

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
NATIONAL BOARD OF DIRECTORS MINUTES
Saturday, December 5, 2009
8:30 – 11:00 a.m.
A.I. Johnson Room, McNamara Alumni Center**

Board Members Attending

Anderson, Jan McKenzie - phone
Beniak, Judy
Blissenbach, Henry
Carlson, Margaret
Carthaus, Marcie - phone
Cunningham, John
du Bois, Jim
Finsness, Lisa
Givens, Archie
Hallin, Gayle
Himle, Karen
Horsager, Kent
Loyd, Susan Adams
Lichty, Marshall
Lucas, Peggy
McDonald, Daniel
McLeod, Mary
Meyer, Janice
Mooty, Bruce
Mulder, Jim
Newell, Rich
Omlie, Jo Ann
Osberg, Brian
Peterson, Debra
Pinkney, Beth
Reed, Maureen
Reichl, Lorna
Schott, Patrick - phone
Schultz, Martin
Strain, Paul
Thompson, Paul
Welshons, Bonnie
Williams, Todd
Zwieg, Ted

Joselyn, Bernadine
Kremers, Kristi
Lahammer, Mary
Lanphere, Jane Wildung
Oakes, J. Michael
Page, Allison
Stein, Robert
Thacker, Kip
Tuzcu, Ertugrul
Wiese, Sandra Ulsaker

UMAA Staff Attending

Coffer, Curtis
Delvo, Mary Kay
Isaak, Ruth
Rader, Bruce

Board Members Unable to Attend

Brus, Leah
Cheung Ho, Yvonne
Johnson, Susan

University Guests

Bob Burgett, Associate Vice President, Development, University of Minnesota Foundation
Becky Malkerson, President, Minnesota Medical Foundation

Presidents Report

Givens welcomed board members and introduced Bob Burgett, Vice President of Development for the University of Minnesota Foundation and Becky Malkerson, President and Chief Executive Officer, Minnesota Medical Foundation.

Givens said that the Alumni Association began recognition of significant contributions by legislators to the University with the distinction of Legislator of the Year several years ago. He introduced Advocacy Committee chair and vice president Mary McLeod to present this year's awards.

McLeod said she was pleased to be presenting the Legislator of the Year Award to Senators Sandra Pappas (district 65) and Claire Robling (district 35). Both received the award for their leadership in co-authoring the legislation which sets term limits for members of the Regent Candidate Advisory Council (RCAC). The RCAC is a citizen council, appointed by members of the Minnesota Senate and House of Representatives, that assists the legislature in determining criteria and identifying and recruiting candidates for the University Of Minnesota Board Of Regents.

Noting the importance of qualified RCAC committee members, McLeod noted that prior to this legislation there was no limit to the length of service for RCAC members. The legislation authored by Senators Pappas and Robling mandates that new people be appointed to the RCAC on a periodic basis.

This is an unprecedented third year in a row that Senator Pappas has received the Legislator of the Year award. She was recognized in 2008 for her work on behalf of the Minnesota Biomedical Science Program and strategic investment, and in 2007 for her unwavering commitment to funding higher education.

Pappas told the group that she was thrilled to be honored for the third time. She said that she is disappointed that it is not possible to be a stronger advocate given the projected 1.2 billion budget shortfall over the next 18 months. She said that she hoped to do her best to mitigate the level of cuts. She also hoped that a bonding bill will benefit the University as well as provide jobs.

Robling acknowledged the statewide importance of the University of Minnesota, saying that 4-H had been an important part of her life and the extension service is important across the state as well. She said that it is important to continue to persevere for the students in difficult financial times.

University Report

President Bruininks reported that he is meeting with many University stakeholders regarding the economic issues facing the state and therefore the University. These are hard discussions that address how the University can best adapt to the new economy with substantially less state funding. Conversations have focused on what really matters to the University's mission and how to support that mission of excellent education, supporting research and a culture of innovation, and fulfilling the land grant university mission of service to the public. Current projections are that the state will have a \$1.2 billion deficit going into the next legislative session.

University leader anticipate an 11 percent funding reduction for the next fiscal year, with the possibility of additional “un-allotments”. This reduced state funding results in a reversal of the funding formula for the University, where state funding is less than funding from tuition, grants and contracts income.

The university has already trimmed 1,200 jobs while keeping productivity strong but this can not be repeated. President Bruininks emphasized that it will be important to budget strategically and that alumni support becomes even more important. State and alumni support is necessary for a strong University that keeps student access affordable. The University also needs to become more entrepreneurial and take advantage of partnerships and technology.

The 2010 Capital Request has HEPR (Higher Education Assets Preservation and Restoration funds) as a #1 priority, taking care of University properties and reducing costs where possible with energy efficient updates.

The second priority is Folwell Hall’s interior renovation. This historic building houses most of the language instruction. The outside of the building was refurbished with University funds but the interior needs significant renovation.

The third is an American Indian Center at Duluth and the fourth is a request for a new physics and nanotechnology building to keep up with the demands of modern physics research. The current physics building has not been modernized since 1965.

President Bruininks reminded board members to remember the many positive things happening at the University. The University of Minnesota ranks first for sustainability projects, a new international office has been established in Beijing, the U of M Promise for Tomorrow scholarship drive has benefitted thirteen thousand students in the last ten years and student costs have increased less than 3% in the last year.

Consent Agenda

Givens directed board attention to the consent agenda which included the October 9, 2009 National Board minutes, September 30, 2009 internal Financial Statements, investment report, membership report, bi-monthly alumni survey results and Advocacy and Program Committee reports.

MOTION: Approve items on the Consent Agenda as submitted
APPROVED UNANIMOUSLY

CEO Report

Carlson congratulated President Archie Givens for receiving the 2009 Equal Justice Award from the Council of Crime and Justice on November 19, 2009. She reviewed the Statewide Speaker Tour visits scheduled to-date, noting that 24 had been completed. Most of the tour stops this year have focused on pediatric health and she acknowledged Becky Malkerson, President of the Minnesota Medical Foundation, and thanked her for the foundation’s help in scheduling speakers.

She shared several photos from the Alumni Awards Celebration and various Homecoming events, noting that the Alumni Service Award winners were a real stand-out entry in the parade. Each rode in an individual Smart car. The parade was led by the six Grand Marshals that the Alumni Association hosted. They were Bobby Bell, Deb Hopp Garrison Keilor, Walter Mondale, Lindsey Whalen, and Jeanne Borlaug Laube representing her father, Norman Borlaug. All six Grand Marshals took part in the pepfest following the parade, with Garrison Keilor speaking as the alumni representative.

Carlson reviewed the Game Day Parties held at the McNamara Alumni Center on football game days. The parties are run by the University Gateway Corporation, which is the partnership of the University of Minnesota Alumni Association, Minnesota Medical Foundation, and the University of Minnesota Foundation. The events, held before, during and after home football games were popular with the fans but not financially successful. The unseasonably cold fall weather, the time of the games (most at 11 a.m.), the extensive hours of operation, and the security and fencing necessary for liquor sales resulted in the operating deficit. All plans and logistics will be evaluated and recommendations will be made for the 2010 football season.

She said that the Gopher football team is bowl bound and predictions are that it will be the Insight Bowl in Tempe, Arizona. With congratulations to Senior Director of Marketing, Membership and Outreach, Bruce Rader and his staff, she told board members that the Alumni Association had achieved its goal of 15,700 life members.

The McNamara Alumni Center Addition is in progress with a completion date of fall, 2010.

Search Committee Report

Co-Chair Bruce Mooty thanked Maureen Reed, co-chair of the Search Committee along with all the committee members for the countless hours dedicated to the search process so far. He indicated that there were many excellent candidates. The search committee will present the final candidate(s) to the Executive Committee and then to the national board after seeking input from President Bruininks and/or his designee. He informed board members that there will likely be a special meeting to present the recommended candidate(s) to the board.

He reported that the committee is very pleased with Spencer Stuart, the search firm assisting with the search, noting that they had screened a large pool of candidates. He said confidentiality remains important to protect candidates.

Knowledge Transfer

Board member Bonnie Welshons introduced Kathy Hagen, Intellectual Capital Strategies. President-elect Ertugrul Tuzcu, Welshons and Carlson have met to establish goals for a knowledge transfer process led by Hagen. Hagen is creating a knowledge transfer process from Carlson to a new CEO.

Kathy Hagen is providing her services at no charge to the Alumni Association at the request of Welshons. Hagen has provided the same service to many large companies including General Mills, Medtronic, Pfizer, and Bristol Myers Squibb.

Hagen has interviewed key individuals, including Margaret Carlson. Hagen commented on the excellent job Carlson has done of documenting historical facts. Additionally, the knowledge transfer project will attempt to capture the intuitive data that will allow the new CEO to make better decisions and find solutions most efficiently. Hagen will assimilate all of this information to create an implementation strategy for the new CEO. This will be shared with Carlson, board leadership and ultimately the new CEO.

The board broke into small focus groups and reviewed questions on the association focus for the future to stay relevant, what might be the strategic direction of the association for the next five years and how could board members contribute to the success of the new CEO. Common themes were methods of growth, collaboration with partners, conveying the association's value and remaining a strong voice. Board members also asked for clarity in their role and discussed how board members could help a new CEO succeed.

President Givens thanked the board for their input and reminded them of important January dates. Recognition events for Margaret Carlson are an open house on Tuesday afternoon, January 26, and a dinner event on January 28. The Legislative Briefing will be on Wednesday, January 27, beginning at 5:30 p.m.

He also previewed the cover of the winter issue of *Minnesota* magazine. The cover photo and feature story of the issue are dedicated Carlson and her 25 years of service and leadership to the Alumni Association.

Submitted by Ruth Isaak
Senior Director, Board and Special Events

for

Kent Horsager, Secretary-Treasurer