

UNIVERSITY OF MINNESOTA ALUMNI ASSOCIATION
BOARD OF DIRECTORS MINUTES
June 23, 2021, 4:00 – 6:00 p.m.
Zoom Virtual Meeting

Board of Directors Members Attending Remotely

Bany, Mary
Brotten, Eric
Clausman, Mike
Duncanson, Pat
Flaherty Manchester, Colleen
Haldeman, Bill
Haldeman, Chad
Hasan, Nadia
Jessen, Mark
Johnson Dean, Carol
Kostial, Maureen
Lewis, Lisa
Ma, Amy
Moret, Laura
Nakamura, Akira
Ndely, Emilia
Petty, Scott
Reinert, Roger
Rohloff, Jason
Schmidlkofer, Kathy
Sheldon, Ann
Vohs, Betsy
Wagner, Tony
Wallace, Scott

Guests

Daboh, Wokie
Mohamed, Abdulaziz
Pieper-Bigelow, Christina
Rodriguez, Amanda

UMAA Staff Attending

Davis, Steve
Garry, Dan
Huber, Lisa

Huerta, Sarah
Leaf, Cristy
Thao, Kablia
Yust, Adam

Chair Mark Jessen welcomed Board members to the final board meeting of the fiscal year. Jessen also introduced the new FY21 Board members that joined the meeting as non-voting guests.

The new Board members introduced were:

1. UJ Bhowmik, Professional Student Government, Student Representative
2. Wokie Daboh, At-Large Director
3. Charles Helm, Collegiate Council Director
4. Abdulaziz Mohamed, Minnesota Student Association, Student Representative
5. Christina Pieper-Bigelow, Collegiate Council Director
6. Amanda Rodriguez, Geographic Council Director

Minutes Approval

The following items were approved unanimously:

MOTION: Approval of the April 29, 2021, Board of Directors Minutes
APPROVED UNANIMOUSLY

The March 31, 2021, Investment Advisors Report and the FY21 April Membership/Revenue Summary were provided for the Board's information.

FY22 UMAA Board Vacancy Appointments

Chair Mark Jessen shared that the Nominating and Board Development Committee did an excellent job this year in filling the slate of candidates that was approved by the membership in May. There are two additional vacancies on the Board to be filled and according to the bylaws, they are appointed by the Chair with Board approval.

The two candidates being recommended are Mark Jeter and Sarah Beraki and they would fill the two At-large Director positions on the Board beginning July 1, 2021. They will have a one-year term and would be eligible for two additional terms.

Scott Petty asked how these two candidates were selected. Laura Moret shared that both candidates submitted a nomination form through the nominations process and the Nominating and Board Development Committee vetted these candidates.

MOTION: Move to approve Fiscal Year 2022 Board Vacancy Appointments
APPROVED UNANIMOUSLY

Minnesota 201 Co-Chair Appointment

Chair Mark Jessen provided a brief update on the new Co-Chair appointment. To fill the vacancy from the resignation of Tom Devine, a small group including Pat Duncanson, Lisa Lewis, Adam Yust, and Jessen reviewed several candidates for the position. As Board Chair, Mark Jessen appointed Myah Walker as the new Co-Chair. Her term started immediately and will expire in 2023.

CEO Report

President & CEO Lisa Lewis shared highlights from the past year. The UMAA recently hit two major milestones. The University has surpassed the 600,000 mark for living alumni system-wide and just exceeded the half a million mark for Twin Cities alumni. The UMAA has completed year three of the Strategic Plan and has met or exceeded most goals for fiscal year 2021. The UMAA has produced, partnered on, and coordinated 151 virtual events that have reached over 16,000 attendees.

The UMAA has responded in several ways to social unrest; some examples include establishing three Board goals, creating a staff diversity and inclusion committee, and communicating through the web hub, social media, and the *Minnesota Alumni Magazine*.

On August 4 the UMAA is holding a Golden Cheers event to thank volunteers. There are also two U of M Day opportunities over the next couple of months. July 10 Topgolf Live at TCF Bank Stadium and August 13 the Minnesota Twins at Target Field. Additionally, homecoming will be in person this year and the UMAA has several events planned. This year's Homecoming Parade Grand Marshal is Terry Ganley, former men's and women's senior associate head coach for swimming and diving.

MOTION: Move to approve Fiscal Year 2022 Goals

APPROVED UNANIMOUSLY

Proposed Inclusion & Belonging Committee

Chair-Elect Scott Wallace proposed the formation of an Inclusion & Belonging Committee that would be a permanent committee of the Board. The structure, meeting frequency, and staff involvement would be determined as the committee gets established.

MOTION: Move to approve Proposed Inclusion & Belong Committee

APPROVED UNANIMOUSLY

Finance & Audit Committee Report

Ann Sheldon, Treasurer, shared that the auditors have started the audit process and the University Gateway Corporation recently met to review the budget. There are no changes in the distribution from the Gateway Corporation. Dan Garry, CFO and VP of Operations, provided an update on the fiscal year 2021 balance sheet through April. Assets are up over \$8M due to the growth in the value of our investments. Revenue is about the same as last year and expenses are under budget. The net better than budget is over \$500K.

Looking at the fiscal year 2022 proposed budget, the following parameters were highlighted; 1) in-person events will resume in August 2021, 2) full-time employees are unchanged at 23.3 with three existing vacancies to be filled, 3) modest increase in pay of 2%, 4) Life Member Fund rate of investment assumption from 6 to 6.25% and 5) budgeted excess draw down \$25K to \$50K or 4.8% in total.

In the proposed budget there is a high level of revenue targets which is \$200K more than fiscal year 2021 and \$50K more than fiscal year 2020. With the restarting of in-person events and travel, expenses are anticipated to also increase. Fiscal year 2022 is expected to be a vulnerable year, but still better than last year. Some risks include economic conditions that reduce revenue more than budgeted, the Oral History Project doesn't happen and in-person participation drops. Adaptations to this year's budget are that the work does get approved to work on the Oral History Project, working on bigger partnerships and longer-term agreements, and to continue forecasting and reviewing budgets quarterly.

MOTION: Move to approve Fiscal Year 2022 Budget
APPROVED UNANIMOUSLY

MOTION: Move to approve Delegation of Fiscal Year 2021 Audit to Finance & Audit Committee
APPROVED UNANIMOUSLY

Intellectual Property Task Force Report

Co-chairs Laura Moret and Dave Mona shared that the Intellectual Property Task Force met on June 8, 2021, along with Heather Kliebenstein, the UMAA's Intellectual Property lawyer from Merchant & Gould. The Task Force voted unanimously to move forward with the recommendation to change the UMAA's logo contingent on the considerations document and execution of a new memorandum of understanding (MoU) with the University. The Task Force also recommended that the UMAA sunset its current mark by June 30, 2024.

Moret commented that sunsetting the logo gives the UMAA time to update the MoU and have it agreed upon, transition all the marketing materials, and also make progress on the proposal to have a strategic partnership strategy for the University.

Moret asked other members of the Task Force to share additional comments. Emilia Ndely commented that the Task Force spent a lot of time discussing this recommendation. Partnerships are a potential opportunity that would greatly benefit the UMAA. Updating the MOU is another opportunity for the UMAA to be at the table with others at the University and will help lead our future. She also suggested creating a strategic road map on the sequencing of what needs to happen by when.

Tony Wagner asks when sunsetting the UMAA logo would that mean it would not be used anymore? Moret replied that the Alumni Association would be retiring the UMAA mark at the end of the three-year period and it would not be available to use after June 2024.

Scott Petty shared his concern regarding the Board being asked to vote on this recommendation as he didn't feel there has been enough information shared on this topic. Lisa Lewis shared that this is a big decision for the UMAA as the logo has been our asset for the past 40 years. The UMAA's intellectual property has been a topic on each agenda over the past year. Also, at the December 3, 2020, meeting, Adrenaline, the consultant selected to assist with assessing the decision to change the UMAA's mark, shared their findings and Board members were broken into groups to discuss and share any concerns. Takeaways from that meeting helped guide the Task Force and helped get to the decision being voted on today.

MOTION: Move to approve the UMAA Intellectual Property Task Force recommendation that the UMAA Board of Directors adopt the "Block M" with "Alumni" and "Alumni Association" ("new UMAA marks") as its primary marks contingent upon the considerations document and the execution of a new MOU with the University. It further recommends that the UMAA sunset its current "M" mark by June 30, 2024, based on a new MOU with the University and demonstrated, good-faith implementation of the full MOU agreement by both parties. Alumni Association use of the new UMAA marks would begin with a transition once the MOU is signed by the UMAA and the University.

THE MOTION PASSED WITH 21 VOTES IN FAVOR, 1 OPPOSED - SCOTT PETTY AND 1 ABSTENTION - BILL HALDEMAN

Moret shared that the UMAA's next steps are to create a road map, work with outside council to update the MOU and continue working with our consultant on the process of sponsorship strategy and partnerships.

Alumni Housing Task Force

Co-Chairs, Betsy Vohs, and Tony Wagner provided an update on alumni housing. The Task Force is focusing on two properties on or near campus and looking at a cooperative housing model where residents would own a share of the property. The current proforma works, but there is a lot of risk and development costs on either property.

A market study is currently being conducted by Marquette Advisors. They also helped edit the alumni survey. There have been 2,800 responses to the survey with a lot of interest in the project. The market study will also provide market research from around the country on housing and gathering information from other Universities that have provided alumni housing. The next steps are meeting with the stakeholders from the University and Foundation Real Estate at another check-in meeting and refining our financial model to identify options and risks. Looking ahead, the business case model will be presented to the Board of Directors and President Gabel.

Scotty Petty asked who the intended buyers are of this cooperative and what the value proposition is with the consumers the UMAA is targeting. Wagner replied that alumni are the targeted audience of this property with the desire of offering other housing options in the future. He acknowledged that the

cooperative model is not a fit for all alumni. Vohs replied that the market study will share more information on the audience to target. During various conversations with the Foundation and the University Real Estate Office, offering housing specific to alumni provides a different type of residence on campus outside of student housing. By intermingling alumni and students it will enrich the community.

UMAA Revenue Partner Framework Amendment

Senior Director of Marketing & Partnerships, Lisa Huber, updated the Board on the changes to the UMAA Revenue Partner Framework Document. The amendment was made to the advertising, sponsorship, and Minnesota Market section and allows for the UMAA staff to give partners access to the UMAA logos with sponsor designation in a strategic manner that supports UMAA revenue-generating efforts. The changes made to the document are in alignment with what the University follows.

Mike Clausman raised the point that the UMAA should have the ability to withdraw if dissatisfied with the relationship or the relationship is terminated. It's important to keep flexibility in mind as we move forward with our partnerships.

MOTION: Move to approve the UMAA Revenue Partner Framework

APPROVED UNANIMOUSLY

Minnesota Alumni Market Year-End Report

Senior Director of Marketing & Partnerships, Lisa Huber, provided an update on the Minnesota Alumni Market. The Alumni Market's goal has been to support alumni entrepreneurs, strengthen the UMAA and provide a positive impact in other areas of the UMAA, such as engagement, membership and sponsorship. Since the Alumni Market opened for business in 2017 it has supported 76 alumni owners and 12 schools & colleges.

Product revenue sales have greatly outperformed the proforma expectations in fiscal year 2021, mainly due to the face mask program bringing more customers to the Alumni Market. The Alumni Market also positively impacted membership revenue by bringing in new members and renewing memberships.

The upcoming goals of the Alumni Market are to create a Business Directory that would offer more than products, create a Franchise Model that would consult with other schools and colleges, and look into creating a permanent location to sell alumni merchandise.

Recognition of Outgoing Board Members

Mark Jessen, Board Chair, recognized the following outgoing Board members and thanked them for their services. Amy Ma, Student Representative for the Minnesota Student Association, served one year on the Board. Scott Petty, Student Representative for the Council of Graduate Students, served one year on the Board. Colleen Flaherty Manchester, University Faculty Representative, served 3 years on the Board. Chad Haldeman, Collegiate Council Director, served 6 years on the Board. Maureen Kostial, Collegiate

Council Director, served 6 years on the Board. Peter Martin, At-Large Director, has also served 6 years on the Board.

Jessen acknowledged Past Chair Laura Moret and noted this was her last Board meeting. Moret has been on the Board for 7 years. During that time she has Chaired the Finance & Audit Committee, Nominating & Board Development Committee, and Past Chairs Advisory Group. She has co-chaired the Intellectual Property Task Force and is also a member of the Alumni Housing Task Force and Minnesota 201. Jessen thanked Moret for her outstanding services over the past 7 years.

Lewis recognized Jessen for his service this past year. Jessen thanked everyone for being wonderful to work with during this past year as Board Chair and introduced Chair-Elect Scott Wallace as the incoming Chair.

The meeting was adjourned at 6:04 p.m.

Submitted by Cristy Leaf
For Pat Duncanson, Secretary