Board of Directors Meeting #2

January 31 - Feburary 4, 2003

Board Members in Attendance: Gene Schuster, Mike Allen, Robert Morley, Paul Taylor, Gloria Nathanson, Joe Roof, Heather Smith, Will Corprew, Paul Aucoin, Ange Peterson

Board Members-Elect in Attendance: Tom Bilger, Eric Staab, Betty Huff

Staff Members in Attendance: Jerry Sullivan, Barmak Nassirian, Janie Barnett, Amy Haavik

1. **Call to Order and Approval of Agenda**
   President Heather Smith called the meeting to order at 11:00 am on January 31, 2003. The agenda was reviewed and approved without objection.

2. **Finance Report:**
   Vice President Joe Roof discussed the highlights of Fiscal Year 2002. He reported that revenues were 90% of what was budgeted, which, in light of the financial situation, was positive. He reported that IES and Corporate revenues exceeded expectations and that membership dues were meeting budget. Vice President Roof stated that expenses were only 89% of budget. Salaries and benefits were over budget due to additional IES staff. In addition, bank charges and credit card charges increased. Vice President Roof also reported that AACRAO sustained some losses in investments.

   Vice President Roof updated the Board on the overall positive financial situation of FY 2003 to date in light of the current economy. He reported that AACRAO was meeting member dues while exceeding corporate dues and the IES budget. The SEM meeting exceeded its registration budget and people had to be turned away. Vice President Roof reported that AACRAO's net operating income was about the same as last year at this time.

   Vice President Roof outlined his five year projection for the budget through 2008. He made revenue projections based on certain budget assumptions and concluded that AACRAO's net operating income would start dropping dramatically next year. Vice President Roof detailed several strategies to balance the budget including doing nothing, funding the deficit from reserves, reducing expenses and services, and increasing other sources of revenue. ***The Board agreed to place the motion to recommend a bylaws change to index institutional membership fees to the previous twelve month CPI, with notice thirty days (30) on advance of voting, for approval by the membership at the 2003 Annual Meeting and effective for the 2004-2005 Membership Year.*** Vice President Roof moved and Past-president Gene Schuster seconded. Vice President Roof also underscored a combination approach to maintaining financial stability including continuing efforts to diversify revenues, reviewing and reducing expenses, and utilizing reserve funds as a source of last resort.

Vice President Roof continued his report to address the FY 2004 Proposed Budget. Major difference between FY 2003 and FY 2004 were seen as decreased attendance and exhibitors at the Annual Meeting, decline Jobs Online, increase in new membership, but no dues, increase in contingency, IES revenue and cost increase and increase in VP budgets to more accurately reflect the cost of State and Regional Meeting visits.

3. **Executive Director Report**
Executive Director Sullivan reported that little can be done to grow membership as most nonmembers are small schools. He pointed out that AACRAO's best revenue opportunities are IES and consulting. Executive Director Sullivan emphasized the need for partnerships and the risky nature of the Annual Meeting constituting 25% of AACRAO's revenue. President Heather Smith inquired as to how much needed to be spent in order to become profit making. Executive Director Sullivan replied that the AACRAO Consulting Service will grow slowly unless we invest enough money in it and employ a full-time manager with experience in a consulting environment. Partnering with someone is a more viable option currently.

Executive Director Sullivan presented an overview of the efforts of the Transfer Task Force. He reported on a focus group to review TCP Online and submit questions for a survey of the membership. He reported on research to gather practices and standards to produce a publication within a year.

Executive Director Sullivan updated the Board on current consulting projects. He reported on the work with Walden University and AACRAO's designing of their undergraduate student aid program. A tentative decision has been made to do something for them concerning registrar/student aid communication. Executive Director Sullivan noted that AACRAO has a lot of assets for consulting. He reported on the proposal into Christie's for creating a student aid office. He announced that AACRAO has plans to do a review of the student aid office at a university in Florida.

4. **Leadership/Annual Meeting Plan**
President-elect Paul Taylor presented his PowerPoint on Annual Meeting planning for the Leadership Meeting. He talked about the motivations behind applying Jim Dalton's 80/20 theory to planning the Annual Meeting program. President-elect Taylor reported that 20 or 25 percent of the Annual Meeting program would be reserved for development through the Board, staff, AACRAO members and nonmembers. President-elect Taylor said that proposals for the 2004 Annual Meeting need to be solicited beginning at this year's Annual Meeting.

5. **Vice President of Technology Report**
Vice President Morley reported on his decision to break the technology committee up into three subcommittees representing implementation, web services, and management that will have the capacity to change over the years as necessary. He noted that these committees will play a significant role in the development of the AACRAO Technology Conference and will use the SEM conference as a model. Vice President Morley announced that the technology conference would be taking place in Austin in 2003. He also reported on a discussion with PESC.

6. **Approval of Minutes**
The minutes for the October 2002 Board Meeting and the November 2002 Conference Call were placed on the Consent Agenda for approval'. Vice President Nathanson moved and Vice President Peterson seconded.

7. **Subcommittee Reports**
Administrative/Finance Subcommittee
President Heather Smith reported on a previous conference call with Vice President Roof concerning the finance committee's recommendations for the Board to approve in order to submit any bylaws changes in April.
The Administration Committee's recommendation that the Awards Committee report to the Past-president instead of the officer formerly known as the VP for Professional Development and Publications was placed on the Consent Agenda.

Operations Subcommittee
Vice President Nathanson reported that the Operations Subcommittee needs to pursue further research on the fellowship program. President-elect Taylor proposed taking the flip charts from the Leadership Meeting and organizing them to see how they expose the critical issues. Executive Director Sullivan noted that there are limited resources for writing and funding surveys. Vice President Allen said that AACRAO needs to look at its survey capacity in house. President Smith proposed creating a plan for administering surveys. Vice President Allen emphasized the importance of a quick turnaround on specific issues.

Membership Subcommittee
It was proposed that a change was needed to the language of the Corporate Presentation Policy. The Executive Director would have to give a waiver to allow unemployed or former members a membership when they need it most. Vice President Aucoin proposed a separate category of membership called continuing membership. *The Membership Committee recommendation to revise the Corporate Presentation Policy was placed on the Consent Agenda.*

8. **Officer Activity Highlights/Action Requests**
President-elect
President-elect Paul Taylor reported that he would write a charge for a task force on diversity. Executive Director Sullivan said that the N&E process should be on the Web site and should be addressed in the bylaws. Deliberations took place over how to get a more inclusive outcome from elections.

Past-president
The approval of honorary membership for Nancy Sprotte, Tom Stewart and Jeff Tanner was placed on the Consent Agenda. Past-president Schuster moved and Vice President Peterson seconded.

Vice President of Admissions and Enrollment Management

Vice President Peterson reported that the results of the admissions survey are on the Web and they are looking into developing an admissions self-audit. She also reported that her committees have agreed to the 80/20 plan.

Vice President of International Education
Vice President Nathanson reported that the contracts for France and the graduate admissions monograph have been sent out and some issues are in the process of being negotiated. The contract for Brazil has not been signed yet. She predicted that Kyrgyzstan will be completed before the end of her term and that Taiwan's contract is done and could be at the printer soon.

Vice President of Professional Development and Publications
Vice President Corprew announced that caucus assignments for nominees must be given to AACRAO staff member Gloria Rutberg. He reported that Executive Director Sullivan had contacted a scholarship group in DC and received a name for one of the two scholarships. He mentioned that the Scholarship Committee will meet on Saturday before the Annual Meeting to put info in bags for the Las Vegas scholarship. He noted that results will be contingent on money collected.

Vice President Corprew reported on ten registrants for the online Management Dynamics course. Executive Director Sullivan mentioned a possible online FERPA course and having Don Bunis do a second course online.
Vice President Corprew announced that Betty Huff has resigned as the C&U editor, but has agreed to continue until a new editor is appointed. It was agreed that an email would be sent out seeking a C&U editor.

Vice President of Association and Institutional Issues
Vice President Aucoin mentioned that he needs updates on the presentation list for state and regional visits. The importance of keeping the costs of these visits down was also discussed.

9. **Review of Ongoing and Outstanding Action Items**
President Smith began a review of the action items. She reported that a draft of the public policy statement needs to be reviewed by March.

Vice President of Finance Roof was tasked with developing a charge for interested parties to be on a task force to review the current membership dues structure and make recommendations to the Board.

Vice President Allen reported that Registrar 101 is ready to go for this year and that he is planning on having a meeting at the Annual Meeting.

Vice President Peterson reported that they completed the survey on admissions counselor training and want to combine admissions management and counselor training in a setup similar to Registrar 101 and hold a pilot workshop this summer.

The membership value statement was discussed and the need to use focus groups to find out what members think is valuable. Past-president Schuster reported that he would like to see a satisfaction survey breakdown, by position, etc… which might help with the formation of focus groups. Vice President Peterson suggested getting NACAC members to do a survey by possibly buying their membership list. Executive Director Sullivan emphasized the need for quality control with the surveys. Vice President Allen suggested doing smaller surveys of ten questions maximum on a one month basis.

10. **Task Force Updates**

Admissions Task Force

It was reported that the Admissions Task Force is no longer active and that letters were sent to all the participants thanking them.

Transfer Task Force

President Smith reported that the Transfer Task Force held a very productive meeting the week before. Ideas included a best practices publication, bylaws and transfer manual, and the investigation of ways AACRAO can provide tools or platforms to facilitate transfer. It was suggested that cost estimates of what transfer evaluations cost institutions of higher education be researched. President Smith reported on the value of having a Canadian member of the Task Force who had worked on the articulation agreement in British Columbia.

Public Policy Task Force

Associate Executive Director Nassirian reported that a draft of AACRAO's public policy statement had been prepared. He indicated that it had not been completely endorsed or vetted by the Public Policy Task Force yet. He reported that one of the biggest problems is approaching reauthorization. He noted that it is important to know the membership's general thoughts on issues in order to make a statement as an association for or against something. A process where the Board will review document and changes from task force and request approval was proposed. Past-president Schuster said the statement should not be adopted by the Board before adequate consideration by the members. It was decided that the document would be a constant living entity, possibly updated every year.

Diversity Task Force

President-elect Taylor brought his draft charge for a diversity task force before the Board for discussion. He noted its core task as seeking ways to improve diversity by increasing representation and visibility at all levels. It was decided that when the Board receives the report of the task force it will transmit any items requiring membership approval to the membership for review and approval.

11. **Auditor's Report to the Board**

Kathy Raffa of Raffa and Associates presented the auditor's report to the Board. She reported that it was a very clean audit with very few recommendations and that AACRAO's outsourcing had been very effective. She gave the Board a detailed explanation of the financial statements. She concluded her report by stating that there were no major issues discussed with management prior to retention and no difficulties encountered in performing the audit.

Vice President Joe Roof, in attendance via phone, stated that there is a deficit in the FY 2004 that needs to be addressed. Executive Director Sullivan and Vice President Roof will work on funding the deficit out of the operating budget so that it can be approved by conference call before the Annual Meeting.
The Board discussed the reaction of the Leadership Meeting attendees to proposed bylaw changes. Executive Director Sullivan reported that AACRAO has already cut back $400,000 analogous to the increases in tuition and reduction of services taking place at most institutions in the United States.

12. **Discussion of an AACRAO statement on affirmative action**
The Board discussed the signing of ACE's brief on affirmative action in light of the University of Michigan case and whether AACRAO should make a position statement for dissemination in the AACRAO Transcript, etc… Past-president Schuster expressed that he would be more comfortable if AACRAO made a statement to the membership about our support and what we have already done. A discussion ensued about the onus of the statement – whether it should focus on support of Michigan's policies, disagreement with the intervention of the federal government and/or support for the principles represented by affirmative action. ***A motion to put an article in the Transcript and/or Update informing the membership of what has been done regarding AACRAO's stance on affirmative action and the Michigan case was placed on the Consent Agenda.*** Vice President Peterson moved and Vice President Nathanson seconded.

13. **Review of Annual Meeting Timeline**
The Board of Directors shall recommend a bylaws change to change the name of the Vice President for Professional Development and Publications to the Vice President for Leadership and Management Development was moved to the Consent Agenda. Past-President Schuster moved and Vice President Allen seconded.

It was announced that assignments for luncheons, etc… need to be sent to AACRAO staff member Rutberg. President-elect Taylor reminded the Board of the importance of attending their assignments including the luncheon for chairs and the first timers meeting on Sunday. It was decided that the Board would split between attending the International Visitor's Breakfast and the Past-president's Breakfast on Tuesday.

A motion to write a statement on the importance of diversity was placed on the Consent Agenda. Vice President Corprew moved and Vice President Nathanson seconded.

14. **New or Unfinished Business**
Vice President Allen, Past-president Schuster and Vice President Peterson agreed to create a template for committees to use in stating their action plan for the year. Past-president Schuster reported that they decided to put something on the Web so that members can see the committee's plans develop. Components will include mission, taxonomy areas, list of chair and members, Action Plan for certain year, expected outcomes, target date, etc… Vice President Allen said that recommendations need to be supported by rationale and stated clearly – the task should be clear and succinct.

15. **Consent Agenda**

1) To approve the Board minutes for the October 2002 Board Meeting and the November 2002 Conference Call
Gloria moved, Ange seconded

2) Administration Committee recommends that the Awards Committee report to the Past-president instead of the officer formerly known as the VP for Professional Development and Publications

3) Membership Committee recommends revising the Corporate Presentation Policy

4) To approve honorary membership for Nancy Sprotte, Tom Stewart, Jeff Tanner
Gene moved and Ange seconded

5) The Board of Directors shall recommend a bylaws change to index institutional membership fees to the previous twelve month CPI, with notice thirty days (30) on advance of voting, for approval by the membership at the 2003 Annual Meeting and effective for the 2004-2005 Membership Year. Joe moved and Gene seconded

6) The Board of Directors shall recommend a bylaws change to change the name of the Vice President for Professional Development and Publications to the Vice President for Leadership and Management Development. Gene moved and Mike seconded.

7) Motion to put an article in the Transcript and/or Update informing the membership of what has been done regarding AACRAO's stance on affirmative action and the Michigan case. Ange moved and Gloria seconded.

8) Motion to write a statement on the importance of diversity. Will moved and Gloria seconded.

9) *WHEREAS the Board adopted Resolution 2000.6.4 to establish a Strategic Investment Fund in July 2000 for the explicit purpose of enabling the Association to make long-term investments with high growth potential.*

WHEREAS, the Board has been informed of the nature and scope of a new investment opportunity for AACRAO;

BE IT RESOLVED, that the Board of Directors hereby authorizes the Executive Director to invest up to $100,000 from the Strategic Investment Fund in order to better investigate the new opportunity, conduct due-diligence, and assess the risks and benefits associated with the new opportunity

16. **Adjournment**

The meeting was adjourned at 11:25 am on Tuesday, February 4, 2003.