

MOTION: Approve the above officers for the 2018-2019 UMAA Board of Directors
APPROVED UNANIMOUSLY

Legislative Wrap-Up

Chair Sandy Wiese shared the highlights of the Regent Selection Process. There was an effort to modify the RCAC, which was wrapped up in a larger bill that will likely be vetoed. This means everything will stay as it was. The current process aligns with the UMAA's values, so the outcome was satisfactory.

During the Past Chairs Advisory Group meeting, they discussed the UMAA's role in this process. Once the members understood the UMAA's approach, they were very supportive and expressed their thanks in how we managed a difficult situation.

Chair Wiese called on Matt Kramer, VP of University Relations, to give a brief update on how the University fared in the legislative session.

Board of Regents 3x3 Meeting

Chair Sandy Wiese reported on the bi-annual meeting that the UMAA Board leadership has with the Regents leadership. In attendance were Regent McMillan, Regent Powell, Chair-Elect Doug Huebsch, Chair Wiese, and UMAA CEO Lisa Lewis.

Regent McMillan shared the major topics the Regents are addressing, including the budget, the academic health center, and the system-wide strategic plan. Everyone noted that it was the right time to have the conversation about system-wide alumni engagement.

Chair Wiese said they raised the issue of University funding and shared the following data with the Regents that was also provided in the board packets. As far as Big Ten revenue comparison goes, UMAA fares well with our Big Ten peers in most categories except University support. There is a correlation between the level of alumni engagement and increased giving; more engagement leads to higher amounts of giving.

The Regents agreed that funding is needed, but have concerns about where the funding would come from. The UMAA shared that the organization is completing its five-year strategic plan and will need to right-size in order to fit resources; this means cutting some programs.

Chair Wiese said the conversation ended on the note that the UMAA is looking to be more entrepreneurial and dive deeper into fundraising. The Regents understood that if the University doesn't provide more funding, the UMAA will have to find other funding sources.

CEO Report

CEO Lisa Lewis reported on the following:

1. These were the highlights of the year: launch of the Minnesota Alumni Market, MN 201 and Maroon and Gold Network; advocacy work for the Regent Selection Process; implemented the Strategic Planning

Process; successful first annual Senior Sendoff Event; adapted UMAA's technology solutions quickly when the University services did not work.

2. Areas that need continued focus include: membership numbers; replacing the credit card revenue; eliminating the extra draw on investments.

3. Lewis reported on a number of positive assets: the UMAA has talent and dedication among the Board members and staff; there are a number of revenue conversations on the horizon; the new strategic plan provides a point of focus; the goals for FY19 are challenging yet achievable.

Lewis thanked Chair Sandy Wiese, Past Chair Dan McDonald and CFO and VP of Operations Dan Garry for their leadership and help in navigating a successful fiscal year.

Finance Committee Report

Dan Garry, CFO and VP of Operations, and Laura Moret, Treasurer, presented the Finance Committee Report. Garry reported on the creation process of the FY19 budget. The overarching objectives included adapting operations to the resources available, continuing to decrease the use of investment earnings, and continuing to grow revenue. Garry noted that the UMAA has had collective investments of around \$25 million over the last five years.

With respect to the investment earnings used for operations, Garry said the target is 4.5%. Next year the excess draw is \$275K, which is down from a budget of \$350K this year. The credit card agreement is being negotiated. Leaving aside the potential decline from the credit card agreement, the budget calls for \$60K in revenue growth; membership revenue represents ½ of this growth. On the expense side, the UMAA didn't fill two vacated positions; a half-time support role was added to help offset that. The total is down \$95K.

Garry noted the final major change is one that was approved at the April 14, 2018 meeting, which resulted in a 50% reduction in the school/college allocation. In addition to the operating budget, there is a capital budget of \$33,500, which should allow for some modest improvements to the offices and equipment.

MOTION: Approve the UMAA FY19 Operating & Capital Budget & UMAA FY19 Goals
APPROVED UNANIMOUSLY

MOTION: Approve the UMAA FY18 Audit Report
APPROVED UNANIMOUSLY

Strategic Plan Discussion

CEO Lisa Lewis provided an update on the Strategic Plan, which is now complete.

MOTION: Approve the UMAA Strategic Plan
APPROVED UNANIMOUSLY

Chair Sandy Wiese thanked the committee members for their leadership over the past year. She noted that the next Board meeting is Thursday, June 7, at 4:00 p.m. in the Gross Family Board Room.

The meeting was adjourned at 9:30 a.m.

Submitted by Stephanie Klein
For Scott Wallace, Secretary