Minutes of the Regular EDUCAUSE Board Meeting

June 29–30, 2016, Louisville, CO

Attendance

Board members attending: Mark Askren, Diane Graves, Joy Hatch, Reggie Henry, Bill Hogue (Treasurer; attended by phone), Ron Kraemer, Edward Leach, Bruce Maas (Chair), John O'Brien (President and CEO), Kay Rhodes, Tracy Schroeder (Vice Chair), Jack Suess, Justin Sipher (Secretary)

Staff attending: Joanne Dehoney, Susan Grajek, Julie Little, Thad Lurie, Stacy Ruwe

Guests attending: Jon Hockman, d3 Associates (full meeting); Shelley Sanner, Daniel Chozick (by phone), and McLean Gift (by phone), McKinley Advisors staff (membership model topic)

Call to Order and Chair’s Remarks

Bruce Maas convened the meeting at 12:58 p.m. (MT). He thanked the executive team for their work developing draft strategic directions for board consideration and noted that the meeting would largely entail discussions around these directions. He reported on recent international engagements involving two members of the board (Jack Suess and Bruce Maas), John O’Brien, and Rob Abel of IMS Global, highlighting the value of emerging international collaborations. The group presented on Next Generational Digital Learning Environments (NGDLE) at two European conferences, and John O’Brien gave the opening keynote at the EUNIS conference in Greece.

President’s Welcome

John O’Brien welcomed the board to the EDUCAUSE Louisville offices. He reflected briefly on the past year as providing the necessary foundations both for himself and for the association to position EDUCAUSE for the strategic directions offered for board consideration during the present meeting. In fundamental ways, he said, the association is at an important point in its evolution, and the strategic plan offers a crucial expression of the direction we will go in the years ahead.

Association Strategic Planning

Jon Hockman of d3 solicited high-level reactions to the draft strategic framework developed by the executive team to reflect the board guidance provided during the March meeting. He then led an initial analysis of each category in the plan. The board’s comments were noted to inform the Day 2 discussion.
Membership Model

A new membership model was presented, an important enabling step for the strategic planning goals proposed. McKinley Advisors project lead Shelley Sanner presented the model to the board, and board members provided initial reactions and identified points for further discussion on Day 2 of the meeting.

President’s Report and Reflections

John O’Brien shared the news that Chief Learning Officer Tracy Petrillo had been recognized with two exceptional honors this year. The American Society of Association Executives awarded her its highest individual award, the ASAE Professional Performance Award. MeetingsNET recognized Tracy as one of its 2016 Changemakers. The board held a round of applause for Tracy and thanked her for contributing her expertise and talents to EDUCAUSE.

Stacy Ruwe reported on 2016 Home Week, the first all-staff gathering for the association, combining team building with professional development. She noted that about 80% of the current staff had been hired since the last similar all-staff gathering. Ruwe highlighted the contributions of a cross-team staff working group that reviewed the results of the staff survey and prepared recommendations to improve the culture and communications across the association. Ruwe presented the strong positive evaluation results Home Week received from the staff and reported that in response we will hold Home Week again in 2017. She thanked the board for allocating support for Home Week.

Thad Lurie updated the board on progress with the website, noting the successful on time and on budget deployment of the Membership Profile. He reminded the board that the events portion of the site is currently in progress with a Q3 launch target. In the membership area, Lurie reported that .edu domain renewals are in progress, and that the association’s new management system, netFORUM, is now operating as the membership system of record, with the renewals process being run from within the new system. Moving to the IT department, Lurie highlighted the success of the AMS Phase I project, and continuation of Phase II through the end of the year; the hire of a new information security manager; and the successful integration of the EDUCAUSE IdM system, Ping, with the annual meeting registration experience. Lurie then provided an update on .edu domain registrar activities. He reported that we expect to finalize the selection of a risk assessment firm in mid-July. He also let the board know that several viable firms have now expressed interest in responding to the RFP for registrar management functions, in accordance with the operational change approved by the Department of Commerce in 2012 that EDUCAUSE may outsource Registrar operations, while retaining policy oversight and enforcement. Lurie concluded by announcing the hire of a new director of marketing and communications, Marc Stith, and two Apex awards received by the EDUCAUSE Review team.

In the interest of time, Little and Grajek agreed to hold their reports for a future date.
Recess

Maas declared the meeting in recess at 4:15 p.m.

Recall to Order

Maas called the meeting back to order on June 30, 8:00 a.m.

Trimester Financial Report

Ruwe reported that the 2016 operating and capital budget forecasts are on track to be met. Ruwe reviewed the YTD financial results and the investments and commented that the original investment dip as a result of the Brexit action had recovered and that our investment returns were tracking to budget. The delay in sending out member dues bills that resulted in a dip in dues compared to 2015 is expected to recover by the end of the year. The financial dip was accommodated by borrowing cash from our investment portfolio for the month. The audit committee reported on their meeting with CBIZ auditors to review the 2015 financial audit. Findings included an unqualified (clean) audit opinion, meaning that our financials fairly represent our actual position in accordance with general accounting principles. The management letter indicated that EDUCAUSE has no material internal control deficiencies, and the governance letter indicated that no difficulties or disagreements with management occurred while conducting the audit. The auditors also reviewed the 403b staff pension plan audit and issued the Form 5500 required for filing with the same opinion as the financial audit.

The audit committee discussed the 990 tax filing and recommended board approval of the draft. To accommodate seasonal borrowing needs, the committee endorsed the establishment of a line of credit in lieu of liquidating the invested board reserves.

The fiduciary committee recommended modifying the pension offerings for the staff pension plan so that the 457b investment lineup matches that of the 403b. The committee also endorsed clarifying in our plan documents the existing practice of excluding long-term service awards and connectivity reimbursements from the pension match plan.

The board took three motions.

1. Hogue moved that the board approve the 2015 Form 990 as presented. Rhodes seconded. The motion passed unanimously.

2. Hogue moved to exclude service awards and connectivity reimbursements from pension processing effective January 1, 2016, and to empower the EDUCAUSE CFO to execute any and all documents and take any and all acts that may be necessary in connection with the adoption, maintenance, and ongoing funding of the pension. Sipher seconded. The motion was passed unanimously.
3. Hogue moved to approve that EDUCAUSE establish a line of credit to be managed by the CFO in consultation with the audit committee. Hatch seconded. The motion passed unanimously.

Maas recognized Stacy Ruwe’s exceptional capability in leading the association’s financial affairs, and the board members thanked Ruwe for her contributions.

**Continuation of Membership Model Discussion**

Sanner recapped the previous day’s discussion and engaged the board in a detailed discussion of the membership model. The board members unanimously concurred with the proposed directions, and also agreed to a set of parameters focused on maximizing member benefit. The parameters will guide development of the next iteration of the model. The executive team agreed to provide a revised version of the model at an interim board meeting to be scheduled in August.

**Continuation of Strategic Plan Discussion**

The board unanimously concurred with the high-level strategic directions as framed by the executive team and provided recommendations for finalizing the plan. The executive team agreed to provide a final draft of the plan for board approval at the interim meeting, before EDUCAUSE introduces it to and invites comment from members.

**2016 Board Election Slate**

On behalf of committee chair Linda Jorn, Joanne Dehoney described the nomination process and presented the eight third-round candidates recommended by the nominations committee. The board then entered executive session to select the four finalists for the general election to replace two board members whose service is ending:

- Eric Denna, University of Maryland, College Park
- Deborah Keyek-Franssen, University of Colorado System
- Joanne Kossuth, Franklin W. Olin College of Engineering
- Michele Norin, Rutgers University

The board decided on an at-large director appointment to replace the at-large board member whose service is ending and to announce the appointment with the election results. Board members agreed to replace the one-year vacancy left by Laura Patterson’s retirement, taking this action after the 2016 election concludes.

The board completed executive session and reentered the regular meeting.

**Adjournment**

Maas declared the regular meeting adjourned at 2:08 p.m.