Board of Directors Meeting #6

December 10-14,1997

The Board of Directors Meeting at Disney's Coronado Springs Resort in Orlando, Florida was called to order by President Fred Fresh at 8:38 a.m. EST on Thursday, December 11.

Board of Directors members present included:
Fred Fresh, President
Paul Anderson, President-elect
Kathy Plante, Past President
Diana Guerrero, Vice President for Enrollment Management, Admissions, and Financial Aid
Johnny Johnson, Vice President for International Education
Heather Smith, Vice President for Professional Development, Research, and Publications
Louise Lonabocker, Vice President for Regional Associations and Institutional Issues
Melanie Moore Bell, Secretary-Treasurer

National Office Staff members present included:
Wayne Becraft, Executive Director
Roger Swanson, Associate Executive Director
Cecilia Balazs, Assistant Executive Director

Concern was expressed about the lateness of the agenda materials not providing sufficient time to prepare for the meeting. An earlier date should be set for receiving the agenda materials. A recess was suggested (and later provided) to provide reading time.

1. Information Only Items: Board members were encouraged to read the reports provided by other Board members.

It was pointed out that the totals in the membership report do not add correctly. Wayne was asked to revise and redistribute the report.

2. Minutes: Anderson moved to table discussion of the meeting minutes due to insufficient time to read them. Johnson seconded. Anderson expressed concern about minutes from the July 1996 and December 1996 meetings not being corrected.

M/S/P Anderson/Johnson 8/0/0 Table discussion of minutes until after Board members have had time to read them.

There was discussion about the scheduling of Board meetings and it was suggested that future meetings be scheduled a year out.

3. Summits: Fresh, who attended both summits, shared his comments regarding the summits. He considers them a qualitative success with reservations. Programmatically they were very

successful and generated a lot of visibility for AACRAO, as most of the attendees were non-members. However, they did lose money. Summit activity has not been concluded because the publications have not been printed.

Becraft updated to the board on the status of the publications on Virtual Learning Environments and Hopwood, Bakke, and Beyond. The first is complete and the second is 80 to 90 percent complete. Both publications should be released in February. The projected revenue from these publications, which originally totaled $30,000, has been lowered. In order to keep costs low, the publications will be printed in small quantities.

As a result of lower than expected attendance at the Hopwood, Bakke, and Beyond Summit, we received a bill in the amount of $42,000 from the Renaissance Hotel as a penalty for unused room nights for which we had contracted. Brad Weaber has been negotiating with the Renaissance and they have agreed to accept a payment of $30,000 to resolve this issue.

Smith indicated that we should have received significant coverage from the media. We should have expected a full-page article in The Chronicle of Higher Education as they had a representative at the Virtual Learning Environments Summit for the entire week. Wayne indicated there were articles in two issues of Education Daily.

The membership view of the summits was that they were tangential to the activities of the Association. Lonabocker indicated that both virtual learning and EDI are mentioned in the Task Force 2000 report. Virtual learning is something that is here to stay and we should plan a conference on it every other year, but we need adequate planning time. Hopwood, Bakke, and Beyond was affected by the ACE conference, One Third of a Nation, which occurred two weeks after ours. We need more planning time to ensure that this does not happen again.

Swanson indicated that the summits were important for policy initiation but if you look at the Task Force 2000 report, the members want things that help them in their jobs rather than policy setting. We need to have more support from other groups for future summits. Becraft mentioned the proposal that was submitted to the UAW-Ford University for funding for a project that includes a conference. Swanson indicated that, at a meeting two weeks earlier, the NASFAA Board had extremely high praise for the Hopwood, Bakke, and Beyond Summit and for AACRAO for taking the risk and doing this. Establishing relationships with other organizations has been one of the benefits of working with other organizations to produce the summits.

Fresh summarized that policy summits are not needed at this juncture. Conferences are a possible direction but we should aim for the practical rather than policy issues. Plante does not want to throw out the policy piece but examine how it is delivered. Anderson thinks this is premature because we have not yet discussed the Task Force 2000 report. Plante suggested calling these programs workshops might have resulted in greater attendance, while Johnson feels conference is preferable to summit.

4. State and Regional Relations: Credentialing was the first item discussed. Guerrero indicated that Texas was the only state from which she had received feedback. Although very conservative, Texas seemed to validate the assessment of education and experience, but feel credentialing has to be done right. Plante feels with AACRAO's current financial position it needs 100% support. At NEACRAO concerns were expressed about the impact on small colleges and this was repeated in Virginia. Lonabocker attended Dave Sauter's presentation in Ohio where members seemed indifferent. Smith thinks it is cost prohibitive. Anderson cannot support. In open forums he could not find a single soul who thought it was a good idea. In Illinois, at a session attended by five, the vote was unanimous against it. Kentucky voted unanimously against it. At a meeting of 11 at MSACROA, the feeling was people are not against it, but we need to move very slowly in implementing it. Swanson had similar experiences at the regionals he visited. He also indicated there was a session on it at SEM and only six people attended.

Fresh is not ready to vote at this juncture. He will distribute a summary of the responses to his survey on the chairs' listserv. Becraft asked what happened to the credentialing project in Georgia. Fresh replied that it moved to AACRAO and the Georgia group was serving only as a sounding board. In response to a question from Smith, Fresh indicated that if the Task Force did not produce a report by the Annual Meeting, we would then dissolve it. They are supposed to do an unveiling in April, the Board has already approved the concept. Roger indicated there was a pre-conference workshop and a session on credentialing already scheduled for the Annual Meeting.

Becraft suggested the need to review all task forces. Reports should be requested prior to the February Board meeting. If no report is forthcoming, we can assume the committee should be released.dissolved.

At a session conducted by Fresh at PACRAO on the future of AACRAO, someone suggested changing the name to include an international flavor. He thinks PACRAO might be willing to sponsor something like this and state and regional associations would promote.

Also from PACRAO, members feel they should be able to participate in AACRAO activities even though they cannot come to the Annual Meeting. Becraft suggested that a Constitutional Committee might be an example of an activity that would not require attendance at the Annual Meeting.

Guerrero indicated there was concern over transformation and where we are headed.

Guerrero and Michael Allen had a discussion on the government relations position and whether or not so much time should be spent on these issues. Some feel we are not in a position to influence policy only implement it. Then the Texas legislature asked TACRAO for input on something and Guerrero has been placed on a committee, so there is confusion. The preliminary report from Task Force 2000 suggests the area needs to be expanded. Bakst is the most requested person now at the state and regional meetings. He is very knowledgeable about the Solomon Amendment and Hope Scholarships and did an excellent job at PACRAO. Becraft said that five years ago there were few issues in the legislative or regulatory process that affected members, however, since that time, the number has grown steadily. Johnson indicated that bar codes and a new reporting procedure for international students are coming next.

After a reading break, the next item on the agenda was a review of the minutes. Numerous changes were presented which Bell will incorporate into a final version.

Anderson expressed concern that the Board approved the December 1996 minutes without reading them. He feels very strongly that the minutes are the historical record of the Association and should be accurate. He objected to his corrections not being put in the minutes. He further said that nowhere were the July or December minutes approved and that is where many important decisions were made. After a heated discussion of the minutes, Anderson said he is embarrassed about the state of the minutes and he is becoming President in a few months. He thinks there should be something in the record as to why the minutes were approved as is – he thinks they are terrible. Anderson moves that his changes be attached to the conference call minutes of March 31, 1997, and on page 22 put "see attachment." He said this does not need a vote because it is an amendment attached to the March 31, 1997 minutes of what he actually said. Fresh asked Becraft to send everyone a copy of the minutes of the July 1996 Board Meeting.

Anderson expressed concern about the Board action in July to make an exception to the Constitution and Bylaws and extend Melanie Bell as Secretary-Treasurer when she is no longer eligible to hold that office. Anderson suggested noting on line 1447 that the Board does not have the power to make the motion that it made.

M/S/P Johnson/Plante 8/0/0 To approve the minutes of July Board Meeting as amended.

The minutes of the August 22 conference call were considered next.

M/S/P Guerrero/Smith 8/0/1 To approve the minutes of August 22 conference call as amended.

The minutes of the September conference call were considered next.

M/S/P Plante/Smith 8/0/0 To approve the minutes of September 18 conference call as amended.

A discussion ensued on whether to continue taking such detailed minutes.

M/S/P Plante/Smith 8/0/0 To amend the presentation style of the minutes so they are a detailed summary rather than a verbatim discussion.

5. Resignation of Melanie Bell as Secretary/Treasurer: Bell submitted her resignation from the Board as of November 24 because she is no longer affiliated with an institution. Fresh expressed the appreciation of the Board for Bell's service. Then there was discussion on how to handle the Secretary-Treasurer duties. Options discussed included asking Bell to handle duties until April, asking Shuster to begin early, or asking an experienced Secretary-Treasurer to serve in an interim appointment. Balazs was asked to take minutes. Anderson was asked to take oversight of the finances through April with Schuster's term to begin in April. Fresh agreed to make the Secretary-Treasurer's Report at the Annual Business Meeting.

M/S/P Plante/Guerrero 8/0/0 To accept with regret Bell's resignation effective with the end of the December Board meeting.

M/S/P Lonabocker/Guerrero 7/0/1 To appoint Paul Anderson as interim Secretary/Treasurer.

6. Office of International Education Services (OIES): OIES has experienced the loss of two major contracts, GATE as of December 15, NCEES as of December 31. However, NCEES immediately stopped submitting new credentials to be evaluated.

The GATE database project was ended by mutual agreement. This will result in a significant loss of revenue for AACRAO. GATE will continue the project and the staff member involved will move to work directly with GATE. GATE has been granted access to the OIES library through December 1998. Fresh asked that the date for termination of that access be put in writing to GATE.

The termination of the NCEES Contract will also result in a significant loss of revenue. In FY98, 81% of the OIES revenue from credential evaluations was through NCEES. As a result of the loss of this contract, two staff members, Julia Funaki and Yin Mei Hueskes, have been informed that their employment will be terminated on December 31, 1997. OIES will become an entirely self-support operation, with Dale Gough receiving a percentage of revenue until such time as the total revenue exceeds his salary and benefits. Charges to OIES will be reviewed to clarify that OIES is not being charged more than other units.

The cancellation of the NCEES Agreement was due to a change in the way engineering programs and credentials from other countries are viewed and the Accrediting Board for Engineering and Technology (ABET) will take over this function. However, AACRAO is writing to all of the state boards to let them know that we are still available should they wish to continue using our service.

There was discussion of working with other groups/organizations to develop new contracts or provide services that would generate additional revenue. Discussions with two such organizations are being pursued. It is also expected that OIES revenue will increase as a result of the prior Board action allowing OIES to offer its services to anyone seeking them.

7. Postsecondary Electronic Standards Council: The Postsecondary Electronic Standards Council (PESC) has been a success. With the leadership of AACRAO and strong support from NASFAA, NACUBO, and the Department of Education, the PESC has received pledges of funding, approaching $100,000 that assure its operation for the remainder of FY98. During that time it will develop its organization plans and dues structure for the future. PESC will continue to be located in the AACRAO suite and will reimburse AACRAO at the rate of 15% of expenses for rent and services, at least through June 30, 1998. AACRAO's contribution to the PESC will be $10,000 per year.

AACRAO will continue to maintain its SPEEDE Committee, which is in the process of redefining its role, but sees it as being advisory to the membership. It is also rethinking the EDI Conference, which has been experiencing a decline in attendance in recent years.
One-day workshops, held prior to state and regional meetings, are one option being considered.

8. AACRAO 2000: Toward Century II Task Force Report: Task Force Chair, Christine Kerlin shared a preliminary draft of the Task Force Report but asked that it be kept confidential until it is finalized. She requested feedback from the Board for their next meeting. The Report was thoroughly reviewed and discussed by the Board and Fresh and Becraft will report the details of that discussion back to the Task Force. The Task Force will have another meeting at Kerlin's house to finalize their report. The Board will inform the Task Force that the report will be made available electronically (on the AACRAO web site) and only a small quantity of publications will be printed for historical purposes. The Task Force will be asked to provide an executive summary for College and University. The final report will be available prior to the 1998 Annual Meeting.

9. Financial Report: The budget and actual expenditures for FY98 were thoroughly reviewed and discussed. OIES lost two contracts totaling nearly $150,000. Publications' revenue is down significantly and likely to be $100,000 under budget for the fiscal year. New professional development programs have been eliminated. The budget has been completely revised from $4,648,874 to $3,049,729 in revenues and from $4,478,294 to $2,955,725 in expenses. The revised budget shows a projected surplus of $94,004; however, the cash balance at the end of FY98 is projected to be ($86,284). Salaries for all executive staff have been reduced 10%. The Associate Executive Director position has been eliminated, as have three positions in OIES.

Anderson expressed concern about the nearly 50% reduction in committee activity expenses since this is what we are supposed to be about. It was pointed out that even with the reductions we are very close to the actual expenses in FY97. Funding for task force meetings and revenues and expenses for the Annual Meeting were discussed thoroughly. The limited funds provided for task force meetings will be available for meetings as approved by the Board. Wakefield has created a chairs' listserv to permit discussion among chairs and has suggested conference calls instead of meetings as a way to reduce costs. Concerns were expressed about the cost of the technology center and exhibit hall and whether or not people will come to the Annual Meeting because of the financial situation.

The 1999 Annual Meeting in Charlotte was also discussed. We need to ask Conferon to have hotels increase the room rate by $6 to cover the full costs ($27,000) of the convention center. Anderson expressed concern about people coming because of the hotel rates at the Westin. The rates are less at the Adams Mark and they will offer shuttle service. Lonabocker suggested starting now to get top notch speakers for Charlotte that will draw members to the meeting.

The revenues and expenses for SEM, the FERPA Workshops, and the Student Right-to-Know Workshops were also discussed. Becraft indicated that additional funds have been requested from NCES to cover the time and travel costs for Ashford to present on the Student Data Handbook Project at the SRTK Workshops. It is hoped that will allow us to keep her at least through April so she can complete the Student Data Handbook Project. OIES will become self-supporting. Concern was expressed about the projected $86,000 cash shortage at the end of the year.

Discussion shifted to the FY99 Budget. Board members discussed ways to reduce Board expenses. Lonabocker indicated she has been impressed by how Board members have kept the cost of travel to state and regional meetings low.

9. Audit Report: Statements are the same as the final June 30 financial statements. Net assets declined by $424,154 to $310,187. Auditors had questioned ability to continue as a going concern. That was resolved by the recovery plan and the actions taken during the August 22 conference call. The audit report will appear in the winter issue of College and University as part of the Annual Report.

M/S/P Plante/Guerrero 8/0/0 To note in minutes that Board has reviewed Stegman report, is cognizant of the points they made, and will continue to monitor the fiscal situation carefully.

14. Committee Appointments: Lists of applicants for committee positions were sent to the vice presidents, President, and Executive Director from the National Office in November. Selections were finalized and returned to Past President Plante who reviewed them and attempted to resolve any discrepancies. There was discussion regarding the need to confirm appointments to the Program Committee whose members are appointed by the vice presidents and the Executive Director to represent each area. Similarly, the Awards Committee is made up of representatives of each area. Jim Blackburn has agreed to chair the Awards Committee for the rest of the year replacing Elizabeth Coleman who resigned. All were asked to finalize their committee assignments so Plante could fax Becraft a final list on Monday following the Board meeting and letters could be sent. No one applied for the Interassociation Representative positions, so vice presidents will need to make appointments. The associations needing IARs include: Association of American Medical Colleges, Council of Graduate Schools, and National Association for Intercollegiate Athletics.

16. Logo for 2000 Annual Meeting in New Orleans: Plante presented the logo for the 2000 Annual Meeting in New Orleans for approval. Added at the bottom will be the phrase, "Celebrating 90 years".

M/S/P Plante/Lonabocker 8/0/0 To approve logo for 2000 Annual Meeting in New Orleans.

17. Honorary Membership and Distinguished Service Awards: Plante submitted the following names for Honorary Membership: Jim Haas, Columbus Posey, Roger Swanson, and Don Wermers. Bruce Shutt was approved in July.

M/S/P Plante/Johnson 8/0/0 To approve Jim Haas, Columbus Posey, Roger Swanson, and Donald Wermers for Honorary Membership

The following individuals will be asked to write citations:
Don Wermers – Betsy Bainbridge
Jim Haas – Johnny Johnson
Roger Swanson – Roger will provide name
Columbus Posey – Barry Delcambre

15. Report on plans for 1998 Annual Meeting: Arrangements are moving ahead for the 1998 Annual meeting. LAC is getting organized and wants to know if they can solicit local companies for scholarships. Kathy will let Don Gwinn know they can solicit local companies.

10. Review and approve revised strategic plan: On Columbus Day weekend in October the Executive Staff held a 3-day retreat to review and revise the strategic plan and use it as the basis for developing the budget. The proposed revisions were reviewed and discussed with the Board. Several changes were suggested that will be incorporated into a new draft. Johnson will prepare an international paragraph.

It was agreed that the proposed revisions would not be shared outside the Board until they can be reviewed again in light of the recommendations in the Task Force 2000 Report. The Task Force 2000 Report and the Draft Strategic Plan will be the subject of discussion at the July Leadership Conference. Then they will be shared with the state and regional associations for discussion at their meetings. In order to present the proposed changes clearly, Becraft was asked to develop a spreadsheet showing the current version and the proposed changes.

Becraft indicated executive staff discussed the development of a regular planning and budgeting cycle that would provide the opportunity to obtain input from the Board, the committees, the state and regional associations, and the membership.

Anderson indicated this is what he would like to do in July. The Program Committee and committee chairs would come in Wednesday and meet Wednesday afternoon, Thursday and Friday. He would then bring in the state and regional presidents-elect on Friday to meet with the committee and task force chairs and the Board on Saturday. He would start off with a short presentation on AACRAO and then go over the Task Force 2000 report and the draft strategic plan. Then on Saturday night he would have a shrimp boil or similar event. The Board would then meet on Sunday and Monday.

Concern was expressed about adding layers and time to the program planning process and taking 2 ½ days just to do the program. Lonabocker suggested we should be able to do a lot electronically before the July meeting. We should make better use of the Program Committee.

FY99 Budget: Becraft led off the discussion on the budget indicating it is a conservative budget, with no dues increase; no summits;, no new furniture, equipment, or software; and minimal National Office staff. There also are no contingency funds, reduced funding for task forces, and conservative budgets for the Annual Meeting and other professional development programs. The only new item in professional development is teleseminars, of which we have scheduled four, as there is minimal risk and expense involved with these.

With this budget we are projecting a surplus of $259,728 and a cash balance of $164,720 at the end of the fiscal year. The reserves would remain intact at $280,000.

Plante suggested that funds needed to be included for planning programs such as summits farther out, even if we aren't going to do any in FY99. There was enough interest in the Virtual Learning Environments Summit to plan another one, but we would need to get it funded and we need to begin planning for it sooner.

Bell questioned the increase for the July Leadership Program when the auditors have indicated we should not be doing anything new. Anderson thinks this will be necessary to help bring the members back together after the budget issue subsides. The state and regional presidents-elect and the committee chairs will go back and spread the word to the other membership.

Johnson suggested the funds would be better used to support OIES and members would be happier with the credential evaluation services. OIES could also generate more publications and more revenue.

There was discussion about the EDI Conference and whether or not we are committed to it for 1998. The SPEEDE Committee is planning to do a conference in 1998, but has proposed doing it with an LAC at minimum cost using the MOSIS model in SACRAO.

Lonabocker indicated that the funds for state and regional activities that were deleted from the proposed budget would need to be restored, because they cover the cost of the state and regional officers' workshop.

Questions were raised about the proposed teleseminars, their projected revenue and expenses, and how much staff time would be involved in putting them on. Most of the support services are outsourced, including fax broadcasts to promote the teleseminars, distribution on handout materials, and registration. AACRAO is responsible for the program and the preparation of the marketing material for the fax broadcasts. Four teleseminars are planned in FY99, although if they are successful, more could be done. The budgets have been developed based on 100 attendees. The teleseminars are the only new programs built into the FY99 budget and offer a low-cost way to deliver professional development that members have been asking for.

Anderson again asked for more discussion on his plan for the summer leadership conference. Discussion touched on the benefit of having state and regional officers involved, transformation and where we were going with it, the need to continue moving the Association forward, the needs of other Board members for funding for their projects, etc.

Concern was expressed that other Board members had not had input to the budget. Smith offered a proposal for a scholarship foundation and expressed concern about the fact that there was no commitment from the Charlotte LAC to raising $20,000 as is expected of them. There was concern that the interest in the scholarship program might be falling off. If we plan to advertise the scholarships, there needs to be some commitment from the Charlotte LAC to play a major role in the fundraising.

Anderson expressed the fact that he did not want to see AACRAO go down during his presidency and his belief that involving the state and regional officers in July is a way of getting people back into the fold and feeling good about AACRAO again. He wants the organization to be coming back when it comes to Charlotte in '99 as he does not think this will be the case in Chicago. Fresh expressed support for what Anderson has proposed but concern about the timing and the cost.

Discussion shifted to Annual Meeting program planning and the need to plan more effectively. Anderson said he inherited the Program Committee and it was like the blind leading the blind, no one knew what to do. Last July we tried to provide a forum for what was happening in the environment and with transformation, and although we may have had the wrong messenger, we got a lot of feedback. One of the messages we received was the Board did not spend enough time with the committee chairs. Also, the Program Committee did not feel comfortable that they had finished their planning by the time they left.

The need for a February Board or Transition Meeting was discussed next. Concern was expressed that the transition did not go as expected the previous year. This was largely due to the fact that most of the time was spent on discussing transformation and two Board members who should have been involved in the transition were not present. It was decided to have a full Board and Transition Meeting in the National Office in Washington, DC, February 26 through Sunday, March 1. February 26 would be a travel day and the meeting would end at noon on Sunday. The Executive Committee would stay over Sunday afternoon and Monday to work on the presentation for the Annual Business Meeting in Chicago. It was also agreed to invite the TOEFL Executive Committee, which had expressed an interest in a joint meeting, to meet with the Board on Friday. It was decided that there would be no meeting of the Corporate Advisory Board because of low attendance at previous meetings.

Back on the budget discussions, it was decided to make the following changes: 1) add $5,000 in planning funds for future professional development programs or summits; 2) Wayne to negotiate with Dale to keep OIES running but within the parameters of the budget; 3) produce Conference

Papers electronically and eliminate expense item from Annual Meeting portion of budget; 4) reduce inventory of publications to reduce warehousing costs; and 5) reduce the costs of Board meetings; 6) reduce the funding for the July Leadership Meeting by providing $10,000 instead of $30,000 to cover the costs of travel for state and regional officers. On the latter item it was left to Anderson to determine how the $10,000 would best be allocated, although there were suggestions that it be used for housing and state and regional associations be asked to pay the travel expenses. With these changes, $11,300 would be left for contingencies.

The vote on the budget was deferred until Saturday. Everyone was asked to read Johnson's report during the evening.

Faith Weese joined the Board on Saturday, December 13. The meeting began with an Executive Session at 8:30 a.m. The regular meeting of the Board was called to order at 10:15 a.m.

M/S/P Johnson/Smith 9/0/0 To approve Valerie Mead to receive the AACRAO Distinguished Service Award for her work with the Western Governors Association.

22. State and Regional Association Meetings: Lonabocker reviewed the use of forms that are to be completed following visits to state and regional meetings. She indicated that many of the reports have not been returned in a timely manner. It was suggested that better instructions should accompany the materials sent from the National Office, e.g., suggesting that publications included should be used as door prizes. Next year state and regional presidents should be asked to invite AACRAO visitors to participate in the orientation of new members, hold an AACRAO Town Meeting, will be available at a table in the exhibit area, do a session presentation, participate in state or regional Board/Executive Committee meetings, etc. We need to get information out early so members are better informed about issues.

23. Russian Project: Johnson requested funding for the Russian Project which involves a Russian/American exchange to send educators to review each other's educational system and report on comparability. The review will include, among other elements, a study of the curriculum. Johnson indicated that a foundation could fund the entire project; however, the funding needs to come from multiple sources. Gloria Nathanson and Bill Paver will chair the project. They both attended EAIE and had an opportunity to meet with the principals of the project.

Johnson feels AACRAO should do an exhibit booth at EAIE. AACRAO should also approach government agencies as exhibitors as EAIE does. Johnson noted that we need to continually push the International Student Bill of Rights and that, as a Board, we need to get our own institutions to approve it. Johnson recommended AACRAO also have a presence at interassociation meetings such as NLC and EAIE. The EAIE meeting next year will be in Stockholm.

Becraft raised a question about the status of the PIER volume on Hong Kong. Johnson indicated that there were problems with it and that the author, Karen Hartwig, is working on them. Becraft also noted that only two letters had been received in response to the letter to NACES members about the expansion of OIES services, and both were positive. Becraft informed the Board that World Education Services (WES) is now a corporate member of AACRAO. During the discussion a concern was raised about the timeliness of publications and the need to improve in this area.

19. Awards Policy: Smith indicated that the last time an awards brochure was produced was for 1992-94. A new brochure needs to be developed. Smith expressed concern that AACRAO does not have a policy concerning externally sponsored awards such as the APEX Award. We don't have a way to determine the appropriateness of the awards. Smith has a problem with an individual making a decision relative to this.

M/S/P Plante/Guerrero 9/0/0 To have Group IV Vice President review proposals for award programs and then present them to the Board for review and action.

Fresh suggested that the committee provide some guidelines for proposals, including the possibility of committee expenses.

20. Scholarship Fundraising Campaign: Smith expressed the desire to establish a foundation with an endowment that will cover the cost of the Annual Meeting Scholarships so the committee will not have to raise $10,000 to $15,000 every year. Smith also felt that, in view of our current financial position, putting forth a fundraising campaign might not be appropriate. This might need to be done in phases beginning with a low-key membership campaign followed by an approach to corporate members and vendors. Smith would like to see this whole project concluded in 1½ years. She suggests two honorary chairs to head the project. This should be a Board activity. Former scholarship recipients should be asked to provide testimonials. It was suggested that a corporate member be invited to serve as one of the chairs. Names suggested for honorary chairs were Jill Algier, Joe Orndorff, and Dan Boehmer.

18. Publications Plan: Smith distributed material concerning proposed 1997 and 1998 publications. Rich Perkins from Magna Publications had proposed a plan to take over all publication and distribution. However, he is no longer at Magna. This might not be the best way but AACRAO needs to look at this more closely. We also need to look at the stockpile of publications at the distribution center and the need to reduce the inventory to reduce the costs of maintaining it. Smith reviewed the e-mail for Jim Menzel concerning the Conference Papers and a discussion ensued regarding how the Conference Papers would be distributed in the future.

M/S/P Johnson/Lonabocker 9/0/0 To approve publication of the 1997 Conference Papers on the web and making copies available on diskette in either Word or WordPerfect for persons wanting a hard copy.

M/S/P Johnson/Lonabocker 9/0/0 The issuance of future Conference Papers is to be restricted to the web.

21. Board/Committee Restructuring: Guerrero distributed another version of restructuring as suggested by the Vice Presidents along with recommendations that Henny Wakefield had prepared and that includes some ad hoc groups. Guerrero asked that the areas be reviewed again for inclusion and exclusion. However, she thinks that this needs to be put on hold until after receipt of the Task Force 2000 Report. Johnson said the International Education Data Collection Committee needs to be continued.

Guerrero also briefly discussed the Board of Directors' and Committee Chairs' surveys that Wakefield provided. She suggested that this information be used in developing discussion topics and orienting new committee chairs.

Guerrero asked for feedback by February. Swanson raised the question of how much we want to utilize the domains. Plante pointed out that these involve Constitution and Bylaw changes. July might be the appropriate time to finalize them and then share them with the state and regional associations. The changes could be discussed there and then voted on at the 1999 Annual Meeting.

15. Annual Meeting Planning: Anderson reported that there are 18 pre-conference workshops (four Sunday at 8:30 a.m., nine Sunday at 1:30 p.m., five Monday at 7:30 a.m., and one premier workshop for $25 which will be held at Marshall Fields on Tuesday afternoon entitled "Dress for Success." The number of sessions offered varies from 19 to 24 per time slot. The printed program was delayed by the move of the National Office, but should be mailed by the second week in January. The program will be available on the web before Christmas. There is one definite plenary, but the keynoter has not been solidified. IBM has offered to sponsor an IBM Best Practices keynote with two speakers from the University of Minnesota. Anderson will ask IBM to pay for AV and handouts, along with travel and becoming a corporate member and scholarship contributor.

Swanson requested copies of the minutes from the Chicago LAC meetings and has received them. There will not be a church service in the hotel, but a list of churches providing services will be available. There are still concerns about the Annual Meeting evaluation. We hope to use scan forms and trade off booth space with NCS for forms and scanners.

Swanson mentioned that the Monday, 4:45-5:45 roundtables includes one on the Task Force 2000 Report and the Task Force has requested the Board to be in attendance. This will be followed by the AACRAO Town Meeting until 7:00 p.m. The state and regional association receptions will follow. Tuesday will be embassy day and the agenda for that day was reviewed.

24. NASSP/ACT SCRIBE Program: The status of this project as a for profit venture was discussed as was the fact that it was not germaine to our mission.

M/S/F Plante/Lonabocker 0/9/0 To endorse SCRIBE.

13. Budget and Program Review Parameters: Fresh questioned whether the Board can make decisions based on cash flow and a spread sheet. There is a need to establish better communication with the Board on when stock is sold, when line of credit is used, etc. It would help to 1) have the budget proposal for the coming year before Thanksgiving, and 2) have comments (bullets) of points that are new or a variance that should be noted and justification with each budget/balance sheet distribution. Things have been complicated by indirect expensing in the budget. Fresh has a discomfort for all of this. Bell indicated there always seem to be figures that need to be "plugged in." She feels like there is a lot of manipulation. The need is also there for planning up front. Go/no go deadlines have be set to insure a break-even situation with programs. There is concern that we will have to pay for meeting rooms and exhibit halls if the room occupancy doesn't reach sufficient levels. If that is the case, we need to build in funds to cover those potential expenses. All of the cost issues need to be known up front including cancellation costs. There also needs to be a structured review of programs.

M/S/P Smith/Weese 9/0/0 Planning needs to include an assessment of the status of programs and projects prior to their initiation, with documentation that explains all costs, timelines for decision making (go/no go) implications, etc.

M/S/P Plante/Guerrero 9/0/0 There needs to be a monthly review of the budget with a bulleted commentary on issues the Board needs to be cognizant of.

Becraft passed out revised budget he and Balazs developed. It was reviewed and discussed. Lonabocker suggested that the Annual Meeting Program could be distributed just on the web to reduce costs. Similarly, the Member Guide could be placed on the web to reduce costs with only a limited number printed in hard copy or hard copy editions only produced every other year. Johnson and Plante expressed concerns about shutting down OIES entirely. There were also concerns expressed about Task Force 2000 wanting to publish their report and the Virtual Learning Task Force wanting to produce a publication that could be given away free to all members.

On Sunday, December 14, President Fresh called the meeting to order at 8:00 a.m. Becraft presented another revision of the proposed FY99 budget. He explained that the differences involved adding back four additional professional development programs, putting OIES back in for FY99 with Gough at 90% salary.

Fresh thinks we need to be extremely conservative and all of the changes need backup. Concerns were expressed about the professional development programs and that we have gambled a long time on OIES and still not achieved the goal of having it cover all costs and contribute to other AACRAO programs. We need to do market research for professional development programs to insure that enough people will find them of interest and register for them. Balazs indicated that we need to be doing this now for FY2000. Plante would like to see something worked out to show a presence and a break- even situation for OIES. Johnson stated, for the record, that we have tied OIES' hands from the beginning. No other AACRAO activity has had to support itself the way OIES has.

Fresh gave a brief history of OIES. There was a business plan developed, but none of that came to fruition. We are now at the point where we are paying the price for all that hope. Eliminating it will be a drastic action for our international community and Fresh feels bad about it, but we need to make some realistic moves until we get new contracts or the volume of credentials being evaluated increases dramatically.

M/S/P Johnson/Guerrero 9/0/0 That OIES maintain a presence on a break even budget.

Balazs agreed to put together a checklist of items that were decided and who was going to do what by when. This will provide accountability for both the National Office and the Board.

In order to reduce the publications' inventory several suggestions were made. These included having Cecilia and Henny go to the fulfillment house and get rid of the excess inventory, have a half-price sale, and give excess inventory to state and regional associations. It was suggested that Balazs do some comparisons and provide information on the Board listserv. The Board could then vote on what to do with the inventory.

Further discussion on budget included items previously mentioned and additional suggestions as: Member Guide, Data Dispenser, and College and University on the web (may require change in bylaws); more advertising on the web; College and University going back to a non-glossy cover; reducing or eliminating state and regional travel by not going to state association meetings where those same states are also covered by regional associations or only going to state and regional association meetings every other year; and not expanding the size and scope of the July Leadership Meeting as proposed.

We need to ask Brad Weaber to increase the rebate on room nights to $6 to cover the costs of the convention center in Charlotte. Anderson expressed concern that this would increase hotel rates to a point ($150) that some people won't want to pay them. This shows that we should not go to second tier cities in the future.

Fresh wants a contingency plan and a budget book that backs up the budget before the budget hits the streets in January.

M/S/F Plante/Guerrero 1/4/4 To approve FY99 budget with stipulations regarding OIES.

A recount was requested.

M/S/P Plante/Guerrero 5/3/1 To approve FY99 budget with stipulations regarding OIES.

After the vote the following concerns were expressed. Anderson indicated that three budgets in 24 hours is ridiculous. This is no way to run a ship.

Fresh asked what needs to be done to fix the budget. Comments included the following. Fresh said the budget cannot be thrown together without backup being provided that gives a better chance of knowing what will go and what will not. We need to make sure AACRAO survives. Since last February we have had one constant battle with the budget. Lonabocker thinks the FY99 budget is not conservative enough. Plante indicated that is why we need a contingency plan now. Johnson said this is the same kind of budget we have been approving since he came on the Board. We need to change the process.

Smith expressed concerns similar to those expressed earlier by Johnson about too many renditions of the budget and not enough time to review them thoroughly. She thinks we should not leave with a budget but put everything out that we have discussed in the last three days and finalize it in a conference call. Johnson does not see the vote changing and delaying it would result in the staff being tied up when their time could be used more productively in other ways, and stretching the decision out through January.

Weese indicated that by January 15 the Board needed a complete package with support for every one of these lines and a breakeven analysis on everything. If, as a result of this analysis something in the budget does not appear to make money, highlight that item and make a recommendation as to what should be done to cover it.

Task Force 2000 requested a short meeting to finish its report. We have been pushing them to get this done, we have to enable them to do it. The Credentialing Task Force also has one meeting left to finish its report and pass it on to a steering committee. Johnson indicated he was not ready to see the Credentialing Project go forward since we do not have the money to implement it. Fresh indicated he needed to back project but let them know that we couldn't financially support the project at this time. Johnson suggested having the Task Force meet one day prior to the Annual Meeting. The only additional costs would be for the extra night's stay and one day's meals.

M/S/P Plante/Guerrero 9/0/0 To approve second meeting for Task Force 2000 due to financial situation.

M/S/P Guerrero/Lonabocker 9/0/0 To defer work of Technology Task Force.

The Virtual Learning Task Force has requested funds to produce their publication on virtual learning. We need to ask them to put together a proposal and seek corporate funding for the publication.

M/S/P Smith/Lonabocker 8/0/0 To recommend that the Virtual Learning Task Force prepare a proposal for the Board showing the cost of the publication to be used to seek corporate funding.

If funding is not obtained, the publication will be made available on the web.

M/S/P Lonabocker/Guerrero 8/0/0 To suspend Credentialing Task Force activity until completion and approval of Task Force 2000 Report.

No funds are being approved for the Credentialing Task Force to meet; therefore, they should not be in an "unveil" mode.

Fresh wants to include $15,000 in the budget for legal consultation, particularly for contract review, and have a similar amount in every future budget.

M/S/P Guerrero/Johnson 8/0/0 To approve including $15,000 in budget for legal consultation.

The proposed "Letter to the Membership" explaining the financial situation was reviewed and discussed. It was decided to make the "Letter" a special issue of the Data Dispenser where it would not get lost as it might in the thousands of pieces of mail that people receive. It should also be distributed on the chairs' listserv as it is being released. It was later decided to put the "Letter" on the front page of the February issue of the Data Dispenser with no headline. This will avoid additional costs. Fred will give Bill Haid a heads up and let him know that the Nominations and Elections article will not be on the front page.

25. Requirements for Associate Membership: Becraft provided a list of possible institution types that could be included under this category and asked for guidance from the Board on what institutions should be granted membership under the Associate category. We recently turned down an institution that we were told was operating illegally in Texas only to receive another application from an institution accredited by the same non-CHEA accrediting body that accredited the institution we turned down. Smith again raised question about corporate universities and whether we have a category for them. Smith would like to see if we can come up with a position and the possible addition of a new membership category to the Constitution and Bylaws to include corporate universities. We need to have some numbers attached to the list that Becraft provided to see if there are opportunities to expand the membership if we can come up with a whole new group.

It was pointed out that the web is accessible to anyone and anyone can come to the Annual Meeting, purchase AACRAO publications, and subscribe to the Data Dispenser and College and University, albeit at a slightly higher price.

As it was time to adjourn the meeting, it was decided to continue the discussion on the Board listserv.

Concern was expressed about the impact the financial situation might have on registrations for the Annual Meeting.

The meeting was adjourned at approximately 11:45 and the Board went into Executive Session.

2/2/98