

Approved

National Intramural-Recreational Sports Association Foundation Board Midyear Meeting September 19 – 20, 2005

MISSION STATEMENT: The NIRSA Foundation is a not-for-profit organization committed to education, research and scholarship in the field of recreational sports. The NIRSA Foundation supports the mission of the National Intramural-Recreational Sports Association.

I. Call to Order

Smith called the meeting to order at 9:00 A.M. ET.

II. Roll Call

Chair (2003-2006)	Suzi Smith
Vice Chair (2004-2007)	Loretta Capra
Member (2003-2006)	Kurt Klier
Member (2004-2007)	Jim Nasiopulos
Member (2005-2008)	Beau Rugg
Member (2005-2008)	Dave Koch
Member at Large (2005-2006)	Greg Jordan
Corporate Member (2005-2006)	Mark Fletcher
Member/Secretary & Treasurer	Kent Blumenthal

Guests

Mark Jacobson
Pamela Hutcheson

A quorum was present to conduct business.

MOTION: Koch/Klier. Motion and Second to move into Executive Session for the purpose of teleconference call with a potential corporate partner and a report from Blumenthal on an additional corporate partner opportunity, 9:01 A.M. ET. The motion passed unanimously.

III. Potential Corporate Partner Conference Call

Joined by phone guest; 9:26 – 10:01 A.M. ET.

MOTION: Fletcher/Capra. Motion and Second to move out of Executive Session, 10:38 A.M. ET. The motion passed unanimously.

IV. Approval of Minutes

MOTION: Koch/Capra. Motion and Second to approve Minutes of August 24, 2005 Teleconference meeting as corrected. Motion passed unanimously.

V. Overview of NIRSA Foundation Financial Administration

(PowerPoint Exhibit)

- A. Annual Operating Budget (OB)
- B. Available Foundation Fund (AFF)
- C. Permanent Foundation Funds (PFF)

Blumenthal and Jacobson presented a PowerPoint presentation model demonstrating the current Foundation Financial Administration. The constraints and the opportunities of this model were discussed and it was noted this could be modified to more accurately reflect current Foundation operations. Restrictions that the IRS imposes on private foundations as it pertains to restricted and unrestricted funds were also discussed.

For 2006 the committed expenses are projected to be higher than projected income, however new sources of corporate contributions were not included in the budget projections. The investment advisor fees and the fundraising expenses have increased, and investment income is about the same. Discussion continued on what role our restricted funds play in depressing the growth of the unrestricted funds. Other factors included the interruption of the Corporate Partner program, the non-payment of corporate pledges, low market returns on investments, all factored into the inability to reach the projected one million dollar goal in 2005.

The board, as it now knows, has options to balance the budget in operating funds. The Board should define the needs with some specificity concerning the million dollar endowment question. Should all funds be included or not include what is now specified as restricted? Budget information with additional information was revisited on Tuesday, September 20, 8:50 A.M. ET.

VI. 2005-2006 Foundation Budget

- A. FY 2005 Y-T-D

Jacobson provided an explanation with exhibit along with additional detail on travel information.

B. FY 2006 Proposed

Jacobson provided explanation with exhibit and information on projection of a small deficit. There was further discussion about changes in the funding model. Jacobson was asked to provide a rework at the Tuesday meeting, combining the Operating Fund, the Permanent Endowment Fund and Available Funds to be Unrestricted and Restricted Funds only. For due diligence this proposal will be reviewed through the Bylaws and the Operating Code. Jacobson reported on the projected adjusted budget figures of combined Restricted and Unrestricted Funds. Three funds were combined into one Unrestricted Fund budget with a projected fund balance, including revenue items (new exhibit) and expense items to total a projected income of \$2,221 and as of 12/31/06 a projected ending balance of \$677,164 in unrestricted funds.

For budget approval refer to section XIX.

The meeting recessed at 12:37 P.M. ET to reconvene at 1:45 P.M. ET.

The meeting reconvened at 2:17 P.M. ET.

C. NIRSA Dues – Professional Increase

D. Student Membership and Dues Update

Smith reviewed subjects of earlier conversations in relationship and recommendation to the NIRSA Board. Klier proposed a retraction of an earlier proposal including discussion of member representation by student on the Foundation Board. There was a full consensus to retract proposal including membership increases for both professional and student. Jordan commented there had been good conversation with students due to the proposal and further recommended reconsideration in 2007.

VII. Smith/Barney Investment Portfolio Update

Jacobson reported on and referred to most recent statement sent to board members via and email attachment.

He referred to the front page summary and asked for questions. Jacobson will only provide year end statements to the board with monthly statements available on request.

VIII. *RSJ* Update

A. Update from Paul Milton, *RSJ* Editor

Smith shared Milton's midyear report including the publication date changes.

B. Proposed Timeline for 2005-2006

Capra reported on what information was recommended to be either added or corrected in the Foundation Guidelines & Operations Manual. These corrections and/or additions are primarily in the Appendix; i.e. correct reflection of name *Recreational Sports Journal* Editorial Advisory Board, replace what is on E-9 as per exhibit provided by Capra, clarification of inclusion of specific items in Appendix, annual update of *Journal* Award winners, the 2005-2006 Board roster, and removal of Guidelines for Authors. Capra will update materials and provide to Hutcheson.

ACTION ITEM: Blumenthal emailed questions to Milton whether nine or twelve (including Editor) board members are recommended, whether \$250 cash award will be included with plaque award, clarification of increasing number of pages in journal. Blumenthal will report back as soon as possible.

(See XIX. Other Old Business for response.)

Also, Blumenthal stated that HK has proposed up to a 120 page document, with pricing to match in corresponding increments. The Advisory Board and Editor will also have the opportunity to make discretionary additional articles per issue. These negotiations will also include increased circulation and have web-based review process and publication accessibility.

C. *RSJ* Board Bylaws or Charges

The *RSJ* Editorial Board does not have any Bylaws; the charges are to produce the *RSJ* twice yearly.

D. Article Award proposal by Milton

Milton proposed in his report that an article award of \$250 be awarded to the recipient of the *RSJ* award.

E. Foundation Ads – Now and Future

Blumenthal reported the Foundation Board should have an ad in the *RSJ* and this is of primary and high historical significance since the move from magazine format to the straight journal. The ad idea is actually a couple of years old. This will afford the Foundation additional collaboration and leverage with HK.

It was advised to include one ad for the Foundation and one for the Ohio State Research. Additional leverage could be used for future ads for corporate partners.

IX. New Board Member Selection

- A. Recruitment & Nominees
- B. New Member of the Board

Smith gave an update on the number of board members needed by years end. There will be two, three-year positions, plus the one-year Corporate member (or business representative) position available for nomination. Blumenthal will make the Corporate Member recommendation which will then be up for approval by the board. Hutcheson will provide an interest list made available through the committee application process, by the end of February. The Foundation Nominating Committee members include: Smith, Capra, Jordan and Blumenthal. Recommendations can also be made directly to the committee.

X. 2006 Scholarship Review

- A. Process/Criteria/Timeline
- B. Deadlines

ACTION ITEM: The 25 point rating process will remain in place. Scholarships will include: eleven scholarships plus one deferred for 2006, plus two SoCal for Region VI. Two national scholarship will be designated as Wasson (top GPAs) with one scholarship (with the high point rating) will be designated as the Gartenberg Scholarship.

Smith asked for continued review of other scholarships including those given at the state, regional level as well as, USTA, etc. Koch asked for a more comprehensive explanation stating for what and where they are to be used, including dollar amounts. Jordan stated this is in the works.

The Board is interested in criteria and deadlines for national conference scholarships from states, regions, or other bodies, as well as what the funds may be used for (registration, travel, other expenses, etc.).

The Board agreed to expedite national conference scholarship decisions in order to hopefully be the first to announce such awards. Hutcheson will research development of a new electronic application and rating process available to students and board members.

MOTION: Blumenthal/Capra. Motion and Second to move date of Holsberry Scholarship application to correspond to May 1 through April 28 for professional schools available. This will be reviewed annually. Motion passed unanimously.

ACTION ITEM: The Holsberry Scholarship application should reflect information should be in coordination with other Foundation scholarships. The application deadline for 2006 with deadline for 2006 will be January 13th. The application will be an on-line process.

ACTION ITEM: the board agreed that the deadline for all Foundations scholarships, including the Holsberry Scholarships would be Friday, January 13, 2006.

C. Proposed Endowed Scholarships

MOTION: Blumenthal/Klier. Motion and second for all NIRSA Foundation Scholarship application programs to be conducted through the internet starting in award year 2005-2006. Motion passed unanimously.

ACTION ITEM: A proposal was made to include verification of GPAs of scholarship application finalists to include an electronic waiver, director's electronic signature, a provided email contact for verification with a note that a transcript may be requested. These may be provided with two secured online inks to be made available for this restricted purpose.

Scholarship applications are to be received by midnight, Friday, January 13, 2006. Applications will be posted to a secured site for Directors to access and review. Applications will be entered on the site as they are received by Hutcheson. Applications received on the final day after the close of business will be posted on Tuesday morning, January 17, 2006 (MLK day is on Monday). Directors are to complete their scholarship ratings by close of business on Monday, January 23, 2006. The Scholarship Review Committee will meet by teleconference at 8:00 A.M. PT, Wednesday, January 25, 2006 to discuss, review and finalize scholarship selection. The deadline to notify winners will be Friday, January 27, 2006 and non-winners by February 3, 2006. This notification will include contact by email, telephone and a follow-up letter to be sent after any necessary GPA or supervisor verification.

Evening recess: 6:27 P.M. ET to reconvene at 8:30 A.M. ET, Tuesday, September 20, 2006.

Meeting reconvened at 8:32 A.M. ET, Tuesday, September 20, 2006.

10:52 A.M. ET reconvened after break on Tuesday.

D. Proposed Endowed Scholarships

1. Past President's Endowment

Jordan reported on the Past President's Endowment proposal. Discussion followed on whether this would have any effect on their giving to the Foundation. Further clarification for the proposal was discussed. It was suggested by some of the past presidents that the funds may also be used as non-endowed unrestricted funds with broadly defined restrictions available for use at the discretion of the Foundation Board.

Blumenthal suggested for board to reconsider with advance notification and approval to suspend or put a moratorium on adopting any new restrictive funding proposals until the Foundation has reached their one million dollar endowment (defined as total of restricted and unrestricted funds) goal.

Discussion followed of limiting monies going into restrictive funds versus energies needed to build unrestricted funds and justifications of realizing the original Foundation goal of one million dollars.

2. Founder's Scholarship

A proposal was submitted by Stan Shingles on behalf of individuals who would like to develop the NIRSA Founder's Scholarship. The Board discussed the proposal and Smith will speak with Shingles concerning the proposal and items for clarification.

E. Naming of Current Scholarships

Discussion continued on the goal to work on getting our current scholarships named.

F. Consideration of Proposal to cap NIRSA Student Scholarships Not to Exceed Foundation Scholarship Amounts

Discussion began concerning the effects that increased endowed scholarships might have on the financial considerations of the Foundation. During those discussions the following notes were discussed.

- Define "Endowment" (as unrestricted & restricted) Yes
- Allow new restricted funds (?) Yes; available, but not encouraged
- Cap (suspend) existing funds during new campaign (Not favored by the group.)
- Founder's Goal \$1,000,000 by 2009 (?)
- Raise "threshold" for new restricted funds (?)
- Plan for 2005-2006 fundraising (Rugg and Blumenthal scheduled a conference call to begin formulating a plan, Oct. 7, 2005)

MOTION: Klier/Capra. Motion and Second to increase proposed restricted Endowment funds necessary for new endowments from \$10,000 to \$15,000 minimum with three year account accumulation time; effective May 1, 2006. Excluding current Legacy Society pledges. Motion was approved 5 – 4.

XI. Corporate Partners Update

MOTION: Rugg/Koch. Motion and Second to move into Executive session Tuesday, September 20, 2005 at 4:02 P.M. ET.

MOTION: Rugg/Koch. Motion and Second to move out of Executive session at 4:14 P.M. ET.

XII. NIRSA KNOW articles

A. Monthly article ideas

Smith provided some ideas for Foundation articles for the NIRSA KNOW.

- It was suggested for November some research be done about past scholarship winners such as Cat Cramp or Darrel Wilson and their accomplishments since receiving their NIRSA scholarship and to also provide information about the new online process for scholarship application.
- For the December issue there could be information provided about the new online process for scholarship application and information about the Legacy Society.
- In January an article outlining the reinvigorated annual conference million dollar giving campaign with a kickoff and different ways to give prior to March.
- February should outline all Foundation annual conference activities and schedules including the T-shirt & Apparel

Competition, Auction & Sale, corporate partners program and the re-invigorated million dollar campaign.

- Additional information about the quilt auction should be included in March.

ACTION ITEM: eFAST with Memorial list article

XIII. Legacy Society

A. Update paperwork/process

Klier gave a short recap of the Legacy Society numbers and Smith stated she will be working with Hutcheson to provide and updated letter of interest.

XIV. 2006 Giving Campaign

A. Be A Star Giving Campaign – Year Two

XV. 2006 Giving Brochure

Smith opened the discussion questioning the need to reprint the brochure for 2006. After some consideration Blumenthal suggested there seemed to be enough changes and need for corrections to warrant the cost of printing. Hutcheson, Jacobson and Capra will work together to provide a camera ready copy by October 15 that can be shared with the board for review. The current brochures on hand should be used for regional conferences. It was agreed Hutcheson would report new price quote from Shelton-Turnbull at the next teleconference meeting.

XVI. 2006 Annual Conference Events

- A. Annual Conference Contributors
- B. Golf Tournament/Auction

Koch reported he has visited the course and reported on the course and the details of the tournament that are now known. More specifics will be provided by Koch.

C. VIP Reception

Smith and Capra reported using the exhibit and statistical information that last year's event cost almost \$4,000. In planning for 2006, the Louisville Marriott Downtown has advised that Jordan's suite will only accommodate 40 people at a time. Jordan offered to open the entire suite including the adjoining accommodations. Suggested points to

consider were: reconsideration of the top donors be moved to the Gold Level and above. In doing so, this would include approximately 69 invitations. Inviting Silver Level and above could add an additional 40+ guests.

MOTION: Koch/Klier. Motion and second to change the VIP Donor Social invitations to include Gold Level and above. Motion passed with Fletcher abstaining due to absence.

It was agreed to send the Save the Date notices out no later than January 13, with the invitation to be sent no later than February 27, 2006. The invitations will be sent by Smith from The University of Texas Southwestern Medical Center at Dallas, with the time of the social noted as 9:15 P.M. – 11:00 P.M.

ACTION ITEM: Smith will need a copy of the hotel policy concerning alcohol brought in and menus for hors d'oeuvres.

D. The Scholarship Breakfast will be scheduled for Wednesday, April 5, 2006; to run approximately 45 minutes.

Hutcheson will make arrangements with the hotel for meeting space, food and correct tables and seating.

E. T-shirt Competition/Sale/Auction

Smith reported the T-shirt Committee Chair has been contacted and is already beginning to make plans with committee members.

F. Quilt Auction

Blumenthal and Jacobson suggested if we can piggy back with a Kentucky school that already possesses a raffle license we might be able to offer a raffle. Jacobson reported he will continue to investigate whether we could do a raffle on line (even after conference. Information will be due by November 15, with a decision in time for the December conference call.

- 2006 Quilter update – Smith showed photos of Roy's quilt progress so far...phenomenal!
- Possibly auction at theme night.
- Auctioneer – Dale Ramsey, Dave DeAngelo, any others?
- Quilter for 2007 – Not slated at this time.

G. Schedule at conference

Smith reviewed the Foundation schedule:

Tuesday, April 4	VIP Social; 9:00 P.M. – 11:00 P.M. Be a Star Campaign (Year Two Kickoff)
Wednesday, April 5	Corporate Partner Recognition Scholarship Breakfast; 7:30 A.M.
Thursday, April 6	All Members Meeting; 8:00 A.M. Board Meeting; 8:30 A.M. – 10:00 A.M.
Saturday, April 8	New Board; 9:00 A.M. – 11:00 A.M.

Jordan asked Hutcheson to verify room availabilities etc. with Bach. It was noted there will be only one general session this year.

H. Web auction opportunities – www.cmarket.com

XVII. National Collegiate Golf Championships

Koch gave an update on the National Collegiate Golf Championships.

XVIII. T-shirts for Troops Campaign

Blumenthal reported due to the severity and aftermath of Hurricane Katrina the T-shirts for Troops Campaign will now be administered through Jarrett Yehlen at the University of Minnesota.

XIX. Other Old Business

Concerning the raising of the administrative fee on restricted funds, Rugg proposed a 10% of each year's donations be moved into the appropriate fund for administrative use. Currently this applies only to investment earnings.

Note: Jacobson presented the 2006 budget in the model that was proposed on the previous day.

MOTION: Blumenthal/Nasiopulos. Motion and second to apply a 10% administrative fee on restricted fund accounts to apply solely to new contributions received; effective Jan. 1, 2006. The Motion passed unanimously.

Paul Milton joined the meeting at this time by teleconference:
In answer to earlier questions emailed by Blumenthal and posed by Smith:

1. Delete word "Advisory" – Agreed.
2. Thirteen total with Editor (twelve on board).
3. Annual *RSJ* award - \$250-300, yes, would come as gift.

Motivation is to have something similar to NRPA and would add prestige to award.

4. What if there is more than one author? The lead author would receive the award and then split it between themselves and other authors. All would receive plaques.

MOTION: Blumenthal/Rugg. Motion and second to have a total of (13) Editorial Board members. Motion passed unanimously.

MOTION: Fletcher /Klier. Motion and second to amend budget to include \$250 for a *RSJ* award. Motion passed unanimously.

ACTION ITEM: Hutcheson will research current administrative fees with sister associations and report to Blumenthal.

MOTION: Fletcher/Klier. Motion and Second for the board to approve the new budget presentation model to reflect consolidation of Restricted and Unrestricted Funds effective January 1, 2006. The motion passed unanimously.

MOTION: Blumenthal/Koch. Motion and Second to approve the 2006 budget. The motion passed unanimously.

MOTION: Rugg/Koch. Motion and Second to approve 2006 budget with amendments (without \$10,000 corporate donor gift) (New exhibit from Jacobson). The motion passed unanimously.

XX. New Business

A. NIRSA Hurricane Katrina Response

- Jordan reported on calls and teleconference conversation. Smith and Deluca were also present on teleconference call. It was noted there was a lot of discussion but money is the greatest need.

It was also recognized how long rebuilding will take. Some suggestions included:

- A tie-in to the Recreational Sports Day
- Work teams needed later
- Welcome suggestions and discussions
- Sharing of staff for relief
- Flag football to West Florida
- Gartenberg talked about Dillard
- Blumenthal shared 9-11 correlation
- Foundation ideas or preference to NIRSA board

- Smith voiced magnitude of number of schools effected
- Waive institutional membership dues of affected schools; student dues & professional dues
- Koch suggested to wait and see what our members need; proceeds of golf tournament for example
- Blumenthal what is our target society to help; general public, NIRSA members, NIRSA schools, academia of affected schools...

MOTION: Blumenthal/Koch. Motion and second to support the NIRSA Board of Directors in a uniquely NIRSA plan to assist those NIRSA members and institutions effected by Hurricane Katrina. Motion passed unanimously.

B. Other

Plan for 2005-2006 fundraising

See notes from item X.: Rugg/Blumenthal scheduled conference call.

XXI. Future Teleconference Schedule

Proposed dates:

Wednesday, October 12

Monday, November 28

Tentative: Wednesday, December 14

Wednesday, January 18

Wednesday, January 25 - Scholarship Committee

Wednesday, February 15

Wednesday, March 1

Wednesday, March 22

XXII. Adjournment

MOTION: Klier/Rugg. Motion and second to adjourn meeting. Motion passed unanimously.

Smith adjourned meeting at 4:16 P.M. ET.