

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
EXECUTIVE COMMITTEE MINUTES**

March 11, 2010, 7:30 to 9:00 a.m.
200 McNamara Alumni Center

Committee Members Attending

Carlson, Margaret
Givens, Archie
Himle, Karen
Horsager, Kent
Loyd, Susan Adams
McLeod, Mary
Mooty, Bruce
Reed, Maureen
Thacker, Kip
Tuzcu, Ertugrul

UMAA Staff Attending

Coffer, Curtis
Isaak, Ruth
Rader, Bruce
Shortridge, Julie

Guest

Phil Esten

President's Report

Archie Givens welcomed Phil Esten, the newly appointed CEO of the Alumni Association. Esten will officially begin his new position on March 15.

Consent Agenda

Givens directed Executive Committee attention to the consent agenda which included the January 14, 2010 Executive Committee minutes and membership report. The Finance Report was removed from the Consent Agenda for separate discussion.

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

Finance Report

Secretary-treasurer Kent Horsager informed committee members that the Finance and Audit Committee had met on March to review the second quarter internal financial statements. Now at the mid-year point, revenues exceed expenses by \$36,000 and the FY10 forecast projects revenue to exceed expenses by \$13,000. The budget is being positively impacted by higher tour and advertising revenue than predicted and lower office expenses because of vacating west wing office space last summer. Negative impacts to the budget are less membership revenue than budgeted and a higher cost for the Annual Celebration.

The Finance Committee approved the internal financial statements and mid-year budget review. The following resolutions were also approved and brought to the Executive Committee which approved them.

MOTION: Authorize incoming CEO, Phil Esten to act on behalf of the Alumni Association on behalf of the association in conducting banking transactions and revoked the authorization of Margaret Carlson to do so.
APPROVED UNANIMOUSLY

MOTION: Authority to withdraw \$175,000 from the Strategic Opportunity Fund for the following uses, \$100,000 for the CEO search, \$50,000 for CEO recognition and farewell events and \$25,000 for the annual celebration speaker honorarium
APPROVED UNANIMOUSLY

Committee members also discussed whether to fund collegiate units at FY10 budget levels. The timing of the final budget approval by the full board is considerably later than when compact discussions are held with the colleges. Staff noted that it would be helpful to indicate what could be expected from the Alumni Association. The committee recommended that the collegiate units be informed that the amount will remain the same contingent on final approval of the entire budget at the June 16 board meeting.

Bruce Mooty stated that the revised membership forecast was lower than budgeted but was still higher than last year. He questioned whether or not the lower membership revenue was due to the membership rate increase causing fewer people to join/renew. Bruce Rader said that he had investigated that question. National colleagues are experiencing decreases in their membership numbers and revenue as well. Almost everyone was attributing the decreases to the economy. Bruce stated he budgeted for a 10 percent decrease in the number of members due to increasing membership dues and is currently seeing a slightly higher decrease of 12%. On a positive note, life membership numbers have exceeded projections but Bruce noted that the revenue is realized over a much longer period.

CEO Report

Margaret Carlson presented a progress report on the years' goals and objectives to date, noting many significant accomplishments were complete. A successful CEO search has been completed as well as farewell activities. A knowledge transfer process is being planned and she is working on preparing the background documents for the sessions.

She noted that staff was working very hard on annual celebration arrangements and thanked Susan Adams Loyd for her staff's partnership. Katie Couric has agreed to participate in a VIP reception following the event, will do an interview for *Minnesota* magazine and WCCO Television will do a promotional ad for the event. Couric's transportation will be provided by Harvey Mackay and Lifetouch, each providing her transportation one way. Sponsorships are still being sought and Esten is assisting in that effort.

Carlson thanked staff for everything that had been accomplished, noting that it had been done with five fewer staff.

Esten told the committee that so many people have reached out with well wishes and offers to help since the announcement that he would assume the Alumni Association CEO position five weeks ago. He thanked the Executive Committee for their time and assistance on the Knowledge Transfer process. He said that he is looking forward to officially starting on Monday, March 15.

Board Development Committee Report

Bruce Mooty reviewed the officer slate as recommended by the Board Development Committee. The following will be brought to the March 27 National Board Meeting for their approval:

Recommended FY 11 Officers

President – Ertugrul Tuzcu
President-elect – Mary McLeod
First Vice President – Maureen Reed
Vice President – Kent Horsager
Vice President – Susan Adams Loyd
Vice President – Kip Thacker
Secretary-Treasurer – Patrick Schott
Past President – Archie Givens

At-large positions to be filled:

1. Dan McDonald – recommended for a second term
2. Beth Pinkney – Beth came on in 2009 to fill out an unexpired term. She is recommended to serve her first full term
3. Linda Hofflander – recommended to serve

The Central Minnesota, Southeast Minnesota, Southeast USA and Northeast USA positions will need to be filled due to term expirations and Patrick Schott (NE USA) moving to the Secretary-treasurer position. The committee asked staff to recommend candidates for the open positions and report back to the committee.

Mooty thanked Horsager for his service as Secretary-treasurer, noting that Horsager had been an excellent job in that role. Mooty also thanked his committee for dedicated service and said he was very pleased with the committees' recommendations.

Proposed Bylaws Changes

Givens said that the association's bylaws revision has been pending since the Memorandum of Understanding with the University was signed in May, 2008. The process was begun but then tabled until now because of other issues. The bylaws need updating to coincide with the association's agreement with the University and also because of the Sarbanes-Oxley act which has ramifications on non-profit governance.

Curtis Coffey, CFO and Senior Director of Operations, has worked with staff and also engaged legal counsel to review the bylaws and recommend changes. The committee discussed some of the changes and then recommended that a separate interim working session be scheduled dedicated to reviewing the bylaws changes.

Other

Givens thanked Mooty for yet another major project that he had tackled in his service on the Executive Committee. He said Mooty's leadership and dedication on critical issues such as the FY08 budget balancing, search committee co-chairmanship and now working on the bylaws with the Executive Committee was over and above normal board service. Mooty will complete his term on June 30.

The meeting adjourned at 9:00 a.m.

Submitted by Ruth Isaak
For Kent Horsager, Secretary-Treasurer