

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

March 10, 2008, 7:30 to 9:00 a.m.
200 McNamara Alumni Center

Committee Members Attending

Carlson, Margaret
Givens, Archie
Horsager, Kent
LaSalle, Tom
Mooty, Bruce
Phillips, Jessica
Reed, Maureen
Schulstad, Dennis
Tuzcu, Ertugrul

UMAA Staff Attending

Fisher, Diane
Hanley, Stacy
Isaak, Ruth
Rader, Bruce
Shortridge, Julie

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

Consent Agenda

President LaSalle directed executive committee attention to the consent agenda which included the January 7, 2008 executive committee minutes, financial statements as of January 31, 2008, membership report and bi-monthly alumni survey results.

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

Memorandum of Understanding Update

LaSalle said that the process of negotiating a Memorandum of Understanding began in October, 2006 when an ad hoc committee was established, chaired by Tom LaSalle and composed of Bruce Mooty, Bob Stein, Mary McLeod, Margaret Carlson and Diane Fisher. University general counsel staff suggested to UMAA that the document should be completed between the two entities as had been done with the University of Minnesota Foundation and the Minnesota Medical Foundation.

LaSalle said that the draft Memorandum of Understanding was negotiated with the Office of the General Counsel who worked directly with the Office of the President and the Vice President for University Relations. LaSalle reviewed the document for the Executive Committee.

The document begins with the Recitals, statements of fact to which the parties agree. These include:

- UMAA's mission statement.
- A statement that the UMAA is separately incorporated from and legally independent from the University
- A statement that the UMAA has access to alumni records which it has used to solicit alumni for UMAA membership and to offer other products and services
- A statement that the UMAA has developed its own marks, logos and magazine and has entered into revenue-producing agreements with outside organizations and that

- A statement that the UMAA, with the exception of the Healthcare Management Alumni Association, is the exclusive alumni association for the Twin Cities campus

The body of the Memorandum is broken into 7 sections.

Section 1, Independence and Recognition – reiterates that the University acknowledges the UMAA’s independence and recognizes it as an Associated Organization.

Section 2, Governance, Representation and Coordination - acknowledges that the UMAA’s National Board of Directors is responsible for adherence to sound corporate governance and management. It stipulates two ex officio positions on the UMAA National Board of Directors: the University President as a non-voting member and the Vice President for University Relations as a voting member. The Memorandum also makes the Vice President for University Relations an ex officio voting member of the Executive Committee. This represents a change from the UMAA’s current bylaws. Currently, both the President and Vice President are ex officio non-voting members of the board and neither serve on the Executive Committee.

This section also calls for the appointment of the University President or, at the President’s discretion, the Vice President of University Relations, to the UMAA’s Compensation Committee. Currently, neither serves on this committee so this is another change.

The section also highlights the cooperative relationship between the University and UMAA and establishes a process for the participation of the UMAA’s CEO and board officers in University strategic planning and other discussions where alumni perspective is important. Although UMAA staff and board involvement has been sought in the past, this language formalizes that arrangement.

Section 3, Program Functions - states that the UMAA shall perform the central alumni relations function of the University, and details some of those functions. It specifies that the UMAA shall have the right to negotiate and enter into contracts, define membership in the UMAA and establish a dues structure.

Section 4, Accounting, Audit and Compliance - documents current practices. It calls for the University and UMAA to maintain a sound management system with effective internal controls. It stipulates that the UMAA will report its activities using accrual accounting in accordance with generally accepted accounting principles. It also calls for UMAA to engage an independent accounting firm to perform an annual audit at its own expense.

Section 5, Shared Resources - entails the relationship for six major areas. The first is human resources. The fact that all UMAA staff are University employees assigned to the UMAA is documented. It states that such employees are subject to the University’s employment policies and practices and as such, the University will defend any employment claim and indemnify the UMAA. This does not reflect a change from current practice.

A paragraph documenting the role of the Compensation Committee of the UMAA Board is included. The Compensation Committee is charged with primary oversight and supervision of the UMAA’s CEO, including but not limited to establishing annual objectives and performance goals, conducting performance reviews and determining compensation. The only change as a result of the Memorandum is the inclusion of the University President, or the Vice President for University Relations, as a committee member, although this committee has always consulted with the Vice President in the past.

The memorandum documents practices around the use of other shared resources including information technology, the University name, marks and images, financial accounts, and data. There is nothing new in any of these paragraphs.

Section 6, Term and Termination - parties agree to review the terms of the agreement at least every three years and to provide at least one year's notice of termination.

Section 7, General Provisions - includes standard contract language regarding prior understandings, amendments, governing law, assignment, third party beneficiaries and notice.

MOTION: A motion was made to approve the MOU document and forward it to the full board for their review and approval at the March 29th meeting.

APPROVED UNANIMOUSLY

Reed thanked the committee for their determined and hard work on the document.

Board Development Committee Report

Denny Schulstad, Chairman of the 2007-2008 Board Development Committee, told the Executive Committee that the committee is charged with recommending officers to the National Board and new board members to the membership at the Annual Meeting. He thanked his committee members: Tom LaSalle, Bruce Mooty, Rick Beeson, Amy Xu, Jean Fountain, Andrea Hjelm and Margaret Carlson.

Schulstad presented the committee's recommended slate of FY09 UMAA officers:

President – Bruce Mooty
President-elect – Archie Givens
First Vice President – Ertugrul Tuzcu
Vice President – Jessica Phillips
Vice President – Maureen Reed
Vice President – Kip Thacker
Secretary-Treasurer – Kent Horsager
Past President – Tom LaSalle

Bruce Mooty left the room and the Executive Committee made the individual motions for each position.

MOTIONS: Accept each UMAA 2008-2009 officer position as recommended by the Board Development Committee with the exception of Past President

APPROVED UNANIMOUSLY

Light Rail Transit Report and Biomedical Sciences Update

Maureen Reed informed the group that the Metropolitan Council made the decision at its February 27 meeting to proceed with an at-grade option on Washington Avenue for the Central Corridor light rail route. Reed explained that the U needed to allow the process to proceed in order to investigate alternatives. A northern alignment study is in process and the mitigation necessary for a Washington Avenue at-grade option is being explored. She reaffirmed that the UMAA does not support an at grade option.

The biomedical sciences research program request is still in the legislative committee process. University supporters filled a committee room for a recent hearing and it remains an important advocacy issue for the UMAA.

CEO Report

Carlson presented a draft of FY09 Goals and Objectives, noting that the document has a new format with a cover page repeating the UMAA's vision and mission along with guiding principles. She said that the final approval of the FY09 Goals and Objectives will be sought at the June board meeting along with the FY09 budget.

Goal I: Build the Effectiveness of the UMAA and Advocate for the University

This includes building brand identity in all communications, marketing, event planning and programming. It also includes designing a new, more interactive web site carrying the brand identity.

UMAA will continue to engage alumni in legislative advocacy and key issues facing the University. Opportunities to be advocacy ambassadors will be available through the Legislative Network, Legislative Briefing, Legislators of the Year, and the State-wide Speakers Tour.

Goal II: Strengthen University Partnerships and Traditions

This goal celebrates alumni, student and faculty achievement, optimizing alumni engagement through collegiate units, geographic chapters, interest groups, and other programming, and continuing to champion University spirit.

UMAA will hold a new university-wide alumni recognition event during Homecoming Week and create a place to permanently recognize recipients of the Alumni Service Award. In addition, UMAA will partner with five university units to fund a Homecoming Coordinator position to revitalize Homecoming in anticipation of the TCF Bank Stadium 2009 opening.

Other hallmark events or activities that fall under this goal are the Distinguished Teaching Awards, student scholarships, mentoring, Annual Celebration and other activities.

Goal III: Ensure the Association's Financial and Organizational Viability

This goal encompasses membership goals, maximizing non-dues revenue opportunities for UMAA and continuing to insure a strong organizational infrastructure.

Next year's membership goal will be 58,500 memberships with life memberships to reach 14, 500, along with bi-monthly surveys of alumni attitudes and perceived value of member benefits.

In order to maximize non-dues revenue, the credit card agreement and insurance program will be renegotiated, at least 2 major sponsors will be sought and goals for magazine ads and travel program revenue will be maximized to the extent possible.

In addition, the organization infrastructure will be maintained through a strong, diverse board, computer and data security, financial stewardship and staff development.

Reed suggested that Goal I be changed to 'Build the effectiveness of the UMAA as an advocate for the University.' (Later, the word 'advocate' was replaced with the 'ambassador' to match our brand identity.)

Tuzcu said he would like more committee involvement from the board member collegiate representatives. Carlson explained that this was the Program's Committee area and with the addition of the new Sr. Director of Outreach, Stacy Hanley, that committee would be more active.

Carlson asked Executive Committee members to contact her with any feedback on the proposed FY09 Goals and Objectives.

Minnesota Magazine Article

Carlson explained that an article on the University's alternative fuels research had been pulled from a recent magazine issue. This was at the request of Vice President Karen Himle because of sensitive timing and also corn and soybean commodity groups expressing concern over recent negative press.

The decision was made after consultation with staff and volunteers. The article may be included in the May/June story lineup. The Executive Committee noted that the editorial calendar is determined by the alumni association but urged sensitivity on University issues. It was suggested that the magazine's advisory board establish policies to be reviewed by the Executive Committee.

Adjournment

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

Submitted by,

Ruth Isaak
Deputy Director and Board Administrator

For Kent Horsager
Secretary-Treasurer