

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
NATIONAL BOARD OF DIRECTORS MINUTES
Saturday, January 31, 2009
8:30 – 10:30 a.m.
Gross Family Board Room, 500 McNamara Alumni Center**

Board Members Attending

Anderson, Jan-phone
Beeson, Rick
Blissenbach, Hank
Carlson, Margaret
Carthaus, Marcia - phone
Cheung Ho, Yvonne
Cunningham, John
Gruenberg, Karyn
Hallin, Gayle
Himle, Karen
Horsager, Kent
Kremers, Kristie
LaSalle, Tom
Mooty, Bruce
Mulder, Jim

Nagel, Mark
Newell, Rich
Osberg, Brian
Page, Alison
Peterson, Debra
Phillips, Jessica
Reed, Maureen
Reichl, Lorna
Stein, Robert
Thacker, Kip
Thompson, Paul
Tuzcu, Ertugrul
Wiese, Sandra Ulsaker
Welshons, Bonnie

Board Members Unable to Attend

Dragseth, Ken
du Bois, Jim
Givens, Archie
Hoover, Emily
Johnson, Susan
Joselyn, Bernadine
Lichty, Marshall
Loyd, Susan Adams

Lucas, Peggy
McDonald, Dan
Meyer, Janice
Omlie, Joey
Resch, Jim
Schott, Patrick
Schultz, Martin
Xu, Amy

UMAA Staff Attending

Hanley, Stacy
Isaak, Ruth
Rader, Bruce
Ryman, Nancy
Shortridge, Julie

University Guests Attending

Donna Peterson, Associate Vice President for Government and Community Relations, University of Minnesota

Students Megan Callahan, Amber Holzmeister, Julie Shkolnik

University of Minnesota Alumni Association (UMAA) President Bruce Mooty called the meeting to order at 8:30 a.m.

Presidents Report

Mooty introduced Nancy Ryman, interim Chief Financial Officer for the Alumni Association, noting that she was a University of Minnesota graduate, CPA, and has worked for over 20 years in public and nonprofit accounting. He thanked her for doing such an excellent job.

Mooty expressed sympathies on behalf of the board to Archie Givens, President-elect, at the death of his niece and to Paul Thompson at the death of his brother.

He said that congratulations were in order for President Bruininks, named the *Minneapolis St. Paul Business Journal* '2009 Executive of the Year.' He also showed the January/February 2009 issues of *Minnesota* magazine which features Susan Hagstrum, Bruininks' wife, in a cover photo and feature story.

Consent Agenda

Mooty directed board attention to the consent agenda which included the November 8, 2008 National Board minutes, November 30, 2008 internal financial statements, membership report, bi-monthly alumni survey results and Advocacy Committee report.

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

University Report

Donna Peterson, Associate Vice President for Government and Community Relations, presented a 2009 Legislative Preview to the Alumni Association Board.

- Peterson complimented the association in co-sponsoring the Jan. 28th Legislative Briefing with University Relations, noting it was the best ever. She said that over 400 personal letters had been written that night, noting that a hand-written personal story from a constituent to a legislator is very effective. She said that a group of students had done an excellent job testifying recently at the House Higher Education committee.
- Peterson reviewed the \$151.2 million of cuts proposed for the University in the Governor's budget and reminded board members that the U realized a cut of \$195 million in 2003. This was addressed in a variety of ways such as a wage freeze, increased health care expenses to employees and a tuition increase. The U has experienced a funding roller coaster from the State over the years, making it very difficult to plan efficiently.
- The University's message to legislators is that it is stronger than ever, delivering an exceptional education, conducting research that drives innovation and growth and responding to the states' priorities. Tremendous progress has been made in the last 10 years and that momentum must be sustained to allow the University to be a key partner in helping reverse the economic decline of the state and region.
- The University recognizes that it will play a role in addressing the states' challenges and will continue to reduce costs and increase productivity.
- The University will encourage legislators to give it the flexibility it needs to solve budget issues and not legislate tuition. That is the job of the legislatively-appointed Regents. The University

has raised more than \$250 million in the last five years to support new scholarships for students and is committed to affordability.

- Severe cuts not only reduce the U's operating budget but also damage the ability to generate sponsored and private support.
- Excellence and job creation are two key themes:
 - U alumni have created over 10,000 companies across all 87 counties in Minnesota, employing 500,000 people statewide and generating \$100 billion in annual revenue;
 - In 2007 almost 14,000 people earned a degree at the U;
 - Nearly half of the Minnesota's science, technology, engineering and math graduates are U-trained;
 - 5,000 jobs will come from the biomedical investment the state made;
 - Last year alone, the U was awarded \$675 million in research grants, providing vital innovations and over 25,000 Minnesota jobs.
- The proposed federal stimulus package includes funding for infrastructure improvements on campuses. If that package becomes reality, the U has a list of available projects that will satisfy the bill's requirement that the funds be used for betterment and improved energy efficiency of existing buildings.
- Under the Governor's budget, this would be the first time in the U's history that tuition brings in more to the U than state funding. Federal grants just recently crossed that line too, where the U receives more from the federal government than from the state.
- The discussion at the Capitol will be about what level of cuts the state can sustain and also how to increase the states' productivity and increase revenue for future budgets.

Board members asked for even more specific messages, what cuts can be sustained without damage to core functions, and the amount of cuts that the U can endure and the effect that it has on programs.

There was a question about private support making up the decrease in state funding. Representatives of the University of Minnesota Foundation and the Minnesota Medical Foundation will be asked to address this at a future meeting.

Mark Nagel, Minnesota Student Association President (MSA), explained that MSA has a student advocacy program to enhance a consistent student presence at the state legislature. Student advocates Megan Callahan, Amber Holzmeister, and Julie Shkolnik accompanied Mark and shared with board members why the University was important to them. All had recently testified before the House Higher Education Committee.

New Web Site Update

Ertugrul Tuzcu, Marketing and Communications Committee Chair and First Vice President, reported to board members that the web sub-group and the full Marketing and Communications committee had carefully reviewed and selected vendors to provide a content management system and design firm for the association's web site update. The Finance Committee recommended funding for the project at its November meeting and the Executive Committee approved the action at its January 15 meeting.

He reviewed that a new web site will allow for more engaging, informative, interactive and useful outreach to alumni, supporting association goals and initiatives.

MOTION: Approval of funding and vendors to move forward with the development of the association's new web site
APPROVED UNANIMOUSLY

Compacts FY10 and Beyond

Kip Thacker, Program Committee Chair, explained that the alumni association values its relationship with collegiate units. A compact process was begun in FY09 to define mutual expectations and measureable outcomes relating to the Alumni Association funding received by collegiate units.

Staff and the Program Committee have studied how to improve the process and move to a more equitable and sustainable model. In order to achieve that goal, the Program Committee and staff recommend that collegiate units receive base funding based on a per alum distribution with the opportunity of applying for a Alumni Association Sponsorship for specific programs. The new concept would be phased in over a four-year period and is being introduced to alumni relations officers in early February. Thacker noted that the concept utilizes the current funding amount of \$350,000, noting that the amount is not guaranteed and will depend on Alumni Association budget restraints. Thacker commended staff members Stacy Hanley, Bruce Rader, Chad Kono and Diane Fisher for their hard work on the new model.

CEO Report

Margaret Carlson reviewed the status of FY09 goals and objectives that have been completed. These include the renegotiation of a credit card contract and insurance program, noting that Bruce Rader and Diane Fisher worked very hard for the best possible return to the alumni association. FY09 membership goals have been reached and continue to track strongly.

Items that are on track or in progress include the analysis of the association's strategic financial position, statewide speakers tour, alumni service award display, and the search for a new CFO. The only 'on hold' item is the bronze Goldy project, impacted by financial concerns.

Margaret Carlson reviewed recent successful events. The December 31 Insight Bowl was a loss to the football team but a win from a fan perspective with multiple pep fests and many opportunities for alumni to celebrate their school spirit. Experts from five different colleges provided the program for the Florida Minnecollege held on January 24, an event organized by the Alumni Association in partnership with the Alumni Association's SW Florida chapter.

Over 400 guests attended the January 28 Legislative Briefing. After comments from President Bruininks, the attendees wrote letters to their legislators with personal stories of why the U was important to them and the critical need for maintaining a state funding level to keep it strong.

Carlson announced plans for the 2009 Annual Celebration to be held Friday, May 1, 2009. An alumni association dinner and reception begin at 5:30 in the University Recreation Center. Guests then move to historic Northrop Auditorium for a performance of Ludwig von Beethoven's Ninth Symphony with over 300 student performers. She said this was a unique opportunity to partner with the School of Music and Northrop Auditorium and help celebrate the 80th anniversary of the Northrop auditorium.

The meeting adjourned at 10:30 a.m.

Submitted by Ruth Isaak
Deputy Director and Board Coordinator

for

Kent Horsager, Secretary-Treasurer