Board of Directors Meeting #7

June 18-20, 1999

Participating:
Paul Anderson, Tom Bilger, Bill Haid, Johnny Johnson, Louise Lonabocker, Valerie Mead, Gene Schuster, Heather Smith, Paul Taylor

Staff Attending:
Janie Barnett, Jacque Gourley, Jerry Sullivan

1. **Call to Order and Approval of Agenda:**
   Haid called the meeting to order and outlined the meeting agenda. The Board revised the agenda.

2. **Previous Meeting Minutes**

a) Minutes from Board of Directors Meeting 5, 1999, April 17:

1999.7.1 - M/S/P To approve the minutes of Meeting 5 as distributed and posted.
[Smith/Lonabocker. 9/0]

b) Minutes from Board of Directors Meeting 6, 1999, April, 22:

1999.7.2 - M/S/P To approve the minutes of Meeting 6 as distributed and posted.
[Mead/Lonabocker. 9/0]

c) Business Meeting minutes: The Business Meeting minutes were reviewed and it was agreed to post the draft.

1999.7.3 – M/S/P: To approve that the Business Meeting minutes from April 21, 1999 be submitted to the membership for final approval at the 86th Annual Business Meeting in New Orleans.
[Mead/Schuster. 9/0]

3) **Administrative Committee Report** [Haid]

a) Association Incorporation: Sullivan reviewed material from counsel concerning incorporation of AACRAO. [See Appendix A: RESOLUTION and Appendix B: ARTICLES] Haid outlined the process's steps:

i. Resolution of authorization
ii. Incorporation filing and notification of members
iii. Board conference call for initial meeting
iv. Notification of debtors and creditors

v. Establishment of Ad Hoc committee to write Bylaws for corporation
vi. Review of Corporate Bylaws by members not later than the Annual Meeting
vii. Board adoption of Corporate Bylaws

The Board requested that the "Steps" be posted on the web for Members reference, and that an ad hoc committee be formed to review necessary changes to AACRAO's by-laws. Volunteer members with experience in incorporation issues should be sought to serve on the ad hoc committee.

1999.7.4 - M/S/P: To approve the resolution of incorporation as presented in the meeting materials and authorize Sullivan, Nassirian, and Barnett to act on AACRAO's behalf to execute incorporation in the District of Columbia.
[Schuster/Bilger. 9/0]

b) Conflict of Interest Policy: Sullivan reviewed the material developed on Conflict of Interest. Following discussion some minor wording adjustments were made.

1999.7.5 - M/S/P To approve the conflict of interest policy as modified.
[Mead/Smith. 9/0]

Following adoption, the Board members each signed statements indicating they would abide by the new policy. [Appendix D]

c) Executive Director Contract: Haid confirmed that the Executive Director and committee had agreed to a revision, which would require a contract addendum. These provisions are needed to be in full compliance with new IRS regulations and were suggested by the Board's counsel. Specifics would be covered in the executive session.

d) Future annual meeting contracts: Haid lead a review of the contract material provided in the meeting notebook

i. *Annual Meeting 2005:* Anderson reported that the site for 2005 had not yet been determined, and Sullivan added that he would postpone the recommendation if it proved unfavorable to act now.
ii. *Contractual Relationship with Conferon:* Taylor asked if the Board had recently reviewed the contractual relationship with Conferon.

4) **Finance Subcommittee Report** [Schuster]

a) *Financial Status:* Sullivan reviewed the latest financial reports.

b) *Financial Adjustments:* Schuster reported the Finance Committee's suggestion that the Board consider allocating unused budget according to a formula, 50% to reserves, 25% for infrastructure investments, and 25% for program development. The Board decided to discuss this further later in the meeting.

c) *Investment Policy:* The committee continues consideration of the current policy.

d) *Reinstatement of Retiring Board Member Recognition:* The committee recommended that this be considered later with other budget priorities.

e) *Authorization for opening new accounts*

1999.7.6 - M/S/P: To authorize the Vice President for Finance to open or close financial accounts or arrange for safe places to store documents on behalf of AACRAO upon request of the Executive Director, with the condition that such matters be reported to the Board at its next meeting.
[Schuster/Mead. 9/0]

5) **Operations Subcommittee Report** [Smith]

a) *Policy Recommendations for Contractors:* Smith reported on the subcommitte's consideration of contractor relationships. They felt they should be open to both members and nonmembers, and added that policies should be established regarding a call for proposals, schedules, and who should usually be involved in the decisions. A proviso for quick action, allowing the ED to appoint contractors without consultation, must be included when absolutely necessary. To finalize consideration, the Office was asked to contact five other national associations, including NACUBO, NASFAA, and NACAC, and report on their policies for contracting.

b) *Articles for the Next Data Dispenser:* The subcommittee recommended that Members be advised via an article about the June Board meeting and that it include information about the new Board subcommittee structure, and the issues discussed by each committee and that the minutes were on the web site.

c) *Complimentary Annual Meeting Registration:* The subcommittee found no need to change the policy on complimentary Annual Meeting registrations.

The Board agreed that the "Board of Director Handbook of Policies and Procedures" should be updated, and Lonabocker suggested that it might be a Past President responsibility to oversee.

d) *Communications Plan:* The Operations Subcommittee recommended that the Proposed Communications Plan, dated June 1998, be updated by the AACRAO Office for FY99 and FY2000 and that it be provided to the Operations Subcommittee by November 1 so the subcommittee would be able to make recommendations at the December meeting. Anderson pointed out that certain information was included in the Data Dispenser and College & University relative to each scheduled issue. Because this practice has been discontinued, the Board felt that issue content must be more clearly identified.

e) *Annual Meeting Scholarship Budget:* Because of a need to track the annual cost of developing the scholarship program, Operations recommended a budget be established. It was agreed to set $2500 per year as an Annual Meeting budget line item for the FY2000 fiscal year and that a minimum of 20% of all funds generated above $5,000 be placed in the endowed Conner Scholarship Fund.

f) *Policy for Contributions:*

1999.7.7 – M/S/P: That the President or Executive Director: a) acknowledge in writting individuals or companies who donate $5.00 or more, and b) that a Certificate of Appreciation be included for individuals who contribute $500 or more.

[Schuster/Taylor. 9/0]

g) *Member/Nonmember Pricing:* Operations reported that after reviewing pricing systems of other higher education associations, it had determined to maintain AACRAO's current policy to apply a 40% surcharge for nonmembers for publications and meetings as a means to recover nonmember benefit of membership contribution. The AACRAO Office provided a publications report from the time period July 1-December 31, 1998 that showed that 23% of total publications were sold to nonmembers, and that these sales accounted for 30% of total publications revenue.

h) *Institutional Member Dues Structure:* Operations asked that the Office produce a report detailing institutional membership fee categories which include those at/above/below institutional member allocation. They also requested a listing of revenue generated by enrollment categories and additional individual members.

i) *College and University Price Increase:* Operations recommended that the price for College and University be increased for nonmembers and additional member subscriptions.

1999.7.8 - M/S/P: To raise the College and University subscription rate to $50.

[Smith/Bilger. 8/1(Anderson)/0]

6) **Membership Subcommittee Report** [Lonabocker]

a) *Update on Interim Activity:* Lonabocker reported that Membership is compiling other association bylaws, membership brochures, and dues structures.

b) *Membership Marketing Campaign:* Membership recommended institutions as targets for a membership marketing campaign. They also suggested approaches to solicit new members, but added that Membership could not come to the Board with a formal recommendation until a budget allocation had been established:

i. Place ads in professional journals or issue press releases with attention-grabbing headlines;
ii. Utilize members to recruit new members at state and regional association
iii. activities, or by broadening membership on campus; and
iv. Employ a communications strategy to craft compelling reasons for targeted
v. groups of nonmembers to join AACRAO.

To clarify the number of targeted nonmember institutions/groups that will be solicited, the Office was asked to compile a gap analysis showing the percentage of institutional members by type of institution.

c) *Dues Structure:* Lonabocker reported that the subcommittee had discussed the Headcount vs. FTE dues structure options. Headcount may be more advantageous to small colleges, while FTE would benefit community colleges and large state institutions. She cited EDUCAUSE as an organization that assigns membership dues relative to FTE and institutional budget, and noted that all members have voting rights. Further study is will be forthcoming.

d) *Member Categories:* Lonabocker reported that the group is also discussing the implications of widening membership criteria for eligibility. Lonabocker noted that consultants have no clear category, and are currently considered either corporate or affiliate members even if they fall into both categories. Johnson explained that NAFSA and the Association of International Educators had extended their membership to proprietary schools many years ago, and their involvement had encouraged integrity and fostered greater competence among that group. Johnson suggested that NAFSA was successful in its three membership categories and Annual Meeting program book (includes a list of Board members, regional association Annual Meetings for the next year, and exhibitor profiles with indexing by name/service, etc.) should be consulted.

e) *Annual Meeting Attendance Patterns:* A suggestion was made by Taylor and Bilger to cross-reference the membership and meeting databases in order to determine who attends the Annual Meeting relative to proximity to the site, and whether those who attend do so every year regardless of location. Enrollment of the institutions represented by members at Annual Meetings was also identified as a useful report. Barnett responded it would be provided if the systems permitted it.

f) *Member Survey:* The Office reported on plans to move forward on a survey of TF2000 priorities with a budget of $8,000 for its execution.

7) **Officer Reports:** The Board heard highlights of the written reports as well as a report from the Executive Director.

a) *Executive Director:* Office Operations had undertaken a strategic review of goals and a number of projects to streamline activity. Business unit reorganization continues, and a business unit process review is underway. Staff changes include four leaving: three Administrative Assistants and the Membership Manager. Thus the office is looking for a Membership Manager, a Business Manager, a Publications Manager, an Administrative Assistant - Meetings, an Administrative Assistant – Publications, three interns, two work-study researchers, one Publications (temporary).

Information technology activity includes the formation of a purchase plan, working to create hardware and software to implement the Resources Center and modernize out-of-date equipment. This would allow web applications/forms, and web work. Sub-leases continue for GATE and the Standards Council. Publications activity includes a variety of international and domestic titles in the works, but there is a lack of new titles. There is a continued effort to reconcile procedures and costs between the Office, fulfillment house and accounting. The Marketing and Member Services areas are revising the database, implementing surveys, and invoices have been mailed along with a web Census form. Upcoming events include: a community college workshop (AACC) on August 9-10, 1999; FERPA Workshop (DC); a FERPA Review - Fall follow-up to AACC; and Summer Institute/College Board. In the area of Federal Relations, a June 16, 1999 St. John's FERPA/Federal Relations workshop was held. AACRAO participated in negotiated rulemaking and the congressionally mandated GAO/Department of Education study on market-based mechanism in federal loans. The IPEDS discussion group continues, and staff and the Government Relations Advisory Group are forming a mechanism for a monthly update on government relations to be posted on the web site. OIES has pursued a number of contractual relationships. Future Annual Meeting Planning includes a review of the 2004 contract and collecting 2005 site information, and Fall site visits are anticipated. The Office has also been investigating incorporation, the conflict of interest policy, and other items for which board review and action is required.

b) *President:* Bill Haid extended three items to be discussed as new business:

i. TCP task force decision not yet completed,
ii. American Indian College Fund workshop plans, and
iii. a John Carver video to be viewed as a board development activity.

c) *Past President:* Paul Anderson presented the Board with the "Committee and Interassociation Representative Application Form" to be distributed and available on the web site. The Board discussed other ideas for recruiting committee members. Lonabocker suggested that the Chairs and existing committee members be asked to contact a number of respected colleagues for service. A List Serve for Chairs was noted as a priority.

d) *President-Elect:* Louise Lonabocker reported that $10,000 was currently budgeted to bring two keynote speakers to the Annual Meeting, and emphasized that this was a small amount to cover travel expenses and honoraria.

e) *VP for Finance:* Gene Schuster reported that he suggested use of a template as an alternative, easier way to provide Board of Directors stationery. He added that he would be sending the Board of Directors Handbook out for updating.

f) *VP for Admissions and Enrollment Management:* Paul Taylor reported that his Group's Financial Aid committee had very few members, and suggested that the configuration of the committee be considered at the next Leadership meeting.

g) *VP for International Education:* Johnny Johnson reported that the Soros Foundation had funded the international travel for the Russian Project, and reminded the Board that the Board had approved $2,000 for the project. The project will investigate the implementation of standardized testing (TOEFL, GRE, SAT, etc.) in Russia. He noted that the College Board and John Dupree were committed to the project as well. Johnson added that he had been invited to Princeton for a meeting regarding TOEFL testing in Third World countries. He announced that the Vietnam publication would be posthumously dedicated to Ann Fletcher who passed away recently.

h) *VP for Registration, Records, and Information Technology:* Mead reported that there is no committee chair for Distance Education currently. Mead reported that the Resource Center plan has been updated, and discussions with Mike Allen have taken place.

i) *VP for Professional Development and Publications:* Heather Smith announced that she completed her dissertation. The Board applauded her achievement.

j) *VP for Association and Institutional Issues:* Tom Bilger reported that ten Federal Compliance Committee sessions were scheduled for the New Orleans Annual Meeting. He contacted all Chairs about issues regarding FTE, and will also communicate it to state and regional officers.

8) **Executive Session:** The Board met to discuss a business opportunity, the Executive Director's contract, and the Executive Director's evaluation.

9) **New Orleans LAC Committee Report:** A report from the AACRAO '00 LAC was given. Hospitality planning is well underway and the group promises a meeting that will exceed anything AACRAO has enjoyed before.

10) **New Business:**

a) *Executive Director's Contract:*

1999.7.9 - M/S/P: To authorize President Haid to act on the Board behalf to create an addendum to the Executive Director's contract implementing agreed provisions, as suggested by counsel.
[Mead/Smith. 9/0]

b) *Web Page Evaluation and On-Line Archive:* Anderson suggested a motion to evaluate the web page and to have the minutes dating from December 1995 to present posted on the web. The Board discussed these recommendations, and determined that a mechanism for evaluating the web page that reflected member interest should be initiated. Sullivan explained that it was the intention of the Office to develop an archive area on the site where older material could be located.

c) *Distinguished Service Award:* Anderson recommended consideration of a Distinguished Service Award.

1999.7.10 - M/S/P: To approve the Distinguished Service Award as recommended.
[Anderson/Lonabocker. 9/0]

d) *Approval of Fees:* Sullivan recounted the meeting with exhibitors at the Charlotte '99 Annual Meeting, and presented the point system to be used by AACRAO for determining vendor assignments in the exhibit hall. The point system is similar to Educause's and was recommended by the exhibitors.

1999.7.11 - M/S/P: That the Finance Subcommittee is authorized to set exhibitor fees.
[Schuster/Smith. 8/0/1(Haid)]

1999.7.12 - M//S/P: To increase corporate dues to $2000. [Mead/Lonabocker. 8/0/1(Anderson)]

1999.7.13 - M/S/P: To maintain the $295 registration fee for the Annual Meeting.
[Bilger/Lonabocker. 8/0/1(Schuster)]

The Board discussed the Annual Meeting fee, and affirmed that lunch would be a desirable benefit should sufficient registrations permit inclusion of the cost.

e) *Partnership Policy:* Haid referred the partnership policy to the Administrative Committee for further study.

f) *Year-end Financial Priorities:* The Board itemized possible infrastructure and program investments and identified a priority for each investment.

1999.7.14 - M/S/P: To approve the allocation of unused FY98-99 budget up to $300,000, 50% to reserves, 25% to program investments, and 25% to infrastructure investments, with any over $300,000 held as a FY2000 contingency.
[Anderson/Smith. 9/0]

1999.7.15 – M/S/P: To designate to $30,000 for annual merit stipends from the existing FY98-99 personnel budget allocations.
[Lonabocker/Smith. 6/2(Taylor, Anderson; Bilger absent)]

Infrastructure investments were designated as those items on the Office technology enhancement list as well as requests to replace the AACRAO exhibit copier replacement and Phase 1 of digitizing publications. Program investments: FERPA scanning, $6K; Government Relations publication development, $2K; Government Relations research database, $8K; Member survey, $8K; Membership campaign, $10K; Ad hoc committee on incorporation, $5K; State/Regional networking meeting, $23K; Scholarship, $7K

1999.7.16 - M/S/P: To authorize the Executive Director to finalize allocations according to the priority assigned and cover as many items as possible.
[Mead/Lonabocker. 8/0 (Bilger absent)]

11) **Annual Meeting Speaker Honorarium/Travel Expenses:** Lonabocker proposed that an additional $20,000 be allocated to the annual meeting speaker honorarium/travel budget. Haid referred this issue to the Finance Subcommittee for consideration.

12) **Meeting Format Comments:** Haid encouraged the Board to submit comments about the

Board's operating style, particularly areas that need improvement concerning the subcommittee organization and meeting format. Smith responded that there was still a rush to complete the agenda on the final day, and that greater financial details need to be available.

13) **FY99 Financial Statement:** Taylor asked Sullivan when the final FY99 expenditures would be applied and year-end results available. Sullivan responded that this would take a couple months, and that May figures should be available the following week, adding that some of the large expenditures relating to the Annual Meeting had yet to be reported. Schuster suggested that it might be possible to book expenditures as encumbered or payables. Sullivan responded that he would have the AACRAO Meetings Manager provide the original bill(s) and see what could be done.

14) **Motion to Adjourn:**

1999.7.17 - M/S/P: To adjourn Meeting 7, 1999 on June 20 at 12 PM. [Lonabocker/Anderson. 8/0(Bilger absent)

Appendix A: RESOLUTION FOR INCORPORATION

Resolution Duly Adopted by the Board of Directors of the American Association of Collegiate Registrars and Admissions Officers ("AACRAO") on 18 July, 1999:

RESOLVED, Whereas the Board of Directors of AACRAO, an unincorporated nonprofit voluntary membership association:

1) After extensive deliberation and in the due exercise of the fiduciary duties of each Director, including good faith efforts:

> a) To reasonably protect, and to protect as far as possible under the circumstances, the financial interests of each and all the Members, and the Directors, of AACRAO from potential liability risks inherently associated with AACRAO operating as an unincorporated association, and
>
> b) To enable ACCRAO, to take advantage of the benefits and protections afforded by the District of Columbia Nonprofit Corporation Act, and thereby permit the Board to better manage the association in light of the organizational and operating guidance and authority provided by the District of Columbia Nonprofit Corporation Act, and

2) Taking due note of the considerations relating to the above, all as set forth in Exhibit A hereto, has judged it prudent and beneficial to adopt this resolution, and to take the course of action embodied in it;

Therefore, pursuant to the current Constitution and Bylaws of ACCRAO (Constitution Article II,Sec. 2; Bylaws Article IV, Sec. 3), the Board hereby authorizes: Jerome Sullivan and Janie Barnett and Nassarian Barmak to serve as Incorporators under the District of Columbia Nonprofit Corporation Act and to execute and provide for the filing of Articles of Incorporation as set forth in Exhibit B hereto, which designates the persons identified therein as the members of the initial Board of Directors of the new corporation, and further, designates the entity noted therein as the initial statutory registered agent and office for the corporation, and,

Furthermore, to take all and every other action, as necessary and appropriate, to attain the incorporation of the association and the management and operation of the association by the initial Board, including control and management by the initial Board, and its designees, of all funds and other assets of the association as a nonprofit corporation heretofore controlled and managed by the Board of the predecessor unincorporated association AACRAO, and

Furthermore, to take all and every action, as necessary and appropriate, to deal with the I.R.S. in connection with the federal tax-exempt status of the nonprofit association under I.R.C. Sec. 501(c)(3), and

Furthermore, to take all and every action, as necessary and appropriate, to deal with the Districtof Columbia Government in connection with the tax-exempt status of the nonprofit association in the District of Columbia.

Appendix B: ARTICLES OF INCORPORATION

ARTICLES OF INCORPORATION

of

AMERICAN ASSOCIATION OF COLLEGIATE REGISTRARS AND ADMISSIONS OFFICERS

TO: Department of Consumer and Regulatory Affairs,

Business Regulation Administration,

Corporations Division

Government of the District of Columbia

614 H Street N.W.

Washington, D.C. 20001

We, the undersigned natural persons of the age of twenty-one years or more, acting as incorporators of a corporation under the DISTRICT OF COLUMBIA NONPROFIT CORPORATION ACT (D.C. Code, 1981 Edition, Title 29, Chapter 5), adopt the following Articles of Incorporation:

FIRST: The name of the corporation is the American Association of Collegiate Registrars and Admissions Officers.

SECOND: The period of its duration is perpetual.

THIRD: The purposes for which this corporation is organized are:

1.To provide leadership in policy initiation, interpretation, and implementation in the global educational community.

2.To identify and promote standards and best practices in enrollment management, information technology, and student services.

3.To publish professional journals relating to higher education, periodicals including a newsletter, occasional special bulletins, pamphlets and reports.

4.To encourage, conduct and cooperate in research projects relating to the above purposes.

5.To promote regional associations of registrars, admissions and related officers.

6.To do all and everything, including the making and carrying out of any contracts, necessary, suitable and proper for the accomplishment of the purposes or the furtherance of said purposes and any of the powers heretofore set forth as may otherwise be authorized by law, and to do every act or acts, thing or things, incidental to or pertaining to or growing out of or connected with the aforesaid purposes or powers, or any part of parts thereof, provided the same are not inconsistent with the provisions of law under which this corporation is organized.

7.The purposes for which this corporation is formed are to be promoted, transacted and carried on without pecuniary profit.

8.The enumeration herein of specific purposes shall not be construed as limiting or restricting in any way the undertaking of such functions as shall advance the general purposes above enumerated.

9.The corporation is organized exclusively for charitable and educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

FOURTH: The corporation shall have members of various classifications or categories, as determined by its Board of Directors in furtherance of the objectives of the corporation and as provided further in the Article FIFTH, and also provided that all members of the predecessor related unincorporated nonprofit voluntary professional association name the American Association of Collegiate Registrars and Admissions Officers shall be members of the corporation and subject to such further terms and conditions as shall be provided under the corporation bylaws.

FIFTH: The corporation shall be divided into at least two classes of members. Regular institutional members shall be accredited collegiate-level degree-granting institutions of higher education and shall designate voting representatives as specified under the corporation bylaws, and such representatives shall have the right to vote and hold office. There shall be additional classes of members under such terms and conditions as shall be established from time to time by the Board of Directors which classes, however, shall be without the right to vote or hold office in the corporation unless permitted under the corporation bylaws.

SIXTH: Directors of the corporation shall be elected in the manner provided in the bylaws.

SEVENTH: The regulations of the internal affairs of the corporation is vested in the Board of Directors as provided in the bylaws and as follows:

1.The corporation, by resolution of its Board of Directors, may provide for indemnification by the corporation of any and all of its officers and directors as provided in its bylaws.

2.The corporation shall use its funds only to accomplish the objectives and purposes specified in these Articles, and not part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and other expenses and to make payments and distributions in furtherance of the purposes set forth herein.

3.Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable and educational purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (C) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed shall be disposed of by the Circuit Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

4.No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

5.The corporation shall not adopt any practice, policy or procedures which would result in discrimination on the basis of race, religion or creed.

6.Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are under Section

170 (c) (2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

EIGHTH: The address of the initial registered office of the corporation is:

1090 Vermont Avenue, N.W.

Washington, D.C. 20005

The name of the initial registered agent is: Corporation Service Company

NINTH: The number of directors constituting the initial Board of Directors is nine. The names and addresses, with street number and zip code, of the persons who are to serve as the initial directors until the first annual meeting or until their successors be elected and qualified are:

1. William Haid, University of Colorado-Boulder, CO

2. Paul Anderson, Furman University, SC

3. Louise Lanabocker, Boston College, MA

4. Heather Smith, Community College of Rhode Island, RI

5. Johnnie Johnson, Monterey Pensulia Community College, CA

6. Valarie Mead, Trinity University, TX

7. R. Eugene Schuster, The Ohio State University, OH

8. Thomas Bilger, Ball State University, IN

9. Paul Taylor, Lexington Community College, KY

TENTH: The names and addresses, including street number and zip code, of each incorporator are:

1. Jerry Sullivan, AACRAO, DC

2. Janie Barnett, AACRAO, DC

3. Nasarian Barmak, AACRAO, DC

ELEVENTH: The corporation shall be specifically prohibited from engaging in the following transactions:

1.Loaning any part of the corporation’s income or corpus without the receipt of adequate security and reasonable rate of interest (but under no circumstances shall a loan be made to any officer or director of the corporation);

2.Paying any compensation in excess of a reasonable allowance;

3.Making any substantial purchase of securities or any other property for more than adequate consideration in money or money's worth;

4.Selling any substantial part of the corporation's securities or other property for less than adequate consideration in money or money's worth; or

5.Making any part of the corporation's services available on a personal basis or engaging in any other transaction which results in a substantial diversion of the corporation's income or corpus, to any of the incorporators or directors of the corporation, any person who shall have made a substantial contribution to the corporation, a member of the family of such incorporator, director or person having made a substantial contribution, or a corporation by any such incorporator or director or any person having made a substantial contribution.

Dated:__________________________ _______________________________

__________________________ _______________________________

__________________________ _______________________________

INCORPORATOR (Signed)

I,_______________________________, a Notary Public, hereby certify that on the

_________day of________________, 1998,_________________, ___________________,

and_______________________________appeared before me and signed the foregoing document as incorporators and have averred that the statements therein contained are true.

(NOTARY SEAL) _______________________________

Notary Public

My commission expires:_______________________________

Appendix C: CONFLICT OF INTEREST POLICY

Section 1: Interested Party. Any director, officer, volunteer, member of a committee with Board-delegated powers or employee who has a financial interest in a transaction or arrangement is an interested party, and subject to this policy

Section 2: Financial Interest. A person has a financial interest in a transaction or arrangement if the person has, directly or indirectly, through business, family, or investment –

a. An ownership or investment interest in any entity with which the Association has a transaction or arrangement, or

b. A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or

c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association has or is negotiating a transaction or arrangement, or

d. An ownership or investment interest or compensation arrangement, or potential ownership or investment interest or compensation arrangement, with any entity or individual that is a competitor of an entity or individual with which the Association has or is negotiating a transaction or arrangement.

Section 3: Procedures. In connection with any actual or potential conflicts of interest, the interested person shall disclose the existence and nature of his or her financial interest in a transaction or arrangement to the directors or members of committees with Board-delegated powers considering the proposed transaction or arrangement. After disclosing the financial interest, the interested person shall not participate in the Board or committee's consideration of whether a conflict of interest exists. If the Board or committee finds that there is an actual or potential conflict of interest, the individual shall not participate in the discussion or decision. Alternately, the board or committee shall appoint a disinterested individual or a committee of disinterested individuals to investigate the transaction or arrangement and obtain appropriate information about the terms of comparable transactions or arrangements that would not give rise to a conflict of interest and that would be reasonably available to the Association. Before entering into the transaction or arrangement, the Board or committee with board-delegated powers shall review the comparability information to determine whether the transaction or arrangement is in the Association's best interest and for its own benefit and whether it is fair and reasonable to the Association. The Board or committee shall decide whether to enter into the transaction or arrangement by majority vote.

Section 4: Records of Proceedings. The minutes of the Board and all committees with board-delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in an actual or proposed transaction or arrangement, any action taken to determine whether an actual or potential conflict of interest was present, and the Board or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including the basis for the Board or committee's decision that the transaction was fair and reasonable to the Association, and a record of any votes taken therewith.

Section 5: Violations of Conflicts of Interest Policy. If the Board of Directors learns that a director, officer, volunteer, member of a committee with Board-delegated powers, or employee has failed to disclose an actual or possible conflict of interest as required by Section 3, it shall inform the individual and afford an opportunity for the individual to explain the alleged failure to disclose. After hearing the individual's response, the Board shall take appropriate action if any action is needed.

Appendix D

AGREEMENT TO ABIDE BY AACRAO'S CONFLICTS OF INTEREST POLICY

I,________________________________, have reviewed AACRAO's Conflicts of Interest Policy, a copy of which is attached to this acknowledgment. I understand the policy. I understand that this policy applies to me in my capacity as a director/officer/volunteer/member of a committee with Board-delegated powers/employee (circle those that apply) and what my obligation is to disclose my financial interests in accordance with the policy.

I agree to abide by the policy in its current form and as it may be amended in the future, provided that I am given adequate notice of any such amendments before they are put into effect.

____

(Signature)