MINUTES
NORTHERN ARIZONA UNIVERSITY
BOARD OF DIRECTORS MEETING
APPLIED RESEARCH & DEVELOPMENT BUILDING #56
LARGE POD CONFERENCE ROOM
NAU MOUNTAIN CAMPUS - FLAGSTAFF
APRIL 25, 2009
BARBARA MCCLOUD ’78, PRESIDING

BOARD MEMBERS PRESENT: Vice President Marc Attona ’95, John Clark ’77/’81, Wayne Connelley ’76, Joy Gaeraths ’98/’05, Heidi Harvey ’72, Yvette Martin ’92 (by phone after mid-morning), President Barbara McCloud ’78, Dick Nothstein ’59/’63, Kimberly Ott ’82, Marvin Peterson ’61/’70, NAU Foundation Board Chair Colleen Ragland ’68/’71, Jennifer Reichelt ’98/’00, Dan Slayton ’78, Bruce Turner ’79, VP for Advancement Mason Gerety (morning only), NAU President John Haeger (morning), Executive Vice President MJ McMahon (morning), Honorary Robert Crozier ’53/’71, and Honorary Joseph Rolle ’41, Athletic Director Jim Fallis (Ex Officio, morning only), ASNAU President Alyssa McKinley (Ex Officio, morning only), Executive Director Neil Goodell ’76/’96.

BOARD MEMBERS UNABLE TO ATTEND: LaTrice Brewster ’92, Bart Graves ’79, José Herrera ’96/’01, David Moline ’73, Veronica Perez ’94, Paul Peterson ’00, David Will ’61/’64.

PAST PRESIDENTS PRESENT: Cliff Alexander ’94, Art Attona ’69, Lee Attona ’69, James “Buck” Clark ’50/’54, Dennis Meador ’67/’71, and Past Presidents’ President Nancy Serenbetz ’75.

STAFF PRESENT: Judi Burk and Krista Perkins ’98.

CALL TO ORDER
President Barb McCloud called the meeting to order at 10:10 a.m., Saturday, April 25, 2009. She welcomed those in attendance and introduced ASNAU President Alyssa McKinley.

APPROVAL OF MINUTES FROM JANUARY 23-24, 2009 BOARD MEETING
Heidi Harvey moved to approve the minutes (with a correction of V12, instead of B12). Dick Nothstein seconded and the motion passed unanimously.

NAU PRESIDENT’S REPORT
President Haeger briefed the Board on the budget. He said NAU has been severely impacted because the State doesn’t have any place else to turn except education and health care since the rest of the budget is protected. There have been about 110 open positions frozen and 52 layoffs at NAU. He said most of the major cuts have been taken. The stimulus money may help next year. Dividing that money will probably be decided within the next two to three weeks. President Haeger said the stimulus money may make
President Haeger said he would end with some really good news. There are four honorary degree recipients – John Murphy, retiring CEO of the Flinn Foundation; Sarah Baird, 2009 Arizona Teacher of the Year; Steve Altman, President of Qualcomm; and the Raymond Foundation will be recognized. The next good news is the legislature did finally move on the SPEED projects. He said building and renovation will be continuing on campus which will benefit the Flagstaff community and the university. And, next the state has been pushing very hard to increase the number of baccalaureate degrees because we are woefully behind other states and other countries. President Haeger said he thinks the system architecture that has been talked about for so long in the state is going to build off of NAU’s experience with community colleges. A building will be opened in Prescott Valley that will have NAU-Yavapai on the sign and an almost seamless partnership will begin with the community college to offer four-year baccalaureate degrees in Prescott Valley. Basically the only thing NAU has put into this deal so far is that we will lease some classrooms and offices in Prescott Valley – the rest is community college district cost.

There were several questions and discussion from the Board regarding budget matters. It was noted by Nancy Serenbetz and Joy Gaeraths that President Haeger has been very open with the campus about the on-going budget situation. There is a budget website and several Board members urged others to go to that website – budgetinfo@nau.edu. President Haeger noted that he does, in fact, share everything with the campus and community. It was also suggested Board members go to the website for Solutions for Higher Education – highereducationsolution.com.

**NAU ADVANCEMENT AND FOUNDATION REPORT**

Colleen Ragland announced this would be her last meeting as she will no longer be the Foundation Board President. She told the Board how much she has enjoyed coming to the meetings and how much progress the Board has made since she has been coming. She said our number one job is to become ambassadors for the university. Colleen thanked the Board.

Colleen said the Foundation Board’s next meeting is May 22nd and they will be celebrating the 50th anniversary of the Foundation. Their annual retreat will be in August. She said they are in the silent phase of the capital campaign and there is still much work to do, but there is a group that will be leading this endeavor. Colleen said the Foundation is assigning Board members to a development officer in each of the colleges (at least one but some will have more). They are hoping to find out what the colleges need and can help them address those needs. She said the Foundation Board has been doing a lot of housekeeping – they have approved their strategic plan, MOU, letter of commitment, and revision of the bylaws. Colleen also reported the portfolio has decreased but not as bad as it might have been. The payout will still be four percent.

Mason Gerety reported the legal paperwork is being completed for two limited liability companies (LLC) that will be subsidiaries to the Foundation. One of them will be a real estate holding subsidiary. The Foundation has agreed to make a $3 million investment in a lease-to-own full service restaurant facility to be housed in the North Union. The
restaurant will be managed by Sodexo through Dining Services. There is a fiduciary responsibility to generate a return. The other LLC is an intellectual property holding LLC. One of the things the Arizona constitution does not permit is for universities to hold equity positions in their intellectual property. The process will hopefully be completed before the May Foundation meeting. Mason said they would work in conjunction with a group in Flagstaff called NACET, which is the Northern Arizona Center for Emergent Technologies – the incubator in Flagstaff. There are already two individuals interested in donating intellectual property to the university and so as soon as the LLC is set up that will be completed.

Mason reported that a $2 million gift was received from the San Manuel Band of Mission Indians for construction of the Native American Cultural Center. The location of that building has been identified – it will be on the pedway just across from Liberal Arts and will be approximately 12,000 square feet. Hopefully, ground will be broken in October. The building will be funded 50 percent by donations and 50 percent from NAU.

Mason reported Karin Von Kay is retiring June 30, 2009, and he will be stealing a very valuable member of the Alumni staff to help on the Advancement side with donor relations and stewardship – Toni Fox. Mason said he was very happy about this.

Barb McCloud extended to Colleen a very gracious thank you for her very active and supportive participation with the NAUAA Board the past two years. Barb said the Board appreciates very much Colleen’s thoughts and comments.

**NAU ATHLETIC DEPARTMENT REPORT**

Jim Fallis, Athletic Department Director, handed out a draft NAU Athletic Fact Sheet [attached to permanent minutes]. He went over the contents of the fact sheet as well as noting the academic strength of the NAU student athletes. He also reported on the amount of community service hours devoted by student athletes. He then answered a few questions from the Board. Jim reported, in order to raise money, they are playing an additional FBS football game against Ole Miss next year which will bring in about $400,000. Several members of the Board and President Haeger said the fact sheet will be very helpful to tell a positive story about our athletes.

**ASNAU REPORT**

Associated Students of NAU President Alyssa McKinley gave a year-end summary for the student government organization. ASNAU has been very productive with the following:

- Selected a student regent
- Community Service event in April
- Unity Week
- Registered 1,200 students to vote last fall
- Restructured Student Senate – more responsibilities, less people
- Lobbying activities with the legislature
- New ASNAU President selected – Kathleen Templin

Neil said he attends weekly student senate weekly meetings and has been impressed with the student leaders – how they conduct themselves, questions they ask, and manner in which they interact with the President’s Office are superb, etc.

**SENIOR CLASS GIFT COMMITTEE**
Angelica Hernandez, member of the Senior Class Gift Committee, gave a status report. This committee was just started last year and it is completely student run. Last year they raised a total of $2,150 and were able to award one scholarship. As of April 20, 2009, the fund contained $2,640. She noted President Haeger is personally matching the amount raised as he did last year. There is a plaque in the student union that displays information about the Senior Gift, and each graduating class date will be engraved on it along with the amount of money raised.

ELECTION OF BOARD MEMBERS AND OFFICERS FOR 2009-2010

Approval of Continuing Board Members for Three-Year Term: The continuing Board members are Kimberly Ott, Marvin Peterson and Dan Slayton. Heidi Harvey moved to approve the continuing Board members. Marc Atonna seconded and the motion passed.

Nomination and Election of New Board Members (four board positions): Barb said the recommendation by the Nominations Committee are consistent with bringing in Board members with specific skill sets and other attributes that would add positively to the Board and its mission. She said the 21 applicants were phenomenal. She gave a brief bio on the recommended nominees – Michael Fronske ’85/’89, Megan Kondrich ’03, Karin Philips ’77, and Ted Quasula ’73/’82. Dick Nothstein moved to approve the four recommended individuals as new Board members. Dan Slayton seconded and the motion passed. Three alternates were also recommended in rank order – Martin Brown ’82, Adam Candee ’01, and Jacob White ’01. Dick Nothstein moved to approve the three recommended alternates. Bruce Turner seconded and the motion passed.

Nomination and Election of Board Officers
Kimberly Ott was nominated for Vice President. Dick Nothstein moved to approve the election of Kimberly Ott as Vice President. Heidi Harvey seconded and the motion passed.

Bruce Turner was nominated for Treasurer. Dick Nothstein moved to approve the election of Bruce Turner as Treasurer. Dan Slayton seconded and the motion passed.

John Clark was nominated for Secretary/Parliamentarian. Dick Nothstein moved to approve the election of John Clark as Secretary/Parliamentarian. Heidi Harvey seconded and the motion passed.

STRATEGIC PLANNING

Barb handed out a presentation “NAU Alumni . . . Veterans at leading the Charge” [attached to permanent minutes]. She thanked everyone for their hard work at the January Board meeting and she said it will help the Board finish the rest of this year and provide Marc Atonna and his leadership team with a great roadmap for the coming year. Barb said the Board is really going to have to step up to support NAU. She presented her materials and encouraged committees to focus on these points and keep them at the forefront of their discussions and efforts to maximize their impact across the association and university. Barb reminded Board members that the greatest impact on any goal is the ability to reach out individually, one-on-one, and connect with fellow alumni. This needs to be kept in mind with everything going forward.

COMMITTEE REPORTS

Resource Development
Bruce Turner reported the university’s support of alumni activities represents about 65 percent of the total budget. With regard to affinity partners, Bank of America is still the largest contributor. He said the projection currently is there may be some small amount of
carryover. Barb noted the Bank of America contract ends in fall 2010 and other affinity contracts are also phasing out. She said as operations wind down our new evolving relationship with the Foundation means the Foundation will be the contract holder on our behalf going forward.

Traditions
Wayne Connelley reported the Winter Carnival got off to a slow start this year. The committee hopes to create some visuals on Facebook. Alumni Awards are coming up and Wayne said the award description needs to be revised/reformatted so applicants know what the award is really about. The committee will tweak them somewhat and the bio for who the award is named will be at the end. Chain Gang is moving along well per a letter from the group’s advisor.

Nominations
Marc Atonna said most of the committee’s discussion centered around orientation and the retreat. The committee would like to do a bus tour of campus to orient/re-orient Board members to campus. It is also being suggested that the Development Officers give brief overviews as well as students and other people around campus.

Marc said he hopes to have the committee rosters set prior to the meeting in order to be able to hit the ground running at the July retreat.

Veteran Recognition
Dick Nothstein reported a tentative program for the October 24th has been completed. Events will start at 7:00 a.m. with a pancake breakfast at the American Legion Hall downtown. The parade will take place at 11:00 a.m. on Homecoming day with flyovers by F-16 jets and Apache helicopters. The NAU ROTC has provided much support and will be furnishing some Hummers for the parade. Veterans will be recognized during football halftime – probably just by having them stand because of timing. There will be a dinner at the High Country Conference Center with a speaker of stature. The committee is working on getting citations either from the legislature or the governor to give to each of the veterans. Dick reported that to date, the Alumni Relations Office has identified more than 1,000 NAU alumni veterans. He said they don’t know how many will attend but the maximum capacity for dinner is 500. The plan is to have a taps ceremony perhaps with a bagpiper. Also they would like to have a DVD presentation. Neil suggested a Freedom Team Salute whereby Army members receive a citation signed by the Secretary of the Army and the Chief of Staff of the Army. Dick said they are seeking donations to support the activities.

Nancy Serenbetz said committee members are meeting with local veteran groups. John Clark optimistically thinks there could be 3,000 plus people. Dick is donating a bronze sculpture (Band of Brothers) which will be placed on the second level of the University Union. It will be transported (courtesy of Capital Assets) to the dinner so it can be viewed during the evening event.

It was noted by several Board members that besides being a tremendous honor to veterans, it is a great way to reach out to alumni. Barb said looking at last year’s homecoming - getting the wheels done and in the parade – and this year’s homecoming with the veteran recognition, we have perfect bookmarks for what the Board can do for our alumni and for the institution. She said this is what we should be doing. Wayne Connelley said it will boggle the minds of people that the university is doing this. John
Clark said Neil should really be thanked for all of his and his staff’s support of this project. He said Neil has been very dedicated and committed to seeing this through. Barb echoed this.

**Volunteer Outreach**
Joy Gaeraths reported it has been a good semester with recruitment events. Most of the events were staffed by volunteers. Joy said the calendar for scholarship nights has just been received, and there are two nights next week that need volunteers. The group worked really hard to get these events back into the VAN area so it would be great if there could be volunteers for all of them. Joy said the Volunteer Outreach Committee is looking to expand volunteering, and with the budget the way it is, Admissions is focusing on out-of-state. Joy said they will be trying to get more VAN members to help out at Homecoming.

**Communications and Advocacy**
Barb said a lot of what the committee has been working on has come to fruition with Krista’s and Anne’s great work on e-Pine as well as social networking through the use of Facebook. She said there are great opportunities for outreach but at the same time, as Krista noted, there’s been some who have not been supportive of that change. She said we didn’t have an opportunity to send out any forewarning that there would not be future printed *Pine* magazines. Barb suggested as Board members are out there interacting in the community, they may hear this and she thinks it is important to communicate the two main reasons why which are cost and environmental concerns. She said the Board should be sensitive to this.

**Past Presidents**
Nancy Serenbetz said the Past Presidents talked briefly about the veteran celebration and voted at the last meeting to give $1,000 and they will look at making a second gift as appropriate. She said at least four of the living Past Presidents are veterans – Joe Rolle, Bob Crozier, Chuck Pilon, and Harold Elliott. The committee also discussed the second pledge to the Logging Wheels and will talk more at their next meeting.

Nancy and Dennis Meador are now co-signers on the Past Presidents’ checking account. This was needed for business and security reasons.

Nancy said the committee talked a little about what they can do about the budget. She will talk to Christy Farley before they do anything.

The Past Presidents are talking about a reunion of Past Presidents to re-engage them. They would like to do this sometime this summer, perhaps at the Board retreat or the talked about dual meeting with the Foundation Board.

**SECOND READING OF THE PROPOSED BYLAW CHANGE – HONORARY BOARD MEMBERS**
Barb said this proposed language is to make some changes to Article IV. Board of Directors. Section 2B [attached to permanent minutes]. This section has Joe Rolle and Robert Crozier as ex-officio members, and it also includes a member of the NAU faculty. After discussion, it was the recommendation that the Board honor, in a different manner, the significant contributions of Joe and Bob by coming up with a new designation which would be honorary members of the Board of Directors. Section F and Section G will be added to
accomplish this. Barb said the key phrase is “these individuals will have established a legacy through their lifetime efforts, commitments and dedication to NAU and the Association.” Neil noted all bylaw changes need to be approved by President Haeger. In response to a question, Barb said the deciding body would ultimately be the Board but any nomination for this would need to meet the criteria outlined. There was some discussion on what the process will be for adding someone as honorary. Marc Atonna said this was discussed more than once in Executive Committee and the decision was made not to handcuff future Boards to a specific process, but rather let future Boards decide which way to go. Barb said the addition of someone would require a bylaw change which means it is not something where someone can spontaneously say “well, let’s add so and so.” It is something that would take not only initial discussion from a future Board but the discussion of the suggested bylaw change and a first and second reading. After some discussion, Barb said it was discussed by the Board that they didn’t want this to be something where every year people asked who was going to be named. That’s not the intent of the proposed change. The point is to recognize those individuals who are truly unique by virtue of their legacy of lifetime commitment. She said it is important to understand the description of the criteria means there is a very minute number of individuals who would ever be considered for this honorary designation.

There was some discussion regarding the title of “honorary” versus some other term. Barb said the reason for the term honorary is the Executive Committee felt that was really the true spirit of what they wanted to achieve, and that is to honor an individual whose legacy is the epitome of dedication and commitment. Neil consulted with Joe and Bob in advance of any board discussion, and it was again confirmed at the meeting they do not have any concerns with this change, in fact they are honored by the designation.

John Clark moved to approve the bylaw change. Dick Nothstein seconded and the motion passed. As a point of order, Neil said a two-thirds majority of the Board is needed for a bylaw change. He will contact two other Board members not present so a 2/3 vote will be met. [Subsequent to the meeting, Paul Peterson and Dan Slayton gave their approval.] Neil will submit the bylaw change to President Haeger for approval.

Board Meeting Dates for 2009-2010
The proposed Board meeting dates are:
• Friday, October 23, 2009 (Homecoming) – Flagstaff
• Friday afternoon & Saturday, January 22 & 23, 2010 – Phoenix
• Saturday, April 17, 2010 – Flagstaff
• Friday afternoon & Saturday, July 16 & 17, 2010 – Flagstaff
Marv Peterson asked that the April date be changed to April 24, 2010. Marc Atonna moved to approve the meeting dates with the April date being changed to April 24, 2010. Marv Peterson seconded and the motion passed.

Future Board Committee Structure
Barb would like to have the Board think about how committees operate and in light of financial challenges not being able to fund the Lifelong Learning to the extent that is necessary. She is asking the Board to begin to think about a reformulation of the committees. Marc said there are five committees mandated by the bylaws: Executive, Research Development, Nominations, Traditions, and Compliance. Additionally he noted Communications & Advocacy and Volunteer Outreach need to remain because they are vital to what we do, but Lifelong Learning and Special Projects can be implemented as
needed. Marc said he believes Lifelong Learning needs to be incorporated into other committee areas. Neil gave the example of the Arboretum Event last year which lost money. The gathering was a great learning event, but participation was low. He said he sees Lifelong Learning going on a hiatus as we concentrate our efforts in other areas this year, especially in light of budget reductions.

Joy asked why Communications & Advocacy and Volunteer Outreach can't be moved to standing committees. Cliff suggested the same thing adding the provision for ad hoc committees. Jennifer Reichelt asked how difficult is it to just say an annual committee should stay and then the bylaws wouldn't have to be changed. The Board reached consensus to keep the committee structure basically the same.

Dick Nothstein told the Board 1,440 small flags (American made) have been purchased and the committee needs to decide when to pass them out at Homecoming.

Marc Atonna moved to adjourn the meeting. Heidi Harvey seconded and the meeting was adjourned at 4:00 p.m.

Respectfully submitted by Judi Burk

ATTACHMENTS TO PERMANENT MINUTES
Draft NAU Athletic Fact Sheet
“NAU Alumni . . . Veterans at leading the Charge”
Proposed Bylaw Change – Honorary Board Members