MINUTES
NORTHERN ARIZONA UNIVERSITY
BOARD OF DIRECTORS MEETING
APPLIED RESEARCH & DEVELOPMENT BUILDING #56
LARGE POD CONFERENCE ROOM
NAU MOUNTAIN CAMPUS - FLAGSTAFF
JULY 18, 2009
BARBARA MCCLoud '78 AND MARC ATONNA '95, PRESIDING

BOARD MEMBERS PRESENT: Incoming President Marc Atonna '95, NAU Foundation Board Chair Chris Bavasi '75/’00 (incoming), John Clark ‘77/’81, Michael Fronske ‘85/’89 (incoming), Joy Gaeraths ‘98/’05, Bart Graves ’79, José Herrera ’96/’01 (outgoing), Megan Kondrich ’03 (incoming), Yvette Martin ’92, Outgoing President Barbara McCloud ’78, Dick Nothstein ’59/’63, Kimberly Ott ’82, Veronica Perez ’94, Marvin Peterson ’61/’70, Karin Philips ’77/’96 (incoming), Ted Quasula ’73/’82 (incoming), Jennifer Reichelt ’98/’00, Dan Slayton ’78, Bruce Turner ’79, David Will ’61/’64, VP for Advancement Mason Gerety (morning), NAU President John Haeger (morning), Executive Vice President MJ McMahon (morning), Honorary Robert Crozier ’53/’71, Honorary Joseph Rolle ’41, Athletic Director Jim Fallis (Ex Officio, morning), and Executive Director Neil Goodell ’76/’96.

BOARD MEMBERS UNABLE TO ATTEND: LaTrice Brewster ’92, Wayne Connelley ’76 (outgoing), Heidi Harvey ’72, David Moline ’73, Paul Peterson ’00 (outgoing), ASNAU President Kathleen Templin.

PAST PRESIDENTS PRESENT: Cliff Alexander ’94, Art Atonna ’69, Lee Atonna ’69, James “Buck” Clark ’50/’54, Harry Hengl ’76 (committee part of meeting), Dennis Meador ’67/’71, Charles Pilon ’59/’66, Larry Schnebly ’52, and Past Presidents’ President Nancy Serenbetz ’75.

GUESTS PRESENT: Doug Rutan (past Board member), Michael Stevenson (Dean, College of Social and Behavioral Sciences), Christiana Moss (Studio Ma/Architectural and Environmental Design), Katelyn Toci (Chain Gang President), and Jamie Santillo (Chain Gang Vice President).

STAFF PRESENT: Judi Burk and Krista Perkins ’98. Also in attendance for committee meetings were Erin Bertelsen, Beth Bourget, Beth Martin, and Anne Walden.

CALL TO ORDER
President Barb McCloud called the meeting to order at 9:00 a.m., Saturday, July 18, 2009. She welcomed those in attendance and asked everyone to provide a brief personal introduction. Barb and several others thanked the Rolles for hosting the reception Friday evening at the home of Randi Rolle and Doug Umlah ’90/’01.

APPROVAL OF MINUTES FROM APRIL 25, 2009 BOARD MEETING
Dick Nothstein moved to approve the minutes. Dan Slayton seconded and the motion passed.
SWEARING IN OF NEW OFFICERS AND BOARD MEMBERS
Joe Rolle swore in the new officers: President Marc Atonna, Vice President Kimberly Ott, Treasurer Bruce Turner, Secretary/Parliamentarian John Clark, and Immediate Past President Barb McCloud. Joe next swore in the new Board members: Chris Bavasi (as Chairman of the NAU Foundation Board), Michael Fronske, Megan Kondrich, Karin Philips, and Ted Quasula.

RECOGNITION OF OUTGOING BOARD MEMBERS
Barb recognized outgoing Board member, José Herrera, with the presentation of a plaque thanking him for his service. Other outgoing Board members not present will also be given a plaque. They are Wayne Connelley, Paul Peterson, and Colleen Ragland.

Marc presented Barb with a plaque thanking her for her service as president. He also noted how much Barb has meant to the Board and the accomplishments the Board has enjoyed during her tenure as president. Neil Goodell presented a gift of appreciation to Barb on behalf of the Alumni Relations staff. Barb officially passed the gavel to Marc Atonna.

NAU PRESIDENT’S REPORT
President Haeger thanked the Board for their work and thanked Barb especially. He briefed the Board on the budget. He said the university operates on about $414 million and out of that $161 million is from the state. The next largest part of the budget is from tuition revenues of $91-$95 million and then government grants and contracts. The budget monies from the state for FY10 for the base budget will likely be $134 million. This has come from direct cuts by the state. The largest current problem is that Arizona state government is literally paralyzed. Therefore, making decisions about moving forward with various programs is tough when there is no idea what the future holds. President Haeger said these cuts could eventually backfire on the state if grants are not being made to researchers from government and other institutions because they question whether Arizona will match the funds. He said these represent are long-range complications.

President Haeger said there is good news and it is that the budget for FY10 will be reasonable, the university will be able to serve students well, and there will be money to continue to push the university forward. The federal stimulus dollars are in the state and will come directly to the universities. He said NAU will probably receive approximately $20 million and that will allow us to continue to hire faculty and staff to serve students, continue to fund programs, etc. The catch in federal stimulus dollars is that there is stimulus money this year and likely will be available the next year, but President Haeger said the university will need to sit on that money into FY11. So, he said we can get through FY10 and FY11 and then the “cliff” is FY12. President Haeger is optimistic about the state recovering but said others are not so sure. He thinks enrollment will be higher, residence halls are past full, and retention rates are up. He said NAU is seen in a very positive way and our institution is in the best financial shape of the three state universities.

President Haeger said the Arizona Board of Regents (ABOR) has launched a new initiative called “New System Architecture.” The key factor driving this from federal and state levels is that if Arizona is going to be competitive nationally, it simply has to double the number of baccalaureate degrees in the state. Arizona does not have an educated workforce and the economy runs on an educated workforce. There is an enormous effort as to how the number of baccalaureates will be doubled and a lot of the stimulus money
will be going to the universities, while at the same time considerable federal money will be targeted for community colleges. He pointed out that partnerships between community colleges and universities are critical to produce an educated workforce. President Haeger said behind the scenes over the last year the three universities have worked together to develop a system architecture for Arizona. This means three things for NAU. One, NAU Flagstaff will have a unique mission of undergraduate residential education and it is the research part of the institution. Two, NAU has distance learning and has community campuses that offer baccalaureates, but there will be competition. Three, NAU will be adding sites for probably 10-15 years for communities to have a four-year residential/regional university. What ABOR and the state are trying to figure out is where that would happen for a couple of reasons. One is because you cannot double or triple baccalaureates at a research university because it is too expensive. Second, alternatives are needed. NAU’s best alternatives are Yuma and the Prescott region where NAU already has substantial investments. President Haeger said we will try to break the mold and have community college students focus on a four-year track.

President Haeger said NAU is pushing ahead with building projects. Approval was received in the amount of $110 million for the new Health and Wellness Center. ABOR also approved NAU to begin selling bonds. The Native American Cultural Center is moving forward. There are also SPEED projects – Lumberjack Stadium, Skydome, North Union, and North campus infrastructure.

Also, President Haeger noted what he calls the NAU trifecta – Ernie Calderón will be the ABOR President, Brad Busse (former ASNAU President) will be the President of Associated Students of Arizona, and Jennifer Ginther (NAU graduate student) has been appointed as student regent for ABOR.

Marv Peterson asked about a home for the Logging Wheels. President Haeger said he would contact Jane Kuhn about this project.

Chuck Pilon announced that the Golden Grads raised $10,000 for the College of Education.

**NAU ATHLETIC DEPARTMENT REPORT**

Athletic Director Jim Fallis said the second cycle of NCAA recertification went through about an 18-month process which included a self-study period, then a peer review team on campus in October, and the final report was received in January. The reported indicated that we have received a ten-year recertification. Additionally, NAU placed third in the Big Sky President’s Cup. Jim announced that Allie Carter, student athlete in golf, was one of only 116 students in the country to receive the NCAA post graduate scholarship. She intends to come back to NAU to work on her graduate degree. He also announced that for the 20th time in the last 22 semesters, student athletes have finished with a GPA of 3.0 or better. NAU placed in the top 100 in the Director’s Cup which includes top ten schools, big eight schools, etc. The retention of student athletes is very good.

**NAU ADVANCEMENT AND FOUNDATION REPORT**

Chris Bavasi, Foundation Board Chair, reported the Board is in the process of restructuring their committees and the way the Board operates. He said they are going to try to be more entrepreneurial in the future and the first venture into that is the North Union. As part of the High Country Conference Center, which has been a great addition
to the community, he said his understanding was that when the university entered an agreement with the city to build the conference center, they also agreed to build a restaurant. That restaurant will be in the North Union with financing from the Foundation. He said he hopes this will be the first of many entrepreneurial ventures. Chris said he believes the Foundation has not made enough effort to engage our alumni. Alumni should be the biggest supporters and that has not been the case in the past. He proposed that on occasion the Foundation and Alumni Association conduct a joint meeting. He would like to see this happen relatively soon. Chris said this doesn’t need to be frequently but at least on occasion so we all understand who’s doing what, and focus on how we can assist each other achieve commons goals on behalf of the university. Chris also reported they are entering into a comprehensive fundraising campaign.

Mason Gerety reported the Foundation celebrated its 50th anniversary in May. Mason said the Foundation operates entirely on behalf of the university, it is a 501(c)(3) and it is the only organization on campus that the university has designated to receive donations and charitable gifts. Cheryl Willers gave a presentation about the Foundation [attached to permanent minutes] to the Board.

PRESENTATION ON NATIVE AMERICAN CULTURAL CENTER
Michael Stephens, Dean of Social and Behavioral Sciences, and Christiana Moss of Studio Ma/Architecture and Environmental Design, Phoenix gave a presentation on the background of developing the Native American Cultural Center.

[Shuffled Agenda]

OUTGOING PRESIDENT’S YEAR-END REPORT
Barb McCloud said it was a great year and Homecoming was a highlight because we were all able to see the Logging Wheels in the parade and also Chain Gang leading the wheels. She said Wayne Connelly couldn’t be here today but our continued gratitude goes to him because of the phenomenal amount of work he achieved to bring the wheels project to fruition. Barb said development of the 2009 Homecoming program to recognize NAU veterans and military personnel is a perfect example of what can be accomplished if the Board is willing to share a vision, engage in a planning process, and commit ourselves to executing the plans. Barb reported the strategic planning process was started this year and Marc Atonna will be continuing with the process. She asked that the communications plan be disseminated to the entire Board. Paul Peterson, with a lot of staff help, put together an NAU Alumni Relations Communications Plan based on the strategic plan. She encouraged members to continue building on our past successes and find ways to do more with less, which is our new reality. We no longer will have substantial affinity income to conduct outreach activities while at the same time having less staff support because of budget reductions. This means Board members will need to step up and take the responsibility to insure that we know where we want to go and know how we’re going to get there. Barb said it is an impressive document and like the strategic plan, this document is a very good template for the Board to continue with our successes. In closing she gave a very heartfelt thank you to all Board members for their support and broad-reaching accomplishments.

EXECUTIVE DIRECTOR’S YEAR-END REPORT
Neil Goodell again thanked the out-going Board members – Colleen Ragland, Doug Rutan, Wayne Connelly, José Herrera, and Paul Peterson. He welcomed the new incoming Board members – Chris Bavasi, Michael Fronske, Megan Kondrich, Karin
Philips, and Ted Quasula. Neil then continued with a PowerPoint presentation [attached to permanent minutes] outlining the year’s work and accomplishments by the Alumni Association and Alumni Relations Office.

Erin Bertelsen introduced Katelyn Toci and Jamie Santillo, President and Vice President respectively, of Chain Gang. They will join the Traditions Committee meeting.

REVIEW OF 2009-2010 BUDGET
Bruce Turner reported there are revenues that roll over from previous years. He said it is really not revenue, but more like a rainy day fund that moves forward. Bruce said the majority of the monetary support received is from the university in the form of wages, benefits, etc. He provided a pie chart to explain the income side noting how big the Bank of America contribution is – 72.2%. Bruce said our “cliff year” is 2011 which is when the Bank of America affinity contract ends. He also noted that this partnership will not be renewed at anywhere near the current level. There are some other income streams but they are small in comparison. Bruce said new funding sources will need to be considered. He said this is our last chance, take a deep breath and start to figure out how we can change the pie. Maybe it is something that is tied to the Foundation or tied to funding from some other source. We also need to come up with new ideas to bridge the income gap and know we need to live within our means. Bruce said he would like to go over the expense side at the next meeting. He noted we are always spending more than we are bringing in for events. He said the committees need to think about how to fund their ideas and proposals.

In response to a question, Neil said the other Big Sky Alumni Associations are in the same situation. None of them have come up with viable short-term or long-term solutions. In this vein, Neil said our Bank of America contract expires in October 2010. He said those types of affinity partnerships in the future will be through the Foundation’s 501(c)(3) once the Alumni Association’s 501(c)(3) is dissolved. The change will happen in the fall of 2010 because that is when the Bank of America contract ends. We really can’t do anything prior to that because Bank of America would terminate our current contract. He said the other Big Sky schools generally have smaller alumni staffs, but those staffs are tasked with doing much less as compared to the NAU alumni office.

Neil said alumni relations is working very hard to maintain and continue to build relationships with the University and Foundation because he thinks we will become even more dependent on those groups financial and legally down the road as a partner.

PRESIDENT’S REVIEW OF COMING YEAR AND COMMITTEES
Marc Attona said the Board is driven primarily by committee work. He hopes this upcoming year we can take ideas/ways we can contribute and run with it. He would like committees to look beyond their own committee and see how other committees could be involved.

Marc reviewed board committees and rosters. The committees then broke into working sessions.

COMMITTEE REPORTS
Resource Development
Bruce Turner said committee members shared a number of ideas. Some examples are selling more bricks, “text to give,” widgets on Facebook, on-line auctions, mystery boxes,
and revisiting some existing partners and promote more participation with them. Neil noted that all new bricks for the Clock Tower have been received from the vendor at no cost. New replacement bricks were negotiated with the company because some of the bricks had prematurely deteriorated. The new bricks are now sitting in a warehouse on campus, but there is no money to actually carry out the replacement. There was some interest in investigating this further. Staff was considering using a couple local contractors to assist with this project prior to the severe economic downturn.

Compliance
Dan Slayton reported the committee pretty much focused on the MOU (memorandum of understanding) as well as working with the Foundation. The draft MOU between the Alumni Association and the University is currently being reviewed by NAU legal counsel. This draft will assist in developing the MOU between the Alumni Association and Foundation.

Dan also reported that we are continuing to work with the IRS, and Barb indicated funds are available to accommodate any back taxes we may owe. Neil noted that once the NAUAA is no longer a 501(c)(3) we will not be required to purchase insurance for directors and officers, and we will not have any tax preparation/reporting requirements which will represent considerable savings. Also, any event insurance will be under the Foundation’s general liability policy. Barb said this would be appropriately documented in the MOUs so all entities know what we are asking them to do on our behalf and vice versa. Neil noted all the colleges have advisory councils of some kind. They are making a move to change all those advisory councils to fundraising committees. Down the road this may change how the Alumni Association Board operates.

Nominations
Jenn Reichelt said the committee had a productive meeting and talked about plans for next year. Staff will be sending information about board demographics and terms of office to the committee. In thinking about recruitment efforts for the next year the committee is planning to tie into communications to really get the word out.

Traditions
Marv Peterson reported Katelyn Toci and Jamie Santillo, president and vice president of Chain Gang, informed the committee of the club’s many activities. They will be having a pep rally before the first home game. They are very enthusiastic and have a lot of activities in the works, including a winter carnival. Dave Will said he is really excited about this group.

With regard to the Alumni Awards, Barb said the committee had a struggle with the Dwight Paterson Alumna/Alumnus of the Year Award because there were so many great nominees. The committee is asking the Board to make a decision from three individuals. Barb read the background and criteria for the award. It was suggested this be revisited by email as quickly as possible.

Yvette Martin moved that if a board email ballot with a 50% plus one response is return, the decision does not come back to the Board for approval. Barb McCloud seconded and the motion passed.

The committee recommended Harry Hengl for the Joe and Marie Rolle Spirit of NAU Award, Tom Nunn for Cliff Harkins Distinguished Citizen of the Year, and Scott Hanson for
Jeff Ferris Volunteer of the Year. Barb McCloud moved to approve these nominees for the awards. Dick Nothstein seconded and the motion passed.

The committee discussed nominee Paul Keim who is a NAU employee and therefore not eligible for any of the awards. The committee wants to propose that this year Paul Keim be recognized for his work and accomplishments and what it means for NAU. After some discussion about whether this should be new award category or not it was decided to send this back to the Traditions Committee to consider the development of an outstanding alumni faculty/staff award named after Paul Keim. They will come up with appropriate criteria. Also staff will connect to the appropriate administrative people to figure out exactly what the parameters of this award should/can be.

Cliff Alexander pointed out that Diana Uyder is a university employee. Staff will check into this and if that is the case she will not be considered for the Cliff Harkins award.

Volunteer Outreach
Joy Garaeths said the committee discussed the upcoming ice cream social on August 26, 2009, during Welcome Week and she encouraged Board members to volunteer for this event. Joy said Beth Bourget will work on getting the VAN portion of the website up-to-date before school starts so it will be ready to go when we receive events from Admissions. She asked the Board not to forget the NAU at University of Arizona tailgate event and game on September 12, 2009, because volunteers will most likely be needed. Joy said Veronica proposed a great idea. In conjunction with lending our volunteer efforts to the Veterans Recognition she will talk to Beth about sending an email out to all VAN members asking them to think about anyone they know who is a veteran. The committee also talked about how to engage folks who were not selected for the Board – engaging them more on the volunteer side to keep them involved.

Communications and Advocacy
Kimberly Ott reported the committee is considering a name change to Communications and Marketing. The communication plan will be distributed so that new members of the committee and returning members understand completely what is being proposed on a go-forward basis. Our commitment is for all committee members to be on Facebook and it would be great if all Board members did so as well.

Events
Yvette Martin said the committee has three main objectives: identify social and networking opportunities to accrue more alumni involvement in general whether to attend an event, come back to the university, or get involved with some of our committees; identify opportunities for fund raising events; and identify opportunities for lifelong learning components whenever possible. Some ideas came up with regard to Jenn’s connections in Glendale – perhaps tickets to spring training, etc. Yvette said the committee wanted to do something with trips such as an exploration of southern Arizona and setting it up as a bus tour. The committee will look at files and reports from past events to see what succeeded and maybe think about duplicating those activities.

Veteran Recognition
Dick Nothstein reported he, Cliff and Chuck Pilon met with Senator McCain and if Senator McCain’s schedule is clear he will attend the recognition dinner. The fund budget is now $11,995 but that is about $8,000-$9,000 short of the goal to be able to provide dinner at no cost for a veteran and a guest. Dick said 1,440 small American flags have been
purchased and will be passed out to veterans at the parade and also at the football game to be waved when military songs are played. Luke airbase is closed October 24, but other bases have been contacted about the flyover. The flyover has been approved by the FAA and the US Air Force. Nancy Serenbetz will check with Anne Walden regarding playing of the songs.

Past Presidents
Nancy Serenbetz reported that Bob Beck, Parent Relations Development Officer, has identified Legacy families and is going out and working closely with them.

The Past Presidents donated another $1,000 to the Veteran Recognition fund. The Past Presidents also volunteered to help with whatever may be needed on October 24. The donation of $1,000 to the maintenance of the Logging Wheels was tabled until further information can be obtained. Nancy said she had talked to Marc about Past Presidents being involved in committee work. She will send Marc and Judi information about who will be on each committee. And lastly, Nancy said the club members were talking about the University of Arizona game and suggested in the future maybe informal tailgates could be held saving money.

There being no further business, Bruce Turner moved to adjourn the meeting. Dan Slayton seconded and the meeting was adjourned at 4:09 p.m.

Respectfully submitted by Judi Burk

ATTACHMENTS TO PERMANENT MINUTES
NAU Foundation Presentation
Alumni Director’s Year-end Presentation