

Georgia Tech Foundation, Inc.
Minutes of the Meeting of the Board of Trustees
March 8-9, 2018

The Board of Trustees of Georgia Tech Foundation, Inc. met at 8:30 a.m. on Thursday, March 8, 2018, in the CHOA seminar room #1005 in the Roger A. and Helen B. Krone Engineered Biosystems Building.

Elected trustees present were: Robert A. Anclien, Michael K. Anderson, Jerome A. Atkinson, Kelly H. Barrett, Richard L. Bergmark, John B. Carter Jr., James O. Etheredge, David D. Flanagan, D. Fort Flowers Jr., Thomas M. Holder, Michelle E. Jarrard, Ronald L. Johnson, Christopher W. Klaus, Roger A. Krone, Michael G. Messner, Michael A. Neal, Frances G. Rogers, Robert N. Stargel Jr., Karen C. Thurman and John R. Wells.

Ex-officio voting trustees present were: Bird D. Blich, David A. Bottoms, Robert L. Dixon Jr., Andrea L. Laliberte and G. P. Peterson.

Board Officers present were: John F. Brock III, Joseph W. Evans, Gary T. Jones and Gregory J. Owens.

Corporate Officers present were: Mark W. Long and Al Trujillo.

Ex-officio non-voting trustees present were: Rafael L. Bras, Barrett H. Carson and Steven G. Swant.

Trustees Emeriti present were: John C. Bacon, G. Niles Bolton, Kenneth G. Byers Jr., A. Russell Chandler III, Don L. Chapman, H. Allen Ecker, Jack J. Faussemagne, L. Thomas Gay, Geoffrey C. Gill, Marion B. Glover Jr., J. William Goodhew III, George C. Guynn, Hubert L. Harris Jr., G. William Knight, Aaron J. Land Jr., James R. Lientz Jr., David M. McKenney, Wade T. Mitchell, Charles D. Moseley, Thomas H. Muller Jr., Don Pirkle, John C. Staton Jr., William J. Todd and John H. Weitnauer Jr.

Others present were: Thomas Barranco, Jessica A. Buck, Dwight D. Dozier, Lynn M. Durham, Leslie M. Evans, Joseph P. Irwin Jr., Michelle L. Jones, Susan S. Margulies, Amy F. Nash, Brian H. Pellegrino, Krishnendu Roy, Dene H. Sheheane, Philip D. Spessard, Cailen A. Spratling and Patricia H. Wichmann.

Welcome: Mr. Brock welcomed the trustees and visitors to the Roger A. and Helen B. Krone Engineered Biosystems Building. Mr. Brock introduced Dr. Bras.

Biomedical Engineering Presentation: Dr. Bras introduced Dr. Margulies, the Wallace H. Coulter Chair of the Coulter Department of Biomedical Engineering at Georgia Tech and Emory University and a Georgia Research Alliance Eminent Scholar in Injury Biomechanics. She has been at Georgia Tech for seven months. Dr. Margulies stated that education is the focus of Biomedical Engineering – educating undergraduates, graduates, and even faculty. She thanked the trustees for their support of the biomedical engineering program. She stated that the Coulter Translational Research Program provides support for faculty members to develop their research and commercialize it. The purpose of the Coulter Biomedical Engineering Program is to have impact and improve health care on an individual level using education and research. The Coulter Department was established in 1997, approved by the Board of Regents to be housed in the School

of Medicine at Emory University and the College of Engineering at Georgia Tech. Dr. Margulies stated that Mr. Wallace H. Coulter invented the Coulter Counter, which counts the number of white blood cells in your blood specimen. This invention changed the analysis of blood samples. The biomedical engineering program is currently the number one undergraduate program in the country. The program trains undergraduate students to work in groups and educates them in group dynamics. The Capstone Program has produced 21 startups and 112 patents have been filed. The faculty research conducted spans the spectrum of subjects, including neuroengineering, cancer technologies, immunoengineering, cardiovascular engineering, and drug delivery systems. Many faculty focus on developing new medical technologies, models, processes, disease therapies, or diagnosis improvements. Dr. Margulies reported on current research initiatives. She stated that the Coulter Program focuses on translating research into commercialization. Products are evaluated by venture capitalists, FDA and policy researchers, and industry leaders. Emory University's School of Medicine is focused on innovation. Emory University's five pillars for the next five years include focusing on faculty excellence, academic community, innovation through scholarships, biomedical engineering, and viewing Atlanta as a gateway to the world. The goal for the biomedical engineering program is to expand the impact of biomedical engineering across campus, increasing visibility and enhancing engagement. The program accelerates innovation and translation and train tomorrow's pioneers, whether students or faculty. Dr. Margulies described the fundraising needs for the program, including endowed faculty chairs, early career professorships, scholarships and fellowships. The Roger A. and Helen B. Krone Engineered Biosystems Building provides interdisciplinary research space in an open lab format that is open to all Georgia Tech schools. Dr. Margulies introduced Dr. Krishnendu Roy, the Robert A. Milton Endowed Chair and the Director of the Center for ImmunoEngineering.

Dr. Roy stated that the concept of cell therapy is transforming the discipline of medicine, including cancer, cardiomyopathy, and cerebral palsy. During the past year, the first set of approved cell therapies have come to market in the U.S. and Europe. One treatment is for children with lymphoma for whom other treatments have failed. One significant challenge is making cell therapies more affordable. Four fundamental challenges were identified: process automation and data analytics, supply chain logistics, standardization of regulatory supports, and a supply of well-trained workforce personnel. Dr. Roy stated that a \$16 million donation from the Marcus Foundation, as well as matching funds from Georgia Tech, assisted in creating the Marcus Center for Therapeutic Cell Characterization and Manufacturing (MC3M). Seven institutions are collaborating with Georgia Tech. Multidisciplinary, convergent science and engineering research on cell therapies is being conducted within the MC3M Center. Georgia Tech is recognized as the international thought leader in cell therapy manufacturing. Cell therapy is being explored using big data, creating new tools and manufacturing processes, and systems optimization. The goal is to deliver the most effective product at the lowest cost on the largest scale possible. He reported on the future of cell therapy and challenges. Georgia Tech has already been established as a thought leader in cell therapy manufacturing. Dr. Roy showed a video of a childhood leukemia survivor who became cancer-free as a result of cell therapy.

Dr. Bras announced that the Guthman Music Competition would take place at 7:30 p.m. in the Ferst Center. There will be nine finalists with new musical instruments.

Dr. Peterson stated that the Roger A. and Helen B. Krone Engineered Biosystems Building (EBB) is designed to create interaction amongst the building occupants. There are very few offices and the labs are open-concept. The building is occupied by engineers, scientists, chemists, biochemists, physicists and numerous disciplines.

Meeting Adjourned/Reconvened: There being no further business, the meeting adjourned at approximately 4:00 p.m. on Thursday, March 8, and reconvened at 8:30 a.m. on Friday, March 9.

Welcome: Mr. Brock welcomed the trustees and visitors to the 560th meeting of the Board of Trustees. Mr. Brock recognized Mr. Krone for his donation to the Roger A. and Helen B. Krone Engineered Biosystems Building. The trustees applauded Mr. Krone. Mr. Brock asked the trustees to take a moment of silence in remembrance of two trustees, who recently passed away. Mr. John C. Portman Jr. passed away December 29, 2017 and Mr. J. Paul Raines passed away March 4, 2018.

Georgia Tech Alumni Association Update: Mr. Bottoms stated that the mission of the Alumni Association is to create meaningful and relevant programs for current and future alumni and to foster life-long participation and philanthropic support. Mr. Bottoms stated that the Alumni Association adopted three key strategic priorities for fiscal year 2018: to improve the alumni network strategy, alumni engagement, and alumni satisfaction; to increase young alumni engagement; and to prepare an Alumni Association's strategic innovation plan for the next five years. He reported that the communication involving the alumni network has been streamlined. A new customer satisfaction survey is being created. Mr. Bottoms stated that the Student Alumni Association (SAA) has more than 7,000 members and educates students about the importance of giving back. The Alumni Association is currently working on an app which will help bridge the communication gap that exists with new graduates. The Alumni Association's strategic communications include 696,968 mailed items, more than seven million Facebook posts, and more than six million emails. The Executive Leadership Program is a partnership between the Alumni Association and the Scheller College of Business. It is a four-day intensive program that will begin on March 12, 2018. He stated that 23 Georgia Tech alumni are expected to attend. Young alumni have expressed a need for the Alumni Association's assistance in career development and the Executive Leadership Program is one way the Alumni Association is addressing this need. The 71st Roll Call has a goal of 35,000 donors and \$10.2 million. To date, 27,252 donors have contributed to the Roll Call, or 78% towards the goal, for a total of \$7 million, or 69% towards the goal. Mr. Bottoms reported that the annual Pi Mile race is scheduled for April 21, 2018. Georgia Tech's Giving Day is March 14, 2018. He stated that on Giving Day last year, there were 1,241 donors and \$133,625 was raised. The average gift was \$107. Donors resided in 47 states and 22 countries. 74% of donors gave online, 6% gave via text, and 20% gave via Venmo. Mr. Bottoms showed a video promoting GT Giving Day.

Georgia Tech President's Report: Dr. Peterson stated that acceptance letters will be sent to incoming freshman tomorrow. He reported that there were more than 36,000 applicants and 21% of the applicants were accepted for a freshman class of 2,850. He expected that 60% of students will be from the State of Georgia, 30% from states other than Georgia and 10% from other countries. He reported that Dr. Steven Cross is stepping down as the Executive Vice President for Research in June. Dr. Bras is chairing the search committee and it is anticipated that the new Executive Vice President will be hired in August. As part of the Smart Corridor initiative with the City of Atlanta and the Department of Transportation, Georgia Tech has developed an autonomous vehicle. The corridor stretches between midtown and downtown Atlanta. It features

cameras that monitor traffic and public safety, data-collecting road sensors, and modern, adaptive traffic lights that exchange information with each other and vehicles traveling along the road. This collaborative effort has won four national awards. Dr. Peterson reported that Georgia Tech installed Amazon Echo Dots into all rooms in the Towers Residence Hall as part of a pilot program with Amazon. Georgia Tech's goal is to install Amazon Echo Dots and Amazon Fire TV Sticks into every dorm room by the fall of 2018. The Amazon Echo Dots will be integrated with the Canvas System on campus to allow access to syllabi or the Buzz card system. Eventually, it will be possible to program the Amazon Echo Dots to allow for remote, possibly AI tutoring of Georgia Tech students. The Price Gilbert Library is in the process of being transformed by construction and will be complete in 2020. The requested allocation from the State of Georgia budget for phase II renovation of the library is \$30.6 million.

Dr. Bras stated that the Rosa Parks sculpture is entitled "Continuing the Conversation" and is the work of Mr. Martin Dawe, an Atlanta artist. The piece is comprised of three granite parts: a representation of Rosa Parks at age 42, a representation of Rosa Parks at age 92, and an empty chair in between the two, encouraging interaction with the viewer. Mr. and Mrs. Adkins provided philanthropic support to bring the piece to the Georgia Tech campus. It will be located in Harrison Square and will be dedicated on April 5.

Dr. Peterson reported on four fundraising initiatives, focused on athletics, student support, capital projects, and programs. The initiatives include a \$70 million goal for the renovation of the Arthur B. Edge Jr. Center. The total goal for athletics for the three-year initiative is \$125 million. The total goal for student support, capital projects and Institute programs are \$150 million, \$125 million and \$125 million, respectively. Different groups will be tasked to lead the four separate initiatives. Dr. Peterson stated that it is likely that legislation will be introduced in Georgia's state legislature to address the need for need-based scholarship using state appropriations. Georgia and New Hampshire are the only two states in the country which do not have need-based scholarship legislation. Dr. Peterson stated that the goals that have been established for the fundraising initiatives will push Georgia Tech philanthropy forward beyond what was achieved during the previous Campaign.

Approval of Minutes: Mr. Brock stated that copies of the minutes of the meeting of the Board held on December 8, 2017, had been distributed to the trustees. Mr. Brock asked if there were any comments or changes. On motion, the minutes of the meeting held on December 8, 2017, were unanimously approved as distributed.

Treasurer's Report: Mr. Owens reported that the assets totaled \$2.19 billion as of January 31, 2018, which is an all-time high. The net assets totaled \$1.69 billion and liabilities totaled \$502 million. He reported that as of January 31, the investment assets totaled \$1.779 billion, leases receivable totaled \$136 million, contributions receivable was \$94 million and capital assets totaled \$111 million. Mr. Owens reported that in regards to liabilities, bonds payable totaled \$249 million and the funds invested for the Georgia Tech Athletic Association totaled \$115 million. The loan for the EBB has been reduced to less than \$1 million. The revenue reported for the seven-month period ending January 31, 2018, as compared with prior fiscal year, indicated an increase in gift income and investment earnings. Gift income and investment earnings for the seven-month period ending January 31, 2018 totaled \$44 million and \$141 million, respectively. Total revenue was \$201 million. Mr. Owens stated that program services expenditures are projected to total \$104 million, with a total of \$32 million was expended on student support, with

more than 3,000 students receiving scholarships or fellowships. Faculty support expenditures are expected to total \$24 million, including support to 120 endowed chairs and 82 endowed professorships. The financial statements are attached hereto as Exhibit A.

Finance Committee Report: Mr. Owens reported that the advance refunding of the tax-exempt bonds was completed in December and produced net present value savings of approximately \$6.5 million. Mr. Owens stated that the Committee reviewed the fiscal year 2018 budgets and all expenditures are within the approved budgets. The Committee reviewed the debt policy ratios, which were all within the stated guidelines. He reported that additional borrowing capacity is now available due to the growth in assets and the reduction of debt. The Committee reviewed the unrestricted budget projections for fiscal year 2019, with different payout scenarios. Mr. Owens reported that the Finance Committee and the Executive Committee recommended a reduction in the endowment payout rate to 4.87% of the twelve quarter trailing average. The fee is reduced by three basis points from 0.75% to 0.72%. The unrestricted budgets are projected to increase 2.5% for fiscal year 2019. On motion, the Board approved a resolution to allocate for expenditure, 4.87% from the endowment funds for fiscal year 2018, including a 0.72 percent allocation for recovery of direct and indirect costs. Investment expenses, including expenses of the Foundation's internal investment operation, shall be netted against investment income. A copy of the resolution is attached hereto as Exhibit B.

Mr. Owens described an Emergency Loan Fund Program for Georgia Tech employees. The Foundation has been asked by Georgia Tech to guarantee up to \$50,000 in employee loans through the Georgia United Credit Union (GUCU). The loan program is designed to assist Georgia Tech employees who are experiencing a personal financial emergency. He stated that an Institute Committee will determine eligibility and approve employees to participate in the program. The eligible employees will enter into a loan agreement with the GUCU for an amount up to \$1,500. Loan repayments will be made via payroll deduction for up to a maximum of twelve months. Mr. Owens stated that a resolution regarding the program was approved by the Finance and Executive Committees. On motion, the Board approved the Emergency Loan Fund Program, in which the Foundation will guarantee loans made to Georgia Tech employees, up to a maximum of \$50,000. The resolution is attached hereto as Exhibit C.

Audit Committee Report: Ms. Barrett thanked Ms. Thurman and Mr. Robertson for their service as members of the Audit Committee. Ms. Thurman and Mr. Robertson will be completing their terms in June. Ms. Barrett reported that the Committee received an update from Mr. Dozier on cyber security. One area of focus has been to train the Foundation's staff to reduce susceptibility to social engineering attacks, including phishing emails. The Committee completed an annual self-evaluation, which was done anonymously via an electronic survey. The Committee reviewed the conflict-of-interest disclosures. She reported that forms were received from all of the trustees and there were no areas of concern to report to the Board. Ms. Barrett reported that the Committee approved the engagement letter for the annual audit. KPMG has been retained to complete the fiscal year 2018 audit. The limited liability company, which owns the Biltmore property, will also be audited by KPMG.

Committee on Trustees Report: Mr. Jones reported that the Committee on Trustees met to discuss the appointments of new and returning members of the Board. Mr. Jones thanked the

trustees for submitting their recommendations. He reported that the Committee's nominations are as follows:

Corporate officers to serve a one-year term, commencing on July 1, 2018: Al Trujillo, President; Mark W. Long, Secretary.

Trustees to serve a second four-year term, commencing on July 1, 2018: Walter G. Ehmer, Roger A. Krone, H. Ronald Nash Jr. and Michael A. Neal.

Trustees to serve a four-year term, commencing on July 1, 2018: Robert L. Dixon Jr., Sheldon J. Fox, Lara O. Hodgson, Lawrence P. Huang, Richard B. Inman Jr., Andrea L. Laliberte, Randall E. Poliner, Mark C. Teixeira, Janice N. Wittschiebe and Glenn T. Wright.

Trustees emeriti: Robert A. Anclien, John B. Carter Jr. and N. Allen Robertson.

Audit Committee to serve a one-year term, commencing on July 1, 2018: Jerome A. Atkinson, Kelly H. Barrett, Richard L. Bergmark, Robert L. Dixon Jr. and Robert N. Stargel Jr.

On motion, the voting trustees unanimously approved the nominations of the Committee on Trustees.

Mr. Jones reported that the trustees whose first term expires on June 30, 2018, are: Robert A. Anclien, John B. Carter Jr., Kathleen Day, Walter G. Ehmer, Roger A. Krone, H. Ronald Nash Jr. and Michael A. Neal. He reported that the trustees whose second term expires on June 30, 2018, are: Ronald L. Johnson, Christopher W. Klaus, N. Allen Robertson and Karen C. Thurman.

Development Committee Report: Ms. Jarrard stated that the Committee discussed the four fundraising initiatives in the area of athletics, student support, capital projects, and Institute program purposes. She stated that athletics is a very important priority. She reported that the Foundation is six months into an eighteen month implementation of the Blackbaud advancement system. The project is on track according to all metrics. She reported that the Committee received a report on how data is compiled for the Office of Development from the current system. Blackbaud will assist in processing big data, so that predictive data will be more accurate. Ms. Jarrard stated that the Alumni Association reported that it is on track to have a record year in the total number of donors and dollars raised. The Committee received an update from Alumni Association staff regarding online and technology-enabled giving. The Alumni Association has been experimenting with customizing emails. They will often create several different versions of emails, send them to donors, and measure the click rate and the giving rate. Each email also has to feature a large, gold "Give Now" button, because donors strongly prefer streamlined, easy giving. Ms. Jarrard encouraged the trustees to go online and give on March 14, 2018, which is Georgia Tech Giving day. She stated that Venmo is a quick, easy, and secure way to donate. She provided an update on the trustee's progress regarding the Gold Standard. Legacy planning with the Office of Development is available to all trustees. She stated that the Development Committee will hold a joint meeting with the Stewardship Committee in June.

Investments Committee Report: Mr. Flowers stated that the Foundation investment pool assets for the trailing twelve months increased from \$1.542 billion in February 2017 to \$1.743 billion as of January 2018. He stated that the month of February has had significant volatility. He reviewed the net investment earnings, gifts and additions, and withdrawals for the past year. The total fund performance for the one-year, three-year, five-year and ten-year periods were +15.2%, +6.5%, +7.3% and +4.4%, respectively. The Investments Committee assesses the performance of the Foundation's portfolio using a number of benchmarks. The Consumer Price Index plus 5% provides a measure of how the portfolio is performing in terms of intergenerational equity. The fund's relative performance as compared with the Consumer Price Index (CPI) plus 5%, was +8.1%, -0.1%, +0.9% and -2.2% for the one-year, three-year, five-year and ten-year periods, respectively. The policy portfolio provides a method to assess how the portfolio is performing as the result of active decisions vs. the strategic allocation. The fund's performance as compared with the policy portfolio was -0.9%, -0.5%, -0.2%, and +0.8% for the one-year, three-year, five-year and ten-year periods. The Cambridge endowment composite allows the Investments Committee to measure how the Foundation portfolio is performing over time against the performance of peer institutions. The fund's performance as compared with the Cambridge endowment composite was +0.3%, 0.0%, -0.4%, and -0.5% for the one-year, three-year, five-year and ten-year periods. As of January 31, 2018, the current Foundation asset allocation remains under-weighted in global stocks and fixed income and over-weighted in hedge funds. Mr. Flowers reviewed the investment actions since the last meeting, including a new commitment to a venture capital fund. Mr. Flowers introduced Mr. Pellegrino, the new Chief Investment Officer of the Georgia Tech Foundation.

Mr. Pellegrino stated that he has been working closely with Mr. Flowers to develop a strategic plan for the Foundation's investment pool. The Foundation's goal is to support Georgia Tech with reliable income from the endowment. He stated that endowments are supported by real or absolute returns, and absolute returns require that investment losses are minimized during down markets. He stated that market volatility is a challenge, but it can be managed by building a portfolio which is insulated against extreme lows and highs. Investment principles will be developed on how to deploy capital. Mr. Pellegrino stated that capital must be deployed based on valuations and risks must be defined based on the goals. Committee governance and staff structure should be built to execute investment goals and visions. The process includes how the investments team will go about setting risk tolerances, investing capital and exploring resources. He stated that process is what the investments team can control and good results are the outcome of an effective process. Short-term performance can be misleading. Endowments support Georgia Tech in perpetuity. Comparisons are valuable tools, but they should be kept in perspective.

Stewardship Committee Report: Mr. Wells reported a panel of Stamps President's Scholars made a presentation to the Committee on the philanthropic impact of the program. The Stamps Scholars are the best and brightest Georgia Tech students and are focused on mentoring, leadership, and citizenship. Mr. Wells reported that the impact reporting for endowment funds has been going well. A total of 51% of the reports are completed. The number of reports has increased 30% over last year. He stated that a total of 2,800 thank you notes to 1,200 donors from the GThanks program have been completed. The Committee is paying particular attention to restricted funds which have significant unspent funds. He reported that the calendar year-end donor tax letters and the annual trust reports have been sent to donors.

Real Estate Committee Report: Mr. Holder reported the bifurcation of the master ground lease and the subsequent ground lease on the High Performance Computing Building to Databank has been completed. Portman has turned over the site to Databank to begin construction of the High Performance Computing Building. He reported that the revenue for the Georgia Tech Hotel and Conference Center is less than budget this year. A major renovation of the rooms is scheduled for 2018 and 2019. He reported that the leasing of the Biltmore is going well. The revenue is ahead of the pro-forma. Last year, the Foundation trustees approved a program for the direct investment in real estate. There has not been an opportunity as yet.

Meeting Adjourned/Reconvened: Mr. Holder asked for a motion to adjourn the regular meeting of the Board in order to meet in executive session. On motion, the Board approved the adjournment of the regular meeting at approximately 10:15 a.m. The regular meeting of the Board reconvened at approximately 10:30 a.m.

Executive Committee and Chairman's Report: Mr. Brock thanked the members of the Executive Committee for their hard work and commitment. The Executive Committee meets each month. Mr. Brock reminded the trustees that it is very important to attend committee meetings. Mr. Brock thanked the trustees for their contributions of their time and resources for the benefit of Georgia Tech.

President's Report: Mr. Trujillo reviewed the fiscal year 2018 priorities for the Foundation, which includes the investment transition, the implementation of the Blackbaud project, and the continued activity in real estate investment and acquisition. He stated that the market has been volatile and challenging, but it provides opportunities. Mr. Pellegrino will be providing a "State of the Foundation's Investments" report at the Annual Meeting. This will assist non-Investments Committee trustees in understanding the Foundation's investments. It will also provide an overview of the investments one-year strategic plan. The Biltmore remains fully leased and has a tenant waiting list. He reported that two new innovation centers, Chick-fil-a and Dover, were opened recently in the Biltmore. The Biltmore lobby will be renovated in the coming year. Mr. Trujillo stated that Mr. Dozier will give an in-depth presentation on Blackbaud implementation at the Annual Meeting. The project is six months completed of the eighteen month implementation. The design and customization phase will require additional work, such as the Athletics points system. The biggest challenge and opportunity will be in user and community training. The project is on track, on budget, and on schedule. The senior staff team is outstanding. He thanked Mr. Dozier, Mr. Long, Mr. Pellegrino, and Ms. Wichmann for their leadership.

Mr. Brock thanked Mr. Trujillo for his leadership and thanked the senior staff. The next meeting will be June 14 through 16, 2018, in Sea Island, Georgia.

Meeting Adjourned: There being no further business, the meeting was adjourned.

Respectfully submitted,

Mark W. Long
Secretary

Approved:

John F. Brock III
Chair

Minutes of the Meeting of the Board of Trustees
March 8-9, 2018
Exhibit A, Page 1 of 2

GEORGIA TECH FOUNDATION, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
UNAUDITED JANUARY 31, 2018, JUNE 30, 2017 AND
JANUARY 31, 2017

(in thousands)

	January 31, 2018	June 30, 2017	January 31, 2017
ASSETS			
Cash and cash equivalents	\$10,377	\$5,484	\$3,578
Restricted cash	980	2,055	\$1,675
Capital reserve funds	9,224	8,802	\$7,669
Contributions receivable, net	94,010	104,179	77,647
Investments	1,778,665	1,640,586	1,553,200
Other assets	19,844	16,462	11,172
Lease receivable	136,231	145,494	164,128
Contributions receivable from remainder trusts	13,210	14,555	13,966
Charitable remainder trusts	14,918	13,985	13,477
Capital Assets, net of accumulated depreciation	111,184	112,110	96,401
	<u>\$2,188,644</u>	<u>\$2,063,712</u>	<u>\$1,942,913</u>
Total assets			
LIABILITIES			
Accounts payable	\$14,470	\$7,002	\$14,655
Commitment payable	6,721	7,178	7,272
Lines of credit	19,662	21,363	20,929
Note payable (EBB)	792	3,724	5,742
Notes payable (Biltmore & Sungard)	47,664	48,113	68,543
Bonds Payable, net of discount and premium	249,010	258,223	225,845
Amounts due to life beneficiaries	17,005	16,030	15,787
Deferred revenue	20,382	23,025	23,025
Funds held on behalf of GTAA	114,892	105,609	102,314
Other liabilities	11,613	10,989	10,437
	<u>502,211</u>	<u>501,256</u>	<u>494,549</u>
Total liabilities			
NET ASSETS	<u>\$1,686,433</u>	<u>\$1,562,456</u>	<u>\$1,448,364</u>
Total liabilities and net assets	<u>\$2,188,644</u>	<u>\$2,063,712</u>	<u>\$1,942,913</u>
Unrestricted Fund Balance	\$183,300	\$172,500	\$161,700
Unrestricted Fund Reserve	\$84,500	\$84,000	\$84,000

Minutes of the Meeting of the Board of Trustees
March 8-9, 2018
Exhibit A, Page 2 of 2

**GEORGIA TECH FOUNDATION, INC.
CONSOLIDATED STATEMENT OF
ACTIVITIES UNAUDITED FOR THE
SEVEN MONTH PERIOD ENDED
JANUARY 31, 2018, AS COMPARED WITH
THE YEAR ENDED JUNE 30, 2017 AND THE
SEVEN MONTH PERIOD ENDED ON
JANUARY 31, 2017**

(in thousands)

	Unrestricted Fund	Temporarily Restricted Fund	Permanently Restricted Fund	7 months Total 1/31/18	12 months through 6/30/17	7 months Total 1/31/17
Revenue						
Gift income	\$4,929	\$25,971	\$13,464	\$44,364	\$86,898	\$32,855
Lease revenue	9,283	377	0	9,660	15,968	7,316
Lease revenue (Biltmore)	5,021	0	0	5,021	6,205	2,786
Investment income (net of fees)	2,424	8,917	7	11,347	27,446	14,472
Net realized/unrealized gain (loss) on investments	23,705	105,255	364	129,324	156,209	76,181
Change in value of trusts and annuities	0	40	430	470	1,436	(186)
Other	928	6	0	934	1,511	781
Net assets released from restrictions	50,552	(50,552)	0	0	0	0
Total revenues	<u>\$96,841</u>	<u>\$90,014</u>	<u>\$14,265</u>	<u>\$201,120</u>	<u>\$295,673</u>	<u>\$134,205</u>
Expenses						
Program services	\$60,270			\$60,270	\$102,578	67,623
General and administrative	6,993			6,993	13,144	5,939
Biltmore property expenses	4,767			4,767	5,682	2,027
Loss on extinguishment of debt	2,159			2,159	0	0
Fund raising	2,954			2,954	4,131	2,570
Total expenses	<u>77,143</u>	<u>0</u>	<u>0</u>	<u>77,143</u>	<u>125,535</u>	<u>78,159</u>
Changes in net assets	\$19,698	\$90,014	\$14,265	\$123,977	\$170,138	\$56,046
Net assets, beginning of period	<u>\$142,012</u>	<u>\$727,339</u>	<u>\$693,105</u>	<u>\$1,562,456</u>	<u>\$1,392,318</u>	<u>\$1,392,318</u>
Net assets, end of period	<u>\$161,710</u>	<u>\$817,353</u>	<u>\$707,370</u>	<u>\$1,686,433</u>	<u>\$1,562,456</u>	<u>\$1,448,364</u>

**Minutes of the Meeting of the Board of Trustees
March 9, 2018
Exhibit B**

**Resolution regarding income allocation to recommend to
Executive Committee and the Board of Trustees**

RESOLVED, that the Georgia Tech Foundation shall allocate for expenditure for fiscal year 2019 from the restricted or unrestricted endowment funds four and eighty-seven one hundredths percent (4.87%) of the twelve (12) quarter average market value per unit for the period ending December 31, 2017, which includes a 0.72 percent allocation for recovery of direct and indirect costs. Investment expenses, including expenses of the Foundation's internal investment operation, shall be netted against investment income.

Minutes of the Meeting of the Board of Trustees
March 9, 2018
Exhibit C

RESOLUTION OF THE BOARD OF TRUSTEES
OF GEORGIA TECH FOUNDATION, INC.

WHEREAS, the Board of Trustees (the "Board") of Georgia Tech Foundation, Inc. (the "Foundation"), at the request of the Georgia Institute of Technology (the "Institute"), desires to implement a program to provide financial assistance to those Georgia Tech employees who are experiencing a personal financial emergency and have exhausted other avenues of assistance.

WHEREAS, to such end the Foundation intends to implement a program to be called the "Georgia Tech Foundation Emergency Loan Fund" ("ELF") to be administered by the Georgia United Credit Union; the process and procedures of such program are more fully described on the Letter from the Office of the President of the Georgia Institute of Technology dated October 27, 2017 attached hereto (the "ELF Process and Procedures").

WHEREAS, in connection with the implementation of the ELF program, Georgia United Credit Union has requested the Foundation to guarantee the repayment of any outstanding debts under the ELF program up to an aggregate maximum amount of \$50,000 of outstanding principal at any one time.

WHEREAS the Board adopts the following resolutions.

NOW THEREFORE, BE IT RESOLVED, that the Board of the Foundation approves the implementation of the Georgia Tech Foundation Emergency Loan Fund and authorizes the Foundation to guarantee the repayment of any outstanding debts under the ELF program up to an aggregate maximum amount of \$50,000 of outstanding principal at any one time.

FURTHER RESOLVED, that for purposes of these resolutions, the Authorized Officers of the Foundation shall be the Chair, Vice Chair-Chair Elect, Treasurer, President and Secretary of the Foundation (collectively, the "*Authorized Officers*").

NOW, THEREFORE, BE IT RESOLVED, that the Board of the Foundation takes the following action:

- Authorizes the Foundation to implement the ELF program administered by the Georgia United Credit Union, pursuant to which Georgia United Credit Union, acting as lender, will grant emergency loans in a total amount not to individually exceed \$1,500.
- Authorizes any Authorized Officer to enter into a guarantee agreement (the "*Guarantee*") and such other documents as are necessary or desirable with Georgia United Credit Union, by which the Foundation, acting as guarantor, will guarantee the repayment of any outstanding debts under the ELF program for up to an aggregate maximum outstanding amount of Fifty Thousand Dollars and No/100 (\$50,000.00) of outstanding principal at any one time.
- Ratifies any act or document previously undertaken or executed and delivered by the Foundation regarding the foregoing resolutions.