

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
EXECUTIVE COMMITTEE MEETING
Wednesday, September 8, 1999
7:30 to 9:30 a.m.
Campus Club, Coffman Union**

Committee Members Attending

Bergstrom, John
Fountain, Jean
Hopp, Deb
Lindahl, Nancy
Mona, Dave
Nelson, Bruce

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Heen, Les
Jones, Cheryl
Schadauer, Elise

Committee Members Unable to Attend

Erickson, Rondi
Erkkila, Dan
Jones, David

Others Attending

Ben Solomon, GAPSA

National President

University of Minnesota Alumni Association (UMAA) National President Nancy Lindahl called the meeting to order at 7:35 a.m. She reported on several UMAA and University events and activities in which she will participate, including a "3 X 3" meeting between the UMAA leaders and three members of the Board of Regents, the Freshman Convocation, and Maroon & Gold Day on the Lake. Lindahl anticipates that 1999-2000 will be a very productive year; her plans include engaging alumni and friends to become more involved with the University and the UMAA as well helping to achieve the association's membership and Gateway goals.

Consent Agenda

The consent agenda included the June 9, 1999, executive committee meeting minutes and the UMAA internal financial statements as of June 30, 1999. Both were approved as mailed.

Gateway

Margaret Carlson, UMAA executive director, reported that tenants will begin moving in the Gateway office space in mid-October; work will proceed on the Great Hall and first floor public spaces through December. The UMAA and the Minnesota Medical Foundation (MMF) will be the first to move into the building on October 15-16; the University of Minnesota Foundation (UMF) will move in in November and the Board of Regents in December. Within the UMAA space, the historical and artwork displays will be completed by the grand opening in February 2000.

There are major issues that need to be resolved in regard to the Gateway plaza, including timing, responsibility for construction, programming, and maintenance. Larry Laukka, Fred Friswold, and Tom LaSalle are working with the University to resolve these issues. The Gateway Corporation is interested in seeking contributions to build the plaza if a long-term lease (30 years) can be arranged.

Carlson also reported that:

- The fund raising goal is \$14 million dollars; \$12,891,673 has been committed thus far. The Phase III mailing has brought in \$66,075 thus far; ads will appear in upcoming issues of *Minnesota* and *M*;
- Contracts are nearly completed with D'Amico and Gold Country for the restaurant and store;
- On Friday, October 29, there will be a press conference to announce the donor's name that will be attached to the building;
- The Gateway Corporation will contract with a special events consultant or ask a small group of agencies to assist on a pro bono basis with the Grand Opening activities, which will occur during February 11-13 or 12-14, 2000. Carlson has met with several special events/public relations people to obtain their advice and ideas. A special events coordinator, who will be a United Properties employee, will be hired to handle the day-to-day staffing for the Grand Opening;
- The Corporation hosted a reception and tour for key University officials on September 1; they were very impressed with the public spaces.

Following Carlson's report, there was discussion regarding staffing for the Grand Opening.

50,000 Members/Visibility/Connections

Tom Garrison, UMAA associate director for communications, reported on the publicity that the Wall of Books and the reconstructed Memorial Arch in the Gateway Heritage Gallery has achieved, including stories in the two major local newspapers and an in-depth interview with Carlson on Minnesota Public Radio. Additional coverage of the Gateway will appear in an upcoming issue of *Minnesota Monthly*.

Elise Schadauer, UMAA associate director for membership, reported that membership totaled 43,200 at the end of August. The current member retention rate is 75-80% and telemarketing is garnering a 35% response rate. There will be a lot of membership activity this fall, including fall telemarketing; promoting student and parent memberships; continuing the seven public service announcements on MSC television for another year; and a new member-get-a-member campaign with a trip to Europe as the grand prize.

There was discussion regarding finding "lost" alumni and alumni reunions. This issue will be brought to the Marketing Committee. Bob Burgett, UMAA associate director for outreach, is working with the collegiate units to try to strengthen the reunion tradition on campus.

Burgett announced the UMAA 1999 Volunteer Awards recipients (attached) and encouraged the committee members to attend the awards ceremony on September 17, 1999. He announced that the new Student Alumni Leaders group displays impressive spirit and enthusiasm and is assisting with many UMAA activities. He also reported that the University's building at the State Fair this year was very successful and impressive, combining spirit and substance.

Advocacy

Les Heen, UMAA legislative network coordinator, reported on the University's legislative request for 2000. The regents will take a final look at the \$134 million dollar request this week. The request involves major construction costs, including a new plant genomics building. It will be important this year, with the upcoming capital campaign, that legislators and constituents understand that private donations cannot take the place of the funding that the University receives from the state. The legislative network can play a role here. In regard to the UMAA University Issues Committee, Heen reported that the committee will re-examine the criteria for the UMAA-funded freshman leadership incentive scholarships so that the University Admissions Office can more effectively award them. Finally, Heen announced that Rondi Erickson, University Issues committee co-chair, has been approved to serve on the Regent Candidate Advisory Council.

University Issues/University Men's Intercollegiate Athletics

Carlson reviewed the series of events leading up to the report on men's intercollegiate athletics that will be completed by the end of October. The board of regents will hold a special meeting on November 4 or 5, and University of Minnesota President Mark Yudof will have a response by November 8.

Carlson said that alumni reaction directed to the association has been small in contrast to previous crises, which indicates that people believe that President Yudof is providing strong leadership in regard to the situation. UMAA advocacy in regard to this situation has so far been completely behind the scenes, but Carlson believes that the association's volunteer leaders will likely be called upon for comment after the report is issued.

There was considerable discussion about current public perceptions and expectations for University action; treatment by the media; and reaction from student, African-American, and female communities. It was agreed that the UMAA will prepare a statement and talking points for volunteers so that they are better able to comment on the situation when the report is released. Carlson and Lindahl thanked the committee members for their thoughtful feedback.

Capital Campaign

Lindahl reported that she and Carlson will participate in the University's Capital Campaign Leadership Council. The campaign will be formally announced on October 21-22. Linda Mona is a new trustee of the UMF, and Dave Mona will continue serving on the MMF Board of Trustees.

Page 4
Executive Committee Meeting
September 8, 1999

Executive Director

Carlson's report included the following information:

The orientation for new board members held on August 25 was very upbeat and successful;

University of Minnesota President Mark Yudof will give his annual "State of the University" address on September 30 at 4:00 p.m.;

Carlson and Burgett will meet with University Men's Athletics Director Mark Dienhart about preparing for a potential football bowl appearance. The official University tour will be handled by the UMAA;

Following the move to the Gateway, the UMAA will begin to work on a long-range financial plan to correspond to the new strategic plan and will also begin collaborating with other University units on several objectives in the plan, including a career services program.

Lindahl adjourned the meeting at 9:25 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Director

For

Bruce Nelson
Secretary-Treasurer

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
NATIONAL BOARD MEETING
Friday, September 17, 1999
3:30 to 6:00 p.m.
Radisson Metrodome Hotel**

Board Members Attending

Bergstrom, John
Bowser, Walter
Bredeson, Tom
Bymark, Jim
Erickson, Rondi
Ericson, Carol
Erkkila, Dan
Fellows, Kay
Fountain, Jean
Hagford, Dave
Harder, Ron
Hauschild-Baron, Beverly
Hawkinson, Bruce
Hjelm, Andrea
Hopp, Deborah
Hurd, Johnnie
Hutchins, Bruce
Jones, Dave
Klingel, Todd
Lehman, Tom
Lindahl, Nancy
Luehmann, Barb
Luis, Nita
McLeod, Mary
Mitchell, Jerry
Mona, Dave
Nelson, Bruce
Pletcher, Carol
Quinn, Mike
Schulstad, Denny

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Heen, Les
Jones, Cheryl
Schadauer, Elise

Others Attending

Friswold, Fred
Saftig, Dan
Yudof, Mark

Board Members Unable to Attend

Ahles, Karen
Barry, Anne
Baudler, Bryan
Chelstrom, Marilyn
Dumke, Bruce
Eelkema, Marilyn
Engebretson, Dick
Liebhard, Wayne
Madson, David
Perman, Victor
Reilly, Bill

University of Minnesota Alumni Association (UMAA) National President Nancy Lindahl called the meeting to order at 3:35 p.m. Lindahl welcomed the board members and asked them to participate during the year as follows: recruit at least ten new members; invite ten friends to the annual meeting; make a contribution to the Gateway; mentor a student; attend UMAA special events; and have fun.

Consent Agenda

The consent agenda included the June 25, 1999, national board meeting minutes and the internal financial statements for the 1998-1999 fiscal year. Both were approved as mailed.

Gateway

Lindahl noted that the board members were mailed a written Gateway progress report in advance of the meeting (attached). She introduced Fred Friswold, chair of the Gateway Corporation. Friswold reviewed several aspects of the Gateway project, including plans for a parking ramp and plaza.

Friswold discussed the corporation's plans to construct a plaza next to the building, which will provide important outdoor spaces for both the University and the surrounding community, as well as provide for green spaces/trees around the building. Friswold believes that the plaza is a critically important component of the Gateway precinct. He envisions that such a plaza would feature a variety of functions and programming capability, such as concerts, skating, a fire pit, convocation activities, a Sesquicentennial Walkway, etc. The plaza would serve as a pedestrian entryway to campus.

Friswold said that the Gateway Corporation is working with the University as to how to bring the plaza to fruition. Financial and operational issues are being discussed, and the Gateway Corporation wants to be as responsive as possible to the University's needs. The anticipated cost for the plaza is \$2 million dollars (minimum).

Bruce Nelson, UMAA secretary-treasurer, noted that the Gateway is on schedule and on budget, but that additional funds will be needed to complete the plaza and achieve reduction in the rent that the association will be paying in the Gateway. There was discussion regarding completion dates for the public spaces and landscaping and community reaction to the building.

Margaret Carlson, UMAA executive director, reported that the association will move into their new office space in the Gateway in only 19 workdays. She announced that Target/Dayton's/Mervyn's California has contributed \$100,000 for the UMAA's executive offices, conference, and lounge furniture. She thanked Bruce Nelson, UMAA secretary-treasurer and vice president at Dayton's, for his help in securing this generous donation. The board members applauded Nelson. The historical and artwork displays within the UMAA space will not be finished until the Gateway Grand Opening during February 11-13, 2000.

The Grand Opening will involve an open house for University students, staff, and faculty on February 11; a gala dinner and celebration for donors and other key individuals on February 12; and a gathering for alumni and friends on February 13. Carlson has been making presentations on the Gateway to a variety of groups recently, including the University Retirees, the Minnesota Engineers Club, and Edina Kiwanis.

Executive Director

Carlson followed her report on the Gateway with several updates:

- Carlson and Burgett meet next week with Mark Dienhart, University Men's Intercollegiate Athletics Director, to begin contingency planning for the Gopher's possible post-football season bowl appearance; the UMAA will take responsibility for the official tour.
- These are the best of times on campus as illustrated by the following: \$850 million dollars in construction projects are going on, including new dormitories; banners, flags, and flowers abound as part of the campus beautification project; student admissions and retention continue to rise; old traditions such as the student convocation are being revived and new traditions, many in connection with the Gateway, are being planned.
- The UMAA will hold leadership training for key alumni society and chapter volunteers tomorrow morning.

Membership

Deb Hopp, chair of the Marketing and Membership Committee, reported that membership totals 43,233 as of today. At the end of the last fiscal year on June 30, 1999, membership totaled 43,668. This number represents a 58 percent increase in membership over the last five years; 15 percent during 1998-99. September and October traditionally prove challenging in regard to retaining members. Many new membership promotions are planned for this year, including a member-get-a-member campaign and a promotion in connection with a post-season football bowl tour. Hopp also announced that the agreement between the UMAA and Midwest Sports Channel has been renegotiated; seven UMAA public service announcements will air again this year.

University of Minnesota President Mark Yudof

President Yudof welcomed the new board members and thanked all of the volunteers for their work on behalf of the University. He updated the board members on what is happening at the University, including:

- The report on Men's Intercollegiate Athletics will be completed by late October; he expects no more surprises in the report; the University will most likely self-impose some NCAA-related penalties. There is also good news in Men's Athletics—Basketball Coach Dan Monson is doing a great job of recruiting and Hockey Coach Don Lucia is taking a very hard-edge stance on academic performance.
- The University's conversion to the semester system this fall went extremely well.
- Contributions to the University are at an all-time high; large donations from Pinky MacNamara, Curt Carlson, and Cargill, Inc., are recent gifts. A \$5 million dollar grant from the National Institutes of Health (NIH) to the University Cancer Center will soon be announced.

President Yudof's Report (Continued)

- Campus construction is on schedule and on budget; some projects will even be completed early; agreements that have been reached with the city of Minneapolis and the Park Board are a big step forward for the new Riverbend Commons area (behind Coffman Union to the Mississippi River); the renovation of Coffman Memorial Union will be innovatively funded by increasing student fees over a number of years (this proposal was developed by the Coffman Union board of directors, which is primarily comprised of students); and a new Studio Arts building will be very high on the list of legislative priorities this year.
- The Capital Campaign kickoff will be a defining moment for the University; the bottom line is that the University has many needs that must be met in order for the institution to be competitive; the over-arching campaign theme must involve those things that provide the University a margin of excellence and that are unlikely to be funded by the legislature; President Yudof believes that the University has an excellent chance of receiving the \$134 billion dollars in bonding authority that it is requesting.
- Applications to attend the University are up 33 percent, while the age cohort has only increased 7.7 percent; three out of four freshmen are living on campus; the University has the highest retention rate in the state; and retention of students of color is improving.

President Yudof concluded his remarks by stating that although there are a few public controversies that the University needs to get over, he is confident that things are being handled well and that very positive times are ahead.

There was considerable discussion regarding the supplemental legislative request; the media's treatment of the University; the undergraduate curriculum; the improving sense of community on campus; the financial aid system; faculty compensation, recruitment, and retention; corporate giving; and Governor Jesse Ventura's opinion of the University (President Yudof said that Governor Ventura has been extremely supportive of the University and has a genuine respect for the scientific side of the institution).

Advocacy

Rondi Erickson, co-chair of the University Issues Committee, reported that the University will ask for \$134 million dollars in state bonds from the legislature this year, with the University putting in another \$59 million of its own bonds. The biggest items in the request are \$35 million for the second half of the molecular/cellular biology building and \$44 million for a new art building on the West Bank. The UMAA's goal is to expand the legislative network this year, working closely with the Extension Service to target key legislative districts in Greater Minnesota.

The University Issues Committee will review the UMAA Freshmen Leadership Incentive Scholarship program this year, as the criteria needs to be more specific to allow the University Admissions Department to better identify appropriate candidates. The objective of the scholarships will remain as originally intended—focusing on leadership and academic potential while helping students who have faced special circumstances—but the criteria will be re-examined.

Erickson also reported that a letter in support of President Yudof's salary increase, signed by Lindahl, has been submitted to the editor of the *Minnesota Daily*.

Jean Fountain, UMAA president-elect, reported that the "3 X 3" meeting among regents and association's leadership last week featured discussion about several issues, including the men's athletics situations. All of the meeting participants believe that the University and the Board of Regents are handling the issue very well. The UMAA will issue a statement following the release of the formal report on the athletics investigation.

Student Experience

Lindahl announced that the 30 UMAA Student Alumni Leaders (SAL) are enthusiastically assisting with a variety of UMAA activities. Lindahl and Carlson spoke to the group at their retreat last week.

Capital Campaign

Bob Burgett, UMAA associate director for outreach, announced that the capital campaign will officially kick off with a media event on October 21 and a gala reception, dinner, and program for the campaign leadership and key donors on October 22.

Lindahl adjourned the meeting at 5:50 p.m.

Submitted by,

Cheryl Jones
UMAA Administrative Director

for

Bruce Nelson
Secretary-Treasurer

UNIVERSITY OF MINNESOTA GATEWAY REPORT

September, 1999

Construction

- Mortenson Construction is working 6 days a week, 11 hours per day, to complete the building.
- Tenants will begin moving in the office space in October; the Great Hall and first floor public spaces will be partitioned off and work will proceed through December.

Move-In Schedule

- The University of Minnesota Alumni Association (UMAA) and the Minnesota Medical Foundation (MMF) will be the first units to move in the building the weekend of October 16-17.
- The University of Minnesota Foundation will move in November and the Board of Regents in December.
- The official address for the alumni association is 200 Oak Street SE, Suite 200, Minneapolis, MN 55455-2040. Phone numbers remain the same.

Plaza

- Larry Laukka, Fred Friswold, and Tom LaSalle are working with the University to resolve issues related to the plaza to be built on the corner of Washington Avenue and Oak Street including timing of and responsibility for construction, programming, and maintenance.
- The Gateway Corporation has stated its interest in seeking contributions to build the plaza, if it can get a long-term commitment for use (30 years).
- These issues will be discussed with the Corporation at its next meeting and presented to the Board of Regents in October.

Project Costs and Fund Raising

- The total cost of the building, including change orders, additional features, and the plaza is approximately \$46 million.
- \$12,891,673 has been committed (which includes a \$1 million verbal pledge that is part of a larger campaign gift).
- The fund raising continues until December, 1999; advertisements in upcoming issues of *Minnesota* and *M* will inform alumni and friends how to contribute to the project.
- Financing was done through tax exempt bonds; the tenants, including The Gateway partners (UMF, MMF, and UMAA), will pay rent to pay off the debt.

Restaurant and Memorabilia Store

- Discussions are close to being finalized with D'Amico to operate the restaurant for breakfast and lunch service. The name will be Gateway Grill by D'Amico.
- Evening events may be catered by D'Amico or one of the approved caterers.
- A contract is close to being finalized with Gold Country, who will operate the gift named Goldy's at Gateway.

Naming of the Gateway

- A major donor's name will be announced and attached to the building name on Friday, October 29.
- The building will be called "Last Name of Donor" Alumni Center, University of Minnesota Gateway.

Grand Opening

- There will be 3-day grand opening in February, and the donor recognition event will be Saturday, February 12.
- Unique events will continue to occur throughout the year that brand the Gateway as a place of welcome, spirit, fellowship, and connections.
- The communication staff members from UMF, MMF, and UMAA are meeting to finalize the schedule and staffing for the events.

Communications

- The reconstruction of the Memorial Stadium Arch, the entry portal for the Heritage Gallery, was featured in color in both metro papers.
- The Wall of Books in the Heritage Gallery has generated significant publicity in the metropolitan press—both print and radio.

Events Reservations

- University units may begin booking space in the Gateway by contacting Bob Shiff, Gateway general manager, at (612) 624-5079.
- Reservations can be made for the conference rooms on the first floor, beginning in January, 2000, however, no events will be booked in the Great Hall until after the grand opening.

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION (UMAA)
EXECUTIVE COMMITTEE MEETING**

Wednesday, November 3, 1999

7:30 to 9:30 a.m.

Suite 200, McNamara Alumni Center

Committee Members Attending

Bergstrom, John
Erickson, Rondi
Fountain, Jean
Hopp, Deb
Jones, David
Lindahl, Nancy
Nelson, Bruce

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Heen, Les

Committee Members Unable to Attend

Erkkila, Dan

Staff Unable to Attend

Jones, Cheryl
Schadauer, Elise

National President's Report

Following a tour of the UMAA office, National President Nancy Lindahl called the meeting to order at 7:55 a.m. She reported on several events and activities, including the naming ceremony for the McNamara Alumni Center; the Minnesota Campaign kick-off event in Northrop Auditorium; Homecoming; and the unveiling of former Governor Carlson's official portrait (in which he is wearing a U of M letter jacket).

Consent Agenda

The consent agenda included the September 9, 1999, Executive Committee minutes and the UMAA financial statements as of September 30, 1999. Both were approved as mailed.

E-Commerce

Margaret Carlson, UMAA executive director, and Tom Garrison, UMAA associate director-communications, reported on the UMAA's research on e-commerce. Nonprofit organizations are getting into this fast-moving new field because it presents three important opportunities: community, connections, and commerce. Forty-some alumni associations have signed a letter of intent with z-University, the major vendor catering to alumni associations. The UMAA has decided to proceed carefully by studying other alumni associations' e-commerce efforts to learn what works and what does not.

The committee discussed several issues that will need to be addressed, including Unrelated Business Income Tax, ownership of the portal for web access, selecting the proper vendor, and using e-commerce to build UMAA recognition among students. Members stressed that these efforts need to fit in with the UMAA's overall goals and must be a critical part of the association's internet & communication strategy. They also noted that broad University support is necessary for the project to reach its potential.

The committee members unanimously endorsed the UMAA's continued exploration into e-commerce.

FY99 Audit

(The executive committee received the report ahead of the finance committee.) Bruce Nelson, Finance Committee chair, reported that audit went very well. It was straight-forward and the auditors appreciated the well-organized manner in which everything was presented. The committee approved the FY99 audit.

Member-Get-A-Member Campaign

Deb Hopp distributed the new "member-get-a-member" campaign brochure. John Bergstrom suggested that program should include gift certificates so members could give memberships to others.

Leadership Incentive Scholarships

Rondi Erickson reported that the University Issues/Legislative Committee is examining this program because the Office of Admissions and UMAA volunteers have said that it has been difficult to implement. Since the scholarship was created in 1993-94, there have been concerns with the methodology and the pool of finalists.

A subcommittee chaired by Erickson will recommend to the full University Issues/Legislative Committee that the scholarship program be changed as follows:

- Change the selection criteria to the following (in order):
First generation students (those whose parents do not have baccalaureate degrees);
Financial need (as determined by the federal financial aid formula); and
Academic criteria (ACT score and class rank)
- End the restriction that recipients must be Minnesota residents.
- Increase the amounts per recipient from \$1,000 and \$1,500 to \$2,000 and \$2,500, respectively, while not increasing the total expenditures until the appropriate endowment fund can support it. (Current proceeds total \$28,500.)

- Eliminate the UMAA scholarship selection committee and authorize the Office of Admissions to select and award the scholarships.
- Improve follow-up support such as mentoring for scholarship recipients.

Until these changes take effect next summer, the Admissions Office would select recipients in early 2000 based on the current criteria.

The Executive Committee endorsed these recommendations, which will be presented to the National Board in March.

Career Services

David Jones, Outreach Committee chair, reported that most University colleges focus on helping students rather than alumni in regard to careers. UMAA involvement in this area could provide a valuable service for alumni, and could also be expanded to include students. To build this program, the UMAA should recruit additional volunteers with experience in the field. Employers with experience in graduate recruitment would be helpful.

Bowl Planning

Bob Burgett, UMAA associate director-Outreach, reported that the UMAA will coordinate the official bowl tour for the University. This designation greatly increases the promotional strength. With three games left on the schedule, it is difficult to predict which bowl invitation the Gophers will receive. Goals for the UMAA's bowl programming will be to increase pride, spirit, community connections, and visibility while providing important member services and recruiting new members.

Executive Director's Report

Carlson reported that the move from Coffman Memorial Union to the Gateway was incredibly smooth, with everything moved in on Saturday, October 16. Gateway construction is going well, with a major emphasis on the Heritage Gallery. Amy Schroeder has been hired by United Properties as the Gateway special events coordinator. Schroeder will lead the implementation of the Grand Opening activities during February 11-13, 2000.

The long-awaited report on the investigation into Gopher men's basketball is scheduled for release on November 18 or 19. Sandra Gardebring, University vice president for institutional relations, will address the UMAA national board on this issue on November 20.

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
NATIONAL BOARD OF DIRECTORS**

Saturday, November 20, 1999

8:30 to 11:00 a.m.

Ski-U-Mah Room, McNamara Alumni Center, University Gateway

Board Members Attending

Barry, Anne
Baudler, Bryan
Bergstrom, John
Bredeson, Tom
Bymark, Jim
Chelstrom, Marilyn
Eelkema, Marilyn
Ericson, Carol
Erkkila, Dan
Fellows, Kay
Fountain, Jean
Hagford, Dave
Hauschild-Baron, Beverly
Hawkinson, Bruce
Hjelm, Andrea
Hutchins, Bruce
Jones, David
Klingel, Todd
Lehman, Tom
Lindahl, Nancy
Luehmann, Barb
Luis, Juanita
Mitchell, Jerry
Morrison, Fred
Nelson, Bruce
Pletcher, Carol
Quinn, Mike
Reilly, Bill
Schulstad, Denny

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Heen, Les
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

University Staff Attending

Gardebring, Sandra

Board Members Unable to Attend

Ahles, Karen
Bowser, Walt
Dumke, Bruce
Engebretson, Dick
Erickson, Rondi
Harder, Ron
Hopp, Deb
Liebhard, Wayne
Madson, David
Hurd, Jonne
McLeod, Mary
Mona, Dave
Perman, Victor

University of Minnesota Alumni Association (UMAA) National President Nancy Lindahl called the meeting to order at 8:30 a.m. She said that this is a bittersweet time at the University, given the controversies surrounding the investigation into Men's Intercollegiate Athletics amid all of the good and exciting things that are also happening. She reported on several of these "good news" activities, including the naming ceremony for the McNamara Alumni Center/University of Minnesota Gateway; the Minnesota Campaign kick-off celebration; Maroon & Gold Day in Rochester, MN; and the unveiling of former Governor Carlson's official portrait (in which he is wearing a U of M letter jacket).

Consent Agenda

The consent agenda included the September 17, 1999 national board minutes; the UMAA financial statements as of 9/30/99; and the audited financial statements for Fiscal Year 1999. All were approved as mailed.

Capital Campaign

Judy Kirk, executive vice president of the University of Minnesota Foundation (UMF), reported on the \$1.3 billion dollar capital campaign, which was announced to the public on October 21, 1999. The four-year campaign will conclude in 2003, and \$628 million dollars is already in hand. Kirk predicts that by the end of this campaign, the University will be at the top of the Big 10 in terms of alumni giving. In terms of general voluntary support, the University of Minnesota ranked sixth among all public institutions in 1998. The campaign is designed to balance the needs of donors with the goals of the University, which include faculty support, student support, and discretionary investing/strategic initiatives.

Kirk believes that the campaign will be extremely successful for the following: a compelling case; strong committed leadership; pace-setting leadership gifts; including contributions from Curt Carlson, Pinky McNamara, and Cargill, Inc.; a large pool of major gift prospects; an adequate operating budget; and professional and effective staff. Kirk thanked Jerry Mitchell, UMAA board member and former vice president at Cargill, for helping the University build its relationship with Cargill that resulted in a \$10 million gift.

Kirk asked the board members to continue being great advocates for the University. She requested that they consider making a gift to the University during the campaign.

University of Minnesota Men's Intercollegiate Athletics

Sandra Gardebring, University vice president for Institutional Relations, reported on the outcomes of the investigation into University's Men's Intercollegiate Athletics. Gardebring said that this may be the largest academic fraud case ever taken to the National Collegiate Athletic Association (NCAA).

Gardebring reviewed the history of this issue and the investigative process. The University's Faculty Consultative Committee conducted its own study and recommended that major structural changes be implemented. The Men's Intercollegiate Athletics director will now report to Tonya Moten Brown, chief of staff to University of Minnesota President Mark Yudof. President Yudof plans to change Moten Brown's title to Vice President for Administration.

The Athletics Compliance office will report to the University Attorney, and Athletics Academic Counseling will fall under the University's Vice President for Academic Affairs, Bob Bruininks. The structure and purpose of the Senate Assembly Committee on Intercollegiate Athletics will be reviewed.

Gardebring said that making the significant personnel changes that occurred were not easy decisions for President Yudof. Mark Dienhart, University Men's Intercollegiate Athletics director; McKinley Boston, University vice president for Student Development and Athletics; the associate athletics director; and the athletics compliance officer all will leave the University as a result of this investigation. An interim athletics director will be appointed as soon as possible; Gardebring asked the board members to think about whom they might know that would be a good candidate for this interim position. The University will begin a search for a vice president for student development and a men's intercollegiate athletics director. The vice president for student development will no longer oversee athletics. Gardebring said that there would be alumni involvement in these searches.

The NCAA is taking an independent look at the situation, and they will be responding in the near future. President Yudof put interim sanctions in place months ago, but additional individual and team-based penalties are expected to be imposed when the NCAA completes its investigation.

Gardebring said that she wants to underscore the seriousness of this matter to the board members. She said that although some may not agree with President Yudof's personnel decisions, but if they read the full investigative report they would likely see that he was not left with many options. Gardebring stated that she believes that Boston and Dienhart are indeed people of integrity, but that they made serious managerial mistakes.

Gardebring responded to the board member's questions as follows:

- The University in hindsight regrets paying so much money to Men's Basketball Coach Clem Haskins, but at the time adequate evidence did not exist to enable the University to simply dismiss him. The University's legal counsel will look into Haskin's contract, but the University is not confident that any of the \$1.5 million dollar buyout will be returned.
- The reporting relationships and structural changes that the University has made are an attempt to ensure that similar situations do not occur in the future. The University will need to work hard to see that athletic programs do not become "power programs" and islands unto themselves in the future;
- Regarding the University's treatment of Dienhart, there was a very careful, incident-by-incident review before personnel decisions were made. Gardebring realizes that there are many, many people that strongly support Dienhart, and that she acknowledges that this situation constitutes a "human tragedy."

There was considerable discussion, including the following:

Tom Lehman, board member: praised President Yudof's history of decision-making, integrity, and leadership. Lehman said the decisions Yudof made in regard to these athletics issues are consistent with his values.

Dennis Schulstad, Jerry Mitchell, and Mike Quinn, board members: agree that President Yudof's process was fair and that the structural changes are probably good, but that premature decisions were made involving Haskins, and Dienhart was treated unfairly. Quinn also stated that the University needs to encourage better communication between the president's office and the coaches, and that Moten Brown, as the new supervisor of University athletics, needs to become more visible and known to the public as quickly as possible.

Fred Morrison, chair of the University Faculty Consultative Committee (FCC), said that the recommendation of the faculty was to censure the individuals who were responsible for the mismanagement. Morrison agrees that Boston and Dienhart are honorable people who would not do wrong themselves, but their management of the athletics program was not good. The FCC also recommended that the ACIA be abolished and that a different structure be put in place, wherein the compliance portion of the committee's charge be turned over to faculty.

Lindhahl thanked Gardebring and the board members for their statements and comments. She reminded the group that they come as individuals to this board and thanked everyone for their respect and appreciation of each other's opinions. She asked if the board members wished to endorse a motion confirming the UMAA's support of President Yudof. Following considerable discussion, the following resolution was adopted by the board members:

"While there are divided perceptions and loyalties related to the personnel issues involved, and having not read the full investigative report, the University of Minnesota Alumni Association National Board continues its strong support of the University and the leadership of President Mark Yudof as we move forward."

There was one "no" vote by Mitchell.

Lindhahl thanked Gardebring for her thoughtful presentation and for all that she does for the University.

2000 State Capital Request

Donna Peterson, University state relations director, reported that when the legislative session begins on February 1, 2000, the University will present a capital request to the state that draws on state, university, and private funding. The total state request: \$134.3 million dollars; total University debt: \$31.5 million dollars; total University fundraising: \$27.6 million. The Governor's position on the budget is just now beginning to jell, which means that there is currently a key window for alumni to contact their legislators to encourage them to support the University's request. The UMAA will hold a Legislative Briefing on January 26, 2000.

The board members approved a resolution to support the 2000 state capital request, with one abstention by Anne Barry.

Membership

Elise Schadauer, UMAA associate director for marketing and membership, reported that the member renewal rates continue to improve. She announced the new "Member Get a Member Getaway" campaign, in which the grand prize is a UMAA international trip for two. Twenty-five additional prizes will also be awarded. This membership campaign will run through June 30, 2000.

Football Post-Season Bowl

Bob Burgett, UMAA associate director for outreach, announced that the UMAA will sponsor the official University football post-season bowl tour. This will be the Gopher's first post-season bowl appearance since 1986. Bowl invitations may be issued as late as December 5, but a pre-mailing to association members will be sent next week. Burgett encouraged the board members to join the tour.

Executive Director

Margaret Carlson, UMAA executive director, announced that the Minnesota Magazine and Publications Association has awarded three gold and three silver awards to *Minnesota*. Carlson and Lindahl thanked and congratulated Tom Garrison, UMAA associate director for communications; and Shelly Fling, editor of *Minnesota*.

Carlson also thanked Diane Fisher, UMAA associate director for finance and operations, for spearheading the association moved into the McNamara Alumni Center in mid-October (the office was fully operational the following day). She reported that the building's geode is still under construction and that the Heritage Gallery will not be completed until the grand opening. The grand opening festivities will be held February 11 to 13, 2000. Carlson introduced Amy Schroeder, the Center's new special events manager. Carlson encouraged the board members to make a \$2500 donation to the McNamara Alumni Center before the Phase II campaign and the life membership offer conclude on December 31.

Adjournment

Lindahl again thanked the board members for their consideration and respect for other's opinions during the discussion of athletics. She invited the board members to tour the association's office space following adjournment at 10:35 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Bruce Nelson
Secretary-Treasurer

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

February 23, 2000

7:30 to 9:00 a.m.

UMAA Conference Room, McNamara Alumni Center

Committee Members Attending

Bergstrom, John
Erickson, Rondi
Erkkila, Dan
Fountain, Jean
Hopp, Deb
Jones, Dave
Lindahl, Nancy
Mona, Dave

Staff Members Attending

Carlson, Margaret
Fisher, Diane
Garrison, Tom
Heen, Les
Jones, Cheryl
Schadauer, Elise

Committee Members Unable to Attend

Nelson, Bruce

Staff Unable to Attend

Burgett, Bob

University of Minnesota Alumni Association (UMAA) National President Nancy Lindahl called the meeting to order at 7:30 a.m. Lindahl noted that there have been numerous successful UMAA events and activities since the last executive committee meeting. There was Maroon & Gold Day in Rochester, MN; the Sun Bowl tour; the Legislative Briefing; the grand opening of the McNamara Alumni Center; the student's Snoball Dance; and the tailgate party in Naples, FL.

Consent Agenda

The financial statements as of December 31, 1999 were approved as mailed. The November 3, 1999 executive committee meeting minutes were approved as corrected and amended (attached).

Compensation Committee

Lindahl said that, pursuant to committee approval, she would like to appoint the UMAA secretary-treasurer, immediate past president, and president to a new committee, the UMAA Compensation Committee. Lindahl explained that the Internal Revenue Service has recommended that boards set in place a process to review, on an annual basis, the salaries of certain key employees. Due to the confidential nature of this subject, this new committee needs to be vested with the authority to make decisions on compensation without reporting back to the executive committee or the full board. Following discussion, the proposal to form a UMAA Compensation Committee was approved.

Gateway Budget Supplement

Diane Fisher, UMAA associate director for finance and operations, reviewed the UMAA Finance Committee's recommendation to allocate an additional \$75,000 from the U of M Alumni Fund to cover costs in excess of the original Gateway construction and move budget of \$452,425. Fisher explained the nature of the various cost overages: 1) the items over which the UMAA had no control or could not have been foreseen (\$53,500); 2) items over which the UMAA had control and sought approval (\$17,377); 3) an item for permanent visibility in the McNamara Alumni Center's Ski-U-Mah Room (\$12,270); and 4) items over which the UMAA had control and funded from savings in other budget lines and a donor gift (\$23,990).

Following discussion, the recommendation was approved. Lindahl and the executive committee members complimented and thanked the UMAA staff for their work on the office space, noting that the UMAA surroundings are beautiful and unique.

Mid-Year Budget Revision

Fisher presented the Finance Committee recommendation to approve the revised operating budget for fiscal year 2000. Fisher noted that the mid-year budget revision is an opportunity to adjust the budget to reflect changes in original assumptions.

The original budget assumed strong response to the UMAA's new member direct mail and telemarketing appeals, which did not occur. The staff and volunteers on the marketing/membership committee recommend that the UMAA rely on different tools to meet membership goals, so the revised operating budget reflects a change in philosophy. Beginning with fall 1999, all new University graduates of the Twin Cities campus will be given a free one-year membership in the Association. During their year of complimentary membership, targeted messages will be sent to these recent graduates to reinforce the connection and increase the likelihood of renewal. In addition, the connection with current students will continue to be strengthened through increased targeted programming, and the benefits of student membership will be enhanced. The revised budget (attached) reflects these changes in direction.

Margaret Carlson, UMAA executive director, noted that nearly every Big Ten institution currently provides a complimentary one-year membership to all graduating seniors. There was discussion about the cost of servicing these 8,000 complimentary members; the increased need to focus on member retention; and the opportunities and challenges presented by this change in market mix. Following the discussion, the mid-year budget revision was approved.

Membership

Elise Schadauer, UMAA associate director for marketing and membership, reported that membership as of February 16, 2000, is 42,334. The UMAA Marketing Committee will meet in two weeks to discuss and refine strategies to reach 50,000 members by December 31, 2000. Deb Hopp, UMAA vice president, complimented Schadauer on her creativity in thinking of new methods to reach the 50,000-member goal. Hopp noted that direct mail solicitation is decreasing in effectiveness nearly everywhere.

There was discussion about trends in retention; the importance of focused communication with members; taking advantage of the McNamara Alumni Center; and opportunities to collaborate with Men's and Women's Intercollegiate Athletics. Carlson said that she will be working very closely with Schadauer to make sure that the UMAA reaches its 50,000-member goal.

Schadauer also reported that University officials have given UMAA the go-ahead to develop an Internet portal. E-commerce will be one component that will be tied to the portal. The UMAA will form a vendor selection committee in the very near future.

Connection and Visibility

Dave Jones, chair of the UMAA Outreach Committee, reported that a subcommittee is working on developing a career services program for alumni. He announced that the UMAA 2000 Annual Celebration will be held on June 7, 2000. The keynote speakers are James Carville and Mary Matalin. Jones also reported that 2,600 students and alumni are currently participating in The Mentor Connection programs. It was suggested that the UMAA provide early complimentary memberships to students participating in the mentor programs.

Advocacy

Dan Erkkila, UMAA vice president, reported that more than 225 alumni and friends attended the Legislative Briefing last month. Things are somewhat contentious at the legislature, given the various expectations of the House, the Senate, and the Governor. The UMAA is working to assist many campus grassroots legislative efforts, especially the College of Liberal Arts, Biological Sciences, and the College of Agriculture.

Rondi Erickson, co-chair of the University Issues Committee, reviewed the changes proposed for the UMAA Freshman Leadership Incentive Scholarship program. These changes reflect the discussion and recommendations that came out of the Executive Committee meeting back in November, 1999. One key change is that the amounts per

recipient will be increased from \$1,000 to \$2,000 and \$1,500 to \$2,500 (an increase of \$1,000 per recipient).

Erkkila also reported that the University Issues Committee took up the discussion of how the UMAA could help in identifying and encouraging excellent candidates to apply for University of Minnesota regent. It is not too soon to begin recruiting regent candidates. Erkkila also congratulated Erickson on being appointed to the Regent Candidate Advisory Council.

McNamara Alumni Center/Executive Director's Report

Carlson reported that the McNamara Alumni Center grand opening celebration, held February 11-13, 2000, was a great success. Approximately 10,000 people visited the Alumni Center over the weekend. D'Amico Café at the Gateway will open on March 7, 2000; the Heritage Gallery will be temporarily closed for re-installation of some items; and Memorial Hall lounge furniture will be arriving soon. In about three months the Gateway Corporation will begin working again with the University to make decisions on the outdoor plaza adjacent to the building.

Carlson thanked all of the volunteers and staff who played a variety of key roles in finalizing and opening the McNamara Alumni Center. She shared the content of some of the many congratulatory notes and letters that have been sent from alumni and friends. Carlson noted that although it is tempting to say, "mission accomplished," it will be important to work to maximize the effectiveness of the building and to help make it the best possible facility.

Lindhahl adjourned the meeting at 9:00 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Bruce Nelson
Secretary-Treasurer

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION (UMAA)
EXECUTIVE COMMITTEE MEETING
Wednesday, November 3, 1999
7:30 to 9:30 a.m.
Suite 200, McNamara Alumni Center**

Committee Members Attending

Bergstrom, John
Erickson, Rondi
Fountain, Jean
Hopp, Deb
Jones, David
Lindahl, Nancy
Nelson, Bruce

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Heen, Les

Committee Members Unable to Attend

Erkkila, Dan

Staff Unable to Attend

Jones, Cheryl
Schadauer, Elise

National President's Report

Following a tour of the UMAA office, National President Nancy Lindahl called the meeting to order at 7:55 a.m. She reported on several events and activities, including the naming ceremony for the McNamara Alumni Center; the Minnesota Campaign kick-off event in Northrop Auditorium; Homecoming; and the unveiling of former Governor Carlson's official portrait (in which he is wearing a U of M letter jacket).

Consent Agenda

The consent agenda included the September 9, 1999, Executive Committee minutes and the UMAA financial statements as of September 30, 1999. Both were approved as mailed.

E-Commerce

Margaret Carlson, UMAA executive director, and Tom Garrison, UMAA associate director-communications, reported on the UMAA's research on e-commerce. Nonprofit organizations are getting into this fast-moving new field because it presents three important opportunities: community, connections, and commerce. Forty-some alumni associations have signed a letter of intent with z-University, the major vendor catering to alumni associations. The UMAA has decided to proceed carefully by studying other alumni associations' e-commerce efforts to learn what works and what does not.

The committee discussed several issues that will need to be addressed, including Unrelated Business Income Tax, ownership of the portal for web access, selecting the proper vendor, and using e-commerce to build UMAA recognition among students. Members stressed that these efforts need to fit in with the UMAA's overall goals and must be a critical part of the association's internet & communication strategy. They also noted that broad University support is necessary for the project to reach its potential.

The committee members unanimously endorsed the UMAA's continued exploration into e-commerce.

FY99 Audit

(The executive committee received the report ahead of the finance committee.) Bruce Nelson, Finance Committee chair, reported that audit went very well. It was straight-forward and the auditors appreciated the well-organized manner in which everything was presented. The committee approved the FY99 audit.

Member-Get-A-Member Campaign

Deb Hopp distributed the new "member-get-a-member" campaign brochure. John Bergstrom suggested that program should include gift certificates so members could give memberships to others.

Leadership Incentive Scholarships

Rondi Erickson reported that the University Issues/Legislative Committee is examining this program because the Office of Admissions and UMAA volunteers have said that it has been difficult to implement. Since the scholarship was created in 1993-94, there have been concerns with the methodology and the pool of finalists.

A subcommittee chaired by Erickson will recommend to the full University Issues/Legislative Committee that the scholarship program be changed as follows:

- Change the selection criteria to the following (in order):
First generation students (those whose parents do not have baccalaureate degrees);
Financial need (as determined by the federal financial aid formula); and
Academic criteria (ACT score and class rank)
- End the restriction that recipients must be Minnesota residents.
- Increase the amounts per recipient from \$1,000 and \$1,500 to \$2,000 and \$2,500, respectively, while not increasing the total expenditures until the appropriate endowment fund can support it. (Current proceeds total \$28,500.)

- Eliminate the UMAA scholarship selection committee and authorize the Office of Admissions to select and award the scholarships.
- Improve follow-up support such as mentoring for scholarship recipients.

Until these changes take effect next summer, the Admissions Office would select recipients in early 2000 based on the current criteria.

The Executive Committee endorsed these recommendations, which will be presented to the National Board in March.

Career Services

David Jones, Outreach Committee chair, reported that most University colleges focus on helping students rather than alumni in regard to careers. UMAA involvement in this area could provide a valuable service for alumni, and could also be expanded to include students. To build this program, the UMAA should recruit additional volunteers with experience in the field. Employers with experience in graduate recruitment would be helpful.

Bowl Planning

Bob Burgett, UMAA associate director-Outreach, reported that the UMAA will coordinate the official bowl tour for the University. This designation greatly increases the promotional strength. With three games left on the schedule, it is difficult to predict which bowl invitation the Gophers will receive. Goals for the UMAA's bowl programming will be to increase pride, spirit, community connections, and visibility while providing important member services and recruiting new members.

Executive Director's Report

Carlson reported that the move from Coffman Memorial Union to the Gateway was incredibly smooth, with everything moved in on Saturday, October 16. Gateway construction is going well, with a major emphasis on the Heritage Gallery. Amy Schroeder has been hired by United Properties as the Gateway special events coordinator. Schroeder will lead the implementation of the Grand Opening activities during February 11-13, 2000.

The long-awaited report on the investigation into Gopher men's basketball is scheduled for release on November 18 or 19. Sandra Gardebring, University vice president for institutional relations, will address the UMAA national board on this issue on November 20.

Page 4
UMAA Executive Committee
November 3, 1999

The capital campaign is being well-received, with a recent *Star Tribune* editorial noting that this is an optimum time to increase alumni giving.

Lindhahl adjourned the meeting at 9:30 a.m.

Submitted by Les Heen
UMAA Legislative Network Director

for

Bruce Nelson
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
NATIONAL BOARD MEETING

Saturday, March 11, 2000

8:30 to 11:00 a.m.

A. I. Johnson Room, McNamara Alumni Center, University of Minnesota Gateway

Board Members Attending

Bergstrom, John
Bowser, Walt
Bredeson, Tom
Bymark, Jim
Chelstrom, Marilyn
Eelkema, Marilyn
Engebretson, Dick
Ericson, Carol
Erkkila, Dan
Fellows, Kay
Fountain, N. Jean
Hagford, Dave
Harder, Ronald
Hauschild-Baron, Beverly
Hawkinson, Bruce
Hopp, Deborah
Jones, Dave
Klingel, Todd
Liebhard, Wayne
Lindahl, Nancy
Luehmann, Barb
Luis, Nita
McCleod, Mary
Mona, Dave
Nelson, Bruce
Pletcher, Carol
Reilly, Bill
Schulstad, Denny

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

UMAA Staff Unable to Attend

Heen, Les

University Staff Attending

Fischer, Jerry
Gardebring, Sandee
Reed, Maureen

Board Members Unable to Attend

Ahles, Karen
Baudler, Bryan
Dumke, Bruce
Erickson, Rondi
Hjelm, Andrea
Hurd, Johnnie
Hutchins, Bruce
Lehman, Tom
Madson, David
Mitchell, Gerald
Perman, Victor
Quinn, Mike

University of Minnesota Alumni Association (UMAA) National President Nancy Lindahl called the meeting to order at 8:30 a.m. Lindahl reported on several alumni events in which she had participated, including a chapter event in Naples, Florida. She thanked the alumni society and geographic chapter volunteers for their recent efforts to recruit UMAA members. Lindahl also requested that the board members contact their legislators to ask them to support the University's budget request, including the Art Building.

Consent Agenda

The consent agenda included the national board meeting minutes of November 20, 1999; the financial statements as of January 31, 2000; and the revised criteria for leadership incentive scholarships. All were approved as mailed.

Dialogue with University Officials

Maureen Reed, vice-chair of the University of Minnesota Board of Regents, and Sandee Gardebring, University vice president for Institutional Relations, were the guest speakers.

Reed told the board members that she greatly values the work of the UMAA volunteers on behalf of the University. She noted that the members of the board of regents are "one hundred percent behind the vision of University of Minnesota President Mark Yudof," and that it is a time of renewal at the University.

Reed said that she is optimistic about the outcome of the University's budget request, but that there is work to do at the legislature, and that arts & design are indeed an academic priority. A second area that the University will be paying special attention to is academic integrity, and a third priority is to identify the top challenges and develop a new vision for the Academic Health Center.

Gardebring praised the McNamara Alumni Center and congratulated the UMAA volunteers and staff members on the building's completion. Gardebring reported on a number of University issues, including:

- There is reason to be optimistic in regard to the University's legislative request, but the next 10 days are critical and it is very important that alumni contact their legislators during this time;
- The University Sesquicentennial will be launched on June 11, 2000, in Lanesboro, MN, with a production of "Opera on the Farm." The year 2001 is actually the University's Sesquicentennial year, and the grand finale of this year of celebration will be the UMAA Annual Meeting in June of 2001;
- President Yudof plans to develop a presidential conference series. One of the conferences will be an "Economic Summit" at which questions will be raised in regard to the state of Minnesota's role and progress in the new economy. President Yudof believes that it is important for the University of Minnesota, as a land grant institution, to raise the signal on important issues.

There was considerable discussion, including the following:

- The Board of Regents agrees with President Yudof that long-term economic development is crucial to the state and the University, and that it is very appropriate that the University provide a forum to address this issue and to provide the data around which policymakers can find solutions and make decisions;
- The future of the Academic Health Center is extremely important. At issue is where to focus: being on the cutting edge of research and technology or patient care;
- Could the “degree fulfillment program” that was proposed two years ago by the UMAA serve as a component of the Sesquicentennial? Gardebring will look into this;
- The University needs to take a hard look at the athletics program and identify ways to emphasize the “student” portion of the “student/athlete equation.”

Capital Campaign

Jerry Fischer, president of the University of Minnesota Foundation, thanked the UMAA volunteers and staff members for their roles in advancing the McNamara Alumni Center. He updated the board members on the capital campaign, noting that as of January 31, 2000, 57 percent of the goal has been reached. The largest portion of gifts has come from alumni. Fischer is very confident that the campaign goal will be reached, as there is tremendous momentum and great excitement about President Yudof’s visionary ideas.

Nominating/Board Development Committee

Dave Mona, chair of the Nominating/Board Development Committee, asked the board members to read the handout which describes the UMAA’s history and philosophy of board development. He presented the following slate of candidates for UMAA officers for the 2000-2001 fiscal year:

President	Jean Fountain
President-elect	Bruce Nelson
Vice President	Deborah Hopp
Vice President	Dan Erkkila
Vice President	Andrea Hjelm
Vice President	Robert Stein
Secretary-Treasurer	Todd Klingel
Past President	Nancy Lindahl

The board members approved the above candidate slate. Mona also reported that Pinky McNamara has enthusiastically accepted an honorary at-large board member position, and that Walt Bowser has offered to serve as the Law School alumni representative rather than in an at-large position. Bowser’s offer was endorsed by both the dean of the Law School and the UMAA.

Gateway Budget Supplement and FY00 Mid-Year Budget Revision

Bruce Nelson, UMAA secretary-treasurer, presented a recommendation to approve the use of an additional \$75,000 from the U of M Alumni Fund to cover costs in excess of the original Gateway construction and move budget of \$452,425. Following discussion, this recommendation was approved.

Nelson also presented the 1999-2000 mid-year budget revision. He noted that the mid-year budget revision is an opportunity to adjust the budget to reflect changes in original assumptions. The original budget assumed strong response to new-member direct mail and telemarketing appeals, which did not occur. The staff and volunteers on the marketing/membership committee recommend that the UMAA rely on different tools to meet membership goals, so the revised operating budget reflects a change in philosophy. Beginning with fall 1999, all new graduates of the University Twin Cities campus will be given a complimentary one-year membership in the Association. During this year, targeted messages will be sent to these recent graduates to reinforce the connection and increase the likelihood of renewal. In addition, the connection with current students will continue to be strengthened through increased targeted programming, and the benefits of student membership will be enhanced. The revised budget reflects these changes in direction.

Following discussion, the 1999-2000 mid-year budget revision was approved.

Membership

Deb Hopp, chair of the Marketing/Membership Committee; and Elise Schadauer, UMAA associate director for membership and marketing, provided further details on the change in membership philosophy and strategy. Membership totals 42,199 as of March 1, 2000. They reiterated that the association will step up efforts to service and retain the new graduates receiving complimentary memberships. Additional member solicitation efforts include Recruitment 2000, Member-get-a-Member Getaway, a student membership campaign, and recruiting at the State Fair and during the Sesquicentennial. In addition, specific groups such as M Club and the Law School will be targeted. Hopp stated, "we will reach 50,000 members on or before December 31, 2000."

Advocacy

Dan Erkkila, chair of the University Issues/Legislative Advisory Committee, reported that there is much "juggling" going on during this sixth week of the legislative session. He encouraged the board members to write and/or call their legislators during the next critical ten days.

Erkkila also asked the board members to help identify excellent candidates for University of Minnesota regent. There are four seats that will be opening up, and the Regent Candidate Advisory Council (RCAC) wants a stronger, larger pool of candidates. Erkkila noted that two UMAA board members, Rondi Erickson and Mary McLeod, sit on the RCAC.

Visibility/Connections

Dave Jones, chair of the UMAA Outreach Committee, reported on the UMAA's major outreach initiatives, including the developing career services program, the mentor connection program, and the Student Alumni Leaders. He announced that the UMAA 2000 Annual Celebration will be held on June 7, 2000, featuring James Carville and Mary Matalin as keynote speakers. He encouraged the board members to purchase at least ten tickets to the Annual Celebration.

Executive Director

Margaret Carlson, UMAA executive director, provided an update on the McNamara Alumni Center. D'Amico Café at the Gateway will open on March 14, 2000. The regents have approved construction of a 513-space parking ramp adjacent to the building. There are a number of issues that the Gateway Corporation will address in the near future, including developing the Plaza, replacing trees, maintaining the Heritage Gallery, providing rent credits to the owners, rental fees, and the ambience of Memorial Hall. Carlson said that the UMAA will be working hard during the upcoming fiscal year to make the McNamara Alumni Center the best that it can be. She thanked the volunteers and staff members for their dedication and hard work on the McNamara Alumni Center.

Carlson thanked Nancy Lindahl for the countless hours that she has devoted and for her tireless efforts to travel around the University, the state, and the country on behalf of the association.

McNamara Alumni Center Grand Opening Video

Tom Garrison, UMAA associate director for communications, presented the video depicting the completion and grand opening festivities for the McNamara Alumni Center. Lindahl thanked Garrison for a job well done on the video. She invited the board members to tour the Heritage Gallery and the UMAA offices.

Lindahl adjourned the meeting at 11:05 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Bruce Nelson
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

I. AGENDA ITEM: National Board
Saturday, March 11, 2000

II. TITLE: Fiscal Year 2000 University of Minnesota Alumni Association Budget Revision

Discussion Information **Recommendation to National Board
for Ratification**

III. RECOMMENDED RESOLUTION OR PROPOSED ACTION:

The Finance Committee recommends that the University of Minnesota Alumni Association National Board approve the revised operating budget for fiscal year 2000.

IV. BACKGROUND INFORMATION:

The mid-year budget revision is an opportunity to adjust the budget to reflect changes in original assumptions. The original budget assumed strong response to the UMAA's new member direct mail and telemarketing appeals. Response to these appeals has been decreasing each year, but it was thought that a new message (the UMAA would give \$10 to scholarship for every new membership), a winning football season, and the excitement of our new building would combine to reverse this trend. Instead, the trend worsened. The fall telemarketing fell significantly short of expectations. This was in large part due to the fact that many in this population had not responded to previous telemarketing efforts and that technology changes (caller-id and phone blocks) are making this method of reaching alumni unproductive. The major fall direct mail appeal was mailed to approximately 103,000 alumni. Despite a great message and attractive package, the response was very poor. The mailing coincided with the release of the basketball report and we know that contributed to the disappointing results. More significant, however, is the fact that we have mailed direct mail pieces to past and never members twice a year for the past seven years and based on the response trend, as with telemarketing, we are facing diminishing returns.

After communicating with the Marketing and Communications Committee chair, the Associate Executive Director of Marketing and Membership made a presentation to the management team in January, outlining her plans to reach 50,000 members by December 31, 2000. Her plan focuses on new graduates and building relationships with today's students. Beginning with fall 1999, all graduates will be given a free one-year membership in the Association. During their year of membership targeted messages will be sent to these recent graduates to re-enforce the connection and increase the likelihood of renewal. The connection with students will continue to be strengthened through increased programming aimed at them and benefits of the student membership will be enhanced.

Management is proposing that we rely on different tools to meet our membership objectives. This budget reflects a change in philosophy rather than an attempt to align expenses with reduced revenue. Management believes that this plan reflects the best use of the organization's assets, while getting us to our goal of 50,000 members. The Finance Committee is recommending approval of the revised budget and has communicated to the Marketing and Communications Committee that if additional resources to meet the membership goal are needed, that they would consider an additional funding request.

The attached budget reflects these changes in direction. Membership revenue was decreased \$121,675 which puts it in line with FY99 actual revenue. Expenses that were decreased include the savings in professional fees related to the fall telemarketing, savings in the budgeted expenses related to the fall direct mail appeal, and all expenses associated with the budgeted spring direct mail piece. Budget dollars were transferred to other membership marketing initiatives. The budget for student relation's initiatives was also increased.

V. PRESENTED BY: Bruce Nelson

VI. ACTION:

University of Minnesota Alumni Association
FY00 Budget Revision
Prepared for Presentation to UMAA National Board

	FY00 Revised Budget	FY00 Original Budget	Budget Increase (Decrease)	FY00 Revenue Thru 12/99	FY99 Actual Revenue
Revenue					
Membership					
Annual/3yr/5yr/10yr	720,780	842,455	(121,675)	383,063	723,611
Life Membership Support	270,000	270,000	-	135,000	265,200
Contributions	38,760	19,350	19,410	32,158	18,122
University Support:					
Base	1,023,011	1,023,011	-	511,511	1,018,280
Capital Campaign Readiness	382,000	382,000	-	191,002	371,000
Services					
Tours	102,000	105,000	(3,000)	63,770	79,666
Advertising Sales	294,000	294,000	-	145,274	281,288
Royalty Income	24,650	15,150	9,500	-	45,832
Internet (net of access & software fees)	85,910	100,860	(14,950)	42,935	98,055
Affinity Credit Card	-	-	-	-	115,380
Special Events	66,950	57,300	9,650	18,192	65,980
Net Assets Released From Restrictions	26,500	26,500	-	-	25,500
Sublease Rental Income	35,765	-	35,765	11,922	-
Interest/Dividends	9,950	9,950	-	5,097	15,674
Investment Gain/(Loss)	-	-	-	(307)	9,918
Other	15,135	1,700	13,435	4,339	1,284
Total Revenues	3,095,411	3,147,276	(51,865)	1,543,956	3,134,790
Transfers to Finance Current Operations:					
Credit Card Advance Funds -					
Program Earnings	310,000	360,000	(50,000)	74,634	225,308
Rent Subsidy	230,835	267,660	(36,825)	76,943	-
General Endowment - Operations	267,750	267,750	-	133,875	255,000
U Held Endowment Support - Move	500	-	500	-	-
UMF Held Endowment Support - Awards	56,000	56,000	-	-	56,000
Total Transfers	865,085	951,410	(86,325)	285,452	536,308
Total Revenues and Transfers	3,960,496	4,098,686	(138,190)	1,829,408	3,671,098

**University of Minnesota Alumni Association
FY00 Budget Revision
Prepared for Presentation to UMAA National Board**

	FY00 Revised Budget	FY00 Original Budget	Budget Increase (Decrease)	FY00 Expenses Thru 12/99	FY99 Actual Expense
Expenses					
Personnel	1,905,730	1,887,136	18,594	942,749	1,788,792
Professional fees	332,375	352,725	(20,350)	161,142	374,489
Conferences/subscriptions/data processing	40,240	44,990	(4,750)	26,215	41,087
Telephone	32,995	33,345	(350)	17,307	28,155
Mail service and delivery	221,505	275,350	(53,845)	108,197	220,717
Printing, copying, design and advertising	371,960	441,055	(69,095)	210,524	375,812
Supplies and rentals	107,690	103,795	3,895	52,795	121,039
Office expenses	380,270	371,220	9,050	145,719	101,136
Travel, catering and entertainment	146,480	170,000	(23,520)	66,873	179,321
Society allocations	109,080	106,500	2,580	54,544	100,002
Awards and scholarships	86,600	87,450	(850)	699	85,088
Contributions and co-sponsorships	203,815	204,705	(890)	102,836	189,650
Other	16,200	20,415	(4,215)	7,476	20,139
Total Expenses	3,954,940	4,098,686	(143,746)	1,897,076	3,625,427
Excess of Revenues over Expenses	5,556	0	5,556	-67,668	45,671

University of Minnesota Alumni Association
FY00 Mid-Year Budget Revision
Explanation of Significant Line Items

REVENUES AND TRANSFERS

Annual/Multiple Year Memberships – Both the fall telemarketing and major direct mail appeal aimed at new members had very poor results, causing the membership director to rethink the new member promotion plans for the balance of the year. As a result, she has dropped the major spring direct mail appeal. Problems with the renewal billings have resulted in a lower retention percentage over the past few months, but this is viewed as a process problem, which has now been rectified through the use of a new vendor. The new revenue projection is \$720,780, a \$121,675 reduction from the original budget. The revised membership revenue budget is in line with FY99 revenue and is considered obtainable.

Contributions - The original budget was based on the assumption that 260 life members would respond to the sustaining life appeal with an average gift of \$65 and that the balance of the budget would come from miscellaneous donations. Through January, 428 members have responded to the life appeal for a total of \$34,000. Another \$4,000 has come in from Twin Cities business and community events which were not included in the original budget.

Tours – The revised budget includes a \$3,000 decrease that is due to canceling three trips offered through one tour operator. The original budgeted revenue from these canceled trips was \$6,000. The success of the other 24 trips is compensating for half of this lost revenue.

Royalty Income – The group insurance program royalties account for this revenue line. These royalties are paid on a semi-annual basis. When the original budget was prepared, the royalty experience upon which the projections were based was old and did not include the success of marketing some of the new products. The royalties earned for the periods ended 6/30/99 and 12/31/99 indicated that this budget line should be increased.

Internet – Low-cost access to the Internet became a member benefit in FY94. The budget was predicated on 85% of the 5,050 subscribers renewing and another 520 subscribing. In addition, it was projected that 400 subscribers would pay for an upgrade to the software. Changes in the competitive market for Internet access has slowed the growth of this program in the last couple of years. Problems that were experienced this past summer as a result of the University's switch to 54K modems as well as the proliferation of other low-cost options has actually resulted in a loss of 150 subscribers so far this year. Renewals are down as well as the number of new subscribers. The projected \$14,950 decrease in the budget is net of the access fees and software charges that are paid to the University.

Special Events – The original budget was comprised of annual meeting ticket sales, three UMAA sponsored geographic and other smaller events. Not included were revenue projections for Maroon and Gold Day at the Lake, Cargill and Daytons' Day at the Dome events, and the Sun Bowl. These unbudgeted revenues offset the fact that the three geographic events were replaced with non-revenue generating events.

Sublease Rental Income – The original budget did not include a budget line for rental income from the sublease of our expansion space since the logistics of the payments were not finalized. This is not new money to the budget since the amount of the transfer from the Credit Card Advance Fund for rent subsidy (calculated as the difference between net rent paid in Gateway and the rent paid in Coffman) included this amount.

Other – The original budget anticipated that this line would reflect amounts received from small affinity relationships. The budget revision includes these original estimates plus proceeds from the sale of the Coffman furnishings, which are an offset to the moving costs included as an operating fund expense, and the write-off of a FY97 accrued liability which will not need to be paid.

Credit Card Advance Funds – Program Earnings – The amount of the transfer of credit card proceeds from the General Investment Fund to the Operating Fund is calculated based on the number of cards issued and charges made on issued cards. Our credit card vendor, FirstUSA, has received some unfavorable press during the first half of the year related to customer service issues. They are working on these issues and consequently have not been as aggressive with their marketing of the card. The result has been lower reported earnings for the first two quarters. The original budget was aggressive in anticipating 5.5% growth from the prior year results. The revised budget assumes that the lower earnings level will continue for the remainder of the year with a resulting budget decrease of \$50,000. It is important to remember that the transfer amount is an internal budgeting matter and the disappointing performance does not affect the royalty guarantee that the UMAA has with FirstUSA.

Credit Card Advance Funds – Rent Subsidy – The amount of the rent subsidy drawn from the Credit Card Advance Fund is calculated as the difference between net rent paid in the Gateway and the rent paid in Coffman. When the original budget was prepared, it did not include a budget line for rental income from the sublease of our expansion space since the logistics of the payments were not finalized. Therefore, the difference between the Gateway and Coffman rent expense was greater causing this transfer to be overstated. The budget revision reclassifies this in-flow from transfer and includes it as a revenue item.

EXPENSES

Personnel - The 1% increase from the original budget is primarily due to the use of temporary services beyond what was originally budgeted. A staff vacancy in the finance department and another in the membership department were filled with a long-term temporary staff while the search for replacements were conducted.

Professional Fees – The \$20,350 decrease in professional fees is primarily due to the net of two larger changes. The poor response to the fall telemarketing for past and never members resulted in lower fees since the contract based the payment on memberships generated. This resulted in a \$60,000 savings. As an offset, the original budget did not include a fee for an annual meeting speaker. Now that the speakers have been secured, their fee has been included at a cost of \$40,000.

Conferences/Subscriptions/Data Processing – The savings in this budget line is primarily due to the decision to replace some high cost WEB training with more moderately priced courses.

Mail Service and Delivery – The budget savings of \$53,845 is in large part due to the changes made in the area of new member recruitment. After a poor response to the major fall appeal, the direct mail piece planned for spring was dropped resulting in a savings of \$50,000. The remainder of the decrease is the net of numerous smaller adjustments including savings from the Grand Opening mailing to members that was paid for by the Gateway Corporation and fewer renewal notices being mailed than were budgeted due to the lower membership number at the end of FY99. These were offset by additional mailing costs in the area of geographic outreach, Twin Cities business and community programs, the class of 1949 reunion, and mailing benefit booklets to life members.

Printing, Copying, Design and Advertising – Again, the major portion of the \$69,095 savings is due to changes in the area of new member acquisition (\$58,215) and the balance of the decrease is the net of numerous smaller changes. Additional savings related to the printing of: the Grand Opening piece that was sent to all members and paid by Gateway Corporation; the benefit booklet which was based on higher membership numbers than have been achieved; the sustaining life appeal which was less expensive than budgeted; and savings in printing MINNESOTA. The only significant offset related to an under-estimation of the cost to print renewal notices.

Office Expenses – The budget increase includes an additional month of rent in Coffman and a small amount for maintenance in Gateway related to the use of Gateway engineering staff who have been asked to perform small tasks in the initial months of occupancy.

Travel, Catering and Entertainment – The savings primarily relates to the area of geographic chapter events. Three UMAA sponsored events that were planned to include a revenue component were replaced with traditional chapter events and the pre-game football events had lower attendance than anticipated resulting in a savings from game tickets and food. Both of these savings were associated with revenue reductions.

Society Allocations – The formula used to calculate the alumni society allocation is based on the number of society members. For the original budget the March 31, 1999 numbers were used but when the actual payments were made to societies, the membership figures as of July 1, 1999 were used.

Other – This budget line includes unrelated business income tax, sales tax on Internet software sales, gifts, and other minor and unusual expenses. The decrease relates to an over estimation of unrelated business income tax.

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
96th Annual Meeting
June 7, 2000
McNamara Alumni Center and Williams Arena

The 96th annual meeting of the University of Minnesota Alumni Association (UMAA) began at 5:00 p.m. with a dinner buffet in Memorial Hall of the McNamara Alumni Center, University of Minnesota Gateway. The meeting was called to order at 7:30 p.m. by UMAA National president Nancy Lindahl, who welcomed the 1,650 attendees.

UMAA YEAR-IN-REVIEW

Lindahl reported that it has been a great year for the alumni association. She has traveled throughout Minnesota and the country this year on behalf of the UMAA, meeting and speaking to thousands of alumni and friends at more than 200 events. "All of their lives have been touched in some way by the University of Minnesota and its services, inventions, and learning," said Lindahl. In light of the importance of the University to so many people, she urged alumni and friends to speak out on behalf of the school and to urge others to join the UMAA.

UMAA Executive Director Margaret Carlson, in the UMAA 1999-2000 year-in-review video, said this was "a year of completion, celebration, and new expectations." After finally realizing the 43-year goal of building an alumni center on campus, it is time to focus on new goals: using the center to its fullest, building a strong career network for both new graduates and mid-career professionals, helping the University celebrate its 150th anniversary, and growing to a 50,000-member organization.

UNIVERSITY OF MINNESOTA PRESIDENT MARK YUDOF

University of Minnesota President Mark Yudof presented his annual message to alumni and friends. He said that there is unprecedented construction and renewal underway at the University, and he thanked alumni for their support. "If I could write 1,700 thank-you notes, I would," he said. "This is the audience that has done so much for the University of Minnesota." He specifically cited the success of the Legislative Network and on-campus programs like the Mentor Connection and the Distinguished Teaching Awards.

ELECTION OF 2000-2001 OFFICERS AND DIRECTORS

Lindahl announced the 2000-2001 slate of officers forwarded by the UMAA Nominating Committee and elected by the national board of directors on March 11, 2000:

President	Jean Fountain
President-elect	Bruce Nelson
Vice President	Deborah Hopp
Vice President	Dan Erkkila
Vice President	Andrea Hjelm
Vice President	Robert Stein
Secretary-Treasurer	Todd Klingel
Past President	Nancy Lindahl

The slate of new board members was introduced, voted upon, and approved by those present:

At-Large Member	Thomas Bredeson
At-Large Member	Thomas LaSalle
At-Large Member	Ross Levin
At-Large Member	Jerry Noyce
At-Large Member	Jessica Phillips
At-Large Member	Deborah Sit
Geographical Representative	Ronald Harder
Geographical Representative	Andrew Wangstad

PASSING OF THE GAVEL

Lindahl introduced Jean Fountain, who will take office as UMAA national president on July 1, 2000. Fountain is owner and principal of Via Fountain Associates, a firm which provides consulting services in management development and executive search.

Fountain thanked Lindahl for helping the association reach incredible heights of visibility this year. "Nancy, your unflagging enthusiasm and sincere passion for the University have helped us grow association membership to nearly 45,000 alumni and friends: an all-time high," Fountain said. "Congratulations and thank you for a very exciting and productive year."

KEYNOTE PRESENTATION

Lindahl introduced political consultants and commentators Mary Matalin, a Republican, and her husband, James Carville, a Democrat. Matalin and Carville took turns at the podium and agreed that this will be one of the closest, and most important, elections in recent memory. "We don't know who the next president is going to be," Carville said. "Usually we have a pretty good idea by early June."

Matalin said this will be an important election because three or four Supreme Court justices and half of the federal judiciary likely will be appointed in the next four years. Presidential voting could pull the U.S. House of Representatives to one party or the other and will help determine state legislature makeup. "Who controls the legislative chambers will redraw the districts that they and the congressional members sit in for the next decade," she said. The two major party candidates themselves—Republican George W. Bush and Democrat Al Gore offer a real choice as well. "This is not a Tweedledee, Tweedledum," she said. "These are quintessential members of their parties and will govern as such."

Matalin also countered arguments that campaigns are overly manipulative. "The press theory is that good candidates with bad campaigns lose to bad candidates with good campaigns. Can I say, the technical terms for this is *jive*?" she said. "Campaigns are an extension, ultimately, of the candidate and what the candidate is trying to say and what philosophy and issues he's running on. They illuminate the skills of the candidate and the depth of the attraction to their ideas."

Carville talked more about strategy and how to predict the election results. He said the best way to predict the outcome in a tight race is to look at the feeling of hope the candidates project. "In every presidential election I can remember, from 1952 to the present, the most hopeful and optimistic candidate is the one that won the election. The only exception was 1968 when Hubert Humphrey lost to Nixon and if he'd had had one more day, he'd have beat Nixon." He concluded, "the most important commodity a leader can possess is hope."

Following Carville and Matalin's presentation, KARE-11 Television political reporter Kerri Miller joined them on stage and posed questions put together by a diverse group of political pundits, journalists, and University faculty.

ADJOURNMENT

Lindahl thanked Carville and Matalin for a stimulating and timely presentation. She thanked the attendees for their participation, and asked them to join her in singing *Hail Minnesota*. She once more encouraged everyone to join the alumni association. A balloon drop from the Williams Arena rafters concluded the 2000 Annual Meeting and Celebration at 9:30 p.m.

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
National Board of Directors
Tuesday, June 13, 2000
4:00 to 6:00 p.m.
University of Minnesota Foundation Boardroom

Board Members Attending

Ahles, Karen
Baudler, Bryan
Bergstrom, John
Bowser, Walter
Bredeson, Tom
Bymark, Jim
Chelstrom, Marilyn
Eelkema, Marilyn
Fellows, Kay
Fountain, Jean
Hagford, David
Harder, Ronald
Hauschild-Baron, Beverly
Hawkinson, Bruce
Hjelm, Andrea
Hopp, Deborah
Hutchins, Bruce
Jones, David
Klingel, Todd
Lehman, Tom
Lindahl, Nancy
Luis, Nita
Mona, Dave
Nelson, Bruce
Perman, Vic
Pletcher, Carol
Quinn, Mike
Reilly, Bill

University Guests Attending

Fischer, Jerry
Yudof, Mark

UMAA Staff Members Attending

Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

Board Members Unable to Attend

Dumke, Bruce
Erickson, Rondi
Ericson, Carol
Erkkila, Dan
Hurd, Johnnie
Liebhard, Wayne
Luehmann, Barb
Madson, David
McLeod, Mary
Mitchell, Gerald
Schulstad, Denny

UMAA Staff Unable to Attend

Burgett, Bob

University of Minnesota Alumni Association (UMAA) National President Nancy Lindahl called the meeting to order at 4:00 p.m.

Consent Agenda

The consent agenda included the March 11, 2000, national board meeting minutes; the April 30, 2000, financial statements; the recommendation to form a UMAA Compensation Committee; the recommendation to reinstate the University of Minnesota General College as a UMAA alumni society; and UMAA standing committee reports. All were approved as mailed.

University President

University of Minnesota President Mark Yudof reported as follows:

- The University has already received \$811 million dollars in Capital Campaign contributions. The goal of the campaign is \$1.3 billion dollars.
- The University will be hiring 30 new faculty. Student applications are up 20% from last year, and student satisfaction is high. The highest ever number of freshmen (85 percent) are returning to the University for their sophomore year.
- Current University construction projects total \$1.2 billion dollars, which means that there will be a tremendous infusion of physical change on campus during the University's Sesquicentennial year.
- The Sesquicentennial kickoff in Lanesboro, Minnesota—Opera on the Farm—was very successful. Other Sesquicentennial events include "University of Minnesota Day at the State Fair" and the Presidential Conference Series. The first conference, to be held in late September, will be called an "Economic Summit" and will focus on the economic future of the state. The Economic Summit will be chaired by Lawrence Perlman, CEO of Ceridian, and Charles Muscoplat, dean of the College of Agricultural, Food, and Environmental Sciences. President Yudof said the conference will address such issues as the state's workforce, quality of life, venture capital, lifelong learning, measuring the economy, and cutting edge technology transfer systems.

President Yudof thanked Lindahl for her infectious enthusiasm and hard work over the past year. He said, "it's been a great year, and Nancy has been absolutely everywhere!" He thanked the board members, saying "we have no better friends in the world than the UMAA volunteers."

There was discussion on many of President Yudof's topics, including the healthcare workforce as it relates to the Economic Summit; faculty compensation; the upcoming National Collegiate Athletic Association (NCAA) hearing on infractions in the men's basketball program and impending federal investigation; and the continuing financial and legal discussions surrounding the development of the plaza adjacent to the McNamara Alumni Center. In answer to a question about Minnesota Governor Jesse Ventura's support of the University, President Yudof said that "Governor Ventura's values are with us." President Yudof's goal is to highly integrate with the Governor's "Big Plan" and to get him more engaged in business and educational issues.

UMAA FY01 Goal, Objectives, and Budgets

Jean Fountain, UMAA president-elect, presented an overview of the coming year. FY01 will be the first year of operation under the association's new five-year strategic plan, and Fountain said that she is looking forward to a year of new beginnings and renewed enthusiasm. Bruce Nelson, UMAA secretary-treasurer, presented the recommended operating budget for 2000-2001. Discussion involved the expected objectives of the career continuum program and the advocacy program's return to the executive director's oversight. The board members approved the FY01 goals, objectives, and operating budget as attached.

Nelson next presented the FY01 capital budget and special funding requests. Following discussion, both were approved as attached.

Executive Director

Margaret Carlson, UMAA executive director, reported as follows:

- The UMAA is working with the University of Minnesota Foundation (UMF) and two other University units on a public relations effort designed to improve the University's image. The research for this project was funded by alumnus Stan Hubbard.
- The association's number one goal this year will be to reach its goal of 50,000 members by December 31, 2000. Carlson is confident that this goal will be achieved, and she is impressed and inspired by the number of individuals, groups, and publications that are spreading the UMAA's membership message.
- Compliments and congratulations to the Rochester Area Alumni and Friends chapter, which was awarded a special Sesquicentennial grant.
- Dave Mona, immediate past president; and Jean Fountain, president-elect, have been named to the University's search committee for a new Men's Intercollegiate Athletics director. They will also serve on a special recruitment subcommittee for the search.

Carlson also announced that she will travel to China during June 19 through July 4, 2000, as part of the University's official delegation.

Carlson thanked Jerry Fischer, president of the UMF, for welcoming the association's board into its wonderful boardroom today. She thanked the UMAA managers for their hard work and achievements over the past year. In conclusion, she gave heartfelt thanks to all of the UMAA volunteers for their dedication and contributions.

Volunteer Recognition

Lindahl also thanked the board members and distributed Sesquicentennial T-shirts to all. She presented special gifts to the following board members whose terms on the board will end: John Bergstrom, Kay Fellows, Bruce Hawkinson, and Dave Mona. The departing board members who could not be at the meeting are Bruce Dumke, Dick Engebretson, Carol Ericson, Rondi Erickson, and Johnnie Hurd. Lindahl thanked all of the departing board members for their commitment and service.

Fountain gave special thanks to Lindahl, including her husband John, who participated along with Nancy in many of the association's events and activities. Fountain commended Lindahl on her hard work, passion, and graceful leadership. On behalf of her fellow volunteers, Fountain presented Lindahl with an engraved clock in recognition of the amazing amount of time that Lindahl has given to the association and the University.

Carlson complimented Lindahl on her outstanding report to the University Board of Regents last Friday, as well as her tireless service throughout the year. On behalf of the association and its staff members, Carlson presented Lindahl with a framed collage of photos covering the majority of the events and activities in which Lindahl participated. Carlson also gave special, individual thanks to departing board members Bergstrom, Fellows, Hawkinson, and Mona.

National President

Lindahl thanked the volunteers and staff members for their dedication, energy, and effort on behalf of the association and the University. She said that her year as president had many, many highlights, including growing membership to an all-time high; opening the McNamara Alumni Center; achieving legislative success; interacting with the Student Alumni Leaders group; the Sun Bowl; and participating in numerous outreach activities, especially Maroon and Gold Day on the Lake.

Lindahl concluded with best wishes to Fountain and Nelson, saying that she is sure that both will do an outstanding job for the UMAA. She said, "it has been an honor and a privilege to serve," and she adjourned the meeting at 5:55 p.m.

Submitted by,

Cheryl Jones, UMAA Administrative Manager

for

Bruce Nelson, Secretary-Treasurer

UMAA GOALS AND OBJECTIVES 2000-2001
(In Addition to Ongoing Activities)

GOAL I: LEVERAGE THE McNAMARA ALUMNI CENTER

- Collaborate with our Gateway Corporation partners to maximize the effectiveness of the Center, taking leadership roles with Heritage Gallery and Finance Committee
- Assist in planning and implementing the Plaza and Scholars Walk
- Continue to promote the Center as the front door on campus

GOAL II: GROW A VIBRANT MEMBERSHIP ORGANIZATION

- Increase membership to 50,000 by December 31, 2000 (from 44,000 at June 30, 2000):
 - focus on retention
 - provide complimentary memberships to all Class of 2000 graduates
 - maximize the U's Sesquicentennial and the State Fair as member recruitment vehicles
 - work with collegiate alumni societies, geographical chapters, and special interest groups to raise members through the Recruitment 2000 Campaign
 - enhance the student membership benefits package
 - develop methods to encourage annual members to upgrade their memberships to multiple-year and life
- Continue to enhance communications efforts:
 - produce six high-quality issues of *Minnesota*; accomplish advertising sales of \$308,000
 - work with Institutional Relations to enhance and maximize the effectiveness of *M*
 - produce two "What's New at the U" videos
 - contract with a vendor to develop and launch a UMAA portal, including e-commerce
 - hire consultant to help develop a multi-year strategic plan to enhance the quality and maximize the effectiveness of the UMAA Web site
 - develop and launch plan for UMAA presence on radio

GOAL III: DEVELOP A CAREER CONTINUUM PROGRAM

- Build connections with alumni from their prospective student days through their lifetime:
 - work with University Continuing Education and other units to finalize career program strategic plan, identifying key goals and opportunities
 - plan and implement three high-profile activities which focus on young alumni, mid-career alumni, and students
 - collaborate with Admissions on calling night and high school dinner event

GOAL IV: MOBILIZE OUR NETWORKS IN ADVOCACY

- Coordinate with State Relations to continue and enhance legislative initiatives; identify captains for all 67 Senate districts; mobilize a volunteer corps of 3,250
- Respond to key policy issues at the University

GOAL V: CELEBRATE OUR HERITAGE AND LEGACY

- Participate in the University 150th Anniversary (Sesquicentennial):
 - assist in planning and implementing activities such as the State Fair, Opera on the Farm, and the lecture series
 - plan and implement the 2001 UMAA Annual Celebration as the official close of the Sesquicentennial, maximizing visibility and attendance
 - focus on the Sesquicentennial in the fall preview issue of *Minnesota*
- Develop and launch updated "Some of Our Graduates" public relations campaign

ADMINISTRATIVE

- Address data and technology issues
- Work with a Finance subcommittee to recommend a set of investment policies

(Endorsed by the UMAA Executive Committee on May 31, 2000)

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

I. AGENDA ITEM: UMAA National Board
Tuesday, June 13, 2000

II. TITLE: Approval of University of Minnesota Alumni Association Fiscal Year 2001 Operating Budget

Discussion Information **Recommendation to National Board
for Ratification**

III. RECOMMENDED RESOLUTION OR PROPOSED ACTION:

The Finance and Executive Committees have reviewed and recommend to the National Board that they approve the fiscal year 2001 operating budget (see attached.)

IV. BACKGROUND INFORMATION:

The fiscal year 2001 operating budget for the University of Minnesota Alumni Association was reviewed by the Finance Committee at their May 22, 2000 meeting and by the Executive Committee at their May 31, 2000 meeting. Both groups have recommended approval.

V. PRESENTED BY: Bruce Nelson

VI. ACTION:

**University of Minnesota Alumni Association
2000 – 2001 Proposed Budget
Executive Overview**

This executive overview is an attempt to provide board members with a perspective on the programming and challenges that the University of Minnesota Alumni Association expects to face in FY01 as they relate to financial operations. The attached operating budget is balanced and the narrative explanations provide detail about the specific line items budget.

Revenue

The University's allocation to the UMAA was cut 10% for the next year, now reflecting 22% of the operating budget compared to 26% in FY00. Margaret Carlson has discussed with the Vice President for Institutional Relations, Sandra Gardebring, the need to have a 5-year forecast of future university support for effective planning and Gardebring has agreed to assist the UMAA in this process.

As is the case every year, the university provides some level of new funding to be applied to its mandated salary increases and fringe benefit rate fluctuations. The university uses as its base to calculate that amount, the salary expense that it pays for the department. In FY00 the university paid 54% of the UMAA salaries with the remaining 46% coming from other sources. Consequently, each year, the UMAA must make up a portion of the mandated increases and fringe rate adjustments out of its non-university funds. For FY01 the UMAA received \$38,039 to use towards salary increases.

Payments received for life memberships are not considered operating revenue. Such payments are recorded in the life membership fund and invested. Every five years the UMAA has an actuarial analysis performed on the life membership fund to determine the amount that can be used to fund current operations. An analysis was performed this spring which found that the gains in the portfolio over the last 5 years significantly exceeded the expectations established in 1994 when the last analysis was performed. For this reason, the actuaries have established a significantly higher level for the fund transfer resulting in an additional \$119,600 in operating revenue.

Membership growth is projected at a modest 5% from where we expect to end FY00. This is considered attainable because of the larger pool of renewable members and the positive publicity that is expected related to the University's sesquicentennial celebration. We expect to capitalize on this publicity by being a co-sponsor of U of M Day at the State Fair, participating in numerous sesquicentennial events around the state, and having our reformatted FY01 annual meeting as the grand finale of a year long celebration.

The reformatted annual meeting will contribute to increased contributions (\$30,000 already committed) and the increase in special event income.

Expense

Membership projections have us reaching 50,000 members prior to December 31, 2000. This 20% increase in members will have a significant impact on our program costs. Printing and postage expenses have increased for the magazine, chapter program, Twin Cities Business and Community, special events, and membership renewals.

To continue to attract and retain young members, the following new initiatives are planned:

- demonstrate the connection that membership gives by mailing 6 postcards throughout the year to free grad members
- connect students to the UMAA while still on campus
 1. increase support of the Student Alumni Leaders program
 2. host a senior send-off party at the Alumni Center for graduating seniors
 3. develop a student membership package
- connect with recent graduates by offering programming aimed at them
 1. happy hour event at the McNamara Alumni Center during Homecoming weekend
 2. publicize and participate in the Big 10 softball tournament
- develop career continuum programming
 1. co-host with Office of Admissions a dinner for high potential high school juniors and their parents
 2. provide the volunteers for an Office of Admissions calling program to help encourage high potential high school students to select the U of M.
 3. co-sponsor with campus employment officers an etiquette dinner for students approaching job search
 4. co-sponsor with campus employment officers a corporate job shadow program
 5. provide a personal finance workshop open to graduating seniors and young alumni
 6. provide a seminar for alumni on using technology for networking and job search (idea still in development)

University of Minnesota Alumni Association
FY01 Proposed Budget
Prepared for Presentation to UMAA National Board

	FY01 Proposed Budget	FY00 Revised Budget	Budget Increase (Decrease)	FY00 Revenue Thru 3/00
Revenue				
Membership				
Annual/3yr/5yr/10yr	721,220	720,780	440	533,773
Life Membership Support	389,600	270,000	119,600	202,500
Contributions	102,985	38,760	64,225	40,617
University Support:				
Base	961,050	1,023,011	(61,961)	767,261
Capital Campaign Readiness	394,000	382,000	12,000	286,501
Services				
Tours	130,000	102,000	28,000	89,586
Advertising Sales	308,000	294,000	14,000	236,110
Royalty Income	36,000	24,650	11,350	24,792
Internet (net of access & software fees)	76,375	85,910	(9,535)	65,125
Special Events	143,475	66,950	76,525	33,799
Net Assets Released From Restrictions	27,500	26,500	1,000	-
Sublease Rental Income	47,050	35,765	11,285	23,844
Interest/Dividends	9,600	9,950	(350)	6,972
Investment Gain/(Loss)	-	-	-	3,659
Other	<u>1,850</u>	<u>15,135</u>	<u>(13,285)</u>	<u>14,499</u>
Total Revenues	<u>3,348,705</u>	<u>3,095,411</u>	<u>253,294</u>	<u>2,329,038</u>
Transfers to Finance Current Operations:				
Credit Card Advance Funds	613,350	540,835	72,515	307,285
General Endowment	287,500	267,750	19,750	200,812
U Held Endowment Support		500	(500)	
UMF Held Endowment Support	<u>56,000</u>	<u>56,000</u>	<u>-</u>	<u>-</u>
Total Transfers	<u>956,850</u>	<u>865,085</u>	<u>91,765</u>	<u>508,097</u>
Total Revenues and Transfers	<u>4,305,555</u>	<u>3,960,496</u>	<u>345,059</u>	<u>2,837,135</u>

University of Minnesota Alumni Association
FY01 Proposed Budget
Prepared for Presentation to UMAA National Board

	FY01 Proposed Budget	FY00 Revised Budget	Budget Increase (Decrease)	FY00 Expenses Thru 3/00
Expenses				
Personnel	1,943,300	1,905,730	37,570	1,400,263
Professional fees	395,575	332,375	63,200	254,579
Conferences/subscriptions/data processing	48,810	40,240	8,570	33,594
Telephone	33,655	32,995	660	22,577
Mail service and delivery	295,455	221,505	73,950	141,718
Printing, copying, design and advertising	364,880	371,960	(7,080)	275,795
Supplies and rentals	131,780	107,690	24,090	71,133
Office expenses (rent \$430,400)	471,805	380,270	91,535	258,681
Travel, catering and entertainment	192,295	146,480	45,815	105,498
Society allocations	113,835	109,080	4,755	81,811
Awards and scholarships	89,970	86,600	3,370	699
Contributions and co-sponsorships	208,570	203,815	4,755	159,884
Other	15,625	16,200	(575)	7,013
	<u>4,305,555</u>	<u>3,954,940</u>	<u>350,615</u>	<u>2,813,245</u>
Total Expenses				
	<u>4,305,555</u>	<u>3,954,940</u>	<u>350,615</u>	<u>2,813,245</u>
Excess of Revenues over Expenses	<u>-</u>	<u>5,556</u>	<u>(5,556)</u>	<u>23,890</u>

University of Minnesota Alumni Association
FY01 Proposed Expense Budget by Program Area
Prepared for Presentation to UMAA Finance Committee

	FY01 Proposed Budget	FY00 Revised Budget	Budget Increase (Decrease)	FY00 Expenses Thru 3/00
Executive	308,985	297,260	11,725	220,398
McNamara Alumni Center	-	7,060	(7,060)	7,041
Board	10,695	13,655	(2,960)	10,511
Finance/Operations	969,535	892,565	76,970	621,713
Outreach Administration	167,060	149,970	17,090	112,444
Societies	303,715	290,780	12,935	217,996
Chapters	326,350	284,405	41,945	227,297
Twin Cities Business & Community	101,890	89,120	12,770	73,659
Student Relations	142,040	116,260	25,780	58,610
Special Events	327,720	290,570	37,150	151,434
Career Continuum	36,760	-	36,760	-
Legislative/Public Policy	36,850	85,645	(48,795)	62,941
Membership	613,520	522,510	91,010	351,832
Affinity Programs	6,300	-	6,300	-
Tours	37,200	35,450	1,750	28,009
Internet	7,285	5,575	1,710	3,561
Communication/Public Relations	449,490	430,255	19,235	311,900
MINNESOTA Magazine	380,780	359,080	21,700	285,512
Advertising Sales	79,380	84,780	(5,400)	68,387
Total	<u>4,305,555</u>	<u>3,954,940</u>	<u>350,615</u>	<u>2,813,245</u>

FY01 Capital Budget Computer Hardware and Software

Estimated Cost: \$51,100
Source of Funds: Adrian Buttz Fund

Hardware:

- 01 Dell PowerEdge 4400 (dual PIII Xeon/800Mh/18gb/512kb)
(replace umaa_ntweb server (Micron PowerServer SMP)
and use this Micron box as a Print server for our network,
discard Novell server purchased in 1994)

- 02 64 MB RAM (add on the Micron PowerServer SMP
Print server)

- 01 G4-P5 Mac (replace Editor's Mac, move it to Print Coordinator's
office and discard Print Coordinator's Mac)

- 03 Sony 17" Monitor CPD-G200
(Print Coordinator and 2 replacements)

- 01 Micron PC - Millennia Max (PIII/800Mh/128/30gb)
(Administrative Manager)

- 02 Palm VII handheld + case

Software:

- Upgrade Netscape Enterprise server (V2.01 to V3.6)

- Upgrade to Windows 2000 server operating system and
upgrade to SQL 7 (defer until FY02)

- Database Enhancements – Payments to Business Microvar Inc.
consultants who work on script development and product
enhancements

Goldy Gopher Costume

Estimated Cost: \$3,000
Source of Funds: U of M Alumni Fund

Vendor: Norcostco Northwestern Costume
3203 N. Highway 100
Minneapolis, MN 55422

McNamara Alumni Center Office Enhancements

Estimated Cost: \$9,000
Source of Funds: U of M Alumni Fund

Enhance display opportunities within the mural area and provide a source of funds for the purchase other furniture and fixtures as the needs are identified.

Portable Display Units

Estimated Cost: \$3,000
Source of Funds: U of M Alumni Fund

One 10 foot Skyline Display unit

Special Funding Requests **July 1, 2000 – June 30, 2001**

Web Strategic Plan

Estimated Cost: \$10,000
Source of Funds: Adrian Buttz Fund

Request funds to work with a Web design firm to lead the UMAA in creating a strategic development plan for an alumni Web site which will: expand our outreach to alumni and friends; facilitate the recruitment of new members; boost the retention of existing members; and create an online community to which alumni will want to return.

The consulting firm will lead discussions with key constituencies from within and outside the UMAA, establish programmatic priorities, review existing technical set-up, systems and staffing, and recommend resources (technical and staffing) to accomplish the desired objectives. They will also work with management in the development of the implementation plan.

This funding request is for this first phase of the project and does not contemplate any implementation costs.

Some of Our Grads

Estimated Cost: \$145,000
Source of Funds: Adrian Buttz Fund

Request funds to revive the award-winning 1985 ad campaign that highlighted famous U of M grads, to increase UMAA visibility. (For example: "Some of Our Grads Walked with Kings" to spotlight Roy Wilkens, protégé of Martin Luther King.) This campaign will highlight lesser-known Minnesota grads doing amazing work in our nation and world, concentrating on stories of younger, more diverse grads. The plan is to develop 3-5 stories and involve a statewide effort (both pro bono and paid) to reach weekly newspapers, radio stations, high schools, and collegiate and alumni publications.

The 1985 ad campaign was created with pro bono creative talent and the budget assumes that an advertising or public relations firm will again be identified to work with UMAA staff on a pro bono basis.

Budget

Design costs	\$ 700
4-week run in 37 suburban newspapers	18,000
350 insertions in Greater Minnesota newspapers	86,350
12 Minnesota Daily Ads	3,200
30 second radio spots on WCCO (3 per day x 4 weeks)	32,000
Posters and distribution to state high schools	2,000
Alumni and other University publications	250
Miscellaneous	<u>2,500</u>
Total	<u>\$145,000</u>

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

EXECUTIVE COMMITTEE Wednesday, September 13, 2000 7:30 to 9:00 a.m. UMAA Conference Room

Committee Members Attending

Bredeson, Tom
Fountain, Jean
Hjelm, Andrea
Hopp, Deb
Jones, Dave
Klingel, Todd
Nelson, Bruce

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

Committee Members Unable to Attend

Erkkila, Dan
Lindahl, Nancy
Stein, Robert

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 7:30 a.m. She thanked the volunteers and staff members for their work on all of the activities and events that occurred over the summer and to date this fall, including University Day at Willmar; University Day at the State Fair; Maroon & Gold Day in St. Paul; the Volunteer Awards Celebration; and Alumni Day at the Dome.

Consent Agenda

The consent agenda included the May 31, 2000 executive committee meeting minutes; the June 30, 2000 financial statements; and the 2000-2001 national board committee descriptions. The consent agenda was approved as mailed.

Strategic Initiatives and Messages for 2000-2001

Fountain reviewed the UMAA's six strategic initiatives for this year:

- Membership acquisition, retention, benefits targeted to market segments
- Legislative network's continued vitality, visibility, and value-added to the U
- 150th commitments related to the annual meeting, including corporate underwriting
- Career continuum
- Gateway Corporation: plaza/park development and funding; front door to campus
- Long-term financial plan, including support from the University and the University of Minnesota Foundation through the campaign; analysis of UMAA investments

Fountain noted that these issues would be the focus of executive committee and national board meetings this year, as well as timely University information and topics. The executive committee members will be asked to help represent the UMAA at various meetings and events during the year, including alumni society and geographical chapter meetings. A list of roles and expectations for executive committee members was distributed.

Cheryl Jones, UMAA administrative manager, reviewed the handout on key messages for UMAA spokespersons. There was considerable discussion and a number of suggestions for themes to be added to the document, including the need to make a stronger case for joining the association as well as to emphasize that reaching 50,000 members will be impressive and impactful at the legislature.

The “core messages” document will be revised as discussed for presentation to the national board on October 7. This will be a fluid document, and committee members were encouraged to continue to think about themes and messages and provide additional comments and feedback.

Membership

Deb Hopp, UMAA vice president; and Elise Schadauer, UMAA associate director for membership and marketing, noted that December 31, 2000—the date by which the association needs to reach 50,000 members—is less than four months away. Hopp and Schadauer reviewed the results of 12 recent membership appeals. The membership total as of September 1, 2000, was 43,071. Taking non-renewals into account, it is projected that 9,124 new members are needed to reach 50,000. The plan to reach the 50,000 member goal through both paid and complimentary memberships was presented to the committee members. Schadauer explained the Team Gold “Connected to Success” student membership campaign in detail, noting that this effort will provide the UMAA with an early connection to these future alumni.

There was considerable discussion on a number of membership issues, including the need to address member retention. The goal must be to stabilize membership and grow incrementally. Margaret Carlson, UMAA executive director, stated that the association needs to have some member benefit that people simply don’t want to lose—such as an opportunity to access directories of graduates, to have outstanding career services options, and/or to have early access to post-season athletic tickets. It will also be crucial to develop a “culture of membership” similar to that at Penn State University, where alumni, friends, fans, parents, and students think of the alumni association as their life-long connection to the institution. It was suggested that University of Minnesota President Mark Yudof and other central administrators promote association membership in all of their presentations. The Marketing and Membership Committee will address all of these issues this year.

Legislative Initiative

Bob Burgett, UMAA associate director for outreach, reviewed the University’s 2001 legislative request. There are two components to the request: Strengthening the Foundation (\$160.1 million) and Investing in the Future (\$68.8 million). Donna Peterson, University government relations director, has said that the University will have a tough challenge at the legislature this year. Peterson is working to formulate this year’s legislative message, which will stress that there is a lot of public confidence in the University. The budget request will be presented to the Board of Regents for final approval in October.

The UMAA will continue to work closely with Government Relations to form messages and mobilize the legislative network, which will be positioned more broadly than before—as a University-wide network of alumni, friends, faculty, students, etc. A massive public relations campaign will be undertaken, as a great deal of information needs to be directed to many audiences. A grassroots consultant has been engaged to evaluate previous legislative initiatives and make recommendations for this year’s program.

There was discussion regarding the Academic Health Center portion of the legislative request and the impact of the University’s successful capital campaign. Burgett said that creative and exciting legislative strategies will be developed over the next several months, and that he expects great support for the legislative initiative again this year from alumni volunteers. The executive committee members were encouraged to contact each candidate for the House and Senate in their districts to tell them how important the University is to the state and to them as alumni.

Executive Director's Report

Carlson reviewed some public relations issues surrounding the University. The University's lawsuit against Clem Haskins, former men's basketball coach, may cause the University public relations problems as the suit is expected to continue for at least a year. The steam plant, which still does not work properly, and the stem cell transplant patient/genetic testing issue may garner press coverage.

Carlson reported, however, there is much good news at the University. More than 600 people are registered for the Summit on Minnesota's Economy, which will be held on September 20. The UMAA's Gopher visor hats are pictured in today's *Minneapolis Tribune*.

Bruce Nelson, UMAA president-elect, now serves on the Gateway Corporation Board of Directors. Plans are in place to open the McNamara Alumni Center on Saturdays and before Gopher sports events.. There will be a charette to plan the Gateway Plaza on September 15. The McNamara Alumni Center will be featured in the November issue of *Architecture* magazine.

The meeting adjourned at 9:00 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

NATIONAL BOARD OF DIRECTORS

Saturday, October 7, 2000

8:00 to 10:00 a.m.

University of Minnesota Foundation Board Room
McNamara Alumni Center, University of Minnesota Gateway

Board Members Attending

Barry, Anne
Bowser, Walt
Bredeson, Tom
Chelstrom, Marilyn
Eastman, Nora (for Barbara Tuckner)
Eelkema, Marilyn
Erkkila, Dan
Fountain, Jean
Hagford, Dave
Harder, Ronald
Hauschild-Baron, Beverly
Hjelm, Andrea
Hopp, Deborah
Hutchins, Bruce
Jones, Dave
Klingel, Todd
Lehman, Tom
Levin, Ross
Luehmann, Barb
Luis, Nita
Madson, David (via telephone)
McLeod, Mary
Mitchell, Jerry
Nelson, Bruce
Perman, Victor
Phillips, Jessica
Quinn, Mike
Smith, Charlie
Stein, Robert
Wangstad, Andy

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

University Guests Attending

Fischer, Jerry
Gardebring, Sandee
Morrison, Fred
Yudof, Mark

Board Members Unable to Attend

Ahles, Karen
Baudler, Bryan
Jamieson, Marj
Liebhard, Wayne
Noyce, Jerry
Pletcher, Carol
Reilly, Bill
Schulstad, Dennis
Sit, Deborah

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 8:05 a.m.

Fountain called the board members' attention to the video screen as she introduced University of Minnesota President Mark Yudof and Vice President for University Relations Sandee Gardebring. The board members viewed a variety of photographic slides of President Yudof traveling in China this past summer and Vice President Gardebring participating in Minnesota Royal last spring.

President Mark Yudof and Sandee Gardebring

President Yudof reported that the Summit on Minnesota's Economy, held September 20 in St. Paul, attracted more than 1,200 participants. He called the Summit "a very successful meeting," one which fulfilled its purpose of "stirring the pot and getting serious people to talk about serious issues." Minnesota's need for additional capital—human and venture—were two such issues. The University of Minnesota plays an important role in these areas. President Yudof has appointed a task force of 21 members, led by College of Agriculture, Food, and Environmental Sciences Dean Charles Muscoplat and Twin Cities business executive Lawrence Perlman. This group will examine and prioritize issues raised during the Summit and bring policy recommendations forward in December 2000. President Yudof said that he wants the group to "come to consensus on some meaningful economic measures that don't break the bank but that will cause a better quality of life for Minnesotans."

President Yudof also reported on the University 2000-2001 budget request. He stated that there is a lot of continuity between last year's and this year's budget. A big percentage of this year's budget is just to cover inflation—including major increases in health care benefits for faculty and staff. The budget will reflect University partnerships with the private sector, and will have a component designed to improve and make the computer/management information sciences departments more competitive, as well as a nano-technology initiative.

Sandee Gardebring explained that the budget will be presented to the Board of Regents for final approval next week. She asked the board members to review the "Reflecting on Success" brochure, which was designed to provide background information and support for the University among legislators and in the community. A letter from President Yudof and detailed information on the budget request will be mailed to key University supporters, including the UMMA board members, in the near future.

During the ensuing questions-and-answers, President Yudof and Gardebring made the following points:

- A more strategic approach to improving Minnesota's tax structure is an objective that arose out of the Summit on Minnesota's Economy. There were many important sub-issues that the Summit didn't provide a chance to examine; the University should take a long-term enabling role in continuing to bring these leaders together;
- The University needs to "programmatically connect up with where the action is" and promote the concept that the institution is trying hard to align its strengths with strategic needs; there has been good response from the corporate and legislative sectors to this type of approach;
- A decision from the National Collegiate Athletics Association (NCAA) is expected in mid-October, but the federal investigation will prolong the process and President Yudof is uncertain of what will happen; the University needs to keep emphasizing the facts in regard to the issues involving men's intercollegiate athletics; i.e., many individuals lost their jobs, etc.
- One objective of the Capital Campaign is to broaden the base of individual alumni giving;
- The University is alert to the public discussion of the need for a new outdoor football stadium;
- The idea of recognizing female leaders will be raised with the new director of the Women's Center;

- The University needs regents who have business acumen and perspective; are comfortable with technology issues; are savvy and can govern prudently; who understand the role of a board versus a president; who are collaborative, non-confrontational; and who know how to bring about consensus. Personal characteristics are more important than skills and employment background;
- The recent survey report published by the Private College Council casts a less than favorable light on the University of Minnesota undergraduate student experience when compared to private colleges. Gardebring termed the report “negative campaigning.” She noted that the survey covers only the period until 1994, when the University began to make huge strides in improving the student experience. Gardebring is working with the University’s Admissions department to ensure that they have complete and up-to-date data with which to counteract the report.

Fountain thanked President Yudof and Gardebring for their time and complimented them on the fine job that they are doing as leaders of the University of Minnesota.

Consent Agenda

The consent agenda included the June 13, 2000 board meeting minutes; the 1999-2000 financial statement; the committee highlight reports; and the University of Minnesota Gateway Corporation report. All items were approved as mailed.

Membership: 50,000 by December 31, 2000

Deb Hopp, UMAA vice president and chair of the Marketing/Membership Committee, reported that the UMAA has two crucial objectives: 1) to reach 50,000 members on or before December 31, 2000; and 2) to retain those members. A variety of new initiatives are designed toward this end, including renovating the UMAA’s web site; redesigning the “Some of Our Graduates” public relations campaign; connecting with students; broadening the benefit package; launching an Internet portal; and developing a presence on radio. Many recent membership appeals have been very successful, especially telemarketing. A variety of appeals are in progress, including a University faculty and staff campaign; partnerships with Women’s Athletics; and Team Gold, the student membership campaign.

As of October 1, 2000, UMAA membership totaled 44,454. By using an equation that factors in non-renewals, new members, and complimentary membership packages, the UMAA projects that it will reach 50,000 members by December 31, 2000. Hopp asked the board members to sign up as many new members as they possibly can in the next two months so that the new-member projection will be realized. Hopp noted that “50,000 members supporting the University” will convey an important message to the legislature.

There was discussion regarding the impact that soliciting joint memberships and intercepting crowds at Gopher events can make toward reaching the 50,000-member goal.

Executive Director

Margaret Carlson, UMAA executive director, thanked Jerry Fischer, University of Minnesota Foundation CEO, for the use of their space for UMAA board meetings.

In his State of University address, President Yudof stated that he wants the institution to become an “engaged University.” Key to this new culture is the willingness to collaborate, partner, and leverage, with the goal of becoming one united University. The association has been doing just what Yudof intends. (A slide presentation illustrated a number of these initiatives.) Also:

- There is a university-wide marketing effort that includes staff from University Relations, the University of Minnesota Foundation, Admissions, the Alumni Association, School of Journalism, as well as volunteers who are marketing/public relations experts. This group is combining their knowledge, expertise, and resources in approaching the media to carry the University's messages.
- The Gateway Park/Plaza planning charettee, held on September 15, included participants from the Gateway Corporation, the University, Stadium Village, and the City of Minneapolis.
- The McNamara Alumni Center will be featured in the November issue of *Architecture* magazine. Staff from United Properties, the Alumni Association and the Minnesota Medical Foundation assisted the writer and photographer.
- The Alumni Association was one of the official sponsors of the University of Minnesota Day at the State Fair, along with Facilities Management and the University of Minnesota Foundation. Dozens of collegiate and support units hosted visitors at the U's State Fair building, marched in the Sunday parade and helped with the pepfest.
- Maroon and Gold Day in St. Paul was a collaborative effort of the City of St. Paul, the Downtown Business Community, and Men's Intercollegiate Athletics.
- The New Student Convocation teamed our Alumni Association with Student Affairs. Every student received a tee shirt from the association as a way of recognizing that they have joined the University of Minnesota family.
- Other collaborative initiatives included: the Chapter Leader Conference; the UMAA Student Alumni Leaders; and Beautiful 'U' Day.

Carlson said that there is much public confidence in President Yudof and the University of Minnesota. This affects the UMAA's willingness to provide complimentary one-year memberships in order to meet the 50,000-member goal because the UMAA leaders are confident that these members will prove to be renewing members in the future;

National President

Fountain reviewed the UMAA's six strategic initiatives for 2000-2001 and the roles and expectations for board members. "Tool Kits" containing membership applications, legislative network signup forms, the UMAA calendar, and other items were provided to each board member. Fountain called special attention to the "Key Points for University and UMAA Spokespersons" document, urging the board members to study it carefully as they prepare to talk about the UMAA to potential members and the University to their legislators and others.

There were several comments in response to Fountain's call for questions and remarks:

- The UMAA is working with the Law School in the hope of bringing them under the UMAA umbrella as an official alumni society.
- Mary McLeod, at-large board member and member of the Regent Candidate Advisory Council, asked the board members to think and identify qualified candidate for University regent. McLeod thanked Jessica Phillips, at-large UMAA board member and departing University regent, for her outstanding service on the Board of Regents.

The meeting adjourned at 10:00 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
EXECUTIVE COMMITTEE**

November 8, 2000

7:30 to 9:00 a.m.

UMAA Conference Room, McNamara Alumni Center

Committee Members Attending

Erkkila, Dan
Fountain, Jean
Hopp, Deb
Jones, Dave
Klingel, Todd
Nelson, Bruce
Stein, Robert (by telephone)

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

Committee Members Unable to Attend

Bredeson, Tom
Hjelm, Andrea
Lindahl, Nancy

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 7:30 a.m.

President's Report.

Fountain announced that Tom Moe has accepted the position of director of the University of Minnesota Department of Men's Intercollegiate Athletics. Fountain stated that the search committee for this position is very pleased with this outcome.

Fountain noted that she had recently participated in a number of Homecoming activities, including the Class of 1950 reunion luncheon; the pre-game Homecoming breakfast at the McNamara Alumni Center; and the UMAA float in the Homecoming parade. Homecoming activities were very well-attended and successful this year.

Fountain also announced that Nancy Lindahl, immediate past president of the UMAA, has been named Commodore of the Minneapolis Aquatennial. Lindahl is the first female to hold this position.

Executive Director's Report

Margaret Carlson, UMAA executive director, reported that she had participated in a University forum at which Tom Moe was introduced as the sole final candidate for the Men's Athletics Director position. As the forum neared completion, Kathleen Ridder and other women representing Women's Athletics announced that they endorsed Moe's candidacy. Carlson and Fountain noted that Moe has begun to talk publicly about the possibility of a new outdoor football stadium for the Gophers, while University of Minnesota President Mark Yudof is noncommittal at this point in time. The UMAA will most likely be asked to participate in the stadium debate, most likely moving through the usual process of Advocacy Committee, Executive Committee, and National Board.

Carlson reported that construction bids to renovate Coffman Memorial Union came in significantly over budget, so the project has been put on hold. There are political ramifications in regard to a major delay because the University's East Bank campus is currently lacking any student union-type facility.

The McNamara Alumni Center Plaza planning group has met twice. The Gateway Corporation plans to present the design to the University Board of Regents in February 2001.

The recommendations of the working group that is following up on the September 20 "Summit on Minnesota's Economy" will be released on December 14. The UMAA Advocacy Committee will discuss the recommendations following their release.

Governor Ventura has decided that he will not appoint anyone to the University regent position which is open due to the Honorable William Peterson's death. This means that the 2001 legislature will need to fill five available positions (three at-large, for which there are two incumbents; one 5th district position, for which there is one incumbent; and one student position). The executive committee members reaffirmed that the UMAA's objective is to try to get as many qualified people as possible in the general regent pool.

A national survey on credit card debt, mandated by a number of legislators, is being conducted, and a series of meetings is being held on campus. Carlson and Diane Fisher, UMAA associate director for finance and operations, will participate in a meeting since the UMAA has a credit card marketed to alumni.

The University conducts five-year reviews for upper-level administrative employees. Carlson's review will begin shortly, with Mary Heltsley, University vice president for outreach, as committee chair. The executive committee members will most likely be contacted per this review process.

Consent Agenda

The consent agenda included the September 13, 2000, executive committee minutes; the financial statements as of September 30, 2000; and the investment policy recommendation. All were approved as mailed. Bruce Nelson, UMAA president-elect, moved that the investment policy recommendation be moved from the consent agenda to the discussion agenda for the upcoming national board meeting. This motion was seconded and approved.

FY00 Audited Financial Statements

Fisher distributed the FY00 audited financial report, noting that the audit was "clean" and there were no surprises or changes from the FY00 internal year-end financial statements. The audited financials will be provided to the national board members in advance of the upcoming board meeting.

Proposal to Expand the UMAA's Presence on the Web

Todd Klingel, UMAA secretary-treasurer, reported that the UMAA Finance Committee has reviewed and endorsed the plan for the Phase I redesign of the UMAA web site. The Finance Committee recommends that up to \$115,000 from the University-held Adrian Buttz Fund be used as the source of funding. Tom Garrison, UMAA associate director for communications, reviewed the plan/proposal from Urban Planet in detail.

Garrison reiterated that the UMAA is requesting funding at this point time for Phase I of the plan only. The objective of Phase I is to rebuild the current website on a content management system that will allow UMAA staff to add, edit, and delete site content on demand; to redesign the look and feel of the site to more closely reflect the strategic goals and objectives of the UMAA; and to build other functionality that does not require access to the membership database. Garrison noted that the opportunity for alumni to participate in the "class notes/yearbook" part of Phase I will be especially helpful in creating publicity and connections for the association.

There was considerable discussion, and the proposal was enthusiastically endorsed by the committee members. A motion to ask the national board to fund the project in the amount of \$140,000, rather than \$115,000, was made and seconded. It was agreed that this bigger financial cushion is needed in the event of unanticipated challenges, for staff training, and for marketing opportunities. The motion to increase the amount of requested funding was approved.

Membership

Elise Schadauer, UMAA associate director for marketing and membership, reported that membership totaled 52,315 as of November 7, 2000. This total number includes the complimentary new graduate and First USA card-holder memberships. Paid memberships resulting from the parent/student and telemarketing campaigns continue to come in. The Marketing and Communications Committee will meet to address the topic of member retention later this month. The committee members congratulated the UMAA staff members and volunteers on reaching the membership goal. This accomplishment will be formally celebrated at the December national board meeting.

Legislative

Bob Burgett, UMAA associate director for outreach, explained the components of the University's 2001 budget request. The components of the \$221.5 million dollar request involve strengthening the foundation (general compensation, the undergraduate experience, medical school, state specials, facilities support, libraries, and technology) and investing in the future (competitive compensation, interdisciplinary academic initiatives, health professional education, and state specials-program initiatives).

Again this year the grassroots approach looks to be the way to go, said Burgett. The University's Government Relations Office hired a consultant to study and recommend ways that the University can enhance its legislative strategy. Fundamental shifts will occur over the next two to three years, including the legislative network moving to an all-University network involving alumni, friends, faculty, staff, collegiate units, etc. The district captain program will expand into the communities. The UMAA is working closely with Government Relations to develop legislative messages, mobilize the alumni portion of the network, and chair the Grassroots Committee.

There was discussion regarding components of the budget request, including competitive compensation. The committee members agreed that the legislative message needs to be personalized as much as possible and that the faculty/research/state's economic engine connections need to be stressed. The University of Minnesota is the only research institution in the state, and Minnesota is the smallest state to have a research University.

Carlson said that legislative advocacy will be one of the highest level, highest priority activities for the UMAA. Legislative advocacy will be a year-round, ongoing operational program. Carlson and Burgett meet biweekly with Sandra Gardebring, vice president for University Relations, and Donna Peterson, Government Relations director, to determine short-term strategies and immediate next steps. Gardebring will discuss the legislative request with the UMAA board members in December.

Fountain adjourned the meeting at 9:05 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

NATIONAL BOARD OF DIRECTORS

Saturday, December 2, 2000

8:30 to 10:30 a.m.

University of Minnesota Foundation Board Room

McNamara Alumni Center, University of Minnesota Gateway

Board Members Attending

Ahles, Karen
Baudler, Bryan
Bowser, Walter
Bredeson, Tom
Chelstrom, Marilyn
Eastman, Nora (for Tucker, Barbara)
Eelkema, Marilyn
Erkkila, Dan
Fountain, Jean
Hagford, David
Harder, Ronald
Hauschild-Baron, Beverly
Hjelm, Andrea
Hopp, Deborah
Klingel, Todd
LaSalle, Tom
Lehman, Tom
Levin, Ross
Lindahl, Nancy
Luehmann, Barb
Luis, Nita
Madson, David (by phone)
Morrison, Fred
Nelson, Bruce
Noyce, Jerry
Perman, Victor
Phillips, Jessica
Quinn, Mike
Reilly, Bill
Smith, Charlie
Sit, Debbie
Stein, Robert
Wangstad, Andy

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

University Guests

Gardebring, Sandee

Board Members Unable to Attend

Barry, Anne
Bymark, Jim
Hutchins, Bruce
Jamieson, Marj
Jones, Dave
Liebhard, Wayne
McLeod, Mary
Mitchell, Jerry
Pletcher, Carol
Schulstad, Denny

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 8:35 a.m.

Vice President for University Relations

Sandee Gardebring, vice president for University Relations, reviewed the University's \$221.5 million dollar biennial budget request. The request is divided into two parts: Strengthening the Foundation (continue priorities, meet challenges, maintain excellence); and Investing in the Future (increase competitive position, seize unique opportunities, especially those focusing on biology, and meet statewide workforce needs).

The "Strengthening the Foundation" portion of the request totals \$150 million dollars. Though this is a very large amount, it is needed just to maintain the status quo at the University. These initiatives include general compensation, the undergraduate experience, medical school, state specials, facilities support, libraries, and technology. "Investing in the Future" totals \$71.5 million dollars; included initiatives are competitive compensation, interdisciplinary academic initiatives, health professional education, and state specials-program initiatives.

Gardebring urged, "we need to marshal the troops now." She urged all members of the board to become active in the University's legislative network. There are many competing requests for state dollars, and the Governor and the House appear to be heading in the direction of providing tax rebates and cuts. The University strategy will be to focus on the Senate, as Senator Deanna Wiener will chair the Senate Higher Education Finance Committee and other very senior members of the legislature have been appointed to this committee. The University will attempt to underscore with legislators that we cannot move forward (investing in the future) unless we are firmly grounded where we are (strengthening the foundation).

There was discussion about the legislative request, including the huge increase in employee health care costs. Gardebring said that University of Minnesota President Mark Yudof has formed a task force to research potential savings in health care and human resources. Dan Erkkila, UMAA vice president, echoed Gardebring's call to action, stating that lobbying is all about timing and relationships and that now (pre-legislative session) provides an excellent window of time to make personal contacts with legislators.

Gardebring also reviewed President Yudof's initiative for economic development. A working group appointed by President Yudof has been following up on the "Summit on Minnesota's Economy" that was held in September. The official recommendations of this group, which will focus on the importance of developing the knowledge economy in Minnesota, will be released on December 14. One of the recommendations will be to develop a scholarship program which is designed to keep the best and the brightest in Minnesota. Another recommendation will involve technology transfer and the possibility of a research campus/research park. This economic development initiative has created a coalition of community leaders that recognize that the University of Minnesota is key to the quality of life in Minnesota.

In regard to a new football stadium, Gardebring said that both Tom Moe, University Men's Athletics Director; and Glen Mason, Gopher Football Coach; are outspoken advocates for a Gopher-only outdoor stadium. The Minnesota Vikings, however, want a joint Gopher/Viking stadium and will bring this proposal to the legislature. The University will cooperate with the Vikings in their study but will retain its own consultant to look into a Gopher-only stadium. There are a variety of issues involved, including land use and availability, turf vs. grass, open-air vs. dome, revenue streams, etc. The over-arching theme, however, must be that the University will not let a stadium compete with its academic needs and priorities. The University will not ask the legislature for any funding for a new stadium. Gardebring asked the board members to help in communicating this stadium philosophy to the broader community.

Consent Agenda

The consent agenda included the October 7, 2000, national board meeting minutes; financial statements as of September 30, 2000; FY00 audited financial statements; committee reports; University Gateway Corporation report; recommendation for form a 4H alumni group; UMAA bylaws revision; and FY01 Nominating Committee composition. All items were approved as mailed.

Investment Policy Recommendations

Bruce Nelson, UMAA vice president, presented the recommendation of the UMAA Finance and Executive Committees to adopt new investment policies for the funds held by the University of Minnesota Foundation (UMF). Nelson explained that the UMF, through its wholly owned subsidiary, University of Minnesota Foundation Investment Advisors, manages ten UMAA funds, totaling approximately \$20,000,000, that are used for the purposes of scholarships, awards, and general operations. These funds, invested with the other assets of the Foundation in a large pool, have been subject to the Foundation's investment policies.

Last year, the UMAA Finance Committee formed a sub-committee to look at the area of invested funds to gain a better understanding of current investment management structure; review cash flow needs and risk tolerance related to the asset allocation of the funds; and develop formal investment policies for the funds and establish a process for quarterly performance review. The recommendations of the sub-committee are detailed in four separate policies, the outcome of which is that the UMAA will now have a process to measure investment performance and review performance against benchmarks.

The investment policy recommendations were approved.

Expanding the UMAA's Presence on the Web

Todd Klingel, UMAA secretary-treasurer, reported that pursuant to the UMAA's strategic plan, the board members last July approved funds to hire a consultant to help the UMAA develop a long-term plan to enhance its presence on the web. Urban Planet, the firm hired after a careful review of bids, developed a proposal in collaboration with UMAA staff members at all levels. Phase I of the proposal has been reviewed and approved by the UMAA Finance and Executive Committees. The Executive Committee recommends that up to \$140,000 from the University-held Adrian Buttz Fund be used as the source of funding.

Tom Garrison, UMAA associate director for communications, presented the proposal in detail. The overall objectives of the plan are to create lifelong connections to alumni and friends; improve service to members; and empower staff to do what they do best. Specifically, the objective of Phase I is to rebuild the current website on a content management system that will allow UMAA staff to add, edit, and delete site content on demand; to redesign the look and feel of the site to more closely reflect the strategic goals of the UMAA; and to build other functionality that does not require access to the membership database. Garrison noted that the opportunity for alumni to participate in the class notes part of Phase I will be especially helpful in creating publicity and connections.

There was animated discussion and much enthusiasm among the board members for the opportunities presented by the plan, especially the legislative component and potential links that could be provided on the site. Garrison briefly reviewed the content and timing of Phases II and III of Urban Planet's proposal, which when fully identified and priced will be brought back to the appropriate committees and national board for funding approval. The board members endorsed Phase I and approved the \$140,000 in funding unanimously.

Executive Director's Report

Margaret Carlson, UMAA executive director, thanked the volunteers and staff members for their work on the plan to enhance the UMAA's presence on the web. She reported on the following:

- The UMAA has a five-year strategic plan, and now needs a corresponding five-year financial plan. The UMAA executive and finance committees asked that Carlson look into the issue of long-term funding for the association from the University, so Carlson and Diane Fisher, UMAA associate director for finance and operations, will meet with Gardebring in the near future about this. They will also meet with the University of Minnesota Foundation in regard to continuing the campaign preparedness funding that the association receives each year.
- The recommendations of the working group that is studying the issues raised in the September 21 "Summit on Minnesota's Economy" will be ready on December 14. The UMAA Advocacy Committee will discuss the report on December 19; interested board members are welcome to participate.
- Regarding a new football stadium, the University has agreed to cooperate with the Minnesota Vikings in studying the relevant issues. The UMAA may be asked to participate in the University's evaluation and decision-making on this topic; if so, the association's regular process of taking issues through the advocacy committee, executive committee, and national board will be followed.
- Nedra Wicks, chair of the Regent Candidate Advisory Council, informed Carlson yesterday that 80 regent applications had been received (note: this number rose to 134 following the deadline/checking of postmarks). The UMAA sent letters to the national board, past national presidents, and a number of other individuals asking them to identify and encourage qualified candidates to apply and/or apply themselves.
- Bob Burgett, UMAA associate director for outreach, is chairing the all-University football post-season bowl planning group. Information on the Micronpc.com Bowl has been placed on the board members' chairs.

Membership Celebration

Fountain announced that she had very exciting news: the UMAA has reached its goal of 50,000 members. She reminded the board members that the UMAA began this journey nearly five years ago, when the membership number was 27,719. As of today, membership totals 52,731: a 90% increase.

Fountain reviewed the variety of appeals and campaigns that the UMAA developed and implemented over the years to reach this goal. She thanked the many volunteers and staff members who helped along the way. The UMAA will now begin sharing this success with the University and the general community through a variety of public relations strategies. In addition, the UMAA Marketing and Communications Committee has already begun discussion ways to retain these 52,000 members, and they will continue to work on this exciting challenge throughout the year. So let us celebrate, said Fountain.

The board members enjoyed cider and cake as they toasted this success. Kudos were given to Deb Hopp, UMAA vice president, who in turn gave special thanks and congratulations to Elise Schadauer, UMAA associate director for marketing and membership.

UMAA Fall Video

Garrison presented the Fall 2000 "What's New at the U" video. Fountain praised the video and thanked Garrison for a wonderful product. Dan Erkkila, UMAA vice president, encouraged the UMAA to explore distributing the video more widely. He provides each UMAA video to the Grand Rapids, MN, community access television station. Carlson encouraged the board members to do likewise.

Recognition of Bruce Nelson

Fountain presented Nelson with a certificate on behalf of David Kidwell, dean of the Carlson School of Management. The certificate recognized Nelson for his work in developing the Target Day at the Carson School of Management on October 31, 2000, which Kidwell proclaimed an exemplary program.

Adjournment

Fountain adjourned the meeting at 10:30 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

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

February 7, 2001

7:30 to 9:00 a.m.

UMAA Conference Room, McNamara Alumni Center

Committee Members Attending

Hjelm, Andrea
Fountain, Jean
Hopp, Deb
Klingel, Todd
Nelson, Bruce

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

Committee Members Unable to Attend

Bredeson, Tom
Erkkila, Dan
Jones, Dave
Lindahl, Nancy
Stein, Robert

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 7:30 a.m.

Consent Agenda

The consent agenda included the November 8, 2000, executive committee meeting minutes; the financial statements as of December 31, 2000; and the mid-year budget revision. All were approved as mailed.

National President

Fountain reported that she had participated in the Legislative Briefing on January 16. More than 300 alumni and friends attended the briefing, and Fountain was impressed with their enthusiasm. University of Minnesota President Mark Yudof was passionate in talking about the University's needs, and Senator Larry Pogemiller gave useful, practical advice. The McNamara Alumni Center worked extremely well as a venue for this event.

The Regent Candidate Forum on February 6 was very successful. All thirteen final regent candidates participated in the forum, and about 40 key legislators attended. A joint committee of 65 legislators will interview the thirteen candidates in two weeks. Senator Sandra Pappas requested that this joint committee use the candidate information booklets and interview questions that were prepared by the UMAA for the forum.

Margaret Carlson, UMAA executive director, reported that she was invited to speak at the regent candidate orientation program. It provided her an opportunity to tell the candidates that the alumni association sponsored the formation of the Regent Candidate Advisory Council, and the UMAA's goal through the years has been to help recruit as many qualified candidates into the regent pool as possible. Carlson was very complimentary of the regent finalists.

Legislative Advocacy

Bob Burgett, UMAA associate executive director for outreach, reported that the University is in a fight for its life at the legislature. Governor Jesse Ventura has recommended that the University receive \$56 million in new dollars, while the University has requested \$221.5 million dollars. Sandee Gardebring, vice president for University Relations, is leading a "brain trust" on how to get the University's message out quickly and effectively.

The UMAA is currently mobilizing the legislative network via action alerts, newsletters, and calling nights. Burgett is chairing the all-University grassroots committee, in which the entire University is engaged this year. Burgett said that now is the time for *everyone* to contact their legislators. Some new and creative legislative programming is being developed, such as community forums and kiosks at shopping malls. Also, editorials by Fountain will be placed in the metropolitan newspapers.

There was discussion about the effectiveness of rallies at the Capitol. Burgett reported that University Government Relations staff have stated that rallies must be massive to be impactful; he will check with them again, however. Deb Hopp, UMAA vice president, suggested that what is needed is a true superstar, such as Garrison Keillor, to “go toe-to-toe” with the Governor.

Burgett reported on the 2001 legislative timetable and process. The goal set by University Relations is that every legislator receive 100 contacts. Strategies are being developed to better promote the legislative message in suburban areas and other “weak pockets.”

Carlson reported that Gardebring has asked the UMAA to provide funds for new legislative buttons and for the above-mentioned opinion-editorial pieces. Weber-Shandwick, Inc., will write the editorials (\$2200 per newspaper for a total of \$4400), which will be approved and signed by Fountain. Carlson suggested potential messages and themes for the editorials. Bruce Nelson, UMAA president-elect, advised against including information about the University’s private fund raising successes. It was agreed that the public needs to be educated regarding the University’s need for both private and public funding. A motion that the UMAA financially support the legislative initiatives requested by Gardebring was made, seconded, and approved.

Executive Director

Carlson distributed a handout containing information that she utilized when meeting with Jerry Fischer of the University of Minnesota Foundation (UMF) and Gardebring about the funding allocations that the UMAA receives from the UMF and the University. Fischer has agreed that the UMF will continue to provide funding to the association for two additional years. Gardebring has agreed to talk with President Yudof about Carlson’s request for a five-year funding commitment.

Carlson reported that the UMAA management team is meeting regularly to set goals and objectives for the next fiscal year, utilizing a “zero based budgeting” approach. Several bold initiatives have already been identified. The complete plan and budget will be presented to the executive committee and national board in June.

Carlson also reported as follows:

- The renovation of Coffman Memorial Union is back on track with a design/build process;
- The UMAA is participating on the planning group which is addressing the renovation of Northrop Auditorium;
- On February 20 at 7:30 a.m., information on the football stadium debate will be presented to the UMAA Advocacy Committee by Eric Kruse, vice president for University Services, and Dave Mona, representing the Minnesota Vikings; the executive committee members are welcome to attend this meeting;
- An all-University marketing group has been working on several initiatives; Carlson and Gardebring are meeting with television stations and Channel 5 has agreed to sponsor the “Some of our Grads” campaign if they can do so exclusively;

- Carmela Kranz, who has been a staff member at the UMAA for the past ten years, is leaving the association to work as an associate development director at the Minnesota Medical Foundation. Several other alumni staff members have moved on to development positions in the past; salaries may be a factor.

Tom Garrison, UMAA associate director of communications, announced that *M* has been redesigned and the new issue will be printed by the end of February. He asked the committee members to provide feedback on the redesigned publication.

Career Continuum

Andrea Hjelm, UMAA vice president; and Burgett distributed a draft proposal for a UMAA Career Services Program. Burgett discussed five future hallmark initiatives, noting that he is working to determine the cost and staffing implications of each initiative.

There was discussion. Burgett noted that the University of Minnesota is different from many other institutions in regard to career program needs. The University's goal is to assist not only new graduates but also those that are under-employed. In response to a question about meshing the career program with internship opportunities, Burgett said that the University needs to be more centralized with career programming and that this function will soon be looked at by the University's vice president for academic affairs.

Membership

Elise Schadauer, UMAA associate executive director for marketing and membership, reported that membership as of February 1, 2001, totals 52,600. The UMAA is moving quickly from a recruitment mode into a retention mode, with several new initiatives occurring very soon. The marketing committee will address topics such as improving the membership renewal system; obtaining more qualitative member data; utilizing the enhanced web site; cross-marketing; and enhancing communication with members.

Fountain adjourned the meeting at 9:05 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

For

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

NATIONAL BOARD OF DIRECTORS

Saturday, March 3, 2001

8:30 – 10:30 a.m.

Ski-U-Mah Room, McNamara Alumni Center

Board Members Attending

Ahles, Karen
Bowser, Walter
Bredeson, Tom
Bymark, Jim
Chelstrom, Marilyn
Clark, Matt
Eelkema, Marilyn
Erkkila, Dan
Fountain, Jean
Hagford, Dave
Harder, Ron
Hauschild-Baron, Beverly
Hjelm, Andrea
Hopp, Debb
Hutchins, Bruce
Jamieson, Marjorie
Jones, Dave
Lehman, Tom
LaSalle, Tom
Levin, Ross
Lindahl, Nancy
Luehmann, Barb
Luis, Nita
Madson, David (by speaker phone)
McLeod, Mary
Nelson, Bruce
Perman, Victor
Phillips, Jessica
Pletcher, Carol
Quinn, Mike
Reilly, Bill
Schulstad, Dennis
Smith, Charlie
Sit, Debbie
Stein, Robert
Tuckner, Barbara
Wangstad, Andy

Board Members Unable to Attend

Barry, Anne
Baudler, Bryan
Liebhard, Wayne
Mitchell, Jerry

UMAA Staff Members Attending

Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

UMAA Staff Members Unable to Attend

Burgett, Bob

University Staff Members Attending

Kruse, Eric
Massey, Joe
Moe, Tom

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

Eric Kruse, vice president for University Services, and Tom Moe, Men's Intercollegiate Athletics director, discussed the issues surrounding a potential new football stadium. Kruse said that at this point in time the University is not planning or designing a new stadium, but is responding to the Minnesota Vikings, who are very focused on getting a bill into the legislature this year. The University has retained the architectural firm HNTB to help determine its ideal football environment. There are major issues that need to be addressed, including how a joint collegiate/professional facility looks and works. Other issues are ownership (the University wants to be the landowner and control scheduling); number of seats and suites, open-air vs. dome and retractable dome, operating costs, etc. Three potential locations have been identified, one of them on campus. The University definitely would want the campus site: the 30 acres currently occupied by the Mariucci parking lots (the lost parking would then need to be replaced at additional cost).

The cost for a retractable roof stadium is estimated to be about \$450 million dollars, which Kruse believes is low because it does not include roadway and infrastructure work. Concept drawings already exist for this \$450 million dollar option, but they have not been released. The University insists that the institution not incur "one dime" of capitol cost for a new stadium.

Moe discussed two major issues relevant to a new stadium: revenue and atmosphere. Men's Athletics must be 100% self-supporting, so it is important to maximize every opportunity that presents itself. A new, Gopher-only football stadium will generate revenue from suite and club seats sales, concessions, and parking, which the University does not receive in their Metrodome contract. Moe noted that Ohio State University generates \$4 to \$5 million dollars per year in parking and concessions revenue alone. Five other Big 10 schools are renovating their stadiums to bring in additional revenue, said Moe. This issue could be addressed in a number of ways, and the University is looking at different possibilities.

Moe believes that game day atmosphere would be greatly enhanced with a Gopher campus football stadium. The ambience is definitely more spirited on other campuses. Moe envisions alumni gatherings, football weekends, tailgating, and other activities that would enliven the campus and help build pride and spirit around Gopher football. "A wide variety of constituencies would come together on game day in support of the University. We will miss out on this community and collegiality without an on-campus stadium," said Moe, who does not believe that this kind of atmosphere can be generated in an "entertainment center" like the Metrodome.

Kruse stated that the University is trying to approach this issue as a partnership with the Vikings, so that both entities can help meet the other's needs. The Vikings have no desire to own the stadium, and the University has the leverage right now. He noted that there are opportunities here to be creative and help satisfy other University needs, such as using stadium suite/club spaces for student dining, freshman seminars, etc.

There was considerable discussion in regard to the current demand for Gopher football; Glen Mason's future plans; the potential longevity of a partnership with the Vikings; cost and financing of the various stadium options; how other joint college/National Football League stadiums work; and how to position this issue with legislators. Kruse said that the institutional position is that the University wants to be at the table on the stadium issue, but that academics are the first priority. Joe Massey, chair-elect of the Faculty Consultative Committee, stated that it is crucially important that students and faculty be involved in the stadium discussions and decisions.

National President's Report

Fountain reported that the Regent Candidate Forum was very successful, with more than 40 key legislators participating this year. Fountain has also been involved in several Sesquicentennial Celebration activities, including a Presidential Tribute campus lecture and an alumni event in Florida. She reminded the board members that they are scheduled to have dinner with the members of the University Board of Regents on April 5, 2001.

Consent Agenda

The consent agenda included the December 2, 2000, national board meeting minutes; the UMAA financial statements as of December 31, 2000; the mid-year budget revision; UMAA committee reports; and the University Gateway Corporation report. All were approved as mailed.

Executive Director's Report

Margaret Carlson, UMAA executive director, reported that University of Minnesota President Mark Yudof has asked Sandee Gardebring, vice president for University Relations, to oversee a ramped-up legislative initiative. The UMAA will become the headquarters for this legislative effort. UMAA staff members Bob Burgett, Libby Tate, and Hope Thill have been re-assigned to work full time on the legislative effort. Consultants from Grassroots Solutions, Inc.; and staff members from University Relations will also be working in the UMAA offices.

"This is a total, all-University effort," said Carlson. Volunteers will gather every Monday, Tuesday, and Wednesday evening at the UMAA for calling nights. President Yudof will be traveling around the state; private and public endorsements will be sought; editorials signed by Fountain will be written for the major newspapers; a letter to alumni and friends from President Yudof will be inserted into the March-April issue of *Minnesota*; and every University publication will contain a call to action.

There was considerable discussion regarding: the University's legislative connection to MnSCU and K-12; employee costs in regard to health insurance; and the choice that legislators are facing regarding cutting taxes vs. spending money. Dan Erkkila, UMAA vice president, implored the board members to contact their legislators and continue to do so throughout the session to encourage them to support the University's full request. Erkkila said that the message should be: "I don't need a tax cut; spend the money on higher education." At the suggestion of Mary McLeod, at-large board member, Carlson said that a calling night for national board members would be scheduled.

Carlson asked McLeod to report on regent selection. McLeod reported that the Regent Candidate Advisory Council (RCAC) received 133 applications. The council interviewed 25 candidates and recommended 13 finalists, each of whom participated in the UMAA's Regent Candidate Forum. When the joint House/Senate Committee met to make their selections, however, they departed from the RCAC's recommendations and controversy ensued. At this time there is a standoff and no meeting to select the five regents has been scheduled.

Membership

Deb Hopp, UMAA vice president and chair of the Marketing Committee, reported that membership came very close to 53,000 in February. "Reaching and surpassing our 50,000-members goal has been a very good thing for the UMAA, public relations and publicity-wise," Hopp said. The UMAA will now move into a "retention mode," she continued. The renewal system will be re-examined; thank-you cards to members will be designed; and the new UMAA web site will soon be ready to launch, with capability for "blast e-mail."

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
Executive Committee Meeting
June 13, 2001
7:30 to 9:00 a.m.
Laukka Conference Room, McNamara Alumni Center

Committee Members Attending

Bredeson, Tom
Fountain, Jean
Hjelm, Andrea
Hopp, Deb
Jones, Dave
Klingel, Todd
Lindahl, Nancy
Nelson, Bruce

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

Committee Members Unable to Attend

Erkkila, Dan
Stein, Robert

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 7:30 a.m. She reviewed the highlights of the association's activities and programs during the past year. Fountain recently participated in the legislative thank-you reception at Eastcliff, which attracted 247 attendees, and a "3 X 3" meeting with key leaders from the Board of Regents and the UMAA. Fountain's year-end report of UMAA accomplishments to the Board of Regents focused on the results of the legislative session. She told the regents that she is very proud of the huge effort put forth by the legislative network, but that she is very disappointed with the final appropriation, which looks as if it will be half of what University of Minnesota President Mark Yudof proposed.

Consent Agenda

The consent agenda included the February 7, 2001 executive committee meeting minutes and the financial statements as of April 30, 2001. Both items were approved as mailed.

Nominating Committee Report

Nancy Lindahl, chair of the Nominating Committee, presented the 2001-2002 slate of officers:

President	Bruce Nelson
President-elect	Deb Hopp
Vice President	Dan Erkkila
Vice President	Andrea Hjelm
Vice President	Bob Stein
Vice President	Jerry Noyce
Secretary-Treasurer	Todd Klingel
Past President	Jean Fountain

This slate was approved for presentation to the national board of directors on June 28, 2001.

Legislative Report

Bob Burgett, UMAA associate director for outreach, reported that the legislature is in special session. None of the higher education bills will be addressed until the tax bill is finalized. At the legislative thank-you reception, University of Minnesota President Mark Yudof remarked that "the social contract of supporting higher education in the state of Minnesota seems to have changed." President Yudof remains committed to access, but there will also need to be a trend toward high tuition/high scholarship.

There was considerable discussion. Margaret Carlson, UMAA executive director, said that President Yudof is fundamentally looking at how college educations are funded. Yudof told Carlson that the University of Minnesota Foundation (UMF) "may have to look at fund raising for scholarships in a way that they haven't before." There will be a special meeting of the regents in late June or early July to address the double-digit tuition increase that President Yudof will propose.

Burgett said that this year's grassroots lobbying effort is receiving a lot of recognition and kudos. Alumni and friends placed 15,000 calls to drum up support for the University's legislative request, which is unprecedented involvement. Burgett said that the grassroots initiative brought people at the University together and positioned the UMAA very well. Committee members discussed the proposed legislative redistricting and the need to encourage alumni who support higher education to run for office.

FY02 Goals and Objectives

Carlson said that ordinarily the FY02 Budget would be presented for approval at this time in conjunction with the FY02 Goals. However, the University's budget is not yet finalized, so the association cannot yet determine its budget since we receive 22 percent of our operating budget from the University.

Carlson presented the proposed FY02 goals and objectives. There was considerable discussion about each goal. Burgett provided additional detail on the Career Continuum goal, noting that "creativity sparks will begin to fly when the UMAA starts to mix it up with the College of Continuing Education (CCE) staff on-site." The committee members agreed that the new UMAA web site will provide many overarching opportunities. In regard to the McNamara Alumni Center goal, ideas on ways to fill the space vacated by Goldy's in the building were discussed. Carlson said that the Gateway Corporation board members would make a decision on the space very soon.

The UMAA Finance Committee and Executive Committee members agreed that the association should move ahead with filling open staff positions, including the new "web master," since it is crucial to maintain momentum in light of the capital campaign and other pressing goals. Following discussion, the FY02 goals and objectives were approved, subject to the budget which will be presented at the September executive committee and national board meetings.

Modification of UMAA Space for Career LifeWork Center

Todd Klingel, UMAA secretary-treasurer, presented a recommendation to spend \$5,500 for modifications to office space at the association that will house the new University of Minnesota Career and LifeWork Center, a function of the UMAA's partnership with CCE. As CCE would like the Center to be operational by September, this funding request is being presented separate from the capital budget, which will be presented along with the operating budget when it is finalized. The cost to retrofit the McNamara space to house two CCE staff, modify a small conference space, and set up a resource area will not exceed \$5,500. The UMAA will pay for modifications of a permanent nature, and the cost of furnishings will be covered by CCE. Following discussion, this recommendation was approved.

Membership Dues

Elise Schadauer, UMAA associate director for marketing and membership, presented a recommendation to increase UMAA membership dues by \$10 for single and \$5 for joint memberships beginning on July 1, 2001. To address the need to increase the percentage of life members in the association, the proposal also includes increasing the promotion of life memberships and adding a discounted senior citizen life membership. Finally, dropping the five-year membership is proposed.

Schadauer noted that the UMAA has not increased membership dues since 1992. She provided detailed background information and reviewed the research that she conducted prior to forming this recommendation to increase dues.

Fiscal year 2002 will be a transition year, said Schadauer. All new appeals will list the new dues prices beginning July 1, 2001. The primary UMAA membership goal is to retain 50,000 members. "We face some risk in increasing membership dues because of our high percentage of annual members compared to multiple-year and life members," said Schadauer. Because there is less risk for membership to drop when there is a high percentage of life members, it is imperative that the UMAA focus on attracting life members and upgrading current members to life membership.

There was discussion regarding the potential impact of a dues increase on retention. "It is not an option to drop below 50,000," stated Nelson. Following additional discussion, the recommendation to increase membership dues was approved.

Executive Director

Carlson reported that the regents approved the design for a monument on the Gateway Plaza earlier this month. The monument consists of two towers about six feet apart—one in granite and the other in copper with shards of lighted glass between them. Although construction of the monument is subject to obtaining private funding, the footings need to be placed now.

Carlson announced that Elise Schadauer will be resigning her position at the end of this month to spend more time with her young family. Carlson will appoint an interim membership/marketing director and commence a search for a permanent staff person in late summer/early fall.

Annual Celebration

Burgett reported that 2,000 tickets have been sold for the 2001 UMAA Annual Celebration on June 29. The dinner portion of the event is sold out. Minnesota Public Radio will broadcast the performance of the Minnesota Orchestra live throughout their network. Following the orchestra performance, there will be a fireworks extravaganza over the Mississippi River. "There is no reason that every alumnus in Minnesota can't participate in this finale to the University's Sesquicentennial celebration," said Burgett.

Adjournment

Fountain adjourned the meeting at 9:00 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

NATIONAL BOARD OF DIRECTORS

Thursday, June 28, 2001

4:30 to 6:30 p.m.

University of Minnesota Foundation Board Room
McNamara Alumni Center

Board Members Attending

Bowser, Walter
Bredeson, Tom
Chelstrom, Marilyn
Cole, Phillip
Eelkema, Marilyn
Erkkila, Dan
Fountain, Jean
Harder, Ronald
Hjelm, Andrea
Hutchins, Bruce
Jamieson, Marj
Jones, Dave
Klingel, Todd
Lindahl, Nancy
Luehmann, Barb
Luis, Nita
Madson, David (by telephone)
Nelson, Bruce
Noyce, Jerry
Phillips, Jessica
Quinn, Mike
Reilly, Bill
Smith, Charlie
Sit, Debbie
Tuckner, Barbara
Wangstad, Andy

Board Members Unable to Attend

Ahles, Karen
Barry, Anne
Baudler, Bryan
Bymark, Jim
Hagford, Dave
Hauschild-Baron, Beverly
Hopp, Deborah
LaSalle, Tom
Lehman, Tom
Levin, Ross
Liebhard, Wayne
McLeod, Mary
Mitchell, Jerry
Perman, Victor
Pletcher, Carol
Schulstad, Denny
Stein, Robert

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Garrison, Tom
Jones, Cheryl
Schadauer, Elise

UMAA Staff Unable to Attend

Fisher, Diane

University Guests Attending

Fischer, Jerry
Gardebring, Sandee
Massey, Joe
Yudof, Mark

University of Minnesota Alumni Association (UMAA) National President Jean Fountain called the meeting to order at 4:30 p.m.

National President's Report

Fountain asked the board members to refer to the UMAA 2000-2001 Year-end Highlights (attached). This document was provided to the Board of Regents earlier this month, when Fountain addressed the regents at their fiscal year-end meeting. Fountain told the regents that she would characterize this past year as "both the best of times and the worst of times," because while the association is pleased and proud of the University and the UMAA's accomplishments, at the same time the result of the legislative session was very disappointing. She also told the regents, "Though this year's result was not what we wanted, the Alumni Association remains firm in its resolve of advocacy for the University."

Fountain reviewed the key accomplishments of the past year, including reaching 52,500 members, surpassing the five-year 50,000-member goal. In addition to the grassroots legislative initiative, other key accomplishments are the partnership with the College of Continuing Education, the new website, the Regent Candidate Forum, and the upcoming Annual Celebration/Sesquicentennial Grand Finale.

Consent Agenda

The consent agenda included the March 3, 2001 national board meeting minutes; the financial statements as of April 30, 2001; a recommendation to modify UMAA office space for the Career and Life Work Center; the report of the Nominating Committee; year-end committee reports, the Gateway Corporation report; and a recommendation to approve the Greek Alumni group. All were approved as mailed.

University of Minnesota President Mark Yudof

President Yudof told the board members that they should not feel discouraged about the outcome of the legislative session. "There was a huge, unprecedented amount of outspoken support for the University from alumni and the community," he said. University alumni and staff made more than 15,000 calls during the 2001 session. President Yudof congratulated and thanked the association for its leadership and participation in the all-University grassroots initiative.

Yudof discussed changes in the climate of higher education funding, including a steady decline in state support over the last 30 years. He remains committed to access, but there will also need to be a trend toward high tuition/high scholarship.

Yudof said that he presented the two-year budget plan to the Board of Regents at a special June 26 meeting. The University will receive a \$90 million increase in general funding and a \$20 million increase for the Academic Health Center, which is less than half of the University's request. Under this plan, the University's financial needs for the next biennium would be met through a combination of new state appropriation, increased tuition and fees, and internal reallocations and investment reductions. The University will implement a 13.8 percent tuition increase for next fall, and a comparable increase the year after. As a result, tuition revenue is now covering almost two thirds of instruction costs at the U, compared with about one-third in 1981.

The Regents will vote on the first year of the budget plan on July 12. Yudof believes that it will receive their support.

There was considerable discussion, especially about the University's mission during this time of change. Said President Yudof, "virtually everything will have to be self-supporting. Anything that doesn't have a tuition base is endangered."

Following discussion, President Yudof again thanked the board members for their help and support.

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
2000-2001 HIGHLIGHTS
(in addition to ongoing activities)

GOAL I: LEVERAGE THE McNAMARA ALUMNI CENTER

- Played leadership roles on the Gateway Corporation's operations, finance, and Heritage Gallery committees; provided advice and counsel on marketing and PR issues
- Participated in the Gateway Plaza planning and design, with construction to begin in June

GOAL II: GROW A VIBRANT MEMBERSHIP ORGANIZATION

- Recruited and maintained 52,500 members (from 45,300 at last year-end)
- Formed new membership benefit partnerships with the University Rec Center and the College of Continuing Education
- Launched public relations campaign, "Helping Change the World One Graduate at a Time"
- Commemorated University's 150th anniversary in issues of *Minnesota* and in our fall video
- Received three Minnesota Magazine and Publications Association awards for *Minnesota*, including best overall magazine in its class
- Developed a new UMAA Website and content management system to be launched in July

GOAL III: DEVELOP A CAREER CONTINUUM PROGRAM

- Collaborated with 18 campus programs, matching 1,400 students and 1,400 alumni in mentoring relationships
- Co-sponsored New Student Convocation involving more than 5,000 students
- Piloted the Senior Sendoff involving 400 students
- Collaborated with Admissions to sponsor the Northern Stars Leadership Conference for 390 students and 750 parents, who represented 189 high schools in Minnesota
- Forged new strategic partnership with the College of Continuing Education to establish a Career Life-Work Center for alumni, which will open in the fall

GOAL IV: MOBILIZE NETWORKS IN ADVOCACY

- Mobilized 3,500-person legislative network; established volunteer phone bank, recruiting alumni and staff to make more than 15,000 calls during the legislative session
- Sponsored the Regent candidate forum for state legislators and the public

GOAL V: CELEBRATE OUR HERITAGE AND LEGACY

- Communicated by direct mail to nearly 200,000 alumni in Minnesota to promote the U of M Day at the State Fair, the Sesquicentennial, and UMAA membership
- Incorporated the Sesquicentennial Grand Finale into the UMAA 2001 Annual Celebration on June 29, featuring the Minnesota Orchestra, with an anticipated attendance of 2,000+
- Connected alumni and friends to the University through:
 - 124 events throughout Greater Minnesota, across the country, and around the world, involving 7,500 participants
 - 139 campus and local events, involving more than 22,000 participants
 - 7 Twin Cities Business and Community events, including Maroon & Gold Day in St. Paul and unveiling of Maroon and Gold Snoopy statue

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
2001-2002 Goals and Objectives
(In addition to our on-going objectives)

Approved by the UMAA National Board of Directors on 6/28/01

I. LEVERAGE THE MCNAMARA ALUMNI CENTER

- Collaborate with our Gateway Corporation partners to:
 - develop the new Gateway Plaza, with grand opening in Spring 2002;
 - market indoor and outdoor spaces as a “front door” to the University; and
 - take leadership roles with Heritage Gallery and Finance Committee

II. GROW A VIBRANT MEMBERSHIP ORGANIZATION

Membership/Marketing

- Retain 50,000 members by enhancing the value of membership
- Determine UMAA branding vision; develop marketing/public relations plan to promote new brand

Communications

- Launch and aggressively promote the new UMAA web site; plan and implement Phases II and III of the web development strategy
- Expand the “Change the World” advertising campaign to involve collegiate units
- Produce six high-quality issues of *Minnesota*; attain advertising sales of \$287,000
- Enhance distribution strategy for “What’s New at the U” videos

III. DEVELOP A CAREER CONTINUUM PROGRAM

- Open U of M Career/LifeWork Center in UMAA space; identify partnering opportunities for new career services initiatives with College of Continuing Education
- Implement Virtual Job Fair
- Implement an alumni networking data base

IV. MOBILIZE OUR NETWORKS IN ADVOCACY

- Develop and implement new grassroots mobilization program model with primary focus on the Twin Cities metropolitan area, in partnership with Government Relations
- Respond to key policy issues affecting the University

V. CELEBRATE OUR HERITAGE AND LEGACY

- Collaborate with the University of Minnesota Foundation on the retail phase of the Minnesota Campaign
- Re-institute a hallmark Homecoming activity and develop a signature alumni program for geographic chapters
- Celebrate the 100th anniversary of *Minnesota* magazine
- Begin initial planning for the UMAA 100th Anniversary Celebration in 2004

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
2001 Annual Meeting
June 29, 2001
McNamara Alumni Center and Northrop Auditorium

The 97th annual meeting of the University of Minnesota Alumni Association (UMAA) began at 5:00 p.m. with a dinner buffet in Memorial Hall of the McNamara Alumni Center, University of Minnesota Gateway. The meeting was called to order in Northrop Auditorium at 7:45 p.m. by UMAA National President Jean Fountain. Fountain welcomed the 2,600 attendees, noting that the 2001 Annual Celebration is very special in that it is also the grand finale to the University of Minnesota Sesquicentennial—ending a full year of festivities marking the University's 150th birthday.

UMAA YEAR-IN-REVIEW

Fountain reported that it has been a great year for the UMAA. The association reached a five year goal, surpassing 50,000 members last December. We developed an exciting new program to offer career and lifework services to alumni, partnering with the University's College of Continuing Education. We launched a dynamic public relations campaign, proclaiming far and wide that the University "helps change the world one graduate at a time." And we will be rolling out a new and interactive web site in July.

Fountain said that she had hoped to be celebrating a successful result for the University's budget request tonight, but that is regrettably not the case. "Despite literally thousands of calls, letters, e-mails, and faxes from constituents who care as much about the University as I do, we will not receive our full appropriation," she stated. "This is most disappointing. However, I am heartened by the most vigorous lobbying effort in the University's history. Alumni, friends, students, and staff made more than 15,000 calls during the legislative session. The Alumni Association will continue to advocate for a pro-education legislature in a pro-education state."

"It has been an honor and privilege to serve as president of the Alumni Association," Fountain concluded. "I am proud of our many accomplishments this year and confident of the association's continued success."

ELECTION OF 2001-2002 OFFICERS AND DIRECTORS

Fountain announced the 2001-2002 slate of officers forwarded by the UMAA Nominating Committee and elected by the board of directors on June 28, 2001:

President	Bruce Nelson
President-elect	Deborah Hopp
Vice President	Robert Stein
Vice President	Andrea Hjelm
Vice President	Dan Erkkila
Vice President	Jerry Noyce
Secretary-Treasurer	Todd Klingel
Past President	Jean Fountain

The slate of new board members was introduced, voted upon, and approved by those present:

At-Large Member	Tom LaSalle
At-Large Member	Ross Levin
At-Large Member	Dennis Schulstad
At-Large Member	Al Nuness
Geographical Representative	Karen Ahles
Geographical Representative	Mike Quinn
Geographical Representative	Mark Phillips
Geographical Representative	Harlan Hansen

PASSING OF THE GAVEL

Fountain introduced Bruce Nelson, who will take office as UMAA national president on July 1, 2001. Nelson is senior vice president of merchandising for Target Corporation's Department Store Division.

Nelson congratulated Fountain on a year of great accomplishments for the UMAA. "On behalf of all of the staff, board members, and volunteers who had the pleasure of working with you this past year, I thank you for your commitment and the strategic focus you provided during this exciting and very successful year," said Nelson.

UNIVERSITY OF MINNESOTA PRESIDENT MARK YUDOF

University of Minnesota President Mark Yudof presented his annual message to alumni and friends. "This is a great evening—a wonderful close to this year of celebrations," said Yudof. "This is not just the 150th year of the University of Minnesota, it's the 97th annual meeting of the alumni association, whose members have been a vital part of our many successes."

"As Jean has mentioned, we were successful in gaining state support that was significantly improved from the Governor's original budget, although not all we had asked for. That success was due in large part to our alumni and friends, who stepped up to the plate in an unprecedented fashion to let state lawmakers know that the University was important to them. Thanks to all of you who helped make higher education a prominent issue at the Capitol this year.

We've also begun a public discussion over some challenging questions regarding this great institution's future; mainly, how can we live up to this 150-year legacy in the context of changing realities and realignments—circumstances we might have wished to attribute to a particular year, a particular election, or the economic climate.

Over the years, this state has been unusual in the way that it has valued education. Governor Ramsey saw the establishment of the university as part of Minnesota's 'Olympic race to greatness,' and that's been a consistent theme throughout our history. President Cyrus Northrop, after whom this building is named, was another visionary, one who helped set the course for major public universities. Despite our challenges today, and the changes they may entail, let me assure you that the University of Minnesota will persevere and prosper, just as it has over the past 150 years. As always, our success is premised on the commitment and support of the people of Minnesota. They want a first class education and they want to ensure our region's future. We will work hard to be worthy of that support.

As we close this 150th academic year, let us do everything in our power to assure that 50 years from now a new generation of leaders standing on this stage will celebrate a University of Minnesota still standing tall, relevant, changing the lives of its graduates who go on to change the world," concluded President Yudof.

PERFORMANCE BY THE MINNESOTA ORCHESTRA

Fountain announced that the Minnesota Orchestra was a much-beloved resident of Northrop Auditorium for 45 years, contributing an important cultural presence to campus. "To this day, the Orchestra and the University are united in numerous artistic collaborations," said Fountain. "We could not think of a more appropriate way to conclude the University's sesquicentennial celebration than with a performance by the great Minnesota Orchestra."

Following Fountain's introduction, Minnesota Orchestra Concertmaster Sarah Kwak took the stage.

Page 3

University of Minnesota Alumni Association Annual Meeting
June 29, 2001

ADJOURNMENT

Following the performance by the Minnesota Orchestra, there was a musical fireworks extravaganza over the Mississippi River, which concluded at 10:45 p.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
Executive Committee Meeting
Wednesday, September 5, 2001
7:30 to 9:00 a.m.
Laukka Conference Room, UMAA

Committee Members Attending

Fountain, Jean
Hopp, Deb
Hjelm, Andrea
Klingel, Todd
McLeod, Mary
Nelson, Bruce
Stein, Bob (via telephone)

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Ruhr, Louise

Committee Members Unable to Attend

Erkkila, Dan
Noyce, Jerry

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 7:30 a.m. He reported on his participation in recent events such as Maroon and Gold Day at the Minnesota State Fair and New Student Convocation. He also spoke about the importance of mentoring the new board members and announced the mentor matches, and he reviewed the calendar of meetings and activities for the year.

Consent Agenda

The consent agenda was comprised of the June 13, 2001, executive committee meeting minutes, which were approved as mailed.

Fiscal Year 2001 Unaudited Financial Statement

Todd Klingel, UMAA Secretary-Treasurer, reported that the association ended the 2001 fiscal year with a positive balance of \$7,756. The 2001 unaudited financial statement was approved.

Use of Credit Card Proceeds

Klingel reported that the UMAA Finance Committee established a subcommittee to review the policies approved in 1998 regarding the use of the renewed credit card agreement proceeds. The subcommittee submitted their recommendations for changes, which have been unanimously approved by the finance committee. The finance committee will periodically review the revised policies to ensure that they are appropriate in the future. The revised policy on the use of credit card proceeds for operations is as follows:

- These funds are not to be used as a funding source for new initiatives because there are other funds to meet such needs.
- These funds may be used to fund operations for the difference between rent in the McNamara Alumni Center and the \$70,000 rent paid in Coffman Memorial Union, deducting any sublease income or corporate dividends.
- Rather than use the earnings formula to determine annual operations support, the amount should be based on 5.5% of the previous year's asset value of the invested funds.
- These funds may be considered as a source to cover any future loss of capital campaign or university support that cannot be absorbed through other revenue enhancements.

Following discussion, the committee members approved the revised policy.

UMAA Goals and Objectives for 2001-2002

Bruce Nelson, UMAA president-elect, presented the association's proposed goals and objectives for the coming year (attached). As background, he noted that the UMAA operates under a five-year strategic plan, and each year the goals and objectives are prepared in conjunction with the strategic plan. Nelson discussed each goal and provided the board members with the opportunity to ask questions. The FY02 Goals and Objectives were approved.

Nelson noted that ordinarily the FY02 proposed budget would be presented to the board members in conjunction with the FY02 goals and objectives. Since the University has not yet finalized its budget, and the association receives 22% of its budget from the University, the UMAA budget is also not finalized. Thus, the FY02 budget will be presented to the board members in September.

Membership Dues Increase

Elise Schadauer, UMAA membership and marketing director, presented a recommendation to increase UMAA membership dues by \$10 for single and \$5 for joint memberships beginning July 1, 2001. Schadauer noted that the association has not increased dues since 1992. To address the need to increase the percentage of life members in the UMAA, the proposal also includes increasing the promotion of life memberships and adding a discounted senior citizen life membership. Dropping the five-year membership is also proposed. This recommendation was approved.

Margaret Carlson, UMAA executive director, thanked Schadauer for her work in helping the association reach its 50,000-member goal over the past four years. Schadauer is resigning her position at the UMAA as of the end of June. Carlson presented Elise with a gift of a joint life membership for her and her husband. Board member Barb Luehmann thanked Schadauer on behalf of the Marketing Committee and congratulated her on a job well done. Carlson introduced Louise Ruhr, who will serve as interim membership and marketing director, until a new manager is hired.

McNamara Alumni Center Plaza and Monument

Larry Laukka, chief executive officer of the University Gateway Corporation, showed slides of the plaza that will be constructed adjacent to the McNamara Alumni Center. The Board of Regents has approved the plaza plan and construction will begin in early July and will be completed by late summer. Laukka described various aspects of the plaza, including large-scale trees, a reflecting pool, paved walkways, and an outdoor stage. A landmark monument in the form of a lighted tower will be added when funds are raised for its construction. The monument was designed by Antoine Predock, the architect for the McNamara Alumni Center. Mounted shards of glass on the tower will cast maroon and gold light on the plaza, said Laukka.

There was discussion about the plaza and the monument. Board member Jessica Phillips complimented and thanked Laukka for his work on the building and the plaza, noting that the plaza will preserve and bring back much-needed green space to campus.

UMAA Executive Director

Carlson said that as a summary to this past year, she identified two key moments in time: A cold night in March when the grassroots legislative network was in action at the UMAA; and a hot night in June—tomorrow night, June 29, when 2,600 or more alumni and friends will attend the UMAA Annual Celebration to not only celebrate the past 150 years but to also look to the future. Carlson noted that these two dates are proof positive that everything that the UMAA hoped for when we did our initial strategic planning in 1994 has come to fruition.

Fiscal Year 2002 Operating and Capital Budgets

Klingel explained that the budgets are traditionally approved at the end of the preceding fiscal year. This schedule was delayed because the UMAA did not learn the amount of money to be received from the University until July. The UMAA was pleased to incur only a four percent reduction in this allocation, because the University's state allocation was significantly less than the University's request.

Klingel noted that the budgetary goal each year is to break even. He discussed two components of the operating budget in detail, membership revenue and personnel expense, which vary noticeably from last year. The member retention rate has been decreased to 70 percent due to softening of the economy over the past year and to provide a cushion against any negative impact from the July 1 dues increase. Personnel expenses have risen substantially due to mandated salary and health care benefit increases totaling seven percent. The FY02 operating and capital budgets were approved.

Executive Director's Report

Margaret Carlson, UMAA executive director, reported as follows:

- The University and President Mark Yudof are thrilled that the University Twin Cities campus was ranked one of the top three United States public research schools (with the University of California-Berkeley and the University of Michigan-Ann Arbor).
- More good news: the Capital Campaign has reached \$1.1 billion dollars in contributions and the University reports that its sponsored research funding has grown to nearly \$500 million dollars.
- The University of Minnesota Foundation (UMF) will mail an appeal to 230,000 alumni who are currently non-donors on September 10. The UMF and the UMAA are working together on a joint appeal which will be mailed in February 2002.
- The University Board of Regents will meet September 13-14 in Crookston, MN. This will be the first meeting of the new board, which includes the five regents appointed by Governor Jesse Ventura. Four of Ventura's five appointments were recommended by the Regent Candidate Advisory Council (RCAC).
- Wendy Williams Blackshaw has resigned her marketing position at University Relations. Tom Garrison, UMAA associate executive director for communications; and Carlson will assist with some all-University marketing initiatives until a replacement for Blackshaw is hired.
- Maureen Reed, chair of the Board of Regents, has named Robert Bergland, regent; Bryan Neel, regent; and Professor Andy Collins to the Commission on University Excellence. The state legislature has charged this commission with defining the University's centers of excellence.
- President Yudof and Judy Yudof will be featured in a monthly one-hour radio show on WCCO. The show will debut on October 2 at 1:00 p.m.
- The September-October 2001 issue of *Minnesota* will feature Brenda Oldfield, the new coach of women's basketball.
- Trees are being planted on the McNamara Alumni Center plaza, which will also feature a seven-tier water feature. Architect Antoine Predock is working on a revised design for the patio area.
- The position of UMAA associate executive director for marketing/membership will be posted very soon.
- The UMAA is compiling a "dream wish list" for annual celebration keynote speakers. Carlson encouraged the executive committee members to forward suggestions to Bob Burgett.

Advocacy Committee

Mary McLeod, UMAA Advocacy Committee chair, reported that she, Carlson, and Cheryl Jones, UMAA administrative manager, met with Donna Peterson, University government relations director; and Kathy Yaeger, chief of staff at University Relations. The group came to initial agreement that the Advocacy Committee should serve as a focus group for some of the reports that the University will be submitted to the legislature.

There was discussion regarding the Minnesota State Colleges and Universities (MnSCU)'s involvement in these accountability reports, the 2001 regent selection process and outcomes, and the forthcoming legislative redistricting and encouraging alumni to run for office. Carlson said that this last issue begs the question: "should the UMAA have a Political Action Committee (PAC)?" The executive committee members agreed that they would like the Advocacy Committee to consider this question.

Board Development Committee

Jean Fountain, UMAA Board Development committee chair, asked the committee members to recommend high-profile, connected alumni who do not currently serve on the board for her to consider naming to the FY02 Board Development committee. Nelson noted that one of the objectives of the committee is to provide ongoing board development activities through the year and to regularly evaluate the effectiveness of the board as a whole.

There was discussion regarding the format of board meetings. The committee members agreed that board meetings should provide as much opportunity for interaction and dialogue as possible, give the board members an inside perspective on the University, and serve as a forum for knowledge building and feedback.

Finance Committee

Klingel reiterated that the UMAA is in good financial shape, thanks to the credit card agreement.

Marketing Committee

Garrison reported that discussions are underway among volunteers and staff on how to maximize sponsorship opportunities. In addition, the UMAA is on the lookout for advertising prospects for *Minnesota*. Regarding Phases II and III of the web site enhancement, Garrison will present a proposal to the executive committee early in the new year.

Louise Ruhr, UMAA interim marketing-membership director, reported that membership currently stands at 50,042. The focus this year will be on member retention. The complimentary new graduate and First USA members will be a key challenge to renewals. The State Fair promotion brought in 500 members (60% new and 40% renewing). The committee will also be working on developing creative approaches and strategies for member acquisition.

Programs Committee

Andrea Hjelm, UMAA Programs Committee chair, reported that the proposed objectives of the committee are: to assist with implementing the career services program; to provide advice on creating and implementing a hallmark geographic chapter program; to provide feedback and perspective on expanding the Twin Cities metro area legislative network; and to serve as a creative brain trust for the 2002 Annual Celebration.

Adjournment

Nelson adjourned the meeting at 9:00 a.m.

Submitted by,

Cheryl Jones, UMAA Administrative Manager
for
Todd Klingel, Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

NATIONAL BOARD OF DIRECTORS

Friday, September 14, 2001

4:00 to 6:00 p.m.

500 McNamara Alumni Center

Board Members Attending

Ahles, Karen
Bowser, Walter
Cole, Phillip
Eelkema, Marilyn
Fountain, Jean
Hagford, David
Harder, Ronald
Hauschild-Baron, Beverly
Hjelm, Andrea
Hopp, Deborah
Jamieson, Marjorie
Kelly, Dan
Klingel, Todd
LaSalle, Tom
Lehman, Tom
Litton, Stephen
Luehmann, Barb
Luis, Nita
Massey, Joseph
Moline, Rob (for Reilly, Bill)
Nelson, Bruce
Noyce, Jerry
Nuness, Al
Perman, Victor
Phillips, Jessica
Pletcher, Carol
Quinn, Mike
Schulstad, Denny
Smith, Charlie
Sit, Debbie
Stein, Robert (via telephone)

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Ruhr, Louise

University Guests Attending

Gardebring, Sandee
Nichols, Mary

Board Members Unable to Attend

Bredeson, Tom
Chelstrom, Marilyn
Erkkila, Dan
Hanson, Harlan
Hutchines, Bruce
Levin, Ross
Liebhard, Wayne
Madson, David
McLeod, Mary
Phillips, Mark
Tuckner, Barbara
Wangstad, Andy

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 4:00 p.m. Referring to the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon, Nelson said that he and Margaret Carlson, UMAA executive director, had thought long and hard about whether or not to hold this board meeting and the Volunteer Awards Celebration. Encouraged by the words of President George W. Bush to the American people that "we not let our country be paralyzed by terrorism," it was decided to hold the board meeting and the awards program, which recognizes volunteerism, good citizenship, generosity, and commitment to the University community.

Nelson introduced the following new board members: Marj Jamieson, School of Nursing; Steve Litton, School of Dentistry; and Al Nuness, at-large representative. Harlan Hanson and Mark Phillips, geographical representatives, were not able to attend today's meeting due to previous commitments.

Nelson said that he is looking forward to a productive year. The UMAA is at a very stable point as an organization, with solid financial resources, a strong membership base, excellent staff, wonderful space, and more. The association's five-year strategic plan serves as the guide for each year's goals and initiatives. UMAA goals for Fiscal Year 2002 include launching the new web site and career service initiatives; communicating the importance of the University's capital campaign; completing and opening the new Gateway Plaza; retaining 50,000 members; and legislative and issues advocacy.

Partnering with the College of Continuing Education (CCE)

Mary Nichols, new dean of CCE, reported on the new direction and focus of CCE. Current demographics, the knowledge explosion, and the University's strong reputation and identity make this a very good time for continuing education. Partnerships are the future, said Nichols, and CCE brings real quality, cost-effectiveness, and agility to the table. Major growth opportunities for CCE include professional development and continuing professional education, personal enrichment programs, certificate programs, and independent/distance learning.

Nichols is very pleased with CCE's partnership with the UMAA, which involves the University-wide Center for Career and Life Work. The center will open at the end of this month and will serve as a front door for people asking, "what's next for me?" The center will provide front-end career/life work assessment, broker information about the University, assist with resume preparation, and very possibly job networking.

There was discussion, including about the Extension Service, which is currently undergoing an evaluation of its mission and direction.

2001 Regent Selection Update

Margaret Carlson reported for Mary McLeod, chair of the UMAA Advocacy Committee. When the legislature failed to elect regents during the 2001 session, the responsibility shifted to Governor Jesse Ventura. Governor Ventura appointed the five new regents in August, four from the RCAC's recommended list of 13 (Michael O'Keefe, Pinky McNamara, Frank Berman, and Lakeesha Ransom) and one former regent (Jean Keffeler).

This year's process and outcome raise some key questions: How long will the new regents serve (the legal answer is unclear); and what's next for the Regent Candidate Advisory Council (RCAC)? Rondi Erickson, RCAC chair and former UMAA board member, has said that for now the RCAC will not push any "what if" questions, but will "wait and see."

Consent Agenda

The consent agenda included the June 28, 2001, national board meeting minutes and the financial statements as of June 30, 2001. Nelson said that is heartening to see that the UMAA ended the previous fiscal year with a positive balance. Both consent items were approved as mailed.

FY02 Operating and Capital Budgets

Todd Klingel, secretary-treasurer, noted that the FY02 budgets are traditionally approved at the end of the preceding fiscal year, but the UMAA did not learn the amount of money to be received from the University until after the final board meeting last June. The UMAA was very pleased to incur only a four percent reduction in its FY02 allocation from the University.

Klingel noted that the goal each year is to break even. He discussed two components of the operating budget in detail, membership revenue and personnel expense, which vary noticeably from last year. The member retention rate has been decreased to 70 percent due to softening of the economy over the past year and to provide a cushion against any negative impact from the July 1 dues increase. Personnel expenses have risen substantially due to mandated salary and health care benefit increases totaling seven percent. The FY02 operating and capital budgets were both approved as mailed. Nelson commended the UMAA on its fiscal discipline each year.

Critical Issues Facing the University

Sandee Gardebring, vice president for University Relations, thanked the alumni volunteers for their advocacy efforts during the legislative session. The University received twice as much money as the Governor recommended, thanks in large part to the 15,000 calls made by alumni and friends.

“The ‘U’ is on the move,” said Gardebring. Among the good news:

- A recent report from the University of Florida ranked the University of Minnesota third among public research institutions;
- The capital campaign is doing extremely well—five years into the seven-year campaign, 88 percent of the goal has been reached;
- The University has brought in one-half of one billion dollars in research funds, the number of start-up companies is steadily increasing, and revenue from technology transfer is up;
- Core needs of the Medical School will now be met, thanks to money from the state’s tobacco settlement. In addition, some holes in the school’s budget can now be filled in, such as expanding Rochester’s nursing program and Duluth’s pharmacy program;
- Freshman applications and the yield are way up.

Gardebring reported that the regents looked at the FY02 capital budget today. Gardebring believes that the budget is well justified and easy to explain. Eight of the 11 projects listed on the University’s proposed \$239.8 million capital request involve renovating, adding to, or fixing buildings that already exist on the four campuses. Topping the priority list is \$80 million for health and safety projects. Also included is the complete renovation of Jones Hall, renovating and replacing deteriorating greenhouses on the St. Paul campus, a \$33 million lab-science building for Duluth, renovation of part of Nicholson Hall as a freshman learning and study space, a Translational Research Facility, and renovation of the Mineral Resources Research Center as a new home for the College of Education.

At the bottom of the priority list is \$2 million to design the renovation of Northrop Auditorium. Said Gardebring, “the University wants to return Northrop to the remarkable campus icon that it once was, but the project will be hard to sell to legislators.”

Gardebring reported that the 'U' faces a number of challenges, including:

- The need to become less reliant on state funding (University of Minnesota President Mark Yudof is talking about the concept of a "hybrid University"—an institution that is neither completely public or private);
- The related need to re-examine the outreach functions and mission;
- The great emphasis that the legislature places on accountability. The 'U' needs to deliver four major reports to the legislature by February 2002, including one which identifies five priority undergraduate programs.

Said Gardebring, "this will be a time of very high scrutiny of the program direction of the University."

Discussion followed Gardebring's report, including about future legislative advocacy plans. The message for the next legislative session may be more focused on certain projects during this bonding year, but the tools and resources developed this year will again be key. Also, the University is developing a new constituent data base which will allow for more targeted and coordinated messages.

In response to a question about the reports mandated by the legislature, Gardebring said that she views these as an opportunity to tell the University's good stories. The challenge will be in the communications arena—how to boil all the information down into something readable and gripping. Deb Hopp, UMAA president-elect, suggested to Gardebring that the University be part of similar accountability-related conversations and studies now surrounding Minnesota State Colleges and Universities (MnSCU).

UMAA Executive Director

Carlson thanked Gardebring for her comprehensive update and said that the UMAA is fortunate that Gardebring's access to President Yudof ensures that feedback from alumni reaches him directly. Carlson reported as follows:

- *Minnesota* magazine was first published 100 years ago, on September 14. The September-October 2001 issue will be sent to 100,000 households, with Brenda Oldfield, new Women's Basketball Coach, pictured on the cover. Carlson's column in this issue encourages alumni to run for public office.
- UMAA membership as of today is 50,394. The Gopher bobblehead promotion during the Minnesota State Fair brought in 734 members (both new and renewing). Telemarketing has ceased for now.
- Carlson has surveyed her colleagues at other alumni associations and has talked in-depth with the UMAA managers as she is developing the position description for the UMAA membership/marketing director. The UMAA Marketing Committee will review the description on September 25.
- Construction of the McNamara Alumni Center Plaza is moving along quickly. Trees and pavers will be installed before winter arrives. The footings for fountains will be placed, but the granite will not be installed until next spring. Structural drawings for the 90-foot tower are completed, and Jerry Fischer, CEO of the University of Minnesota Foundation (UMF), is talking with potential donors.
- The UMF is sending a capital campaign appeal to 230,000 alumni households this month. The UMAA is working with the UMF to develop a joint member/donor solicitation to be mailed in the winter.
- A weekly call-in radio show called "Beyond the 'U' with Mark and Judy Yudof" will debut on WCCO-Radio on Tuesday, October 2, at 1:00-2:00 p.m.
- A story about Bruce Nelson recently appeared in the *Grand Forks Herald*. The board members were provided with a copy.

Adjournment

Tom Garrison, UMAA associate director for communications, encouraged the board members to visit the association's new web site and to enter a class note.

Nelson adjourned the meeting at 6:00 p.m.

Submitted by,

Cheryl Jones, UMAA Administrative Manager
for
Todd Klingel, Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

I. AGENDA ITEM: UMAA National Board
Friday, September 14, 2001

II. TITLE: Approval of University of Minnesota Alumni Association Fiscal Year 2002 Operating Budget

Discussion **Information** **Recommendation to National Board
for Ratification**

III. RECOMMENDED RESOLUTION OR PROPOSED ACTION:

The Finance and Executive Committees have reviewed and recommend to the National Board that they approve the fiscal year 2002 operating budget (see attached.)

IV. BACKGROUND INFORMATION:

The fiscal year 2002 operating budget for the University of Minnesota Alumni Association was reviewed by the Finance Committee at their August 29, 2001 meeting and by the Executive Committee at their September 5, 2001 meeting. Both groups have recommended approval.

V. PRESENTED BY: Todd Klingel

VI. ACTION:

University of Minnesota Alumni Association
FY02 Proposed Budget
Prepared for Presentation to UMAA National Board

	FY02 Proposed Budget	FY01 Revised Budget	Budget Increase (Decrease)	FY01 Revenue Thru 5/01
Revenue				
Membership				
Annual/3yr/5yr/10yr	897,745	732,135	165,610	656,110
Life Membership Support	408,090	389,600	18,490	357,133
Contributions	76,150	105,425	(29,275)	131,004
University Support:				
Base	945,330	961,050	(15,720)	880,961
Capital Campaign Readiness	394,000	394,000	-	361,167
Services				
Tours	124,300	140,000	(15,700)	121,668
Advertising Sales	287,000	325,530	(38,530)	287,406
Royalty Income	51,000	45,750	5,250	33,321
Internet (net of access & software fees)	55,255	72,060	(16,805)	65,765
Special Events	93,125	138,525	(45,400)	52,059
Net Assets Released From Restrictions	29,500	27,500	2,000	27,500
Sublease Rental Income	48,255	48,025	230	44,046
Interest/Dividends	25,500	15,500	10,000	17,965
Investment Gain/(Loss)	-	-	-	(1,452)
Other	1,100	1,590	(490)	1,362
Total Revenues	<u>3,436,350</u>	<u>3,396,690</u>	<u>39,660</u>	<u>3,036,015</u>
Transfers to Finance Current Operations:				
Credit Card Advance Funds	661,085	581,700	79,385	465,160
General Endowment - Operations	297,000	287,500	9,500	263,542
UMF Held Endowment Support - Awards	56,000	56,000	-	56,000
Total Transfers	<u>1,014,085</u>	<u>925,200</u>	<u>88,885</u>	<u>784,702</u>
Total Revenues and Transfers	<u>4,450,435</u>	<u>4,321,890</u>	<u>128,545</u>	<u>3,820,717</u>

University of Minnesota Alumni Association
FY02 Proposed Budget
Prepared for Presentation to UMAA National Board

	FY02 Proposed Budget	FY01 Revised Budget	Budget Increase (Decrease)	FY01 Expenses Thru 5/01
Expenses				
Personnel	2,093,895	1,951,015	142,880	1,763,601
Professional fees	363,560	401,785	(38,225)	296,086
Conferences/subscriptions/data processing	44,535	53,735	(9,200)	53,249
Telephone	39,705	33,580	6,125	30,201
Mail service and delivery	270,680	242,660	28,020	211,635
Printing, copying, design and advertising	390,980	364,135	26,845	312,181
Supplies and rentals	129,110	134,745	(5,635)	91,034
Office expenses (rent \$435,940)	476,130	476,390	(260)	432,239
Travel, catering and entertainment	180,535	214,145	(33,610)	156,916
Society allocations	118,440	106,130	12,310	97,284
Awards and scholarships	92,480	90,000	2,480	86,786
Contributions and co-sponsorships	232,955	232,405	550	199,944
Other	<u>17,430</u>	<u>21,165</u>	<u>(3,735)</u>	<u>18,715</u>
Total Expenses	<u>4,450,435</u>	<u>4,321,890</u>	<u>128,545</u>	<u>3,749,871</u>
Excess of Revenues over Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,846</u>

University Support – Base - The University base allocation reflects a net 4% reduction after adjusting for the mandated 3% salary increases.

The Office of the VP of University Relations made available, beginning in FY96, **Capital Campaign Readiness** funds to prepare for the University Capital Campaign. Because the campaign expected to target alumni, the UMAA had been given funds to locate lost alumni; collaborate with University Relations on “M”; mobilize Twin Cities’ alumni; expand the U.S. Chapter program; and collaborate with the Office of International Programs on international alumni programs. These funds were budgeted through the end of FY01. Discussion with the University of Minnesota Foundation has resulted in the continuation of this funding through FY03.

Tours – Twenty-three trips are scheduled for FY02 compared to twenty-one in FY01. Commission from these trips is expected to earn \$112,000, travel insurance commission is budgeted at \$11,400, and the remaining \$900 will be received from a fee charged tour operators for the travel newsletter. Reservations made through May on FY02 trips reflect \$33,800 of the budgeted \$112,000 in commissions. The budget decrease is due to the success of an expensive, around the world trip in FY01 that resulted in \$27,000 in commissions. This trip is not offered in FY02.

Advertising Sales - Minnesota magazine advertising revenue has been budgeted at \$287,000, which reflects FY01 actual revenue. The university’s sesquicentennial anniversary in FY01 created a unique advertising opportunity that brought in significant revenues. Although this advertising opportunity will not repeat in FY02 the magazine will be celebrating its 100th anniversary and advertising opportunities are expected.

Royalty Income – Royalty revenue is earned primarily from the group insurance program. In FY00 the plan was expanded to include auto and homeowner coverage through Liberty Mutual. Based on the last semi-annual payment and conversations with our program representatives the insurance program is expected to return \$50,000 to the organization in royalties.

Internet - Low-cost access to the Internet became a member benefit in FY94. Approximately 3,500 members currently subscribe, paying the \$130 annual subscription fee. It is projected that 70% will renew in FY02 and that another 200 members will be added, paying the \$130 annual fee plus the one-time set-up fee of \$45. In addition, it is projected that 175 current subscribers will pay \$25 to upgrade their software. The revenue from the Internet program is shown net of the access fees (\$110) and software charges (\$40 - new, \$20 - upgrade) paid to the University. Significant competitive changes in the market for Internet access have resulted in declining participation since FY99. This reduction in the number of subscribers is expected to continue in FY02 and is reflected in a lower renewal rate and small number of new subscribers.

Special Events - Budgeted revenue will be generated by the annual meeting, homecoming event, etiquette dinner, student dance, and the football bowl.

As the final celebration of the university’s sesquicentennial year, the FY01 UMAA annual meeting generated ticket sales that will not be repeated, resulting in the lower revenue projection.

Net Assets Released from Restrictions - The sources of this revenue are UMF held funds recorded in the temporarily restricted fund. The amount is equal to the scholarship commitments for the Freshman Leadership Incentive Scholarships - Need Based (3) and Merit Based (11).

Sublease Rental Income – This reflects the amount to be received from the sublease of UMAA space in the McNamara Alumni Center to the University of Minnesota Investment Advisors (UMFIA).

Interest/Dividends - The investment income is earned primarily on cash balances. A new banking arrangement was put in place in FY01 allowing for a better return on overnight funds. The budget increase reflects a full year under the new agreement.

Other - The miscellaneous revenue projections reflect amounts expected to be received from small affinity relationships.

Transfers to Finance Current Operations:

Credit Card Advance Funds – A subcommittee of the finance committee met in August 2001 to develop a method for determining the amount of credit card proceeds to be included in the operating budget each year. The subcommittee proposal was approved by the full committee and stipulates that these funds would be used as follows:

- **Program Earnings** – Recognizing that the credit card program has provided operating support since 1994, the subcommittee determined that a significantly enhanced agreement should yield support to operations in an amount consistent with prior support, yet be determined on a basis consistent with the new financial arrangement. It was determined that using 5.5% of the previous year's asset value to fund operating expenses met this goal. The June 30, 2001 balance was used to determine the amount to be recognized.
- **Rent Subsidy** – Recognizing that the rent in the McNamara Alumni Center is significantly higher than the rent paid for Coffman space, the Board approved the transfer of credit card advance funds to fund the additional expense. It is expected that in future years the building will generate returns back to the building owners, thus reducing the amount of this transfer.

General Endowment - Operations - Endowment support is calculated at 5.5% of the General Endowment Fund's average market value for the past three years. This is consistent with the UMAA board resolution passed on January 14, 1995.

UMF Held Endowment Support - Awards - The sources of this revenue are UMF held funds recorded in the unrestricted General Investment Fund. The amount is equal to the scholarship and award commitments budgeted for FY02 coming from these invested funds and include the 8 Student Leadership, 2 Donald Zander, and the Distinguished Graduate and Under-Graduate Teaching Awards.

Expenses

Personnel - Although the number of FTEs held constant, the make up of the staff for FY02 has changed. Most notable, was the addition of a new web editor and a part-time promotions editor. Both are budgeted to begin in September. These new positions were added by reassigning duties within all departments. The 7.3% budget increase is attributable to a 3.6% increase in salaries, with the balance in fringe benefits. The fringe benefits charge is a university assessment and in response to health insurance increases the fringe rates rose between 12.6% and 18.2% depending on category of employee.

Professional Fees - This line item includes payments to independent contractors associated with Minnesota, including writers, photographers, and designers; commissions paid to the ad sales rep; program consultants; telemarketing service providers; lawyers; and auditors. The decreases in professional fees are due to:

- decreased professional fees related to the FY01 annual meeting (pyrotechnics and the Minnesota Orchestra will not be repeated),
- decreased commissions on advertising sales as a result of the decrease in the advertising sales budget

The decreases in professional fees are partially offset by the following increases:

- the use of an independent contractor during the vacancy in the Director of Marketing and Membership position,
- higher independent contractor expenses related to Minnesota

Conferences/Subscriptions/Data Processing – The budget for conferences, subscriptions, and data processing includes conference and training registration, the cost of membership in professional associations, subscription fees, including software licenses, and the annual fee assessed by the University of Minnesota Foundation for database-related services. The 17% decrease is primarily due to a large one-time FY01 conference registration fee related to new technologies.

Telephone - This includes line charges, long distance, and fax charges. The university has begun a complete upgrade of the phone system and is passing those charges on to users. The new rates reflect a 29% increase in line charges and a 6% increase in data connections.

Mail Service and Delivery - This line includes postage, delivery and mail house charges. The FY02 increase is primarily due to the increased number of members and a new mix of members. The magazine, renewal notices, chapter mailings, and publicity for many of our special events and other programs are distributed through direct mail. As the number of members increase, so do the costs associated with mailing to these members. The desire to convert a high percentage of the complimentary members to paid members has also had an impact on mailing costs. To demonstrate the connection that membership brings, four direct mail pieces are planned to be sent to these members throughout the year.

Printing, Copying, Design and Advertising - This line includes the cost of using University and outside printers, the cost of the UMAA copy machines, artwork, photography, and advertising costs. The increase from the FY01 budget is primarily due to the greater number of members and the resulting increases in the number of magazines and event invitations being printed.

Supplies and Rentals - This line includes both office and consumable supplies and equipment and room rental fees. The majority of the decrease is in the areas of event supplies for the annual celebration. FY01 expenses were unusually high because the event was the sesquicentennial grand finale.

Office Expenses - This line includes the rental of office space, insurance, bank service charges and equipment maintenance. Office rent has been budgeted at \$435,940 based on 18,725-sq. ft. of office space at \$17/sq. ft., plus 152-sq. ft. storage space in the basement at \$10/sq. ft. Common area maintenance (CAM) charges are budgeted at \$6.20 per sq. ft.

Travel, Catering and Entertainment - This line includes automobile rental, taxis, mileage reimbursement, airfare, hotels, catering and entertainment related to meetings and events, meals while traveling, and tickets to events for staff and guests. There is only significant variance in the catering and tickets portion of this expense line and this is due to unusually high expenses in FY01. Football pepfests with food and game tickets being purchased from the UMAA was tried in FY01. The decision was made for FY02 to have pepfest attendees purchase tickets directly from Men's Athletics.

Society Allocations - The amount budgeted for the alumni society allocation is based on the number of society members as of July 1, 2001. The increase in the number of members from July 1, 2000 accounts for the increase in this budget line.

Awards and Scholarships - These awards and scholarships are primarily funded by UMAA investments held by the UMF and an equal amount has been included as revenue (UMF Held Endowment Support - Awards and Net Assets Released From Restrictions) to reflect the transfer of funds to cover these expenses.

Contributions and Co-Sponsorships - This budget line includes the Capital Campaign Fund amount sent to University Relations in support of the alumni publication "M" (\$120,000); collaborative agreements with certain collegiate units for the provision of services to alumni (\$81,400); a mandatory assessment to support the University's technology upgrade (\$9,000); a collaboration with Admissions on an event geared to promising high school students (\$15,000); and the balance for co-sponsorship agreements related to special events and outreach (\$7,555).

Other - This line includes amounts budgeted for unrelated business income tax, sales tax payable on Internet software sales, gifts, and other minor and unusual expenses.

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
EXECUTIVE COMMITTEE MEETING
Wednesday, October 31, 2001
7:30 to 9:00 a.m.
Laukka Conference Room, UMAA

Committee Members Attending

Erkkila, Dan (via telephone)
Fountain, Jean
Hopp, Deb
Klingel, Todd
McLeod, Mary
Nelson, Bruce
Noyce, Jerry

Committee Members Unable to Attend

Hjelm, Andrea
Stein, Bob

UMAA Staff Members Attending

Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl
Ruhr, Louise

UMAA Staff Unable to Attend

Burgett, Bob

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 7:30 a.m.

President's Report

Nelson reported that he had participated in several Homecoming activities, all of which were a great success. The Pancake Breakfast at the McNamara Alumni Center, a new event, attracted more than 500 guests.

The Gateway plaza will be completed by mid-November with the exception of the granite on the fountains and stage. The Gateway Corporation is considering making additional enhancements to the patio area, the north entrance, and the proposed beacon on the plaza. There are design and financial issues associated with these enhancements.

University of Minnesota President Mark Yudof will be the featured speaker at the UMAA board meeting on November 17. In addition, Judy Kirk, chief operating officer of the University of Minnesota Foundation (UMF), will report on the capital campaign. The executive committee members discussed and identified issues and questions that they want President Yudof and Kirk to address. Margaret Carlson, UMAA executive director, said that she would provide them to the speakers in advance of the board meeting.

Consent Agenda

The consent agenda included the September 5, 2001, executive committee meeting minutes; the UMAA financial statements as of September 30, 2001, and the Fiscal Year 2000-2001 audited financial statements. All were approved as mailed.

Executive Director's Report

Carlson reported as follows:

- University senior vice presidents are meeting every other week to address the University's preparedness to respond to emergencies, per the tragedy of September 11. Forums on campus safety will be held in November.

Executive Director (continued)

- After soliciting opinion from each member of the executive committee, the UMAA contracted with MSP Custom Publishing through June 15, 2002, to sell advertising in *Minnesota*. Although some premier accounts are tied to the current advertising sales representative through January 8, 2002, MSP will begin to solicit advertising immediately so that the downward trend in advertising can be reversed. Carlson will decide how to handle advertising on a long-term basis before the contract with MSP ends.
- Carlson received 104 completed applications for the UMAA associate executive director for membership/marketing position. The search committee will interview six candidates on November 5.
- A proposal that the University of Minnesota Law School formally affiliate with the UMAA has been tabled once again. Law School graduates Ann Huntrods, UMAA past national president, and Walter Bowser, current board member, advise that the UMAA put the proposal forward again when the new Law School dean is on board. They further suggest that we enlist the support of both President Yudof and Sandee Gardebring, vice president for University Relations, as well as Bob Stein, current UMAA vice president and former dean of the University Law School, in making our case for affiliation. Deb Hopp, UMAA president-elect, suggested that the McNamara Alumni Center host a law continuing education class.
- Gardebring has convened a group of high-level University staff members to plan an all-University web initiative. The group meets every other week. The University's goal is to have one portal, and issues such as providing lifetime e-mail are being discussed. The UMAA is an active participant in these discussions.
- Diane Fisher, UMAA associate executive director for finance and operations, has served as the chief financial officer of the Gateway Corporation since May 2000. This responsibility will now shift to the UMF, which has a staff of ten finance members. Carlson thanked Fisher for the thousands of hours that she has devoted to the Gateway Corporation and complimented her on her work. Fisher implemented many new business systems and techniques that will continue to benefit the building and the Gateway Corporation in the future.

Membership

Louise Ruhr, interim UMAA associate executive director for membership and marketing, reported that membership totals 50,700 as of today. Ruhr said that the UMAA keeps a very close eye on membership, watching the numbers on a daily as well as monthly basis to try to project the future. Approximately 5,000 memberships will expire at the end of November (one of the biggest months for expirations), said Ruhr, which means that the projected calendar year-end total is 45,148. Telemarketing has not reached its goal and, in addition, renewals of complimentary memberships have been much lower than projected. Ruhr said that there are options and ways to stay at 50,000 members, and that she is seeking direction from the executive committee to take to the next meeting of the marketing committee.

There was considerable discussion. The executive committee members agreed that it is important that the UMAA have 50,000 or more members at the end of each fiscal year, even if we have to offer additional complimentary memberships for one year. The goal is to stabilize the 50,000 number. The volunteers noted that the UMAA needs to put into place a focused and sustained effort to cultivate and turn the new graduates who receive complimentary memberships into paying/renewing members. Continuing to address renewal rates is of primary importance.

Advocacy

Mary McLeod, chair of the Advocacy Committee, reported that the committee will serve as a focus group for the University Extension Service on November 21. The Extension Service is required to submit a report to the legislature which addresses, among other issues, the need for Extension to be more self-funded and market driven. Chuck Casey, dean of the Extension Service; and Jeanne Markell, associate dean, will represent Extension.

There was discussion. Dan Erkkila noted that the notion of Extension existing in all 87 Minnesota counties is at the heart of the land-grant institutional mission, but that the financial model just doesn't work any longer. Carlson invited the executive committee members to attend the November 21 advocacy committee meeting because of the importance of this issue.

McLeod reported that the Advocacy Committee may also discuss whether or not the UMAA should form a Political Action Committee (PAC). Carlson noted that there is a lot of elasticity between where the UMAA is now and an official PAC. Hopp suggested that the UMAA host a reception for legislators at the McNamara Alumni Center.

Legislative

Carlson reported for Bob Burgett, UMAA associate executive director for outreach. Nicole Bennett has been hired as the University's grassroots legislative coordinator. Bennett will report jointly to the UMAA and University Relations (UR). The UMAA/UR are taking a fresh look at the format of the Legislative Briefing in January. President Yudof will meet with Governor Jesse Ventura this week to discuss the University's 2002 budget request. The University may be facing a cutback due to the state's budget shortfall.

Board Development

Jean Fountain, chair of the Board Development Committee, reported that in addition to developing a slate of candidates for 2002-2003, the committee will develop a mechanism to evaluate board effectiveness. The goal is to continually be taking the pulse on board member satisfaction and board performance, said Fountain.

Nelson adjourned the meeting at 9:00 a.m.

Submitted by,

Cheryl Jones, UMAA Administrative Manager
For
Todd Klingel, Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

**National Board of Directors
Saturday, November 17, 2001
8:30 to 10:30 a.m.**

University of Minnesota Foundation Board Room

Board Members Attending

Ahles, Karen
Bowser, Walt
Bredeson, Tom
Carthaus, Marcia (for Harlan Hanson)
Chelstrom, Marilyn
Cole, Phillip
Cracraft, Ed
Erkkila, Dan
Fountain, Jean
Hagford, Dave
Harder, Ronald
Hauschild-Baron, Beverly
Hjelm, Andrea
Hopp, Deborah
Jamieson, Marj
Kelly, Dan
Klingel, Todd
LaSalle, Tom
Lehman, Tom
Luehmann, Barb
Luke, Darlette (for Marilyn Eelkema)
Luis, Nita
Madson, David (by phone)
Massey, Joe
McLeod, Mary
Munsterman, Adele (for Barbara Tuckner)
Nelson, Bruce
Noyce, Jerry
Ollila, Gene
Phillips, Mark
Pletcher, Carol
Quinn, Mike
Reilly, Bill
Schulstad, Denny
Smith, Charlie
Sit, Debbie
Stein, Robert
Wangstad, Andy

Board Members Unable to Attend

Bymark, Jim
Hutchins, Bruce
Litton, Steve
Nuness, Al
Perman, Victor
Phillips, Jessica

University Guests Attending

Gardebring, Sandee
Kirk, Judy
Reed, Maureen

UMAA Staff Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Garrison, Tom
Jones, Cheryl

UMAA Staff Unable to Attend

Ruhr, Louise

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 8:30 a.m. He introduced two new board members: Ed Cracraft, representing the Carlson School of Management, and Gene Ollila, representing the Medical School.

Consent Agenda

The consent agenda included the September 14, 2001, national board meeting minutes; the financial statements as of September 30, 2001; and the Fiscal Year 2001 audited financial statements. All were approved as mailed.

Fall 2001 UMAA Video

Tom Garrison, UMAA associate director for communications, presented the Fall 2001 "What's New at the U" video.

Dialogue with the Chair of the University of Minnesota Board of Regents

Maureen Reed, chair of the Board of Regents, talked to the board members about progress and challenges at the University. A core question facing the 'U' is, "What is a land grant institution in the 21st century?" This question raises a number of sub-issues, including:

- What kind of student body do we wish to serve?
- What should be our relationship to our sister institutions of higher learning, especially MnSCU?
- What should the University be doing in regard to outreach and extension?
- What should the financing mechanism be in light of declining public support (a national trend)?
- To whom is the University accountable and for what?

All of these are "dicey but important" questions, said Reed. The Board of Regents are looking for productive ways to lay the groundwork for these debates. Reasonable discussion is needed, not the staking out of positions.

Reed stated that the Board of Regents is very impressed with University of Minnesota President Mark Yudof's leadership and accomplishments. It will be important for the Board and others, including alumni, to be supportive of President Yudof and keep him at the University of Minnesota. "We need to help assure his effectiveness and keep the positive momentum going," said Reed.

There was considerable discussion about a variety of topics. Board members stressed a need for the University to prioritize, budget, and eliminate redundancy across the higher education system. To do this, the University and MnSCU need to define their missions. The University must remain the pre-eminent higher education institution in Minnesota. "These issues will prove to be a great opportunity for the University to improve its accountability, efficiency, and reporting, and could lead to a different way of doing business," said Jerry Noyce, UMAA vice president. Strong alliances with the business community will be important.

University of Minnesota Capital Campaign

Judy Kirk, executive vice president and chief operating officer of the University of Minnesota Foundation (UMF) thanked the board members for their dedication and support. She provided an update on the \$1.3 billion dollar capital campaign, which currently stands at 93% of goal. A primary theme of the campaign is “attracting students with promise and helping them succeed.” More than 7,000 University faculty and staff members have contributed to the campaign, which may be a success unique to Minnesota.

Although there has been a downturn in the economy, Kirk said that there is every reason to believe that the campaign will be successful. Going forward, key strategies will be to:

- Focus on lead gift potential
- Achieve featured objectives with a special focus on student support
- Broaden base of alumni donors
- Respond to donors with visionary ideas

Kirk showed the campaign video. In it, President Yudof proclaims, “Campaign Minnesota is a unique opportunity for alumni to make greatness at the ‘U’ possible.” Kirk asked the board members to make a gift, urging them to think about the people at the University that helped make them who they are, and to tell their personal stories to others who might contribute.

Kirk asked the board members to give some thought to what they have been hearing about the campaign, what might motivate people to give in light of the current economic downturn, and what are some creative ways for the UMAA to promote the campaign.

In response to a question, Sandee Gardebring, vice president for University Relations, called the board’s attention to an analysis of the positive press coverage that the University has received, which continues to steadily improve. There was also discussion about the need to encourage corporations to match employee gifts and to better promote this opportunity to employees.

2001-2002 Board Development Committee

Jean Fountain, chair of the UMAA Board Development Committee, presented the proposed membership of the committee for this fiscal year as follows:

- Jean Fountain (chair)
- Bruce Nelson, Deb Hopp, Nita Luis (officers/committee chairs)
- Walt Bowser (board member)
- Burt Cohen, Karyn Gruenberg, Karen Holtmeier, Peggy Lucas (non-board members)

The committee composition was approved as presented. Fountain said that the committee would present the 2002-2003 officers candidate slate to the board in March. The committee also plans to develop a plan to evaluate the effectiveness of UMAA board operations.

Membership

Jerry Noyce, chair of the Marketing committee, reported that membership currently totals 51,032. The marketing and executive committees recently agreed that the UMAA needs to do whatever is necessary to remain above 50,000 members at each fiscal year-end. Numerous direct mail appeals, extended telemarketing, and new collaborations with the College of Continuing Education are currently in the works, and a side-by-side appeal with the University of Minnesota Foundation is planned. The ongoing strategic focus will be to court the new graduates who received a complimentary membership, convert annual members to life members, and to find new approaches to retaining members.

Advocacy

Mary McLeod, chair of the Advocacy committee, reported that the committee will serve as a focus group for the report that the University of Minnesota Extension Service will present to the Board of Regents next month. The Extension Service is redefining its mission and priorities, which is an emotional and controversial project. All board members are welcome and encouraged to participate in the committee meeting on November 21.

Dan Kelly, president of the Minnesota Student Association (MSA), and Phillip Cole, president of the Graduate and Professional Student Assembly (GAPSA), thanked the board members for the opportunity to serve on the UMAA board and committees. They reported on the structure, purpose, and activities of the Student Legislative Coalition. The coalition has both short-term and long-term agendas, including supporting the University's entire legislative request, a "More Than Books" bill, and goals to create a state grants program and increase affordable student housing. The Student Legislative Coalition welcomes ideas and opportunities to work with alumni.

Bob Burgett, UMAA associate executive director for outreach, reported that the Legislative Briefing will be held on January 22, 2002. Gardebring distributed the University's 2002 Capital Request brochure.

Executive Director

Margaret Carlson, UMAA executive director, thanked Reed and Kirk for their presentations. She also thanked Brenda Hegg, UMF executive assistant, for the great assistance that she gives the association in facilitating its meetings in the UMF board room. Carlson also reported as follows:

- The Gateway Plaza is moving along, thanks to the continuing cooperative weather. Currently sod is being placed, and Mortenson Construction Company will work over the winter with the granite components. Carlson is hearing a lot of positive feedback on the Plaza concept of bringing green space back to campus.
- Advertising sales in *Minnesota* have been down for the last three issues. After consulting with the Executive committee members and other volunteers, Carlson decided to contract with an outside firm to sell advertising until fiscal year-end; meanwhile, she will think about how to proceed for the long-term.
- The UMAA received 104 completed applications for the membership/marketing director position. The search committee considered 30 candidates and interviewed six finalists. Carlson plans to make an offer to one of these finalists on Monday.

Executive Director (continued)

- Elise Schadauer, former UMAA membership/marketing director, has started her own business, "ES Communications," which provides creative solutions to meet communications needs. Carlson distributed Schadauer's business card.
- Diane Fisher, UMAA associate executive director for finance and operations, has served as the Gateway Corporation's chief financial officer for more than a year. These duties were in addition to her regular, full-time assignments at the UMAA. Fisher is responsible for putting many effective financial systems for the Gateway Corporation into place. Carlson thanked her for her expertise and hard work.

Carlson noted that the McNamara Alumni Center and the Gateway Corporation were made possible because the UMAA, the UMF, and the Minnesota Medical Foundation formed a strong and collaborative partnership. "The sky could be the limit if we replicate this partnership for the Capital Campaign," she concluded.

Announcements

Nelson thanked Andrea Hjelm, UMAA vice president, for leading the recent "Etiquette and Image" program, which attracted a record 350 participants; and congratulated Deb Hopp, UMAA president-elect, on her promotion at MSP Communications.

Marilyn Chelstrom, geographic representative, reported on her personal project, a 170-page tribute to Minnesota women. Chelstrom's book will go to press next week.

Hopp reported that *Minnesota* has won several awards from the Minnesota Magazine Publishers Association, including second place in the "Best Overall in Class" category. She suggested that the University should hold a special briefing for the local media, similar to the briefing that is held each year for legislators.

Adjournment

The meeting adjourned at 10:30 a.m., at which the board members took a bus tour of the new and planned construction projects on campus.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

University of Minnesota Alumni Association
2001 - 2002 Proposed Budget
Explanations

Revenues

Annual/3yr/5yr/10yr Membership – FY02 membership revenue projections are based on maintaining 50,000 members. The 23% increase in the budget is the result of the July 1, 2001 dues increase and the larger number of members renewing in FY02. Rates for the most common membership types, single and joint annual increased 33% and 12.5%, respectively. Three-year membership levels increased 40% and 14%. At July 1, 2001 membership was 50,500 compared to 42,000 a year earlier, resulting in approximately 8,500 more memberships to renew in FY02.

The budget assumes a 70% renewal rate for regular members, a 25% renewal rate for student and complimentary FirstUSA members and, a 10% renewal rate for the free graduate members. Throughout FY01 membership reported a regular membership renewal rate, within ninety days of expiration, in excess of 75%. The decision was made, for budgeting purposes, to lower this percentage to 70% for the following reasons: 1) The director of marketing and membership resigned effective June 30, 2001 and the position will not be permanently filled until October; 2) there are currently two other vacant positions in the membership department; 3) there has been a softening of the economy over the past year and; 4) to provide a cushion against any negative impact from the July 1 dues increase. Lowering the renewal projection from 75% to 70% resulted in a difference of 895 memberships.

A projected 15,800 new members will be generated through complimentary memberships given to 2001 graduates, a direct mail piece to all Minnesota graduates inviting them to U of M Day at the State Fair and asking them to join the UMAA, with a Goldy Gopher bobble-head as the premium, the booth at the State Fair, a fall telemarketing appeal, and numerous targeted appeals aimed at program attendees, *Minnesota* magazine recipients who are not members, and parents of new students.

Although the membership revenue line shows significant growth, it is based on relatively conservative assumptions and it will be closely monitored.

Life Membership Support - The transfer from the Obligated Fund is based on an actuarial analysis of the program every 5 years. The analysis was performed in fiscal year 2000 and uses an assumed investment rate of return of 7% and allows for an inflationary adjustment of 4% for each succeeding year. For purposes of this budget, the 9,965 life members as of June 30, 2001 were used in calculating the amount of the transfer.

Contributions – Contributions include corporate support of \$34,500 related to the annual meeting and other outreach events, \$40,000 in sustaining life contributions, and \$1,650 in other unsolicited contributions.

The decrease from FY01 is primarily due to the unprecedented fundraising potential of the FY01 Annual Celebration and Sesquicentennial Grand Finale.

Executive Director (continued)

- Elise Schadauer, former UMAA membership/marketing director, has started her own business, "ES Communications," which provides creative solutions to meet communications needs. Carlson distributed Schadauer's business card.
- Diane Fisher, UMAA associate executive director for finance and operations, has served as the Gateway Corporation's chief financial officer for more than a year. These duties were in addition to her regular, full-time assignments at the UMAA. Fisher is responsible for putting many effective financial systems for the Gateway Corporation into place. Carlson thanked her for her expertise and hard work.

Carlson noted that the McNamara Alumni Center and the Gateway Corporation were made possible because the UMAA, the UMF, and the Minnesota Medical Foundation formed a strong and collaborative partnership. "The sky could be the limit if we replicate this partnership for the Capital Campaign," she concluded.

Announcements

Nelson thanked Andrea Hjelm, UMAA vice president, for leading the recent "Etiquette and Image" program, which attracted a record 350 participants; and congratulated Deb Hopp, UMAA president-elect, on her promotion at MSP Communications.

Marilyn Chelstrom, geographic representative, reported on her personal project, a 170-page tribute to Minnesota women. Chelstrom's book will go to press next week.

Hopp reported that *Minnesota* has won several awards from the Minnesota Magazine Publishers Association, including second place in the "Best Overall in Class" category. She suggested that the University should hold a special briefing for the local media, similar to the briefing that is held each year for legislators.

Adjournment

The meeting adjourned at 10:30 a.m., at which the board members took a bus tour of the new and planned construction projects on campus.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

Executive Committee Meeting

February 13, 2002

7:30 to 9:00 a.m.

UMAA

Committee Members Attending

Fountain, Jean
 Hjelm, Andrea
 Hopp, Deb
 Klingel, Todd
 McLeod, Mary
 Nelson, Bruce
 Noyce, Jerry

UMAA Staff Attending

Burgett, Bob
 Carlson, Margaret
 Fisher, Diane
 Garrison, Tom
 Jones, Cheryl
 Sailer, David

Committee Members Unable to Attend

Erkkila, Dan
 Stein, Robert

University Guests Attending

Gardebring, Sandee

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 7:30 a.m.

Consent Agenda

The consent agenda included the October 31, 2001, executive committee minutes; the financial reports as of December 31, 2001; and the Fiscal Year 2002 budget revision. All were approved as mailed.

Advocacy: Intercollegiate Athletics

Mary McLeod, Advocacy Committee chair, reported that the UMAA Advocacy Committee has served as a focus group this year on two issues: the University of Minnesota Extension Service's plan for change and University funding for intercollegiate athletics. McLeod reported on the process that resulted in the UMAA's draft position statement on intercollegiate athletics:

- The University Board of Regents appointed an ad hoc committee asking for public input on the athletic funding problems. Tonya Moten Brown, University vice president and chief of staff, presented the report, "Current and Future Financial Challenges in Intercollegiate Athletics," to the UMAA Advocacy Committee on December 19;

- The Advocacy Committee continued discussing this issue on January 23 with Laurie McLoughlin, Brown's deputy chief of staff. There was agreement on key issues, but a position statement was not issued;
- In reviewing the Advocacy Committee's discussion, Nelson and Deb Hopp, UMAA president-elect, believed that the UMAA should have a public position in that we have formulated positions on other key university issues in past years. They asked that McLeod and UMAA executive director Margaret Carlson synthesize the Advocacy Committee discussion into a draft statement;
- The draft statement was sent to the Advocacy Committee members for their reaction and agreement earlier this week.

The committee members agreed that a UMAA statement should represent the position of the UMAA board of directors, not all alumni. There was discussion. Sandee Gardebring, vice president for University Relations, said that the University is currently "testing the waters" and seeing what opinions are out there. Feedback from the UMAA board would be helpful and appreciated because all the University is hearing thus far is, "don't merge the two departments," she said. The committee members agreed that this financial dilemma is a serious problem that needs to be addressed, and that the UMAA should issue a formal statement.

The committee members reviewed and compared the statement drafted by McLeod and Carlson with two statements drafted by other members of the UMAA board. Carlson also shared feedback from several members of the Advocacy Committee. There was considerable discussion about message and content, and the committee members revised and edited the statement to read as follows:

The intercollegiate athletics program at the University of Minnesota is an important part of University life, but it should operate in a fiscally responsible manner that does not compromise academics.

In determining how to put athletics on a more solid and independent financial footing, the University should be guided by two over-arching principles: striving for the highest level of academic and competitive excellence, and ensuring that the goals of gender equity are met.

It is clear from the evidence presented that difficult choices and decisions need to be made. The UMAA recognizes that it may not be feasible to continue a full complement of athletic programs or to maintain separate men's and women's departments/functions as costs continue to escalate. We support the Board of Regents and the administration in making decisions related to such sensitive issues.

Alumni want to be proud of their University and its athletic programs. We believe a solution that promotes integrity, equity, harmony, and collaboration, while ensuring financial responsibility and maintaining competitive excellence, can and must be found.

It was agreed that the above statement would be presented to the UMAA board on March 2. It was agreed that, following ratification by the board, the statement should be formally issued to the University Board of Regents and University of Minnesota President Mark Yudof.

McLeod reported that board member Walt Bowser has requested that the Advocacy Committee address the issue of an on-campus football stadium. Gardebring updated the committee members on a stadium bill which will be introduced in the legislature today. The University will closely monitor the progress of the legislative stadium debate, but it has not yet analyzed the financial implications or market demand for an on-campus stadium and is not prepared to introduce a bonding bill at this time. It was agreed that the UMAA should participate in, but not lead, discussion related to the stadium. Jerry Noyce, UMAA vice president, will chair an ad-hoc group that will stay informed on this issue.

Capital Campaign: 50,000 Alumni Donors

Carlson explained that since 1996 the UMAA has annually received capital campaign preparedness funding, which it incorporates into our regular operating budget. In FY01 the amount was \$274,000. This money has helped the UMAA to grow and strengthen its programming over the years, resulting in initiatives such as the "Changing the World One Graduate at a Time" advertising campaign—which helped to bring about a major campaign gift from alumnus Robert Gore.

It is clear from the evidence presented that difficult choices and decisions need to be made. The UMAA recognizes that it may not be feasible to continue a full complement of athletic programs or to maintain separate men's and women's departments/functions as costs continue to escalate. We support the Board of Regents and the administration in making decisions related to such sensitive issues.

Alumni want to be proud of their University and its athletic programs. We believe a solution that promotes integrity, equity, harmony, and collaboration, while ensuring financial responsibility and maintaining competitive excellence, can and must be found.

It was agreed that the above statement would be presented to the UMAA board on March 2. It was agreed that, following ratification by the board, the statement should be formally issued to the University Board of Regents and University of Minnesota President Mark Yudof.

McLeod reported that board member Walt Bowser has requested that the Advocacy Committee address the issue of an on-campus football stadium. Gardebring updated the committee members on a stadium bill which will be introduced in the legislature today. The University will closely monitor the progress of the legislative stadium debate, but it has not yet analyzed the financial implications or market demand for an on-campus stadium and is not prepared to introduce a bonding bill at this time. It was agreed that the UMAA should participate in, but not lead, discussion related to the stadium. Jerry Noyce, UMAA vice president, will chair an ad-hoc group that will stay informed on this issue.

Capital Campaign: 50,000 Alumni Donors

Carlson explained that since 1996 the UMAA has annually received capital campaign preparedness funding, which it incorporates into our regular operating budget. In FY01 the amount was \$274,000. This money has helped the UMAA to grow and strengthen its programming over the years, resulting in initiatives such as the "Changing the World One Graduate at a Time" advertising campaign—which helped to bring about a major campaign gift from alumnus Robert Gore.

It is clear from the evidence presented that difficult choices and decisions need to be made. The UMAA recognizes that it may not be feasible to continue a full complement of athletic programs or to maintain separate men's and women's departments/functions as costs continue to escalate. We support the Board of Regents and the administration in making decisions related to such sensitive issues.

Alumni want to be proud of their University and its athletic programs. We believe a solution that promotes integrity, equity, harmony, and collaboration, while ensuring financial responsibility and maintaining competitive excellence, can and must be found.

It was agreed that the above statement would be presented to the UMAA board on March 2. It was agreed that, following ratification by the board, the statement should be formally issued to the University Board of Regents and University of Minnesota President Mark Yudof.

McLeod reported that board member Walt Bowser has requested that the Advocacy Committee address the issue of an on-campus football stadium. Gardebring updated the committee members on a stadium bill which will be introduced in the legislature today. The University will closely monitor the progress of the legislative stadium debate, but it has not yet analyzed the financial implications or market demand for an on-campus stadium and is not prepared to introduce a bonding bill at this time. It was agreed that the UMAA should participate in, but not lead, discussion related to the stadium. Jerry Noyce, UMAA vice president, will chair an ad-hoc group that will stay informed on this issue.

Capital Campaign: 50,000 Alumni Donors

Carlson explained that since 1996 the UMAA has annually received capital campaign preparedness funding, which it incorporates into our regular operating budget. In FY01 the amount was \$274,000. This money has helped the UMAA to grow and strengthen its programming over the years, resulting in initiatives such as the "Changing the World One Graduate at a Time" advertising campaign—which helped to bring about a major campaign gift from alumnus Robert Gore.

Jerry Fischer, CEO and president of the University of Minnesota Foundation (UMF) has asked the UMAA to reallocate this funding to initiatives which are directly related to fund raising during this last phase of the capital campaign. UMAA and UMF staff leaders have worked together to put together a list of short-term projects designed to increase the number of alumni donors. A small group of UMAA and UMF volunteers will meet this summer to discuss post-campaign, long-term initiatives. There was discussion. Nelson said that a group of UMAA board members would be appointed to meet with UMAA staff in preparation for this joint meeting, which Nelson believes will be a good opportunity to discuss what kind of an alumni association we want to be ten years from now.

Executive Director's Report

Carlson introduced David Sailer, new UMAA associate executive director for membership and marketing. She also announced that the Board of Regents will invite the UMAA board members to dinner at Eastcliff on May 9, 2002. Carlson thanked Nelson and Target Corporation/Marshall Fields for sponsoring the UMAA 2002 Annual Meeting and Celebration which will be held this spring in conjunction with the grand opening of the Gateway Plaza.

National President

Nelson thanked Jean Fountain, past president, for chairing the Board Development Committee this year. The committee will present a slate of candidates for next year's UMAA officers to the national board on March 2 and a slate of candidates for at-large and geographical positions to the general membership at the annual meeting. The committee is also working on a board survey, which will be distributed to the board early in the spring.

Nelson adjourned the meeting at 9:10 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION

NATIONAL BOARD OF DIRECTORS

Saturday, March 2, 2002

8:30 to 11:00 a.m.

**University of Minnesota Foundation Board Room
500 McNamara Alumni Center**

Board Members Attending

Ahles, Karen
Bowser, Walt
Bredeson, Tom
Chelstrom, Marilyn
Cracraft, Ed
Eelkema, Marilyn
Fischer, Jerry, ex officio
Foster, Barbara
Fountain, Jean
Gardebring, Sandee, ex officio
Hagford, Dave
Hjelm, Andrea
Kelly, Dan
LaSalle, Tom
Lehman, Tom
Litton, Steve
Luis, Nita
Madson, David (by phone)
Massey, Joe, ex officio
McLeod, Mary
Nelson, Bruce
Noyce, Jerry
Ollila, Gene
Pederson, Patrick, ex officio
Perman, Vic
Phillips, Jessica
Phillips, Mark
Quinn, Mike
Schulstad, Denny
Smith, Charlie
Sit, Debbie
Stein, Robert
Tuckner, Barbara
Wangstad, Andy

Board Members Unable to Attend

Bymark, Jim
Erkkila, Dan
Harder, Ron
Hauschild-Baron, Beverly
Hopp, Deb
Hutchins, Bruce
Jamieson, Marj
Klingel, Todd
Hanson, Harlan
Luehmann, Barb
Nuness, Al
Pletcher, Carol
Reilly, Bill

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Jones, Cheryl
Kennedy, Gina
Sailer, David

UMAA Staff Unable to Attend

Garrison, Tom

Others Attending

Brown, Tonya Moten
McLoughlin, Laurie
Rasmussen, Emily

Bruce Nelson, University of Minnesota Alumni Association (UMAA) National President, called the meeting to order at 8:30 a.m. He introduced Barbara Stephens Foster, new board member representing General College, Patrick Pederson, new president of the Graduate and Professional Students Assembly, and Gina Kennedy, UMAA communications staff member.

Financial Challenges in Intercollegiate Athletics

Nelson introduced Tonya Moten Brown, University vice president and chief of staff to President Mark Yudof, and Laurie McLoughlin, Deputy Chief of Staff to Brown. He noted that extensive background materials were sent out to the board members two weeks ago in order to provide adequate time for thorough review before this meeting.

Mary McLeod, chair of the UMAA Advocacy Committee, reported on the process that resulted in the draft position statement on intercollegiate athletics:

- The Board of Regents appointed an ad hoc committee asking for public input on the athletic funding problems. Brown presented the report, "Current and Future Financial Challenges in Intercollegiate Athletics," to the Advocacy Committee on December 19;
- The Advocacy Committee continued discussing this issue on January 23 with McLoughlin. There was agreement on key issues, but a position statement was not issued;
- In reviewing the Advocacy Committee's discussion on January 30, UMAA President Bruce Nelson and President-elect Deb Hopp believed that the UMAA should have a position statement because we have formulated positions on other key university issues in past years; they asked that McLeod and Margaret Carlson, UMAA executive director, synthesize the Advocacy Committee discussion into a draft statement (before this statement was sent to the Executive Committee, it was reviewed by the Advocacy Committee via e-mail);
- This draft statement was discussed by the UMAA Executive Committee in detail on February 13 and passed unanimously to the national board;
- On February 27, the Advocacy Committee reviewed and ratified the statement that was approved by the Executive Committee, agreeing that it fairly represents their opinion and sends the right message to University decision makers.

These additional steps were taken, although McLeod did not include them in her report:

- *Following the Executive Committee vote, Bruce Nelson called and/or met with some key UMAA and Women's Intercollegiate Athletics (WICA) volunteers;*
- *Between the Executive Committee meeting and Board Meeting, Margaret Carlson responded to calls from WICA staff and volunteers concerning the position statement.*

Brown thanked the board members for their willingness to give thoughtful deliberation to this important issue. She clarified several issues that have been persistently questioned since the report was released:

- In regard to the subsidy that the University provides to intercollegiate athletics, the state special allocation that was previously earmarked for women's athletics should be considered part of the subsidy because the University is no longer required to direct these funds to women's or men's athletics. Parking revenue is also considered part of the subsidy because the University provides athletics \$1 million dollars to replace the parking revenues which were taken away and centralized.

- There has been heavy emphasis on two potential ways to cut costs—cutting teams and merging the men’s and women’s departments. They became the focus because the media has highlighted the merger issue, and these are the two components that are the big bloats in the budget, because they involve numbers of people (salary, fringe, and scholarships).
- In addition, there is emphasis on cost cutting because we can control expenses, while revenues are speculative. Intercollegiate athletics has not met revenue projections for three years. Football has the biggest potential of any competitive program to increase revenue, and fund raising has long term potential, but all revenue is speculative.
- It is not legally possible within the NCAA rules to have a combination of Level I and Level II participation, so we do not have the option of teams playing at two different levels.

Brown stated, “we want to have a healthy department that can meet their expenses long term.” She will present additional data and some draft thoughts on ways to cut expenses to the Board of Regents on March 7, and the final recommendations will be presented in April.

There was considerable discussion:

- Bob Stein, UMAA vice president, said that he supports the UMAA’s draft position statement. Stein oversaw athletics when he was dean of the University of Minnesota Law School during the 1970’s and was also the University’s faculty representative to the Big Ten on intercollegiate athletics for many years. “The creation of a separate women’s athletic department in the 1970’s was viewed as a transitional arrangement. It was viewed as a way to build and strengthen women’s athletics as quickly as possible. Several other universities had created separate women’s departments at the same time. This was intended to be a transitional arrangement that would later lead to merger. I believe that the separate department continued longer at Minnesota than many other universities because subsequently a state special appropriation was received for women’s athletics and a separate department helped clarify the use of that state appropriation. Most other universities that established separate departments in the 1970’s have since merged their departments into integrated departments.”
- Jerry Noyce, UMAA vice president, said that the depth of this problem is new, but that it is not a new problem for intercollegiate athletics. Noyce was able to grow a fully funded tennis program through endowed scholarships over 15 years when he was tennis coach here at the University. He noted that it is usually more difficult to raise money for “bricks and mortar” than scholarships and other special initiatives. There are great opportunities for fund raising if we come together, he said, and having separate men’s and women’s athletic departments are one of the reasons that these opportunities have not been realized. The coaches need to get along, said Noyce, and “we’ve gotten into an arms race and it has to stop.” Noyce also said, “maybe we do have to cut programs.”

Noyce noted that MIT and Harvard have the largest athletics programs in the country, and that both have merged departments that are very successful. The MIT department serves as a model for a merged department headed by a woman.

- Andrea Hjelm noted that she is somewhat “between a rock and a hard place” in that she is a woman serving on the men’s athletics advisory committee. Hjelm is currently working with Denny Schulstad, at-large board member, on a collaborative men’s/women’s athletics project. In response to a question from Hjelm, Brown said that the University of Minnesota spends more money on academic counseling than any other institution.
- Walt Bowser, Law School liaison, noted that he had grown up in a “separate but unequal” environment in the South, but racially divided schools had their advantages. Although he is concerned about the loss of positions in the women’s athletics department if the departments are combined, he has come to believe that a merger would be beneficial overall because of the great divisiveness that he has observed. “Without a merger, you’re not going to get healing,” he said. “You’re not going to get people working together.”
- Schulstad, at-large board member, cited his military background as he spoke in favor of merging the departments. A retired Air Force general, Schulstad observed that these very same conversations and friction happen between the different branches of the military all the time. One cannot become a general in any branch without serving in all of the branches, he said. He also spoke about the University’s high debt ratio in regard to athletic facilities, stating that the U needs to be smarter with its resources.
- Nita Luis, College of Liberal Arts representative, said that separate departments don’t do justice to either men or women. She said that--as if real life had not already taught her--Law School professor Bob Stein taught her that separate is never equal.
- Mike Quinn, southeast Minnesota representative, asked if the University has done the market study on football that was mentioned in the report. Brown said that such a study will be done, but that the University must first “get the red down to a reasonable level,” then address how to increase revenue.
- Marilyn Chelstrom, northeast USA representative, said that she is concerned about the imbalance of attention that is given to athletics over academics. She said that the University needs to recognize the accomplishments of its graduates, which would send a positive message that highlights the academic excellence of the University.
- Mark Phillips, northeast Minnesota representative, said that the University needs to make a long-term investment to focus on greater Minnesota to build support for athletics, especially football. “We can’t get broadcast Gopher football in northern Minnesota,” he said.

- Jessica Phillips asked if the Board of Regents would seriously consider a merged department. A former regent and chair of the Facilities Committee, she concurred with Schulstad on the issue of debt service. Brown responded that she believes that the regents would seriously consider the idea of merging the departments. In regard to debt service, she said that there is not a lot of flexibility in regard to existing debt service, but that in the future the U has to make a concerted effort to say 'no' more often.
- Jerry Fischer, University of Minnesota Foundation (UMF) CEO, said that the Foundation is fully committed to recommending a long-term fund raising strategy for athletics. He is feeling a lot of optimism about what can be done with fund raising for athletics over the next five to ten years. He said that donors are motivated by not only the opportunity to give back and make a difference, but also by their confidence in the University's leadership and their knowledge that the money will be handled well and spent wisely. The fact that the University is showing strong leadership in addressing the financial crisis in intercollegiate athletics will help build the confidence of major donor prospects, said Fischer.
- In response to a question about the University's commitment to athletics, Sandee Gardebring, vice president for University Relations, said that the University needs to determine what are appropriate levels for subsidizing and marketing athletics. "There is no question that athletics is of great public relations value to the University," she said.

Nelson called for a motion, which was made by McLeod for the Advocacy Committee. She commended Nelson and Hopp for their leadership and courage in urging the UMAA to take a position on intercollegiate athletics. McLeod also said that she has trust in the University's administration to make the right decision, and she moved that the draft statement be approved.

Nelson called for discussion. A board member asked about why Paragraph 3 was not much broader with references to a wide range of options that will help address the financial problems. (The statement referred only to the full complement of athletic programs or separate men's and women's departments/function.) In addition, the board member felt uncomfortable agreeing to a position in advance of knowing what the administration might suggest. An alternative position statement was read to the board. Stein responded that although the statement in motion does identify two politically sensitive considerations, it does not preclude looking at more issues. Tom Bredeson, at-large representative, stated that although the statement in motion does not mention debt service, it does not exclude it from consideration, either. Bredeson stated that he was pleased and proud of the thoughtful work that the Advocacy Committee and the Executive Committee had put into this process.

Nelson called for a vote. The motion to adopt the position statement as mailed was approved with 27 in favor and 2 dissenting (statement follows):

Position on Intercollegiate Athletics By the National Board of Directors of the
University of Minnesota Alumni Association (UMAA)

The intercollegiate athletics program at the University of Minnesota is an important part of University life, but it should operate in a fiscally responsible manner that does not compromise academics.

In determining how to put athletics on a more solid and independent financial footing, the University should be guided by two over-arching principles: striving for the highest level of academic and competitive excellence, and ensuring that the goals of gender equity are met.

It is clear from the evidence presented that difficult choices and decisions need to be made. The UMAA recognizes that it may not be feasible to continue a full complement of athletic programs or to maintain separate men's and women's departments/functions as costs continue to escalate. We support the Board of Regents and the administration in making decisions related to such sensitive issues.

Alumni want to be proud of their University and its athletic programs. We believe a solution that promotes integrity, equity, harmony, and collaboration, while ensuring financial responsibility and maintaining competitive excellence, can and must be found.

Nelson thanked Brown for her participation, and she received a round of applause from the board members.

Alumni Polling re: On-Campus Football Stadium

Noyce reported that at the January 23 Advocacy Committee meeting, it was suggested that the UMAA should participate in the discussion of stadium issues. The Executive Committee appointed Noyce the chair of an ad hoc task force to determine how the UMAA might provide value-added input to the University's deliberations. University of Minnesota President Mark Yudof and Men's Athletics Director Tom Moe told Carlson that they would be interested in the results of an alumni poll.

The UMAA proceeded to send out a request for proposal for polling which noted that the project would proceed contingent upon board approval, discuss polling with the Advocacy and Finance Committees, and bringing this proposal to the board today. The Finance Committee gave their unanimous support via e-mail, and the Advocacy Committee proposed that the Executive Committee be delegated with the decision to spend the money to poll when appropriate.

Carlson received four proposals: three in the \$15,000 to \$20,000 range and one at \$26,000. There is a timing issue, as the stadium bill may move forward in the legislature much more quickly than expected. Noyce said that he was asking for approval from the board to spend up to \$20,000 on polling when the time is appropriate to do so.

Discussion followed. Tom Lehman, Humphrey Institute representative, asked about the purpose of polling, noting that polling probably could not be completed in time to be relevant to the current legislative session. Carlson clarified that the purpose of the poll is to gauge alumni opinion on a variety of issues relating to an on-campus football stadium. Jessica Phillips noted that the Advocacy Committee noted that the opinions of the general community, especially students, faculty, and staff, will be important to the University too.

Gardebring updated the board members on the progress of the stadium bill at the legislature. She agreed that a poll would not be beneficial to the legislative process at this time, and advised the UMAA to get a very clear fix on what we want to find out with a poll. Schulstad believes that polling to determine policy is never a good thing, because respondents are not well enough informed. It was agreed that a poll would be more useful with a football marketing research purpose.

The motion to spend up to \$20,000 from UMAA endowments to do polling as appropriate in the future was approved. Nelson thanked the board members for supporting the UMAA's long tradition of advocacy. Carlson thanked Mary McLeod and the members of the Advocacy Committee for their careful thought and respectful deliberation.

Executive Director

Carlson introduced David Sailer, UMAA's new associate executive director for marketing/membership. Sailer worked at the Minnesota Orchestra from 1996-2001, where he ascended from customer service to marketing director. His reputation is excellent, said Carlson, and many people have complimented the UMAA on adding David to the management team.

Carlson reported that the father of Tom Garrison, UMAA associate executive director for communications, passed away. Also, Nancy Lindahl, UMAA past president, is recuperating at home from hip replacement surgery. Addresses for Garrison and Lindahl are available.

Chris Maziar, University vice president and dean of the Graduate School, appears on the cover of *Twin Cities Business Monthly*, which contains a great article about University research and technology marketing. Carlson complimented University Relations on their success in getting the University message out.

Carlson updated the board on the UMAA's collaboration with the University of Minnesota Foundation on the Capital Campaign. The UMAA has received "campaign preparedness" money from the University since 1996 which has allowed the association to strengthen every aspect of its programming. There are now 16 months remaining before the end of the campaign, and the goal is two-part: 80,000 alumni donors (there are now 72,000) and 50,000 annual alumni donors two years after the campaign (there are now 35,000).

Fischer has asked the UMAA to redirect some funding into initiatives which have the specific goal to increase the number of alumni donors. Thus a team of high-level staff from UMF, UMAA, the Minnesota Medical Foundation, and University Relations is developing a number of communications initiatives designed to heighten visibility of the campaign and promote 100 percent participation. These initiatives include:

- Developing new ads, such as “I’m a member, I’m a donor”
- Columns by the UMAA executive director and national president
- Return envelopes in *Minnesota*
- Providing two pages in the magazine to UMF for campaign updates
- Increased distribution and cover wraps for the May-June and September-October issues of the magazine
- Membership renewal forms will have a check-off line for contributions to scholarships
- *M*, the University’s alumni tabloid, will have increased focus on the campaign

Finally, key staff and volunteers of the UMAA and UMF will look at longer-term strategies to increase the number of alumni association members and donors. Carlson concluded that the UMAA will do everything that it can to get the word out about the importance of the Minnesota Campaign.

Consent Agenda

The consent agenda included the November 17, 2001, national board meeting minutes; the UMAA financial reports as of December 31, 2001; the Fiscal Year 2002 budget revision; and the committee highlights report. All were approved as mailed.

Board Development

Nelson reported for Jean Fountain, who left the meeting early. The Board Development Committee recommended the following slate of officers for 2002-2003:

President	Deb Hopp
President-elect	Jerry Noyce
Vice President	Andrea Hjelm
Vice President	Robert Stein
Vice President	Dennis Schulstad
Vice President	<i>(decision pending)</i>
Secretary-Treasurer	Todd Klingel
Past President	Bruce Nelson

Nelson noted that the board will be mailed a ballot to vote on the pending vice presidential position as soon as a candidate is selected. The above slate was approved.

Legislative Update

Bob Burgett, UMAA associate executive director for outreach, reported that legislative network volunteers will be contacting their legislators this weekend regarding the U's bonding request. "Calling Nights" occurred in February and will be scheduled according to session activity. Burgett believes that there seems to be a commitment among legislators to not cut higher education much more.

Membership

Noyce reported that membership totals 51,850 as of the end of February. He said that he is very optimistic about membership and is excited about working with Sailer. A variety of direct mail and telemarketing solicitations are in the works. Sailer announced that the UMAA/UMF "side by side" appeal is a test piece that will drop next week. This appeal will ask people to reconnect with the University in several ways.

Student Alumni Leaders

Emily Rasmussen, president-elect of the UMAA Student Alumni Leaders (SAL) thanked the board members for the support and opportunities that they receive. This year SAL has been focusing on building a strong relationship with Athletics to build student participation in athletic events, increasing the effectiveness of Maroon & Gold Fridays on campus, and hosting the SnoBall dance as part of Winterfest. Rasmussen said that the SAL members really appreciate the opportunity to connect with alumni. Nita Luis, College of Liberal Arts representative, encouraged the board members to read the biographies of the SAL members and consider them for internships within their organizations and other opportunities.

Adjournment

Nelson thanked the board members for participating in the meeting. He announced the dates of several upcoming activities, including the UMAA 2002 Annual Meeting and Grand Opening of the Gateway Plaza on June 4.

Nelson adjourned the meeting at 10:45 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

(for review and approval at June 20 board meeting)

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
2002 Annual Meeting
June 4, 2002, McNamara Alumni Center

The 98th annual meeting of the University of Minnesota Alumni Association (UMAA) began at 5:00 p.m. with displays and games in a 1950s theme and dinner in Memorial Hall at the McNamara Alumni Center. The meeting was called to order at 7:30 p.m. by UMAA National President Bruce Nelson. Nelson welcomed the 900 alumni and friends attending. He announced that this annual meeting is unique not only because of the entertainment, but because it is also the grand opening of the Gateway Plaza, the beautiful green space outside the McNamara Alumni Center that the Gateway Corporation is dedicating to the University of Minnesota (inclement weather precluded the event being held outdoors on the plaza as originally planned).

UMAA YEAR-IN-REVIEW

Nelson reported that the past year has been exciting and successful for the UMAA—a year of partnerships and synergy. The UMAA partnered with the College of Continuing Education to open a University Career and Life Work Center at the association and to pilot a mini-college in Naples, Florida. The association collaborated with 18 campus mentoring programs, matching 1,400 students and 1,400 alumni. New alumni clubs in local communities were formed as well as travel around the state and the country with Men’s and Women’s Intercollegiate Athletics. In addition, the UMAA grew to an all-time high of 53,000 members and celebrated the 100th anniversary of *Minnesota*.

Nelson gave thanks and kudos to the other UMAA partners: the Minnesota Medical Foundation and the University of Minnesota Foundation, noting that the three groups have been working hand-in-hand to increase the number of alumni donors to the Capital Campaign. “If you have not yet made a donation to the Campaign, I ask you to do so,” said Nelson. “And if you are a current donor, I thank you.”

“It has been a real honor to serve as alumni association president,” concluded Nelson. “On behalf of our board of directors, I thank all of you for being members, for being donors, and for being loyal friends of the association and the University of Minnesota.”

ELECTION OF 2002-2003 OFFICERS AND DIRECTORS

Nelson announced the 2002-2003 slate of officers forwarded by the UMAA Nominating Committee and elected by the board of directors on March 2, 2002:

President	Deborah Hopp
President-elect	Jerry Noyce
Vice President	Andrea Hjelm
Vice President	Robert Stein
Vice President	Tom LaSalle
Vice President	Dennis Schulstad
Secretary-Treasurer	Todd Klingel
Past President	Bruce Nelson

The slate of new board members was introduced, voted upon, and approved by those present:

At-Large Member	Lynn Casey
At-Large Member	Archie Givens
At-Large Member	Bruce Mooty
Geographical Representative	Robert Calmenson
Geographical Representative	Douglas Kuehnast
Geographical Representative	Lucinda Maine

PASSING OF THE GAVEL

Nelson introduced Deborah Hopp, who will assume the UMAA presidency on July 1, 2002. Hopp, a 1975 graduate of the University of Minnesota School of Journalism, is vice president for publishing and publisher of *Minneapolis-St. Paul* magazine at MSP Communications, Inc., in Minneapolis.

Hopp said that it will be a true honor to represent the alumni of this great University. She thanked Nelson for his thoughtful guidance during the past year, for orchestrating the effort to increase membership to its greatest number ever, for ensuring that board meetings were engaging and interactive, for encouraging the board to take a strong position on important issues facing the University, and for thinking strategically about the people that the association invites to its board and leadership.

“Thank you for making this year—with all its challenges and surprises—one of real and meaningful growth for the association. You have put us in the best possible position to boldly prepare for our 100th anniversary celebration in 2004,” she said.

UNIVERSITY OF MINNESOTA PRESIDENT MARK YUDOF

Nelson introduced University of Minnesota President Mark Yudof, who had just a few days earlier announced that he was resigning his position at the University to become Chancellor of the Texas university system. Nelson offered a tribute to Yudof, thanking him for five years of strong leadership and noting the renewed pride alumni feel in the institution. The crowd gave Yudof a standing ovation following Nelson’s comments.

“For me, this is a day that is both sad and sweet,” Yudof said. “Although the momentum we’ve accumulated needs careful attention, I believe it can be sustained and that the people of Minnesota are still committed to this great institution.” Yudof also quoted former governor Elmer L. Andersen: “You don’t manage a university, you nurture it.” He added that he is convinced Minnesotans will do all they can to sustain the University.

“Indeed, it is because of the confidence I have for the future, rather than any kind of pessimism or discouragement, that I feel secure in making this transition,” said Yudof.

GIFTING THE PLAZA TO THE UNIVERSITY OF MINNESOTA

Nelson announced that the Gateway Plaza brings not only new green space back to campus, but a new place for campus traditions and memories to happen. He introduced the following individuals, representing the tremendous effort and leadership that made this gift possible, who came forward for the symbolic “gifting” of the Gateway Plaza to the University:

- Honorable Maureen Reed, chair of the University of Minnesota Board of Regents
- Mark Yudof, president of the University
- Margaret Carlson, executive director of the Alumni Association
- Brad Choate, chief executive officer of the Minnesota Medical Foundation
- Jerry Fischer, chief executive officer of the University of Minnesota Foundation
- Fred Friswold, chief operating officer of the Gateway Corporation
- Larry Laukka, chief executive officer of the Gateway Corporation

Laukka and Friswold told the story of the plaza, which was designed by Antoine Predock, architect of the McNamara Alumni Center, in association with LHB Engineers and Architects. Landscape architecture professor Lance Neckar and some of his urban design students suggested refinements to the plaza that helped it become an appropriate transition from the commercial area of Stadium Village to the monumental alumni center and the University as a whole. Future plans include a monument of granite, copper, and glass at the corner of Oak Street and Washington Avenue that will mark the corner of campus, said Laukka. As with the entire plaza, private funds will be used to build the tower. Friswold and Laukka officially presented the plaza to the University of Minnesota as represented by Reed and Yudof.

Yudof thanked Friswold and Laukka as heads of the nonprofit Gateway Corporation for building the plaza, which was constructed on University land using private funds. “It is quite extraordinary,” Yudof said. “There are not many new urban parks being created. A great university is defined as much by its open spaces as by its buildings and this will be one of the great open spaces at any university in the country. It will be appreciated not just today and tomorrow, but for the next 150 years.”

INTRODUCTION OF NEW TRADITION

Margaret Carlson, UMAA executive director, announced that a new University of Minnesota tradition will commence tonight. Carlson led the audience in a countdown of “Ski-U-Mah” as the party on stage tossed “coins” into the water feature.

Page 4
UMAA 98th Annual Meeting
June 4, 2002

ADJOURNMENT

Following the coin toss, guests were invited to stay to listen and dance to a 1950s-style band performance. The program adjourned at 9:30 p.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

For

Todd Klingel
Secretary-Treasurer

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
Executive Committee Meeting**

June 5, 2002

7:30 to 9:00 a.m.

Laukka Conference Room, UMAA, McNamara Alumni Center

Committee Members Attending

Hjelm, Andrea

Hopp, Deb

McLeod, Mary

Nelson, Bruce

Noyce, Jerry

Stein, Robert (by telephone)

UMAA Staff Attending

Burgett, Bob

Carlson, Margaret

Fisher, Diane

Jones, Cheryl

Martin, Brigitt

Sailer, David

Committee Members Unable to Attend

Erkkila, Dan

Fountain, Jean

Klingel, Todd

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 7:30 a.m.

National President's Report

Nelson introduced Brigitt Martin, UMAA interim communications director. He reported on several meetings and events in which he has recently participated, including the UMAA 2002 Annual Meeting on June 4. More than 900 alumni and friends attended this event, the theme of which was "Rock Around the Block." Nelson reported that the crowd gave a standing ovation to University of Minnesota President Mark Yudof, who is leaving the University to become chancellor of the Texas system.

Nelson also reported on last month's "3 X 3" meeting among three University of Minnesota regents, three UMAA officers, and the executive directors of the UMAA and the regents. The group, which meets three to four times per year, discussed legislative redistricting. There was agreement that it will be important to encourage alumni to run for the very large number of open legislative seats.

Nelson also reported on the UMAA's commitment to increased communication and dialogue with the University of Minnesota Foundation (UMF). A meeting was held among the UMAA and UMF leaders to discuss how the two organizations might work together more closely to benefit the University as well as each other. Margaret Carlson, UMAA executive director, said that there will be future meetings.

Consent Agenda

The consent agenda included the February 13, 2002, executive committee minutes, the financial reports through April 30, 2002, the membership report, and a recommendation to approve the Hmoob (Hmong) Alumni Group as an official interest group of the association. Bob Burgett, UMAA associate executive director for outreach, commented that this alumni group is the first in the United States. UMAA membership totaled 53,220 at the end of May. All consent items were approved as mailed.

FY02 Highlights, FY03 Goals and Objectives, and FY03 Budgets

Carlson said that the 2002 fiscal year could be summarized by four terms: partnerships, visibility, courage, and talent. The UMAA partnered with 18 collegiate units on mentor programs and the annual meeting, with University Relations on the State Fair, with the College of Continuing Education on career and life work advising, and with Intercollegiate Athletics on the coaches caravan. The 100th anniversary of the magazine and the McNamara Alumni Center brought the association great visibility. The association and the volunteers demonstrated courage by addressing tough issues and providing candid feedback to the University on topics such as the Extension Service Plan for Change and the financial dilemma facing Intercollegiate Athletics. And the competence and talent of the volunteers and staff were demonstrated over and over again throughout the year.

Carlson called the executive committee members' attention to the "UMAA 2001-2002 Highlights" document that describes the association's achievements during the past year. Noyce said that staying above 50,000 members was a particularly important achievement, and that the goal for FY03 should be to stay above 55,000 members. Mary McLeod, chair of the Advocacy Committee, thanked the staff for their efforts and said that she is very proud of the association.

Carlson next presented the draft goals for 2002-2003:

- Connect with alumni, students, donors, and friends
- Provide opportunities for alumni to speak out
- Celebrate heritage, legacy, and achievement
- Enhance the McNamara Alumni Center

There was discussion. It was agreed that the UMAA should add an objective to assist the University as appropriate with the presidential transition. Carlson said that she will request that an alumnus be appointed to the search committee for the new University president. Ways to make the first floor of the McNamara Alumni Center more welcoming were also discussed.

There was considerable discussion about the need to recruit education-friendly candidates to run for the legislature and ensure that all legislators are informed about the University and the importance of higher education and the University of Minnesota to the state. Carlson said that the regents are also excited about this opportunity, and they encourage the UMAA's involvement. Carlson and Burgett are currently discussing the association's objectives for the coming year in this area with Sandee Gardebring, vice president for University Relations, and Donna Peterson, government relations director.

Diane Fisher, UMAA associate executive director for finance and operations, presented the proposed 2002-2003 operating and capital budgets. She commented on several areas in the budget that she plans to watch closely, including membership, sponsorship, and advertising revenues. The financial support from the University is basically the same as last year in times when other units are taking cuts, which is a reflection that the University feels positive and appreciative of the association's contributions.

The proposed 2002-2003 goals, operating budget, and capital budget were approved for presentation to the national board on June 20.

Board Development

Nelson reported for Jean Fountain, chair of the Board Development Committee, who was unable to attend the meeting. He presented the findings from the recent survey of UMAA board members. Overall, the responses and results of the survey are very positive and the vast majority of the board members believe that they are well informed and are very satisfied with their board experience. In regard to board meetings, most members want increased interaction and dialogue. The survey findings and recommendations will be summarized and provided to the board members in advance of the June meeting. It was agreed that Fountain should engage the board in active discussion about the survey results and recommendations at that meeting.

Executive Director

Carlson reported that she is developing the position description and forming the search committee for the associate executive director for communications. She hopes to have this new staff member on board by September 3. Carlson plans to extend the UMAA's interim contract with MSP Communications to sell advertising in the magazine until a new, permanent communications director is hired and on board. The search process will commence this week. The executive committee members agreed and approved Carlson's decision.

Carlson also announced that planning for the association's 100th anniversary celebration would begin later this month, and the Advocacy Committee will address the topic of the Gophers-Vikings on-campus football stadium.

Page 4
UMAA Executive Committee
June 5, 2002

Carlson concluded by congratulating and thanking the volunteers and staff for their hard work and contributions during the year.

Adjournment

Nelson adjourned the meeting at 9:00 a.m.

Submitted by,

Cheryl Jones
UMAA Administrative Manager

for

Todd Klingel
Secretary-Treasurer

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
National Board of Directors Meeting
Thursday, June 20, 2002
University of Minnesota Foundation Board Room
500 McNamara Alumni Center

Board Members Attending

Bowser, Walter
Bymark, Jim
Chelstrom, Marilyn
Eelkema, Marilyn
Erkkila, Dan
Foster, Barbara
Fountain, Jean
Hagford, David
Harder, Ron
Hjelm, Andrea
Hopp, Deb
Hutchins, Bruce
Klingel, Todd
LaSalle, Tom
Lehman, Tom
Litton, Steve
Luehmann, Barb
Luis, Nita
Madson, David (by telephone)
Massey, Joe
McLeod, Mary
Nelson, Bruce
Noyce, Jerry
Perman, Victor
Phillips, Jessica
Pletcher, Carol
Smith, Charlie
Sit, Debbie
Tuckner, Barb

Board Members Unable to Attend

Ahles, Karen
Bredeson, Tom
Cracraft, Ed
Hauschild-Baron, Beverly
Jamieson, Marj
Hansen, Harlan
Nuness, Al
Ollila, Gene
Phillips, Mark
Quinn, Mike
Schulstad, Denny
Stein, Robert
Wangstad, Andy

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Jones, Cheryl
Sailer, David

University Staff Attending

Gardebring, Sandee
Reed, Maureen

Guests

Bartz, Mary (incoming board member)
Daniel, Richard (Forman Fellow)
Frazier, Chris (incoming board member)
Mooty, Bruce (incoming board member)

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 4:30 p.m.

National President

Nelson asked that the board members observe a moment of silence in honor of Bill Reilly, who represented the College of Agriculture on the UMAA board for six years. Reilly, one of the association's most loyal and participative volunteers, died of cancer in May.

Nelson introduced the following special guests:

- Richard Daniel, Council of Alumni Association Executives (CAAE) Forman Fellow from Arizona State University;
- Bruce Mooty, incoming at-large board member; and
- Chris Frazier, incoming board member representing the Graduate and Professional Students Assembly (GAPSA).

Mary Bartz, incoming board member representing the College of Human Ecology, also joined the meeting.

Nelson reported that the 2001-2002 year was extremely successful and productive. He said that the year could be summarized by four words: partnerships, visibility, courage, and talent. The UMAA partnered with 18 collegiate units on mentor programs and the annual meeting, with University Relations on the State Fair, with the College of Continuing Education on career and life work advising, and with Intercollegiate Athletics on the Coaches Caravan. The 100th anniversary of the magazine and the McNamara Alumni Center brought the association great visibility. The association and the volunteers demonstrated courage by addressing tough issues and providing candid feedback to the University on topics such as the Extension Service change plan and the financial dilemma facing Intercollegiate Athletics.

Nelson commended and thanked the volunteers and staff for their talent and effort. He said that the past year boasted a series of accomplishments of which the entire board can be proud. Joe Massey, Faculty Consultative Committee chair, complimented the association on its work and said that he had very much enjoyed serving on the board, especially the Advocacy Committee.

University Update

Nelson introduced Sandee Gardebring, vice president for University Relations, and the Honorable Maureen Reed, chair of the University of Minnesota Board of Regents. Reed congratulated and thanked Nelson and the association, stating "every year you surpass what you accomplished before."

Reed said that the Board of Regents, while disappointed that University of Minnesota President Mark Yudof is leaving the University to become chancellor of the Texas system, is looking forward to the coming year with great excitement. They have a great transition plan in place, and there is wide and deep support for Robert Bruininks as interim president of the University. Reed said that there is great confidence among the Board of Regents that Bruininks will keep President Yudof's agenda moving forward. "The University will not be on vacation during this interim time," said Reed. "The Board wants no lapse in leadership and no lapse in progress."

The search for a permanent University president will be thoughtful but not slow, stated Reed. Korn/Ferry International has been hired as the search firm, and the search advisory committee will be named by the next Board of Regents meeting. The plan is to identify the new president by the end of the calendar year and to have this person on board at the University one year from now. Reed anticipates that the process will need to balance the public's need to know with the need for privacy demanded by a high-level search. Reed concluded her remarks with two guarantees: "The University will not pause; we're full steam ahead during this time of transition. And the next president will be the best president that the University has ever had."

Gardebring reported on additional current searches at the University. She is chairing the search for a Vice President for University Services and is encouraged that there are excellent candidates for this position and other key positions, including the athletics director and the executive vice president and provost.

Gardebring stated that this will be a difficult year at the legislature. There will be much changeover in the legislature, including its veteran leadership, and the University needs to pay careful attention to the whole political shift. On a positive note, Bruininks is well-known and respected by legislators. Alumni support and involvement will be needed more than ever, said Gardebring. The University request will continue to reflect a strong commitment to undergraduate education, biology, and the other initiatives that have been key on President Yudof's agenda.

Gardebring said that she is optimistic in that the University is now "as engaged as we can be." The leaders of both campaigns have agreed to meet with Bruininks, and the University is developing a new legislative metro strategy.

Gardebring also reported that the University, in response to the legislature's request, is working on a pre-design and a management agreement for a joint Gophers-Vikings on-campus football stadium. There will be opportunities for alumni and others to become engaged in the stadium discussion. The UMAA Advocacy Committee will be involved in this issue, which has a very short timeline as the University's report is due at the legislature in December of this year.

There was discussion about the legislative strategy. Gardebring said that there will be transition on the Board of Regents, also. Four regents will be up for re-election this year. The five appointments made by Governor Jesse Ventura following last year's session are also subject to review, although it is unlikely that the legislature will revisit these.

There was also discussion about the presidential search. Candidates will need to have a strong, clear vision for an academic institution, superb managerial skills, ability to account to the public, very strong communication skills, and personal attributes such as ethics. The Board of Regents is working with the General Counsel's office to interpret the open meeting law in regard to the presidential search. Confidentiality will be crucial to an effective search, and the search committee members will also be instructed to pay high attention to diversity.

Nelson thanked Gardebring and Reed for their participation in this meeting and for their hard work and commitment to the University.

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
National Board of Directors Meeting
Thursday, June 20, 2002
University of Minnesota Foundation Board Room
500 McNamara Alumni Center

Board Members Attending

Bowser, Walter
Bymark, Jim
Chelstrom, Marilyn
Elkema, Marilyn
Erkkila, Dan
Foster, Barbara
Fountain, Jean
Hagford, David
Harder, Ron
Hjelm, Andrea
Hopp, Deb
Hutchins, Bruce
Klingel, Todd
LaSalle, Tom
Lehman, Tom
Litton, Steve
Luehmann, Barb
Luis, Nita
Madson, David (by telephone)
Massey, Joe
McLeod, Mary
Nelson, Bruce
Noyce, Jerry
Perman, Victor
Phillips, Jessica
Pletcher, Carol
Smith, Charlie
Sit, Debbie
Tuckner, Barb

Board Members Unable to Attend

Ahles, Karen
Bredeson, Tom
Cracraft, Ed
Hauschild-Baron, Beverly
Jamieson, Marj
Hansen, Harlan
Nuness, Al
Ollila, Gene
Phillips, Mark
Quinn, Mike
Schulstad, Denny
Stein, Robert
Wangstad, Andy

UMAA Staff Members Attending

Burgett, Bob
Carlson, Margaret
Fisher, Diane
Jones, Cheryl
Sailer, David

University Staff Attending

Gardebring, Sandee
Reed, Maureen

Guests

Bartz, Mary (incoming board member)
Daniel, Richard (Forman Fellow)
Frazier, Chris (incoming board member)
Mooty, Bruce (incoming board member)

University of Minnesota Alumni Association (UMAA) National President Bruce Nelson called the meeting to order at 4:30 p.m.

National President

Nelson asked that the board members observe a moment of silence in honor of Bill Reilly, who represented the College of Agriculture on the UMAA board for six years. Reilly, one of the association's most loyal and participative volunteers, died of cancer in May.

Nelson introduced the following special guests:

- Richard Daniel, Council of Alumni Association Executives (CAAE) Forman Fellow from Arizona State University;
- Bruce Mooty, incoming at-large board member; and
- Chris Frazier, incoming board member representing the Graduate and Professional Students Assembly (GAPSA).

Mary Bartz, incoming board member representing the College of Human Ecology, also joined the meeting.

Nelson reported that the 2001-2002 year was extremely successful and productive. He said that the year could be summarized by four words: partnerships, visibility, courage, and talent. The UMAA partnered with 18 collegiate units on mentor programs and the annual meeting, with University Relations on the State Fair, with the College of Continuing Education on career and life work advising, and with Intercollegiate Athletics on the Coaches Caravan. The 100th anniversary of the magazine and the McNamara Alumni Center brought the association great visibility. The association and the volunteers demonstrated courage by addressing tough issues and providing candid feedback to the University on topics such as the Extension Service change plan and the financial dilemma facing Intercollegiate Athletics.

Nelson commended and thanked the volunteers and staff for their talent and effort. He said that the past year boasted a series of accomplishments of which the entire board can be proud. Joe Massey, Faculty Consultative Committee chair, complimented the association on its work and said that he had very much enjoyed serving on the board, especially the Advocacy Committee.

University Update

Nelson introduced Sandee Gardebring, vice president for University Relations, and the Honorable Maureen Reed, chair of the University of Minnesota Board of Regents. Reed congratulated and thanked Nelson and the association, stating "every year you surpass what you accomplished before."

Reed said that the Board of Regents, while disappointed that University of Minnesota President Mark Yudof is leaving the University to become chancellor of the Texas system, is looking forward to the coming year with great excitement. They have a great transition plan in place, and there is wide and deep support for Robert Bruininks as interim president of the University. Reed said that there is great confidence among the Board of Regents that Bruininks will keep President Yudof's agenda moving forward. "The University will not be on vacation during this interim time," said Reed. "The Board wants no lapse in leadership and no lapse in progress."

The search for a permanent University president will be thoughtful but not slow, stated Reed. Korn/Ferry International has been hired as the search firm, and the search advisory committee will be named by the next Board of Regents meeting. The plan is to identify the new president by the end of the calendar year and to have this person on board at the University one year from now. Reed anticipates that the process will need to balance the public's need to know with the need for privacy demanded by a high-level search. Reed concluded her remarks with two guarantees: "The University will not pause; we're full steam ahead during this time of transition. And the next president will be the best president that the University has ever had."

Gardebring reported on additional current searches at the University. She is chairing the search for a Vice President for University Services and is encouraged that there are excellent candidates for this position and other key positions, including the athletics director and the executive vice president and provost.

Gardebring stated that this will be a difficult year at the legislature. There will be much changeover in the legislature, including its veteran leadership, and the University needs to pay careful attention to the whole political shift. On a positive note, Bruininks is well-known and respected by legislators. Alumni support and involvement will be needed more than ever, said Gardebring. The University request will continue to reflect a strong commitment to undergraduate education, biology, and the other initiatives that have been key on President Yudof's agenda.

Gardebring said that she is optimistic in that the University is now "as engaged as we can be." The leaders of both campaigns have agreed to meet with Bruininks, and the University is developing a new legislative metro strategy.

Gardebring also reported that the University, in response to the legislature's request, is working on a pre-design and a management agreement for a joint Gophers-Vikings on-campus football stadium. There will be opportunities for alumni and others to become engaged in the stadium discussion. The UMAA Advocacy Committee will be involved in this issue, which has a very short timeline as the University's report is due at the legislature in December of this year.

There was discussion about the legislative strategy. Gardebring said that there will be transition on the Board of Regents, also. Four regents will be up for re-election this year. The five appointments made by Governor Jesse Ventura following last year's session are also subject to review, although it is unlikely that the legislature will revisit these.

There was also discussion about the presidential search. Candidates will need to have a strong, clear vision for an academic institution, superb managerial skills, ability to account to the public, very strong communication skills, and personal attributes such as ethics. The Board of Regents is working with the General Counsel's office to interpret the open meeting law in regard to the presidential search. Confidentiality will be crucial to an effective search, and the search committee members will also be instructed to pay high attention to diversity.

Nelson thanked Gardebring and Reed for their participation in this meeting and for their hard work and commitment to the University.

Consent Agenda

The consent agenda included the March 2, 2002, national board meeting minutes; the financial statements through April 30, 2002; a motion to approve the Hmoob (Hmong) Alumni Group as an official UMAA special interest group; and the membership report which reflected 51,360 members as of June 12, 2002. All were approved as mailed.

2002-2003 Goals

Deb Hopp, UMAA president-elect, presented the UMAA's goals and objectives for 2002-2003. Following discussion, the following plan was approved by the board members.

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION 2002-2003 GOALS AND OBJECTIVES (in addition to ongoing activities)

CONNECT WITH ALUMNI, STUDENTS, DONORS, AND FRIENDS

Continue to Grow to 55,000 Members and Enhance Benefits

- Develop a career networking data base to be launched next year
- Develop a print, CD-ROM, and online directory of Twin Cities campus alumni
- Expand and enhance the "Changing the World One Graduate at a Time" public relations campaign

Engage Volunteers in the Activities of 80+ Alumni Groups

- Enhance connection and involvement with collegiate alumni societies and key student group
- Collaborate with campus mentoring programs, matching 1,500 alumni and 1,500 students
- Involve tens of thousands of alumni and friends in activities in Minnesota and around the country
- Develop 3-5 new suburban groups

Link Alumni to the Day-to-Day Happenings at the University

- Publish six outstanding issues of the award-winning *Minnesota* magazine
- Provide content and financial support to *M*, the tabloid sent to all alumni; and E-News
- Continue upgrading the UMAA web site

Assist the Foundations in Increasing the Number of Donors to Campaign Minnesota

- Mail a cover-wrapped Fall Preview issue of *Minnesota* to 200,000 non-member households
- Place campaign advertising and updates in *Minnesota*; promote giving at alumni events
- Add to membership and renewal forms a check-off box for donations
- Collaborate on mini-colleges in key geographical areas

Maximize Our Partnership with the College of Continuing Education

- Explore new opportunities and develop collaborative programs that enhance the value of UMAA membership; offer three mini-colleges around the country

2002-2003 Goals and Objectives (continued)

PROVIDE OPPORTUNITIES FOR ALUMNI TO SPEAK OUT

Provide advice and counsel to the University regarding the on-campus football stadium; express alumni concerns on other key issues

Engage alumni in advocating for the University with their legislative candidates

Grow the Legislative Network to 4,200 members and mobilize them in support of the University; maximize involvement of district captains

Assist in the University's presidential and other key administrative transitions as appropriate

Assist the Regent Candidate Advisory Council in identifying excellent regent candidates and hold the Regent Candidate Forum

CELEBRATE HERITAGE, LEGACY, AND ACHIEVEMENT

Plan the UMAA's 100th Anniversary Celebration (to be held in 2004); produce an anniversary pictorial display

Uphold and create campus traditions through the Homecoming Pancake Breakfast, the Senior Sendoff, and the Annual Celebration

Collaborate on all-University initiatives: Distinguished Teaching Awards, Intercollegiate Athletics spirit activities, Maroon & Gold Day at the Minnesota State Fair

ENHANCE THE McNAMARA ALUMNI CENTER

Collaborate with the University and the Gateway Corporation to develop a Scholar's Walk

Work with the Gateway Corporation to make the first floor more inviting and user-friendly

Develop a welcoming display on the first floor featuring the UMAA, MMF, UMF, and the Regents

2002-2003 Operating and Capital Budgets

Todd Klingel, UMAA Treasurer, presented the 2002-2003 operating budget (total revenues and transfers: \$4,646,700; total expenses: \$4,646,700). Klingel reminded the board members that the goal each year is to present a balanced budget. He noted that the allocation from the University has again this year not been cut by any significant amount, which is a good indication that the University appreciates the UMAA's work. The budget has been reviewed and approved by the Finance and Executive committees. Klingel discussed several areas of the budget that will be monitored especially carefully: membership revenue, contributions, advertising sales, and credit card funds. The operating budget was approved as attached.

Klingel also presented the 2002-2003 capital budget, which was also reviewed and approved by the Finance and Executive committees. The capital budget was also approved. Klingel thanked Diane Fisher, UMAA associate executive director for finance and operations, for her competence and diligence in regard to the UMAA's finances.

Board Development

Jean Fountain, chair of the Board Development committee, thanked the board members for the good response to the recent Board Member Survey. She reported that the results of the survey were very positive in general. The findings and recommendations include:

- Continue to hold board meetings on Saturday mornings
- Board meetings should be more interactive and provide increased opportunities for discussion
- Provide more detailed information about the board committees and their work
- Provide mentors for new board members
- Produce a directory of board members so that the board members can more easily become acquainted.

There was discussion. Additional recommendations are to move the board meetings around campus, invite the board members of the collegiate societies to sit in on national board meetings, break up into smaller groups if a topic lends itself to that type of discussion, and to hold a board retreat only if there is a compelling business reason.

Executive Director

Margaret Carlson, UMAA executive director, reported as follows:

- The UMAA 98th Annual Celebration on June 4 was a fabulous evening. Although the record low daytime temperature and rain demanded that the event be converted from a totally outdoor to inside event, we received kudos from many, many guests. Thanks to Bob Burgett, UMAA associate executive director for outreach, and all of the UMAA staff for their work on this wonderful party.
- The Gateway Plaza is open, with plenty of new green space. When Carlson asked a few of the 600 participants in a recent literature conference held here what they thought of the building and the plaza, one said, "who would have had the vision to build this magnificent place?" Carlson first thought of architect Antoine Predock, but upon further reflection realized that it was the UMAA national board that in 1989 voted to make the long-time dream of an alumni center on campus come true. This story demonstrates the national board's year-in and year-out courage and vision.

Executive Director (continued)

- Planning has begun for the UMAA's 100th Anniversary Celebration in 2004
- A search will soon commence for the UMAA associate executive director for communications (Tom Garrison's former position). The position description will be e-mailed to the board members; the deadline is July 8. Brigitt Martin is on board as the interim manager in this position.
- The managers here today are part of the UMAA's partnership of volunteers and staff. Thanks to Diane Fisher, Bob Burgett, David Sailer, and Cheryl Jones for their work and commitment to the association.

Recognition and Thanks

Nelson and Carlson presented thank-you gifts to the following board members whose terms are ending on June 30:

- Jim Bymark, northwest Minnesota representative
- Marilyn Chelstrom, northeast U.S.A. representative
- Marilyn Eelkema, College of Pharmacy
- Dan Erkkila, vice president
- Jean Fountain, past president
- Bruce Hutchins, at-large
- Barb Luehmann, College of Human Ecology
- David Madson, southwest U.S.A. representative (in absentia)
- Joe Massey, Faculty Consultative Committee

Nelson thanked all of the board members for their incredible time and effort this past year. He also gave thanks to the UMAA staff. Hopp thanked Nelson for serving as president. "Bruce pushed us to be very, very strategic," she said. "He asked the tough questions, encouraged us to recruit volunteers with skills that fit the organization, and had the courage to say that what was happening in intercollegiate athletics was important." Carlson added that as president, Nelson provided an important corporate perspective and valuable advice. Hopp and Carlson presented Nelson with a clock and a framed collage of photos of Nelson in action during the year.

President-elect

Hopp said that she will miss the talent and dedication of the board members whose terms are ending. She announced that a board social will be held at her home on August 8. The complete calendar of meetings and activities for the coming year will be sent to board members early in the summer. Hopp also encouraged the board members to see the fantastic debut presentation, "Dr. Jekyll and Mr. Hyde," at the Centennial Showboat.

Hopp adjourned the meeting at 7:00 p.m.

Submitted by:

Cheryl Jones, UMAA Administrative Manager
for
Todd Klingel, Secretary-Treasurer

University of Minnesota Alumni Association
FY03 Proposed Budget
Prepared for Presentation to UMAA National Board

	FY03 Proposed Budget	FY02 Revised Budget	Budget Increase (Decrease)	FY02 Revenue Thru 3/02
Revenue				
Membership				
Annual/3yr/5yr/10yr	905,365	860,125	45,240	612,192
Life Membership Support	432,660	408,090	24,570	306,068
Contributions	95,100	81,575	13,525	71,364
University Support:				
Base	943,035	945,330	(2,295)	708,997
Capital Campaign Readiness	394,000	394,000	-	295,500
Services				
Tours	129,160	89,500	39,660	48,528
Advertising Sales	271,000	245,000	26,000	194,864
Royalty Income	50,000	60,000	(10,000)	47,194
Internet (net of access & software fees)	56,300	62,570	(6,270)	49,125
Special Events	80,845	58,430	22,415	11,683
Net Assets Released From Restrictions	29,500	29,500	-	-
Sublease Rental Income	48,880	48,255	625	34,569
Interest/Dividends	450	5,075	(4,625)	3,662
Investment Gain/(Loss)	-	-	-	(872)
Other	1,000	1,020	(20)	848
Total Revenues	3,437,295	3,288,470	148,825	2,383,722
Transfers to Finance Current Operations:				
Credit Card Advance Funds	865,555	646,450	219,105	482,805
General Endowment - Operations	287,850	297,000	(9,150)	222,750
UMF Held Endowment Support - Awards	56,000	56,000	-	50,000
Total Transfers	1,209,405	999,450	209,955	755,555
Total Revenues and Transfers	4,646,700	4,287,920	358,780	3,139,277

**University of Minnesota Alumni Association
 FY03 Proposed Budget
 Prepared for Presentation to UMAA National Board**

	FY03 Proposed Budget	FY02 Revised Budget	Budget Increase (Decrease)	FY02 Expenses Thru 3/02
Expenses				
Personnel	2,189,885	2,048,160	141,725	1,471,940
Professional fees	362,445	349,800	12,645	275,561
Conferences/subscriptions/data processing	44,705	39,170	5,535	32,495
Telephone	39,605	37,255	2,350	28,458
Mail service and delivery	341,630	254,355	87,275	178,675
Printing, copying, design and advertising	473,065	362,910	110,155	279,053
Supplies and rentals	100,405	126,685	(26,280)	72,293
Office expenses (rent \$441,560)	488,580	460,790	27,790	340,371
Travel, catering and entertainment	162,285	149,005	13,280	72,539
Society allocations	118,400	118,440	(40)	88,830
Awards and scholarships	92,165	91,475	690	51,370
Contributions and co-sponsorships	210,420	216,475	(6,055)	174,104
Other	23,110	33,400	(10,290)	24,706
Total Expenses	4,646,700	4,287,920	358,780	3,090,395
Excess of Revenues over Expenses	-	-	-	48,882