Minutes of the Regular EDUCAUSE Board Meeting


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), Laura Patterson, Kay Rhodes, Tracy Schroeder (Vice Chair), Jack Suess, Justin Sipher (Secretary)

- **Staff attending:** Joanne Dehoney, Susan Grajek, Julie Little, Thad Lurie, Stacy Ruwe; Margita Blattner (for Corporate Program Review), Jarret Cummings (for Policy Office Review), Tracy Petrillo (for Professional Development Program Review)

- **Guests attending:** Jon Hockman, d3 Associates (full meeting); Louis Soares, American Council on Education (Future of Higher Education topic); Shelley Sanner, Alison Bramer, McLean Gift, McKinley Advisors staff (Membership Value topic)

Call to Order and Chair’s Remarks

Bruce Maas convened the meeting at 1:00 p.m. (ET). He provided an overview of the meeting agenda and recognized and thanked departing member Laura Patterson for her service.

Strategic Planning Meeting Focus

John O’Brien welcomed the board and provided a brief introduction to the planning activities in the agenda. Jon Hockman reviewed the planning process and provided a set of desired planning outcomes for the board meeting.

Membership Model and Value: Insights and Analysis

McKinley Advisors project lead Shelley Sanner provided a report on the preliminary findings from the membership survey and led a discussion with the board about implications for planning. The board provided guidance on areas to refine the research and on goals and objectives for our membership strategy.
Policy Office Review

Jarret Cummings, EDUCAUSE director of policy and government relations, reviewed the history and current status of the Policy Office. The board concurred with the changes in program staffing and scope that have occurred over the last two years and offered suggestions for improving the visibility of policy activities.

President’s Report and Reflections

President and CEO John O’Brien reflected on his 10 months in the role, noting that he continues to be impressed by EDUCAUSE as a high-performing organization that accomplishes much work seamlessly from the member perspective. He provided brief updates on first quarter 2016 accomplishments, citing the ELI Annual Meeting, the NERCOMP conference, and Connect Denver, as well as the major foundational web, AMS, and CDS upgrades. O’Brien acknowledged and gave special thanks to the executive team for their contributions and support. O’Brien closed his remarks by mentioning two new advisory groups created to improve feedback and interaction with two groups flagged in the community poll as requiring additional attention: corporate members and younger professionals.

Susan Grajek updated the board on the success of EDUCAUSE Top 10 research published in January. She described the Enterprise IT Program for 2016, with special attention to the EDUCAUSE/NACUBO Summit on costing and funding models, and she provided a brief update on the Information Security program, in particular, the upcoming 14th Annual Security Professionals Conference. She summarized steps under way to improve the user experience with Core Data Service, including replacing the reporting tool, rotating modules, simplifying Module 1, allowing multiple response options on the financial and staffing questions to support respondents’ benchmarking needs, and offering multiple versions of Module 1 to accommodate institutional differences. Grajek updated the board on the Benchmarking Service Beta project and invited feedback on potential maturity and deployment indices to develop in the future.

Julie Little briefed the board on the Leading Academic Transformation (LAT) program, a new community of practice aimed at senior leaders committed to advancing the academic mission through the innovative use of IT. The group held its first convening at the 2016 ELI Annual Meeting. She provided other highlights of the ELI meeting, noting that registration numbers were at 107% of goal and included a 34% increase in participation by liberal arts institutions, a targeted sector. She also provided an overview of Connect Denver, noting its registrations at 106% of goal and the two mini-Institutes (New IT Managers and the
inaugural Management Boot Camp) that ran parallel with the event. She concluded her report with a status update on grant activity, citing in particular the iPASS change leadership workshops for 240 members of grantee institutions and improvements to the iPASS website, primer page, and ongoing blogging; and the recent $2M award to NGLC from the Bill & Melinda Gates Foundation and the Hewlett Foundation for the Assessment for Learning project.

Thad Lurie provided status updates on the web project, noting that the library website redesign rolled out on time and on budget; the Member Profile and Events sections of the site are scheduled to complete in Q2 and Q3, respectively. He also reported on two related efforts: the successful rollout of our new identity management solution, which fully integrates with InCommon; and the AMS project, slated for on-time completion in May. In the Conferences and Events area, Lurie reported on an Experient innovation workshop to help strategize the future of the annual conference and the hire of a new director of conferences and events.

Stacy Ruwe briefed the board on the results of the January 2016 staff survey. After covering positive results, she noted that areas of weakness suggested by the 2015 survey results that we actively addressed last year did show improvement on the 2016 survey. O’Brien emphasized that EDUCAUSE leadership is similarly implementing action plans to address gaps indicated by the 2016 survey results and expressed his personal commitment to continuous organizational improvement.

Financial Report

Chief Financial Officer Stacy Ruwe reported on the strong financial health of the organization.

Ruwe reported on the unaudited 2015 close, noting that we met the 2015 $1.2M capital budget and achieved an operating surplus of $1.2M in 2015, instead of the $2.8M budgeted loss. Major positive contributors to the $3.9M swing were strong 2015 annual conference returns, deferred spending on the website from 2015 to 2016 based on the staged rollout approach, financial restraint, increased corporate revenue, and lower fringe benefit costs due to our self-funded health insurance program.

Ruwe reported that the IP address block sale will proceed in 2016, with timing to be based on market conditions.

Ruwe introduced new KPIs this period on the net contribution of events and Institute programs and briefly went over plans for the continued development and rollout of KPIs. The board recommended narrowing these to a smaller set of crucial indicators.
On the investment portfolio, Ruwe reported that EDUCAUSE invested reserves stand at $24M. She noted EDUCAUSE remains in compliance with the newly revised investment targets, with current holdings distributed at 43% equity, 43% fixed income, and 14% alternate/cash.

The Fiduciary Committee reported that our consultants Well and Good continue to provide regular monitoring of our plans; that the staff pension plan portfolio performed well this reporting period; and that TIAA-CREF announced new fees on the CREF annuity funds effective April 2015. The committee placed these funds on watch to monitor value.

The Audit Committee reported that the association successfully completed a comprehensive search for a new investment advisory firm, resulting in the hire of Merrill Lynch; that reserves were transferred for the start of the new fiscal year; that an independent audit firm was selected for the 2015 audit; and that the committee approved the new investment policy statement (IPS) and the resolution to create a Finance/Investment Committee.

Board Treasurer Bill Hogue moved that the board update the bylaws to create a new standing committee of the board, the Finance/Investment Committee, to govern the framework of the association’s investment portfolio, set the IPS and the asset allocation, and oversee the selection of the external investment manager. Sipher seconded. The motion passed unanimously.

Hogue then moved that the board adopt the new IPS, which acknowledges the oversight role of the Finance/Investment Committee. Kraemer seconded. The motion passed unanimously.

**Professional Development Program Review**

Chief Learning Officer Tracy Petrillo provided an overview of the EDUCAUSE Professional Development program including current status and potential future directions. She briefed the board on plans to improve way-finding in the portfolio, offer campus-based experiences, and reimagine online conferences and events. The board reinforced the crucial importance of the portfolio and recommended that EDUCAUSE explore the feasibility of Institute portfolio expansion, suggesting areas for consideration including even more cost effective solutions to address diversity of needs across higher education IT. It acknowledged that every institute offering would not be financially self-sufficient. The
board also concurred with proposed directions toward improved usability and personalization of the PD portfolio.

**Corporate Program Review**

Chief Corporate Strategy Officer Margita Blattner provided an overview of the association’s corporate programs, with a focus on the work and recommendations of the Corporate Member Advisory Council (CMAC). The board concurred with proposed program directions related to providing new forums and venues for engagement between corporate members and institutional members, and emphasized the importance of ensuring that EDUCAUSE remains an independent, neutral convener and also helps institutions build skills in managing vendor relationships.

**Strategic Planning**

The board considered background on the future of associations, the future of higher education, consumer trends, and feedback from the community scan. Board members confirmed guiding principles for planning and provided directional-level guidance to the executive team on areas of strategic focus for five-year planning. The board thanked fellow member Reggie Henry for his helpful summary of the four foundations of digital transformation: understanding the member “moment of need,” providing mobile access, leveraging data analytics and assuring interoperability of systems and applications.

**Adjournment**

The business meeting adjourned at 3:00 p.m. (ET).

**Executive Session**

The executive session adjourned at 3:45 p.m. (ET).