

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF
THE GOLDEN L.E.A.F. (Long-term Economic Advancement Foundation), Inc.**

The special meeting of the Board of Directors of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the “Foundation”), was noticed for and convened on January 7, 2025, at the Cleveland Community College, Room 7270 of the Speaker Tim Moore Advanced Technology Center, located at 1750 East Marion Street, Shelby, North Carolina. Board members participating in the meeting were Barry Dodson, Michael Easley, Jr., Don Flow, Randy Isenhower, Buddy Keller, Jeffrey Lee, Laurence Lilley, Brian Raynor (chair), Bobbie Richardson, David Rose, Jarette Sampson, Ralph Strayhorn, Tom Taft, and Bill Webb. Also present were Scott T. Hamilton, President, Chief Executive Officer of the Foundation; Ted Lord, Senior Vice President/ General Counsel of the Foundation; Kasey Ginsberg, Vice President/Chief of Staff of the Foundation; Brynn Fann, Program Officer and AV/Tech Coordinator of the Foundation; Erica Smith, Vice President of Finance of the Foundation; J.P. Boyd, Vice President of Investments of the Foundation; and Byron Kirkland, legal counsel to the Foundation.

Mr. Kirkland called the roll of Board members.

Mr. Raynor called the meeting to order, declared a quorum to be present, and identified Mr. Lord as secretary of the meeting.

Mr. Hamilton introduced Dr. Jason Hurst, President of Cleveland Community College. President Hurst thanked Golden LEAF for its support of projects at the college, including awards for the college’s healthcare training programs, heavy equipment operator training program, and its advanced manufacturing center. He discussed the priorities of the college and some of the opportunities it has because of its location in the Charlotte region.

President Hurst left the meeting.

Mr. Raynor thanked Mr. Strayhorn for his service as Chair of the Board and presented him with a ceremonial gavel. The Board gave Mr. Strayhorn a unanimous standing ovation in appreciation.

Mr. Hamilton provided an overview of the retreat agenda.

Mr. Lord began the staff presentations by reviewing the Foundation's core grant programs. Items covered included the budgets for each of the programs, the Foundation's priority outcomes and low priority projects, the application process and the application form and the attachments applicants are required to submit. He also discussed staff due diligence and grant monitoring processes. He shared data about application declinations with the Board, including that most declinations occur in Stage One of the Open Grants Program. Finally, he discussed some proposed modifications to the application process that staff would bring to the Programs Committee and Board for consideration in the near future, including creating a process to remove unsubmitted draft applications from the online application portal, and to require applicants to submit Stage Two applications in the Open Grants Program within a certain period of time after receiving their invitation to move forward in the process. He also told the Board that later in the meeting staff would present information regarding strategies to provide funding to community colleges and nonprofit healthcare providers that are pursuing capital projects of a certain scale and that will result in Golden LEAF priority outcomes.

During Mr. Lord's presentation, Board members asked questions and discussed the information shared, including questions about the grant application process and low priority outcomes. Board members also discussed an interest in staff presenting more detailed reasons for staff's recommendations to decline grant applications.

Ms. Ginsberg then presented data and trends regarding the Foundation's grantmaking. Information provided included the dollar amount and number of grants awarded in each of the Foundation's priority funding areas and in each of the State's three county tiers over the last three fiscal years. She also reviewed the dollar amount and number of grants funded in each of the Foundation's grant programs over the past three fiscal years. Among other things, the data showed that, after excluding the Foundation's award for Project Atlas, the Foundation has awarded the highest number and dollar value of grants to projects in Tier 1 counties. She also discussed programmatic trends, including an increase in the average grant award size in the Open Grants Program, a decline over time of the number of grants

awarded in the SITE Program, and that the Community Based Grants Initiative will complete its final cycle in the current fiscal year which will present an opportunity to redirect the \$11 million budgeted annually for that initiative to other opportunities.

Mr. Lord presented information regarding the Foundation's Economic Catalyst Program, including a comparison of the program budget to actual grant awards, the number and dollar amount of grants made in the program over the last three fiscal years, and the impact of large grants on the program's budget. He also shared an analysis of the average grant award per job created over the last five years and an analysis of the awards on a per-job basis in each of the State's three county tiers. The analysis showed that the average grant award per job varies year-to-year and the overall average is nearly \$7,775. The analysis also shows that the dollar amount of grant awards per-job to be created is highest in Tier 1 counties at over \$10,300, though the projected annual wages and projected private capital investment of projects in Tier 1 counties is lower than of projects in other tiers.

Mr. Lord then provided an overview of the status of active grants of over \$1.5 million awarded by the Foundation.

Ms. Ginsberg presented information about grants awarded by county over the last three fiscal years. The presentation included priority Golden LEAF counties that had not received funding over that time. She also presented lists of community colleges and of UNC system universities that have not recently received funding. Ms. Ginsberg noted that some of those counties and schools may have received funding, though not within the most recent three fiscal years. She also told the Board that this data would help the staff focus its outreach efforts.

Mr. Lord then presented information regarding grants that staff is monitoring, including projects for which all funding has not been released and those for which all funding has been released but for which staff is still monitoring outcomes. The total number of grants monitored is 376, which is down from 434 the prior year. However, nearly all of the decline is in the state and federally funded programs administered by the Foundation. The number of currently monitored grants in the Foundation's regular programs has increased by 20 to 268. Mr. Lord then discussed some trends that the data shows, including

a large drop in the number of grants in state-appropriated programs resulting from the Foundation wrapping up the Food Distribution Assistance Program and that the number of special projects and initiatives continues to require additional staff time to manage program design, complexity, and other characteristics.

Mr. Hamilton then presented information regarding how the work of the Foundation in the past year has addressed the Foundation's strategic planning goals. He discussed that the grant award for the AdvanceNC project addressed the goal of encouraging regional projects, that funding for Golden LEAF Schools has addressed the Foundation's interest in local skill training capacity, and that the Foundation has provided significant support to increase the number of healthcare professionals in target communities, including through funding Methodist University and East Carolina University to increase the number of doctors trained in eastern North Carolina, and developing a healthcare leverage program to provide additional funding for large capital projects that are expanding healthcare training programs at rural community colleges.

Ms. Ginsberg then discussed the Foundation's legislative engagement. She reviewed the Foundation's legislative history with the Board, including changes in the Foundation's funding from the General Assembly over time. She also discussed the Foundation's process for maintaining relationships with legislators, which include providing notifications to legislators regarding awards in their districts and asking legislators to provide letters to scholarship recipients from their districts and including legislator quotes in press releases regarding Golden LEAF awards. She also reminded Board members that the Board Chair has requested that members coordinate with the Board Chair and staff before engaging with legislators on Foundation-related matters to ensure alignment with the Foundation's strategy.

Ms. Ginsberg reviewed the Foundation's framework for receiving appropriations from the State, including use of funds, program guidelines and rules, grant recipients, timing of release of funds to Golden LEAF and more. Mr. Raynor asked Board members to review the framework and to let staff know if they have any questions or suggested revisions.

Ms. Ginsberg then reviewed the results of the survey that requested Board feedback regarding concepts for new or expanded funding priorities for the Foundation. She discussed the overall responses and shared the rankings of each concept based on both the mean and median responses. She said that staff prepared information for discussion about the seven highest ranked ideas, including a summary of the goal for each idea and possible uses of funds. Mr. Lord and Ms. Ginsberg then discussed each of those seven ideas with the Board.

The first idea discussed was to consider Golden LEAF funding for shell buildings. After discussion, it was the consensus of the Board to direct staff to revise the SITE Program to include an opportunity for funding for shell building projects. The program should address maximum grant awards, match requirements, opportunities for public private partnerships, among other components.

The Board then discussed strategies to support entrepreneurship and new business development in rural communities. These included developing hub and spoke systems that would allow areas with more resources to provide support to economically distressed and rural communities and leveraging support from other sources including, potentially the North Carolina Department of Commerce. Board members also identified several successful existing programs.

Next, the Board discussed strategies to help small businesses access capital. Discussions included the need to focus on specific geographic regions and to avoid strategies that require the Foundation or its grantees to engage in collections of loans. Board members also discussed the possibility of incorporating the capital access strategy with the business development strategy previously discussed. They also asked staff to continue researching other strategies to provide access to capital to small businesses.

The Board then discussed strategies to encourage collaboration among community colleges. Examples included rotating equipment among colleges and AdvanceNC, which is a regional model that addresses training needs in the Piedmont. The Board discussed some concern about whether the State funding model for community colleges discouraged collaboration. Staff also emphasized that the Foundation can already fund collaborative projects and could potentially identify more of these opportunities through outreach to colleges.

The Board then considered opportunities to support downtown revitalization. After discussion, there was interest in incorporating downtown revitalization with the small business development strategy previously discussed.

The next two ideas discussed by the Board were incentivizing healthcare providers to locate in Golden LEAF priority areas by supporting loan forgiveness or scholarships, recruitment strategies, and similar efforts and increasing healthcare access points in rural areas thereby creating healthcare jobs. Board members expressed an interest in focusing on increasing healthcare access points. They emphasized the importance of engaging large nonprofit healthcare systems and exploring hub and spoke models for new healthcare access points.

Staff then shared with the Board ideas from the survey that individual Board members had suggested, including strategies to support teacher retention on a regional level. Staff and the Board discussed how this issue may be considered as part of the Golden LEAF Schools Initiative.

Mr. Raynor declared the meeting to be in recess until 8:00 a.m. on Thursday, January 8, 2026.

The special meeting of the Board of Directors of the Foundation reconvened at 8:00 a.m. January 8, 2026. Board members participating in the meeting were Barry Dodson, Michael Easley, Jr., Don Flow, Jim Harrell, Jeffery Lee, Laurence Lilley, Brian Raynor, Bobbie Richardson, David Rose, Jarette Sampson, Ralph Strayhorn, Tom Taft, and Bill Webb. Also present were Scott T. Hamilton, President, Chief Executive Officer of the Foundation; Ted Lord, Senior Vice President/ General Counsel of the Foundation; Kasey Ginsberg, Vice President/Chief of Staff of the Foundation; Brynn Fann, Program Officer and AV/Tech Coordinator of the Foundation; Erica Smith, Vice President of Finance of the Foundation; J.P. Boyd, Vice President of Investments of the Foundation, and Byron Kirkland, legal counsel to the Foundation.

Mr. Kirkland called the roll of Board members.

Mr. Raynor called the meeting to order.

Mr. Raynor welcomed Senator Ted Alexander, Representative Kelly Hastings, and Representative Paul Scott of the North Carolina General Assembly to the meeting. Mr. Hamilton led a

panel discussion with the legislators. The legislators discussed current priorities of the legislature and issues facing rural communities, which include healthcare, challenges facing farmers, and housing. They also thanked Golden LEAF for its support of projects in the region.

After the discussion, the Board thanked the legislators and the legislators left the meeting.

Mr. Lord provided information to the Board regarding NC Ag Leads. He discussed the leadership structure of the effort, including reminding the Board that Mr. Hamilton, Mr. Flow, Mr., Lilley, and Mr. Lee serve as Foundation representatives on the committee and that former Foundation Board member Lawrence Davenport serves as a member at large appointed by the Foundation. Other members include Commissioner Troxler of the North Carolina Department of Agriculture and Consumer Services (or his designee), Shawn Harding, President of the North Carolina Farm Bureau, and Gary Salamido, President of the North Carolina Chamber of Commerce. The effort is staffed by Ray Starling and Sarah Grace Stone and funded by the Foundation.

Mr. Lord discussed the strategic planning process completed by NC Ag Leads. He then reviewed next steps. These include continued efforts to revitalize cooperative extension, convening leaders of the agricultural community to continue identification of issues and development of strategies to benefit North Carolina agriculture, and doing a deep dive into strategies to promote a business mindset in the agricultural sector. In addition, the Foundation expects to receive three requests to fund specific activities emerging from NC Ag Leads. The first request will be for funding to gather and analyze data regarding changes in land use and related economic impacts to better understand farmland loss. Board members discussed this opportunity and asked staff to be certain the request for funding addresses how the data differs from what is already publicly available and what difference the analysis is expected to make in North Carolina whether through changes to land use policy or otherwise. The second request will be for funding to collect and analyze data regarding the workforce in the agricultural sector to better understand opportunities for a sector-wide workforce development strategy. The final anticipated request will be to fund implementation of Ag Launch, an existing nonprofit ag-tech development strategy, in North Carolina in a way that will benefit the North Carolina agriculture industry, including farmers and

agriculture technology companies. Questions about this strategy identified by Board members include whether there will be funding available to support direct payments to farmers for their participation in field trials in the program, which is an important component of Ag Launch and, if not, if there is value in the project proceeding, and whether there may be an opportunity for Golden LEAF to be involved as an investor. The Board also asked staff and counsel to review information about the Ag Launch structure. The next step for all three of these ideas will be for Foundation staff to work with the NC Ag Leads team to prepare requests for funding to be considered by the Foundation as early as its February 2026 meetings.

Finally with regard to NC Ag Leads, Mr. Lord reported that the Dean of the College of Agriculture and Life Sciences at North Carolina State University has discussed a potential request to Golden LEAF to support updates to one or more of the agriculture research stations in the state to better prepare it to serve ag-tech development, which is consistent with priorities identified by NC Ag Leads. Staff also reported that NC Ag Leads expects to reach out to North Carolina A&T State University to try and deepen its engagement in the process.

Staff then provided a brief overview of the Foundation's Strategic Projects Advancing Rural Communities (SPARC) program and how it can be used to support opportunities that do not fall within the Foundation's existing grant programs.

Ms. Ginsberg then provided internal updates to the Board, including an overview of the calendar year 2026 meeting schedule and the Foundation's ongoing state monitoring and reporting obligations associated with program-specific state appropriations.

Mr. Lord reviewed proposed changes to the Foundation's grant monitoring policy. Changes included updates to revising terminology to be consistent across systems and documents, updating the policy to reflect changes in practices for gathering outcomes and activity data, changing the extension approval authority, among others. Mr. Lord also reviewed proposed changes to the Foundation's Grantee Acknowledgment and Agreement form and to the Minutes Procedure. He told the Board that red-lined versions of the documents showing the proposed changes are included in the Board materials for this

meeting. Staff will present the proposed changes to the Programs Committee and Board for action at its February meeting.

Mr. Lord then discussed staff's interest in making changes to the programs materials prepared for the Programs Committee and Board in advance of each Board meeting, including reducing narrative and relying more on bulleted lists and less formal summaries, limiting the lookback period when reporting on previously funded projects, and moving summaries of amendments from the Programs Notes document to the recommendations document. Board members discussed the changes and expressed openness to staff trying different approaches and modifications to the materials.

Staff then discussed with the Board the process for developing the annual Programs budget of the Foundation. For the past two years, the Foundation has budgeted \$17.5 million of the \$25 million of the Master Settlement Proceeds appropriated to the Foundation for programs of the Foundation and has expressed an openness to using the remaining \$7.5 million for grant awards as needed. Board members discussed the history of the State's support of the Foundation and the importance of using resources to fund projects and of maintaining the corpus of the Foundation so it can continue its work in perpetuity. The Board directed staff to continue the practice of budgeting \$17.5 million of the Foundation's annual appropriation in the Foundation's programs budget with the balance included in the Foundation's corpus but available to spend as needed. The Board also discussed the policy regarding carryforward of funds in the programs budget from one fiscal year to the next and supported staff carrying forward amounts required for accounting purposes and for specific pending major projects.

Staff then reviewed the next steps to be taken on issues discussed by the Board.

Regarding creation of a program to fund shell buildings, staff will develop a strategy to include shell building funding in the SITE Program for consideration by the Board in June 2026.

Regarding support for small businesses, staff will continue research and development of a potential concept to support entrepreneurship and new business growth in rural areas through technical assistance and capital access. Staff will also consider related opportunities for downtown revitalization. Staff has a goal of completing this effort by Fall 2026.

Regarding collaboration among community colleges and development of new healthcare access points and associated healthcare job creation, staff will develop characteristics of projects that Golden LEAF is interested in funding that could be shared with potential applicants. The goal will be to share these with the Board for consideration in June 2026.

Staff also reminded the Board that it will present recommended modifications to the Grantee Acknowledgment and Agreement form, the Grant Monitoring Policy, and the Minutes Procedure to the Programs Committee and Board in February 2026, along with recommendations for giving staff additional authority to manage inactive applications.

With no further business before the Board, the meeting was adjourned.

Ted Lord, Secretary of the Meeting

Read and approved:

Brian Raynor, Chair of the Board