

---

# Minutes of the Regular Session of the EDUCAUSE Board

March 6 and 7, 2018—Orlando, FL

*Note: All times listed are eastern time (ET).*

## Attendance

**Board members attending:** Hilary Baker, Barron Koralesky (Secretary), Ron Kraemer, Edward Leach, Keith McIntosh, Joseph Moreau, Michele Norin (Vice Chair), John O'Brien (President and CEO), Loretta Parham, Kay Rhodes (Treasurer), Jack Suess (Chair), Sue Workman

- **Board members absent:** Reggie Henry
- **Staff attending:** Joanne Dehoney, Susan Grajek, Stacy Ruwe; Karen Mateer; Jarret Cummings for the policy update section
- **Guests attending:** Rick Legon, President of the Association of Governing Boards (Wednesday lunch)

## Tuesday, March 6

### Call to Order

Chair Jack Suess called the meeting to order at 1:06 p.m. and announced that a quorum of directors was present. He praised the partnership efforts of EDUCAUSE, NACUBO (National Association of College and University Business Officers), and AIR (Association for Institutional Research) to organize this week's Enterprise IT Summit and the opportunities to meet with colleagues from these associations. He also gave a special welcome to Keith McIntosh and Loretta Parham, who were attending their first face-to-face board meeting.

### Approval of the Consent Agenda

Kraemer moved to approve the consent agenda, consisting of the corrected minutes of the December 2017 virtual meeting. Rhodes seconded. The motion passed unanimously.

### President's Report

President John O'Brien and members of the executive staff presented a status report on association activities and priorities since the last board meeting. Highlights included a report on the success of the 2017 annual conference in Philadelphia; a preview of the 2018 annual conference in Denver, which has received a record number of session proposal

submissions; updates on other EDUCAUSE events and the .edu domain; and a report on the EDUCAUSE staff survey. Vice President Susan Grajek reported on recent staffing and program changes within the Communities and Research (CaR) division of EDUCAUSE, highlighting expanded directions for the EDUCAUSE Learning Initiative and new, more user-friendly interfaces for content and research.

## **2018 Organizational Goals**

O'Brien gave an overview of the association's 2018 goals so far, noting accomplishments and milestones achieved in each category and highlighting areas where more attention will be placed in the months ahead. Among the highlights were the increased focus on mentoring, the incorporation of DEI (diversity, equity, and inclusion) into programming, and work under way to expand the utility to members of the EDUCAUSE profile.

## **Trimester Financial Report**

Vice President Stacy Ruwe presented the summary results of the association's 2017 operating and capital budgets, which included larger than usual salary savings for the year, positive investment income, and increased corporate sponsorship revenue. She also presented revisions to the 3-year budget, confirming the previously proposed planned drawdown of the reserves in 2018 and 2019 of \$2.6M to advance the association's strategic priorities. The Finance and Investment Committee also reviewed the revised dues proposal. The capital budget for 2018 remains at \$2.2M. The committee also reviewed the investment results for 2017, which exceeded all relevant benchmarks. The committee recommended, and the board approved, making no changes to the association's Investment Policy Statement.

Treasurer Kay Rhodes provided a report from the Audit Committee, noting that introductory calls have been held with the association's new auditing firm, Clifton, Larson and Allen. Rhodes noted that the new auditing firm will prepare the association's Form 990 and conduct an internal audit and staff pension review in the spring. Rhodes presented for discussion a recommendation under consideration by the Finance/Investment Committee that we increase the operational reserves range to cover a maximum of one year of operations if necessary (up from the previous maximum reserve target of nine months). The board requested that Ruwe bring relevant peer association benchmarks for discussion to the next board meeting.

## **2018 Policy Directions Report**

Jarret Cummings, director of policy and government relations, gave an overview of the association's efforts and strategy in the policy arena, noting input provided by the EDUCAUSE Policy Advisory Committee and our partnerships with other leadership

associations. He also provided a summary of several current policy issues affecting higher education and their status in the current political environment.

## Recess

At 4:35 p.m., Suess temporarily called the meeting in recess.

## Wednesday, March 7

### Reconvene

Suess reconvened the meeting at 9:35 a.m. on Wednesday, March 7.

### Membership Model Update and Dues Recommendations

Suess framed the discussion of membership by citing the success and positive effect on membership resulting from the changes in the new model in its first year. Ruwe reviewed the financial impact of the new model on the association; trends in renewals, attrition, and requests for transition plans; and feedback received from members about the new model. Based on the year 1 results, Ruwe recommended an adjustment to the membership model and a reduction in the dues increase originally proposed to the board in December 2017 for the 2018 budget year.

The recommended change to the membership model is:

- Move 177 Baccalaureate Arts & Sciences members from Tier 4 to Tier 3, decreasing their average dues by \$500.

The recommended changes to 2018 dues increases are:

- No 2018 dues increase for all Tier 1 institutions (n = 228)—Smaller Associate's Institutions, Tribal Colleges, and Faith-Related Institutions
- No 2018 dues increase for all Tier 2 institutions (n = 374)—Larger Associate's Institutions, Baccalaureate, and Arts, Music & Design Schools
- A dues increase in 2018 of 3% for Tiers 3, 4, and 5 institutions

Ruwe noted that the recommendations yield an institutional 2018 dues revenue increase of 1.6% and was intended to be consistent with the board's original goals that the new member model be inclusive, equitable, simplified, and revenue neutral. The proposed changes also assume adjustments to the 3-year budget and that transition plans will continue both this year and next.

Norin made a motion to support the changes recommended in the member dues model for U.S. institutions and 2018 dues. Workman seconded. The motion passed.

Ruwe clarified that the messaging for the member model change and dues pricing will start in April 2018 for a July 1, 2018, effective date.

## **Partnerships and Acquisitions**

Vice President Joanne Dehoney presented a framework for evaluating potential partnership opportunities. The board considered four examples under current consideration and provided feedback on the specific cases and on evaluating future opportunities.

## **Lunch Discussion**

Rick Legon, president of the Association of Governing Boards, joined the board for discussion during the lunch hour in which he reviewed AGB's work to educate and advance the work of trustees serving in higher education institutions. He highlighted AGB's Guardians Initiative, which is a program to encourage trustees to engage their communities in the value proposition of higher education. The initiative will incorporate various programming components, including a podcast series and other supporting materials.

## **Peer Review Discussion**

Grajek introduced the concept of a peer review service, noting that there is strong member interest in this type of initiative and that it fits within our strategic priorities. The report of an EDUCAUSE working group on peer review services was shared with the board, which included the recommendation to proceed with a pilot phase to determine longer-term feasibility. The board discussion focused on the opportunities for professional development this type of service would offer, along with the sustainability of such a program.

The board advised EDUCAUSE staff to implement some of but not all the working group's recommendations and further suggested that any potential peer review service options should be scoped and offered in the context of other ideas under consideration to improve volunteer engagement, mentoring, and personalization.

Suess called for a motion to adjourn the business meeting. McIntosh moved to adjourn; Rhodes seconded. The meeting was adjourned at 2:55 p.m.

The board entered executive session at 3:00 p.m., which adjourned at 3:30 p.m.