sam Hong (WRC), Priscilla Kim (WRC), Ye-Bhit Hong (MWRC), Ki Don Cho (ERC)

Meeting Called to Order by Sang Kim and Michelle Cho at 8:30 AM - CST

Welcome Remarks by Chairman Sang Kim

Review of the **Chapter scholarship award banquet and 2022 activities**

- **NERC** - The award ceremony was done virtually again. However, there was also an in-person event to which a few recipients were invited. The event was very well received.

- **ERC** – For the past 2 years, the fundraising banquet was done at the ERC president's home. Also, for the last 2 years, they could not do much fundraising due to COVID. The banquet was done in person this year. About 120 people attended (This was smaller than typical) for 65 scholarship recipients. For Walter Park's funeral, they asked friends to donate to KASF in his name. To save money, instead of bringing in paid performers, they invited scholarship recipients to perform.

- **SRC** – Again for this year, they had the event virtually. It was a good event in terms of participation rate, but the in-person interaction was missing. For this year, a total of 84 scholarships were given out. The keynote speaker was the son of a KASF board member. The local Real-estate association is hosting a golf tournament for

KASF.

- **WRC** – They had 2 virtual and 1 in-person meeting. The ceremony was done virtually. It had great participation. This year, the keynote speaker gave a talk about mental health. The talk was very informative and helpful for many. For 2023, they are still making plans. Overall they are in a really good financial situation.

- **MSRC** – They are still a new chapter, and this year was their 4th year. It was the best year for the chapter. This year, they gave out 30 scholarships. Colorado covers a big area, but the overall population is very small. There are about 25,000 Koreans in the entire region. Looking back, many past fundraising events were ineffective, considering all the effort put into them. They kicked off a campaign encouraging KASF MSRC Directors to sponsor 1 student a year.

- **SWRC** – They had an in-person banquet. This was the first in-person banquet since COVID. It was really good to see the donors and recipients in person. On a different day, a small appreciation dinner was held with donors. This dinner was also to get feedback directly from the donors. The operating budget is challenging for SWRC since all fundraised is for designated scholarships and they do not charge any money for the banquet. For this year, Travel support cost was high, and the banquet costs a lot of money. Last several years, there was a generous donor who donated operating funds and paid for the entire banquet. That donor has passed away. They will consider “charging” fees for the banquet in the future.

- **MWRC** – They reviewed the past history. They emphasized the importance of encouraging the recipients to be more active with KASF. This is essential to growing this organization. The current president has been serving for 7 years, and they are planning the leadership change in the region.

Audit preparation

NB treasurer, Mr. Nam, could not attend this meeting. Therefore, Michelle went over the details on behalf of Mr. Nam.

NB hired a CPA to prepare for the audit. Michelle discussed what would be needed from each chapter. One of the things that Mr. Nam has been working on is centralizing the data. This will make the management a lot easier for audit preparation. In the past, there had been a lot of effort, but there still needed to be a centralized system. Mr. Mam will invite all the regional treasures and give training and provide instructions about the centralized management system.

The auditing and filing cost is $7,000. This was not in the original budget, but in the future, this will become an annual cost, so we must account for this.

Henry - if this is not required, why do we spend every year?

Answer: Some regions require it. Mr. Nam shared the overview in a document that explains the centralized management system. Michelle went over the document. (Refer to the actual document for the details).

Honorary Board - John Kang

John explained the purpose of establishing this Honorary Board. The main goal is to involve them and learn from their experience. John has personally learned from his mentor and founders. The Criteria to be on the board are: the person must have served as a national chairman or regional president. Each region can nominate 1 or 2 people. He introduced two Honorary members who attended the board meeting. They are:

Boklim Choi
He suggested forming a task force for fundraising. He also emphasized the importance of reaching out to the local community within the KASF network and big companies.

Sung Wook Chung
He talked about the history of MSRC. This chapter started in 2018 with suggestions from Taejin Kwon. This chapter has a short history but grew quickly thanks to passionate and dedicated board members in the region. He also suggested that we promote our organization beyond just the Korean community.

Sang Nam Lee
He shared his personal story. He was having dinner with about 27 people. At the dinner, he was asked this question -"what are you most proud of?" He has been a board member since 1977 and is very proud.

In 2012, he was the national board chair. He expressed the importance of identifying specific potential donors and understanding how to approach them (with a specific plan). Without a specific target and plan, he does not think it will be as effective. He said that all the regions could use this strategy.

John Kang drafted the soliciting letter (in English and Korean). Each region should send potential donors list to HQ. Then HQ can send this letter out to them directly. After the letters are sent, then each region can follow up. We must all have the mindset of the national organization, and we need to support each other.

Committee chair update

<u>Investment Committee - Henry Choi</u>

He pointed out that we are going through a very challenging time.
The current balance is 4.47 Million (a decrease of ~28%).

All markets are down except for the energy sector. The committee is planning to move toward fixed income and moving away from equity.
They continue to look at the target numbers and make sure that we make the ranges wider to be more flexible for moving money around. More turbulence is expected. They announced that Sang (current KASF NB chairman) would take over the Investment committee starting next year.

Lunch 12 - 1:30 PM (took a lunch break)

Organization committee - Frank Lee

He kept his summary brief so the group could have more time to discuss and focus on other key issues.

First, he went over the purpose of the committee. He emphasized the importance of holding an election for each region and having the names of the president and treasurer signed by the secretary and submitted to the national board. Each region also must hold the quarterly meeting and keep the meeting minutes at a minimum.

KASF communication committee - Leonard

He pointed out that communication is the enabler and key to making things happen. It's very important to ask the right question. How do we reach out and build relationships? Who are the members? What have we done, and what should we do?

He strongly suggested that we need more people to be represented from every region. Another point of improvement is better usage and integration with IT systems: Social media, PR/marketing special events.

Leonard also gave a summary of the committee's activities and efforts. He also mentioned our current KASF logo. This logo is very old and outdated. He asked the question- Is it time to change our logo?

Gina Huh gave a summary of social media activities. She explained that currently, KASF has: Instagram, Facebook, LinkedIn, and Twitter. Frequent update is important. Each region must coordinate with HQ communication for event promotion and related communication.

Program committee - Scott Lee

Scott discussed the purpose of the committee.
The committee’s purpose is to develop ways to evolve KASF to meet the needs of students over the next 50 years. It must be a multi-dimensional organization. He reviewed the timeline of 2022 activities. Some of the future ideas. The internship program, mentorship program, and Bursary program. Strategic Outreach to applicants. Leadership and Donor pipeline.

Resolution and Discussion

The 2022 KASF-KIA scholarship summary was given by Michelle. She went over the timeline of 2022 Kia scholarship-related activities and the discussions we had with KIA. They have drafted an appreciation letter, videos, and a small gift will be sent to KIA America. Their plan for 2023 has yet to be set. More discussion will follow to finalize.

Eric raised a motion to raise the minimum scholarship amount. Voting took place after some discussion. The results are 14 yes. This motion was passed.

Sang motioned to raise the scholarship award from $2,000 to $2,500. Jane seconded the motion, and voting took place. The result was 19 yes.

Elizabeth made a motion to revise the $2,500 minimum to $3,000. Voting took place, and this motion failed.

Sang pointed out that raising the minimum will happen only if KIA agrees to raise its scholarship amount to match our minimum.

Frank Lee - Endowment Puzzle
The endowment cannot be touched, and there is $5.277 Million under this endowment for KASF. Our job is to keep that money safe. As of Sept 30th, it is now only $4.475 million. Therefore we are short by $800K. Because the cash on hand is roughly about $800K. However, that is not a restricted fund.

Between 1969 and 1985, there was no chair scholarship. Then in 1985, the chair scholarship was created. What we have discovered is that this model is not sustainable because it needs to generate more returns. Can we continue this unstainable model? Should we sunset some of the older donations for chair scholarships since we have given out enough? Explanations letters will be sent out to the donors (for those being eliminated).

Frank suggested that we eliminate the 28-chair scholarship obligation - See attached list.
Sang raised the motion for that, and Alex seconded the motion
Voting took place: 21 yes votes- preliminary passed

Frank raised the motion to put 25k in endowment and 5K unrestricted funds from 30K chair scholarship donations. Alex seconded the motion. Voting took place: 18 yes (passed).

Michelle announced that for this year, MSRC is receiving the outstanding chapter award.

For 2023, Jay Lee will be serving as the KASF chair. Henry will be serving as the Vice-chair. Also, it was announced that the in-person NB meeting with the new board would be held in Houston in April.2023.

Alex raised the motion to adjourn the meeting at 5:16 PM.
Elizabeth seconded it. Meeting officially adjourned.

List of 28 Chair Scholarships to be Eliminated

$10,000 Regional Chair Scholarships Donations x 22 CS = $220,000

Chair Scholarship Names	Donor Names
1.Kyu Sup Chung Chair Scholarship (1985)(ERC)	Amb. Kyu Sup Chung
2.Stanley S. Lee Chair Scholarship (1986)(ERC)	Mr. Stanley Lee
3.Myon Soon Jean Chair Scholarship (1986)(ERC)	Dr. & Mrs. Jay Khim
4.Dae Bo Kim (1986)(WRC)	Dr. & Mrs. Duk Soo Kim
5.Sin-Ran Ji & Eun Ja Kim Chair Scholarship (1987)(ERC)	Dr. & Mrs. Chul Ho Kim
6.Sin-Ran Ji & Eun Ja Kim Chair Scholarship (1987)(ERC)	Dr. & Mrs. Chul Ho Kim
7.Korean Churches in Greater Washington (1987)(ERC)	Korean Churches in Greater Washington
8.Myung Han Kim (1987)(WRC)	Mr. & Mrs. Keith Kim
9.Kwi Sun Kim (1987)(WRC)	Dr. & Mrs. Luke Kim
10.U.S. Magnetics (1987)(WRC)	U.S. Magnetics
11.Il Hwa Lee Chair Scholarship (1988)(ERC)	Ms. Sook Ja Lee
12.Keun Sik Kim (1988)(WRC)	Dr. & Mrs. Insoo Kim
13.In Sook Chang (1988)(WRC)	Mr. & Mrs. Leo Hahn

14.Hak Kyung Chang Chair Scholarship (1989)(ERC)	Mr. Chin Woo Chang
15.Jung Sook Chung Chair Scholarship (1989)(ERC)	Mrs. Eui Soon Chang
16.Sung Woo Lee Chair Scholarship (1989)(ERC)	Mr. & Mrs. Robert S. Lee
17.Sarah Choi (1989)(WRC)	Mrs. Sarah Choi/Stewart Kim
18.Husky Han (1989)(WRC)	Mr. & Mrs. Husky Han
19.Gehwan Choi Chair Scholarship (1990)(ERC)	Mrs. Young Ho Lee Choi
20.Moon Chul Han (1992)(SRC)	Dr Mrs Moo Hee Lee
21.Kwang Sun Choi Chair Scholarship (1993)(MWRC)	Mr. Kwang Sun Choi
22.Soon Kyum Rhee Memorial Chair Scholarship (1993)(MWRC)	Stephanie Kim

Eliminate other NB designated Chair Scholarships Donations x 6 CS = $150,000

23.Honorary Walter Park Chair Scholarship(1985)(ERC)	0
24.Pohang Iron Steel (1985)(ERC)	100,000
25.Pohang Iron Steel (1985)(ERC)	0
26.Honorary Ung Soo Kim Chair Scholarship (1989)(ERC)	0
27.Korean Air (1990)(ERC)	50,000
28.Honorary Keith Soon Kim (1993)(WRC)	0