Incoming President Barbara McCloud called the meeting to order at 2:20 p.m., Friday July 18, 2008. She welcomed those in attendance, especially the new Board members. Everyone introduced themselves. Barb gave an overview of what would be happening at the meeting, the structure of committees, etc. She said one of the ways we can function best as an alumni association is being aware of what is going on within the university and doing our best to support those activities and our outreach to alumni.
Barb said we all have a vision of what the NAU Alumni Association (NAUAA) is and what we think each of us can contribute to the association. She pointed out the mission in the Board Handbook and talked briefly about it. Barb pointed out that we all are different, e.g., coming from different eras and backgrounds, etc. She said everyone had an NAU experience – 100% would probably say that experience was great. She said if Board members can all get together and use their collective NAU experience to not only continue but to spread the connections further. Barb said she hopes we can build on where we have been and continue to contribute significantly to the success of NAU, not that they need our help but it’s great to have the opportunity. She then had current Board members talk about what they feel is a particular personal interest to them and some things they have accomplished and some things they hope to accomplish this coming year.

Barb spoke about Ira Greenspan’s resignation noting he has some family matters that made him wrestle with the decision of whether or not he could continue with his commitment on the Board. He did reach the decision that family had to come first and he offered his sincere apologies to the Board for not being able to continue.

**NEW OFFICERS AND BOARD MEMBERS SWEARING IN**

Joe Rolle swore in two of the new Board members, Bruce Turner and Jennifer Reichelt (David Moline will be sworn in at the October meeting). He also swore in the officers – President Barb McCloud, Vice President Marc Atonna, and Treasurer Doug Rutan (Kimberly Ott will be sworn in as quickly as possible).

**PRESENTATIONS TO OUTGOING BOARD MEMBERS**

Barb presented outgoing Board member, Sam Leyvas, with a plaque and sincere appreciation from the Board for his time and service. Sam said it had been a joy and a pleasure to serve and he thanked those on the Board and wished all the best to Barb as incoming President.

**BOARD HANDBOOK**

Barb said the Handbook really is not only the guideline for the history of the Board but all of the roles and responsibilities Board members hold. She said there are two types of committees – standing and annual. The preference is for each member to have participation both with standing and annual committees. Barb is trying a new arrangement this year and will designate co-chairs for each committee. They will not have separate roles, but will work collectively together. She briefly described the committees’ roles.

**NAU PRESIDENT’S REPORT**

President Haeger said the budget cut to the three universities was $50 million. NAU’s share was $7.5 million. He reminded the audience that while the state budget is $160 million, the university actually operates on about $320 million, which includes all local accounts, auxiliaries, and grants. He said the way any kind of budget reduction will be approached is to look at the total budget, not just the state. There will be no draconian cuts, no damage to academic programming, continuing commitment to the university priorities, and hiring of new faculty as new students require.

President Haeger noted there are a couple of breaks – there is some debt service dropping off as some bonds have been paid off. Also, the state committed to state funding for enrollment growth. Last year this was about a $6.5 million addition to the university budget.
The legislature also passed the “SPEED package” (Stimulus Plan for Economic and Educational Development) which will create substantial new building construction on campus. The package was originally proposed at $1.4 billion - $400 million was cut out at the start and the state funded $1 billion. The medical school in downtown Phoenix will be receiving $475 million and the remainder is split equally between the three universities – NAU will get $170 million and projects are being identified, with about $90 million being spent the first year which will include the sale of bonds. About $25-$30 million will go to renovation of Walkup Skydome. Several basic renovations will be completed across campus. The $80 million for health professions is on track, $60 million from the SPEED package and $20 million from TRIF funds. He also mentioned the Health and Wellness Center. As part of these changes, NAU will also name the Max Spilsbury Field at Lumberjack Stadium.

President Haeger reported there is no room in the house as enrollment is over the top. Contributors to this are the commitment to have students graduate in four years and the tuition guarantee for four years.

In response to questions, President Haeger said the vision for Yuma hasn’t changed and there is a lot going on there. The commitment hasn’t changed.

The topic of the logging wheels came up and Barb said she met with MJ, Neil, and Jane Kuhn with the goal of arranging for the logging wheels to be in this year’s Homecoming parade. Details with insurance are being worked out and a compromise was made to have a rear hitch that will control the wheels. The fabrication of this hitch and tongue assembly will cost about $3,000. She said funds need to be raised for this and she would start by donating $250.

Again, in response to a question, President Haeger indicated he could certainly find a space to house icons concerning NAU traditions, but he said housing the logging wheels is going to take more consideration due to their size and weight.

CONTINUATION OF PRESENTATIONS TO OUTGOING BOARD MEMBERS
Barb recognized Cliff Alexander for his time and service on the Board and as President for 2007-2008.

Cliff presented Barb with an engraved gavel as incoming Board President.

The meeting was adjourned until Saturday morning.

Barb McCloud called the meeting to order at 8:40 a.m., Saturday, July 19, 2008. She indicated the Arboretum Adventure Event was great. She said we are going to continue to try to work an educational component into events. The people in attendance at the board meeting introduced themselves.

APPROVAL OF APRIL 19, 2008, BOARD MINUTES
Dick Nothstein moved to approve the minutes. David Will seconded. After discussion about the date of the April 2009 Board meeting, the motion passed.

REVIEW OF 2008-09 BUDGET
Doug Rutan handed out the tentative budget for the FY2008-09. He noted the carryover amount is still a soft figure. He reminded folks that the
Bank of American money will be going away after next year and the Board needs to be thinking about how to make up this money. He explained that the University support is the same as last year. There was some discussion about finding a new affinity partner and working with Pine distribution. Neil said a communications survey across the University has just been completed. He said we are going to have to look at our communication strategy – how to balance print with electronic. The costs are driving this. Dick Nothstein moved to approve the budget. Wayne Connelley seconded and the motion passed.

EXECUTIVE DIRECTOR’S YEAR-END REPORT
Neil first noted the staff is segmented into three areas: Administration (Neil Goodell, Krista Perkins, Judi Burk), Communications (Anne Walden, Beth Bourget, Krista Perkins), and Events (Erin Bertelson, Beth Martin, Toni Fox). He noted that many events are more than just our events – a lot is done for the President’s office. [Neil’s PowerPoint presentation is attached to the permanent minutes.]

Barb briefly talked about the staff of the Alumni Relations Office. She said the Board is very fortunate that the University provides the money to fund staff salaries and benefits. She said it is a great staff with very diverse skills and a lot of dedication. Barb said it is a very profession group and the Board would be able to accomplish next to nothing without their assistance.

ANNUAL COMMITTEES MEET
Communications and Advocacy – Co-Chairs Barb McCloud and Paul Peterson
Volunteer Outreach – Co-Chairs Joy Gaeraths and Veronica Perez
Lifelong Learning – Co-Chairs Marvin Peterson and Kimberly Ott

NAU FOUNDATION REPORT
Colleen Ragland said the Foundation Board was very excited about Mason Gerety assuming the role of Vice President for University Advancement and President of the NAU Foundation. Mason is committed to visiting every Foundation Board member individually. The Foundation bylaws are currently being reviewed and will be reviewed every two years. One of the areas being considered are term limits. The next Foundation Board meeting is a retreat and will have a facilitator. A capital campaign is in the early stages. The MOU with the University is nearing completion, and the Foundation is working on a strategic plan. The Investment Committee will be using Vanguard as a consultant for investments.

Mason disagreed with Barb’s statement that the Alumni Association was here to help ‘not that the university needed NAUAA’s help.’ He said that's not true – NAUAA’s help is needed. The University needs the help of the Alumni Association. Primarily help is needed to create stronger connections with alumni and bring many of them back into the fold, having them become an integral part of the life of the University. He said NAU has the opportunity to create and take full advantage of a cradle-to-grave relationship. He said of the approximately 1,400 alumni he has spoken to in the last several years, only two didn’t like NAU. So, we need to bring them back into the fold and the Alumni Association has to be leaders in this effort. He said the institution is launching a comprehensive capital campaign. Mason said he doesn’t expect the Alumni Association to be fund raisers, that’s his job – he loves to ask people for money. He expects the Alumni Association to open doors and create connections.
Mason further said he will always tell us what he thinks and has an extremely open book environment. He is committed to sharing information about what the Foundation is doing and how it is operating. He really wants this to be a long-term partnership.

He said in Advancement and Alumni Relations there is an incredible staff, and that he has walked into a group of people who really know how to do this. Mason said more staff will most likely be added as the institution moves into a formal campaign. A consulting firm will help design the goal phase over the next three or four months. He said if we are in a campaign, boards serve as activists. Mason noted that he and Betsy Putman have a training session they tongue-in-cheek call '500 first dates' they would be happy to present to the Alumni Association Board members so they will be more comfortable in seeing the potential and serving as friend raisers.

PRESENTATION
Barb said she wants to do something different and one initiative is to set a solid precedent for valuing and recognizing what NAU is all about. So, what she wants to do today is take the opportunity to give thanks to and recognize two pillars of the institution with a very special recognition and program. And, she said that is, of course, Joe and Marie Rolle. Joe and Marie’s entire family came to honor them – a total surprise for Joe and Marie. A wonderful DVD “With Great Honor and Distinction” was shown as a tribute to their lifetime of service and dedication to NAU. The DVD presentation will be available for viewing on the Alumni website.

OVERVIEW OF COMING YEAR AND BOARD GOALS
Barb talked about Best Practices in Non-Profit Corporate Law [attached to permanent minutes]. She feels this should be reviewed each year at the Board retreat because NAUAA is a bonafide corporate board of directors, governed by state and federal regulations. She said there are responsibilities and obligations that go with this. She highlighted some basic best practices of which non-profit boards need to be aware and need to use to guide participation and decisions. As Board becomes more active these principles will become even more important due to increased scrutiny. She talked about the reasonable person’s standard – how will it look on the front page of the newspaper. Barb emphasized it is important to be thoughtful, and that phrase has many different meanings. Being thoughtful means being kind to one another but it also means thinking before speaking and it goes as much for emails as it does for verbal conversations. She talked last but not least about standards of conduct and engaging in active and informed oversight. Another point she made is individual directors don’t have any individual powers. There is no single Board member who can act as a representative without the authorization of the whole and it is important to keep that in mind. She said the duties of the Board are a fiduciary duty, a duty of care, and a duty of loyalty. She noted the bylaws are the governing document for these duties. She said one of the duties of care is to not handle the day-to-day business of the organization – that is the job of the staff. Marc Atonna wondered, given this information, if it might be a good idea for the Board to review the bylaws to make sure there are no loopholes, and if there are, the bylaws be changed to close them. Neil noted any changes to the bylaws need to be approved by the President of the University as well as University Legal Counsel. The current bylaws were revised in April 2007 and received University approval. Barb will task Dan Slayton to initiate any additional review.

Barb said she works best with a plan and she feels the Board is at a point where a strategic plan is needed. Her goal for the year is to have the Board create a strategic plan...
but she doesn’t want it to become the be-all end-all.  She said she doesn’t want to focus so much on the plan that we lose sight of everything else.  Barb said it would be a great way to focus on where we are going tomorrow, six months, one year and even as far out as three years.  Barb thinks a strategic plan has to be a guide, not something that is so inflexible or so over-whelming it doesn’t do us any good.  She has tasked all of the committees to develop their own strategic plan and the collective of all the committee’s strategic plans will flow into an overall Board plan that will be completed and adopted at the spring meeting.  It does have to be a living document.

Barb said her other goal this year is best exemplified by the presentation to Joe and Marie Rolle.  She said the Rolles are probably the best example of what this institution is all about and the loyalty, respect, professionalism and the sense of family that NAU represents.  Barb said she wanted to make the commitment to everyone on the Board that she will connect with each member personally throughout the year and she will make the commitment to value each member’s participation, ideas, and support for NAU.  She said she will ensure that everyone has all of her contact information and she asked, in the spirit of the standards of conduct, if something is of concern please call her to talk it through.  Barb said there will be disagreement but she would appreciate the opportunity to have civil discourse.

**STANDING COMMITTEES MEET**

Resource Development – Co-Chairs Doug Rutan and Yvette Martin
Traditions – Co-Chairs David Will and Wayne Connelley
Nominations – Co-Chairs Barb McCloud and Marc Atonna

**NAUAA TAX STATUS**

As a result of the discussions at the April Board meeting concerning the tax status of the Association’s 501(c)(3) and whether it is classified as a private or public foundation, Barb spoke with a tax attorney (Craig McPike) with her firm and asked him to donate his time to review the auditor’s report and render a legal opinion.  Barb and Craig will meet with Brenda Blunt from CBIZ Accounting and then issue a formal legal written opinion to have on file.

Barb also reported the IRS passed a new regulation applicable to non-profits and she thinks it goes into effect September 1, 2008.  This regulation basically creates an opportunity for a non-profit to self-report any discrepancies without fear of penalty within a certain time period.

**AFFILIATION AGREEMENT**

Barb said this is something that came up through the University.  She said this is just an opening foray into this discussion and it will be touched upon again.  Arizona Board of Regents (ABOR) has drafted a request that each university execute an affiliation agreement with ABOR.  In essence the draft request from ABOR is for an affiliation agreement that is much more formalized and contractual in nature than a Memorandum of Understanding would be.  The definition ABOR crafted for an affiliated entity is any entity connected with the university that raises funds and manages money for the benefit of the university.  Barb had a discussion with Neil and Mark Neumayr (NAU’s legal counsel) and Mark thinks ABOR is interested in including NAUAA in the agreement.  Barb respectfully disagreed with him and told him unless ABOR changed the definition, she was taking the position that it didn’t apply to NAUAA.  Mason Gerety believes it applies to the Foundation but not NAUAA.  If this does apply to NAUAA it does not preclude creating an agreement
between NAUAA and NAU as well as between NAUAA and the NAU Foundation. The three university attorneys and the ABOR attorney are still working on refining the document.

LOGGING WHEELS
Barb noted this was discussed yesterday. Wayne said he would put together some historical documentation to refer to in terms of who would be chosen to “pull” the wheels.

TREASURER AS NON-VOTING MEMBER OF FOUNDATION AUDIT COMMITTEE
Cliff Alexander asked the NAU Foundation to approve having the treasurer of NAUAA sit as a non-voting member of the Foundation’s Audit Committee. This was ultimately approved and Doug Rutan will sit as a non-voting member of the Foundation Audit Committee.

OTHER ITEMS AND OPEN DISCUSSION
Barb asked that Ira Greenspan’s resignation be accepted. Dick Nothstein so moved. Marvin Peterson seconded and the motion passed.

The Nominations Committee met after receiving Ira’s resignation and reviewed past applications and, after discussion, the committee recommended (Charles) Bart Graves to fill the remaining two years of Ira’s term. He would then be eligible for an additional three-year term. Bart has a very strong media background and this was one of the areas of expertise the committee considered. Heidi Shoen moved to accept the recommendation. Marc Atonna seconded and the motion passed. Neil indicated he will meet with Bart in the next couple of weeks.

COMMITTEE REPORTS

COMMUNICATIONS AND ADVOCACY
Paul Peterson said the committee received an initial report from the Alumni Office related to evaluation and analysis in terms of outreach from a communications standpoint. The committee will continue working with the Alumni Office to look at the effectiveness of various media for outreach and determine if there are different options.

LIFELONG LEARNING
Marv reported the San Juan trip was canceled. He indicated that working with Avenues of the World Travel Agency is one of the best things they have done as Monica has pretty much taken which creates less of a burden on staff. He said Machu Pichu is a go with fourteen signed up. The Getty Museum trip is going to happen – right now there are five people signed up but he feels more people will sign up later. Marv said there are some great ideas coming from Colleen Ragland and Bruce Turner. Colleen suggested some ‘how to’ functions. Colleen said other universities do this and once a month you can join a group to learn things such as first aid, how to pack for a trip, etc. Also there are social functions like book clubs and film clubs. She said the more activities we have, especially in Maricopa County, the better. Bruce’s ideas are getting a little more personal connection to invite folks to tailgates, etc. Additionally there may be some initiatives that will include podcasts and downloads. John Clark talked about taking online classes from NAU and if they are audited the cost is less. Marv talked briefly about the Max Spilsbury gathering.
Volunteer Outreach
Beth Bourget read a proclamation thanking all of the members of the Board and Past Presidents who volunteered this past year.

Joy reported the committee met with Paul Orscheln, new director of Undergraduate Admissions. The committee is working to increase the number of volunteers and enhance the support they lend to Undergraduate Admissions. Veronica Perez said the committee was going to look at engaging more Native American students in recruiting efforts and also in rural areas of Arizona. The idea is to use the same strategies that have worked out-of-state and apply them within Arizona.

Resource Development
Doug said the committee was anxious to work on strategic planning to make the best use of the funds we have and also to increase the budget as we move into the next couple of years.

Nominations
Marc said the mentoring program has been in the works for several years and it continues to be refined. This year the mentors/mentorees are:

- Jennifer Reichelt will be mentored by Marc Atonna
- Bart Graves will be mentored by Kimberly Ott
- Bruce Turner will be mentored by Barb
- David Moline will be mentored by Barb and Marv

Marc said this doesn’t mean new members cannot go to other Board members with questions. Everyone should serve as mentors for new Board members.

The committee also discussed director diversity and the desire to make sure that NAU’s 100,000+ alumni are represented with a balanced board in terms of age, diversity, etc. Barb mentioned one attribute to look at is people who have a demonstrated commitment to civic participation. Marc said the committee is also working on more effective methods for outreach to prospective Board applicants. Another area the committee is working on this year is internal outreach to each Board member to ensure a larger pool of members to run for Board offices.

Traditions
The Traditions Committee recommended the following people for Alumni Awards:

- Albert L. Esparza ’94 - Dr. Cliff Harkins Distinguished Citizen of the Year
- Sherman Frederick ’76 – Dwight Patterson Alumnus of the Year
- John Bridger ’74 – Joe and Marie Rolle Spirit of NAU Award

Wayne briefed the Board on the background of each nominee. Dick Nothstein moved to accept the committee’s recommendations. Marvin Peterson seconded and the motion passed.

Wayne said the Traditions Committee identified each of the projects they want to undertake and who the project managers will be:

- David Will – Winter Carnival and Snow Sculpture
Dick and John have asked for seed money to begin the process of honoring veterans. John Clark said they would like to do something like Dick arranged in his hometown – every year they have a ceremony honoring veterans. He said they thought of doing something similar for NAU veterans of all ages, years of service, new ones coming in, etc. They would like to have a day to do this. Dick has designed a medal which is what the seed money will support. John said Mike Smith, lobbyist with Arizona School Administrators Association, is an NAU graduate and a Marine Corp Vietnam veteran, and he has agreed (upon approve from the Board) to seek a proclamation from the Governor and the Legislature for this day. Marc Atonna suggested the event move forward but be expanded to include the Lifelong Learning Committee.

Heidi Shoen moved that the Board allocate $1,000 for this project. Barb McCloud seconded. Marc Atonna said he would contribute $100 immediately so the motion could be amended to $900. The motion passed.

Wayne said the project managers have been asked to do a synopsis of their projects and also keep in mind any projected costs or resources that might be needed.

Marv reported he met with Gretchen Wesbrock regarding the Chain Gang. He offered the Traditions Committee as a support group.

**COMPLIANCE COMMITTEE**
Barb met with Dan Slayton three or four weeks ago and will continue to work with him to craft an MOU between NAUAA and the University and then one between NAUAA and the Foundation. Dan will also assist Barb on finalizing the tax report.

**PAST PRESIDENTS**
Nancy Serenbetz reported twelve Past Presidents were in attendance at their meeting today. They welcomed Cliff Alexander and Sam Leyvas to the Past Presidents Club.

They voted to raise the dues to $25 a year. This is the main source of revenue for the Past Presidents.

Nancy said they discussed the topic of adding members to the Past Presidents Club who were not in fact Past Presidents but are interested in serving in some way. There was considerable discussion, both pro and con. It was decided to table further discussion until the next meeting.

The Past Presidents will do their best to participate in and support all Homecoming activities. Dennis Meador is going to plan a Past Presidents reunion. Sam brought up the fact that some of the license plates for NAU were outdated. The Past Presidents would like to work with the Communications and Advocacy Committee to see if they can come up with an updated license plate.
Nancy said, last but not least, the Past Presidents approved a match of up to $1,500 toward manufacturing the proposed tongue and hitch assembly for the logging wheels. As part of this donation the group is simply requesting a little banner or something to recognize the Past Presidents.

Dick Nothstein moved to adjourn the meeting. David Will seconded and the meeting was adjourned at 4:20 p.m.

Respectfully submitted by Judi Burk

**ATTACHMENTS TO PERMANENT MINUTES:**
Tentative FY09 Budget
Executive Director’s Year-End Report
Best Practices in Non-Profit Corporate Law