

**UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION**  
**BOARD OF DIRECTORS MINUTES**  
**January 29, 2022, 10:00 a.m. – 12:00 p.m.**  
**In-Person and Virtual Meeting**

Board of Directors Members Attending In-Person

Duncanson, Pat

Jessen, Mark

Jeter, Mark

Lewis, Lisa

Pieper-Bigelow, Christina

Reinert, Roger

Wagner, Tony

Wallace, Scott

Board of Directors Members Attending Remotely

Bany, Mary

Beraki, Sarah

Bhowmik, UJ

Clausman, Mike

Daboh, Wokie

Dean, Carol Johnson

Haldeman, Bill

Hasan, Nadia

Ndely-Ogundipe, Emilia

Olson, Julie

Rodriguez, Amanda

Rohloff, Jason

Schmidlkofer, Kathy

Sheldon, Ann

Sweet, Megan

Guests

Croson, Rachel T.A.

UMAA Staff Attending In-Person

Collins, Carter

Davis, Steve

Garry, Dan

Huber, Lisa

Huerta, Sarah

Leaf, Cristy  
Thao, Kablia

Chair Scott Wallace welcomed Board members and Provost Croson to the second board meeting of the fiscal year.

### **University Update**

Provost Croson shared information on four main topics related to the University. The first is the University's response to COVID-19. Since the start of the pandemic the University has taken major steps to make sure students, staff and faculty are safe. In the fall the University reverted classes to the pre-pandemic modality and continued with safety measures of mask mandates, enhancing the ventilation system in classrooms, providing onsite testing clinics, and requiring students, staff, and faculty to be fully vaccinated. Instructors were asked to reflect on this past year and the two key takeaways were that students benefited from and demanded more hybrid learning. Students have valued access to remote materials and the ability to meet with instructors virtually. For international students, it was a little more difficult in the beginning as they struggled to make connections with other students. New orientation and registration processes have been implemented to help students connect.

Provost Croson continued by sharing that the fall class was the largest and most diverse class of students since 1960 and included the most Minnesotans and first-generation students. Student debt is a big concern and 45% of undergraduates leave with no debt. That leaves a large percentage of those with debt and the University is looking at moving this number to below 25% but will require assistance from donors and the legislature.

Provost Croson provided an update on leadership changes. Dr. Keith Mayes was appointed Dean of the School of Dentistry; Dr. Michael Rodriguez as Dean of the School of Dentistry; Dr. Laura Molgaard Dean of the College of Veterinary Medicine. Effective January 10, Dr. Nisha Botchwey became the new Dean of Humphrey School of Public Affairs. Dean John Finnegan is also planning to retire on January 31, and Timothy Beebe, Mayo Professor and head of the Division of Health Policy and Management in the School of Public Health, will serve as interim dean of the school effective February 1. Last fall Alejandra Peña-Gutiérrez was named the New Director of the Weisman Art Museum. It was also recently announced that Dr. Andrew Furco plans to step down from the Office of Public Engagement and Dr. Heidi Lasley Barajas has agreed to serve as interim associate vice president. The leadership search is expected to be initiated in late 2022.

In closing, Croson provided an update on the systemwide strategic plan. Graduate rates have increased and disparities among students have been decreasing. Three highlights on metrics are 1) increasing multidisciplinary course work for students, 2) the Office for Public Engagement has developed and launched a new interactive system that helps communicate the University's public impact, and 3) increasing financial assistance and mental health resources for students. She also mentioned how the

Maroon and Gold Networks helps students make connections and advances their career after graduation.

Roger Reinert remarked how proud he is of the University for providing free or reduced tuition to first-year undergraduate students from the state's Tribal Nations. He asked if Provost Croson had a reason for why the large increase in freshman students enrolled at the University. Croson responded that there was a joint marketing campaign that highlighted the different campuses and that no matter which campus you attended your degree still showed you graduated from the University of Minnesota. She continued by sharing that other initiatives were around how students could sign up for curriculum on other campuses and making sure students had help with financial aid. The vision was to bring everyone together and feel like one system.

Carol Johnson Dean asked if enrollment was tracked by departments and if some departments were seeing increases and others a decrease. Croson responded that the University doesn't track by department but by college and every college is up this year. Admissions monitor the goals of each college. The historic trend has been an increase in business engineering and a decrease in liberal arts and she doesn't see this trend changing anytime soon.

Pat Duncanson mentioned international students enrich our campus and asked how the number of international students has impacted finances at the University. Croson responded that the University did have a decrease in international students last year but that the numbers are better this year. The University targets 5-6% of undergraduate students to be international and is working towards increasing that number to around 10%.

Wokie Daboh asked what was driving more local students to attend the University. Croson replied that the pandemic pushed students to attend a college closer to home and that the University has also increased its recruitment to greater MN to encourage students to stay in-state.

Scott Wallace asked how we are preparing Native American students and those in the Free Tuition Program to succeed. Croson shared that the University is monitoring grades, providing tutoring, and being more attentive to the progression of these students to make sure they succeed.

Ann Sheldon was glad to hear that the multidisciplinary curriculum is increasing. Sheldon asked how the University was inviting industries to gather their feedback? Croson responded that a committee has been charged with this task and will consult with industries to learn what should be included in the curriculum. The faculty though will own the curriculum.

Mark Jessen asked how this past year has been for the University in retaining staff and faculty. Croson replied that with the hiring freeze being lifted, each college's hiring plan has been approved. There have been plenty of great applicants for open positions. It's been more challenging on the staff side due to the

increase of job opportunities in the market. There is still a high success rate for retention as employees are loyal to the University.

### **Opening Remarks**

Scott Wallace shared that the Inclusion & Belonging Committee met in November and Committee members provided feedback to Bill Haldeman on the Honorific Naming Policy. More than 200 guests attended the Gopher Families Brunch in November. He was honored to take part in that event along with his daughters. Also in November, Wallace, Ann Sheldon, Mark Jessen, and Lisa Lewis met with Regent Powell, Regent Sviggum, and Bill Haldeman to provide an update on the UMAA. The issues discussed were the Huntington Bank contract, UMAA's representation in the University budget process, Honorific Naming Policy, and Alumni Housing. Wallace reminded Board members of the call for FY23 Board officers and Board of Directors positions and invited Board members to provide nominations.

Wallace reported on Minne-College, which was switched from in-person to a virtual event due to COVID-19, and also provided some highlights from the Guaranteed Rate Bowl Game in Phoenix. In closing, Wallace thanked Mary Bany and Mike Clausman for their work on the investigation brought forward by a past Board member.

### **Minutes Approval**

The following item was approved unanimously:

MOTION:           Approval of the September 24, 2021, Board of Directors Minutes  
*APPROVED UNANIMOUSLY*

The September 30, 2021, Investment Report and FY22 December Membership Membership/Revenue Summary were provided for the Board's information.

### **CEO Report**

President & CEO, Lisa Lewis mentioned that we are more than halfway through our fiscal year and in year four of our five-year strategic plan. We have already exceeded our goals this fiscal year for lifetime engagement, life membership, and Maroon and Gold Network participation. We have not met our legislative goals only because of resources. As an interim step, we have hired Sam Rosemark on a part-time, temporary basis through the end of the fiscal year and will focus his time on Minnesota 201 advocacy initiatives.

We continue to work towards the transition of the UMAA marks. Some issues currently being addressed are the use of the mark, licensing, a campus-wide sponsorship strategy, a revised memorandum of understanding, and budget implications. Other key partners have been involved in these discussions and Lewis thanked Bill Haldeman for his leadership in helping to navigate these issues with the University.

Another milestone goal achieved this year was Maroon and Gold Network participation for both students and alumni. Under the leadership of Marissa Smith, our director of student and recent alumni

relations, we were able to utilize this feature and roll out a new product for students called “Projects” in November. Our goal is to be able to provide 200 opportunities a year to students. Another key initiative in our strategic plan is to provide more career services for alumni at every stage of their careers. In February, events during Career Month will center around early career, mid-career, and late-career, so attendees have options that fit whatever career stage they are currently in.

The 2022 Legislative Session starts January 31 and the State has a \$7.8 billion surplus with an additional \$1.3 billion in federal COVID-19 dollars. The University is requesting \$935.6 million in funding, with most being one-time investments. The request is broken down into five parts: 1) capital investment 2) enhancing safety, security, and sustainability, 3) reducing the cost of attendance for MN residents, 4) supporting the Future of Animal Agriculture Research in Minnesota (FAARM) and 5) advancing the quality of healthcare and access in Minnesota. Sam Rosemark is working on setting up meetings with alumni and legislators.

Lewis reminded Board members of the Annual Celebration on April 29 and encouraged Board members to attend the April 30 Board of Directors meeting in person. In closing, Lewis provided an update on staffing. Three new staff members have recently been hired: Lisa Keith, alumni services representative, Sam Rosemark, director of advocacy (temp), and Carter Collins, director of communications. We are also in the process of filling four vacant positions.

Bill Haldeman thanked the Board for their partnership and introduced Megan Sweet who will serve as the new designate for the President on the UMAA Board of Directors.

Mark Jessen asked if the intention of changing our mark was to have something that was used universally campuswide? Lewis replied that she didn’t have an answer at this time and hoped that future meetings with key partners would address this question.

Mark Jeter suggested that Board members be informed on situations going forward so they can get involved and be a part of the resolution. Lewis responded that the UMAA takes the initiative to keep Board members informed and to explain actions by the University without taking a position. Jeter suggested keeping the Board better informed on issues and what has transpired, the resolution, and how the situation was dealt with as it will help Board members better understand the resolution of the issue. Lewis responded that we will be more proactive in sharing information and if anyone ever has any questions to reach out to her.

### **Finance & Audit Committee Report**

Scott Wallace introduced Pat Duncanson, Treasurer, and Dan Garry, CFO and VP of Operations. Duncanson pointed out that the minutes from the January 13 Finance and Audit Committee meeting were shared in exhibit J. A couple of highlights were assessing next year's revenue situation, reviewing various policies and charters, and discussing if the UMAA should have a separate Investment Policy Statement. Currently, the UMAA uses the University of Minnesota Foundation’s Policy Statement

Dan Garry provided an update on UMAA finances. Through December, revenue ended \$30K lower than last year but \$120K better than budget. Expenses were \$120K below last year and \$110K under budget. Overall the draft December financial information indicated a \$90K improvement over last year and \$230K better than budget. Garry reported the UMAA's investments have increased in value. Through September 30, 2021, the 10-year return is over 10% compared to 6.9% a year ago. He also noted that the UMAA has 1% of investments in the Foundations investment pool and currently has \$36M in the pool.

In closing, Garry shared that in response to the allegations by a former Board member, staff reviewed UMAA policies and bylaws and also reviewed non-profit governance best practices. A list of modifications was created to ensure best practices are in place with organizational governance. The summary of recommended changes and modifications was provided in exhibit I.

Mark Jessen asked with the loss of FY23 revenue if we would need to take a larger draw on investment. Garry responded that it was uncertain at this time but the best-case scenario would be our investment draw would be similar to FY22. The worst case scenario would require drawing an additional \$350K over the 4.5% spend recommendation. As a point of comparison, the investments increased by \$8M, last fiscal year and so the additional draw is small compared to the investment increase.

Scott Wallace asked if we forecasted an increase in interest from investments. Garry said he would check into this and would provide more information at the next Board meeting.

### **Revenue Update**

Lisa Huber, Vice President of Marketing and Business Development, stated that banking and insurance are the two largest external partners under the partnership and royalty space and both contracts with vendors are up for renewal this year.

The non-renewal of the Huntington Bank contract will impact our revenue starting in fiscal year 2023. Huntington Bank determined the agreement didn't align with their rate of investment assessment and didn't see the value of having a separate contract with UMAA. Lisa Lewis, Dan Garry, and Huber recently met with Rick Beeson to dive deeper into the banking landscape. Beeson believes there would be great interest in banking partnerships due to market movement and our attractive audience. Huber mentioned that if any Board members had connections with other banking landscapes to please let her know.

Tony Wagner commented that he first learned about the Huntington Bank contract at the January Finance and Audit committee and mentioned that this type of information should be shared in the monthly Board communications versus waiting to share at a future Board meeting. Lisa Huber agreed and will include pertinent information in the monthly communication going forward.

Mark Jeter pointed out the importance of sponsorships and associated revenue. The UMAA needs a more robust approach to sponsorship on an ongoing basis. Mark suggested forming a committee to work on sponsorships as it might benefit the UMAA as contracts require continuous work and the committee would be able to look at different approaches to make sure there are no gaps. Huber agreed and also mentioned that contracts are now more customizable and take extra time.

Huber continued by informing the Committee of the upcoming insurance contracts with Mercer and Liberty Mutual. An Affinity Insurance Task Force was created to assess the landscape and review options. The Task Force members are Susan Adams Loyd, Chief Executive Officer - Better Business Bureau, Sandy Wiese, Executive Vice President of Government Affairs - Data Recognition Corporation, and Mark Jeter, Retired Managing Director - TCF Financial Corporation. The Task Force is reviewing new ways of approaching insurance contracts and limiting exclusivity. The Task Force will also review RFPs in March and bring their recommendation to the Executive Committee and Board of Directors at the April meetings.

Mark Jessen asked how the Alumni Market is doing. Huber replied that it is doing great and we are meeting our goals and continuing to add new partners. Also, the Alumni Market Directory recently launched and businesses are signing up.

#### **Alumni Housing Task Force Update**

Co-Chairs, Betsy Vohs, and Tony Wagner provided an update on alumni housing. The market research study by Marquette Advisors was used to create a rendering of a 15-story housing residence. The model has shifted from a co-op to a more traditional condo approach and will have more features and amenities. Vohs shared that the next steps are to put together a proforma, assess the potential capital structure, and create a business plan. The Task Force will continue to keep the University Real Estate Office and the Foundation updated on the plans. The final step will be presenting the plan to President Gabel.

Pat Duncanson asked if there are any concerns about the market changing due to the increase in interest rates. Wagner responded that there is a long way to go before this becomes a reality.

Mark Jeter mentioned that the UMAA has been successful in moving this project forward and it's getting close to becoming a reality. There are still some questions that need to be addressed and brought to the Board. Those are how the UMAA is aligning with other key partners, our brand, and the financial risks of this project. Wagner mentioned that more detailed information would be shared at an upcoming Board meeting.

#### **Board Engagement**

Board members were broken into six groups to increase engagement by getting to know each other better. Report-outs from each group will be shared in the February Board Communication.

Scott Wallace ended the meeting and noted the next Board meeting is scheduled for Saturday, April 30 starting at 9:00 a.m. and will be held in McNamara with the option to join virtually.

The meeting was adjourned at 12:04 p.m.

Submitted by Cristy Leaf  
For Emilia Ndely-Ogundipe, Secretary