Board of Directors Meeting #2

February 3, 1999

Conference Call

Present:
Anderson, Smith, Lonabocker, Mead, Guerreo, Schuster, Fresh, and Haid. Guests: Bilger and Taylor. Staff: Sullivan, Nassirian, Gough, & Barnett.

1. Schuster presented a straw set of "Budget Values and Strategies."

   AACRAO's budget values & strategies

- Institutional member dues are collected to maintain the association and provide services of benefit to all members.
- Annual Meeting member registration fees are budgeted to break-even with the costs of the AM sans occasional subsidy for the cost of the association's business meeting.
- While the board would like AACRAO to have sufficient revenues from other activities to run the AM budget so member registration fees break-even with the costs involved with the meeting, the AM is a show, the premier product of the association, and its price should be market driven and its earnings should support other association activities and reduce institutional dues.

  1. AM workshops must be self-sufficient
  2. The prime reason for the AM is the programmatic enrichment of the members who can attend, not hoopla.

- OIES must be self-sufficient and should earn revenues to support other association activities or reduce institutional dues. (Previous decision)
- Publications, as a grouping, must break even and should earn revenue to support other association activities or reduce institutional dues.
- Non-AM programming (conferences and programs) must break even and should earn revenue to support other association activities or reduce institutional dues.
- Contracts and Grant involvement by AACRAO as a totality must fulfill association objectives or further member interests; must break even and should earn revenue to support other association activities or reduce institutional dues.

2. Schuster then talked the group through a page of ratios developed to examine these values.

3. There was a lengthy discussion of issues bearing on the values. A revision will be prepared for continued discussion.

4. Anderson reminded the group of the fact that the membership provided one year with extra support and has, so far, received very little. Haid mentioned that the promise was

stabilize AACRAO, to stop the downward spiral, return $64,000 to reserves and not necessary provide additional services. He felt we should report what was achieved. Bilger felt in Chicago there was a promise for improved communications with the members via various approaches. He didn't feel enough detail was provided about the budget or the financial situation. Smith felt we should tell much more about the state of the association and its Office so the members have a better idea of the remarkable rebuilding effort that has taken place. Taylor mentioned the importance of the in-person visits in the communication effort and to make sure minutes would be available. Getting the minutes available has been difficult. Use of paper communication over electronic was discussed.

5. Sullivan reiterated how much he appreciated these comments. He then recalled the plan to come back from his vantage included:

   - Stabilizing the Office staffing at about 20+ , while previously it was headed to 30-35 with some responsibility gaps, to assist an organization of 10,000 member
   - getting a financial system, that was a disaster, replaced (we're just now starting to get reports)
   - developing an electronic data dispensing system, that wasn't available before, that can deliver messages to most members within 3 hours (and also uncovered problems with more than 1800 e-mail addresses) and now must attack the membership data system

6. Anderson mentioned that the members knew AACRAO had difficulties in Chicago, but they didn't have any idea how bad it really was. Nassirian gave an example of one publication he recently uncovered were the copy was found in the rubbish heap, which now they find hasn't gone to the printer, is missing two pages that cannot be located anywhere.

7. The group quickly reviewed the budget options provided: $165 with the New Orleans Annual Meeting revisions and the previous $125 with a series of budget reductions from this year's budget. Specific details were discussed. It was felt reasonable to re-convene next week, to re-articulate the values from today's discussion, allow some electronic discussion in advance, and re-process the budget through the ratio analysis. The group decided to set a call for Thursday, February 11, 12:30 PM.

8. Caputo reviewed the data in the latest financials from the Office.

9. Anderson asked about the availability of the Member Guide, C&U and TCP. TCP is available, C&U is in the final stage of publication and Member Guide is at the printer.

10. The call adjourned at 5:20 PM EST.