

# **UNC NROTC Alumni Association**

## **Board of Directors meeting, August 27, 2016**

The Board of Directors of the UNC NROTC Alumni Association met in person and via telephone conference call on Saturday, August 27, 2016, by telephone conference call.

### Members present:

Eric Schneider '86, President  
Steve Fish '85, Secretary  
Will Stubbs '85, Treasurer  
Pat Connelly '85  
Debra Davis '83  
Gerry Good '64  
David Jackson '87  
Tim Nichols – Staff Alumnus  
Steve Matts – Staff Alumnus  
Pat Riordan '87

### Members not present:

Hon. S. Jay Plager '52  
Rob Giodfriddo '86  
Steve Levesque '89  
Christin Hayes '09

### Additional persons on the call for a portion of the meeting:

Bill Latham, '85 – Legal Counsel to the Board

Ten of fourteen directors were present by telephone, a quorum (5 required) was established and maintained throughout the meeting. A simple majority is 7, the number needed to amend the bylaws is 8 (a simple majority of all duly elected and sworn) given five days notice.

The meeting was called to order at 1100.

## **Constant Contact Account / Legal Issue**

The Board's Council was present on the phone call and there was discussion around the on-going nature of this matter. Council has contacted the party and he responded by voice mail. He maintains that the Constant Contact account is his property and there is no information held within that belongs to the Board. We disagree with that, considering all meeting minutes and financial records were sent from that email account and those are official records. He has since used the records he obtained via this account to send personal and inflammatory correspondence to the membership.

Additionally, he made two requests of the Board which are not directly related to the Constant Contact account. One, to directly send him full financial reports every month. The Board does not feel this is necessary as full financials are provided to the entire membership several times per year.

Secondly, he wanted to know why only David Dawson and Pat Connor were recognized with memorial awards. First, this is not really the case. There are several awards associated with the NROTC Unit itself honoring previous and fallen shipmates. Additionally, with respect to those two alumni, their families and close friends "stood up" those awards shortly after their deaths by providing the initial designated funding. That initial funding was the seed money which grew to fund the award itself and was segregated from the general account. (Later, these funds were re-incorporated into the general fund. Since January 2016, the Board has again segregated all award and scholarship funds into separate accounts and away from the general operating budget.)

It was noted that the University itself has an official Veterans Memorial created by the General Alumni Association and was dedicated on campus in 2007. You can read more about it by going to <https://alumni.unc.edu/news/war-memorial-complete-list/>.

Lastly, the Board has now named and begun funding for a Scholarship in the name of A.M Koster, former Professor of Naval Science at the Unit. The Board is certainly open to any and all nominations for future memorial scholarships or awards dependent on funding and organization.

## **COMMITTEE REPORTS**

The established committees emailed summary reports to the Board and each committee chair reported to the Board and reviewed their activities as follows.

### **Awards Committee**

A review of the Distinguished Alumni Award and Distinguished Service Award was conducted and solicitations were made to the entire membership via the Newsletter for this year's recipients. It is our desire to present these awards at the Fall Meeting in October. A recipient of the Distinguished Service Award has been chosen. Solicitations are still being made for a Distinguished Alumnus Award. It is not necessary to award this every single year and it may be that we do not have enough fully qualified nominees to award it this year.

### **Governance and By-Laws Committee**

An extensive review of the entire organization's By-Law's is underway and proposed amendments are being considered. If the proposed changes are ready for presentation prior to the Annual Meeting, they will be forwarded separately for review.

## **Events Committee**

Much of the meeting discussion was around the upcoming Annual Meeting event. The Committee Chairman contacted the Unit contact regarding this and he was under the impression the meeting would be held on a different weekend. Everyone is on the same page now and we are all working together on a plan to communicate the event to the membership.

The primary events will be a "no host" social Friday night (October 7<sup>th</sup>) at the sponsored hotel, the Doubletree Suites near RDU airport. A block of rooms has been reserved here and notices have been sent to the membership via the new Constant Contact account.

On Saturday, October 8<sup>th</sup> there will also be the Annual Meeting of the Association, followed closely by a BBQ / Pig Pickin' hosted by the midshipmen. The exact time of this is yet to be determined due to planning around the actual game time.

There was also discussion regarding physical security measures that may be taken at the Annual Meeting and BBQ. The Chairman will contact the unit to discuss and the President will contact Campus Security to discuss their involvement.

## **Communications Committee**

This was the other topic of significant discussion. Since opening the new Constant Contact account in April and working with the General Alumni Association to completely re-create our Alumni Database, several communications have gone out to the membership. We have received very positive feedback from these, but one disturbing factor is the low percentage of these communications that are actually being opened as emails.

Director Gerry Good, '64, outlined the pertinent data and led the discussion with the following information.

### **Background**

For several years our organization has more or less been dormant. While previous leadership did some fundamental things, there was no drive for membership. In addition, communications were scant and of poor quality. Basically, the Association has withered to the point many people are no longer interested. Let me show you how I got to this conclusion:

- We have the names of about 1500 people who have been commissioned through the program (from GAA records)
- Of the 1500, only about 1000 have email addresses associated with them (we can work on that)
- We mailed about 1000 "invitations" to read the first newsletter we have published
- Of the 1000 about 500 were "opened" – that means the person opened the email and looked at the content

- Of the 500 that were opened about 250 “clicked through” – that means they clicked on the link and opened the newsletter
- About 5 people “unsubscribed” – they no longer want emails from us
- About 10 people joined the organization – that is about 1% of the people emailed, 2% of those who opened and 4% of those who clicked through (pick the number you like)
- In addition, we picked up about \$3000 in donations
- We have not received many nominations for awards

And we have not had much success with the classes of 2014 – 16 who we reached out to. Only about half opened our email.

So, we have a somewhat difficult situation to deal with. Our older grads are beginning to “die off”, our middle time frame grads do not seem too interested and the same is true of the recent grads.

I am not trying to sound dismal. I just want us to all operate from the same base point.

### **Thoughts for Action**

There are three recommendations that I would like to make:

1. Define our purpose and “value proposition” so we can “sell” it to potential members. People will not join because we are fixing the finances and by-laws. That is what we should do but it is not a value proposition. A value proposition does more than recite pieces from the by-laws. It is a convincing message about our organization and what we are doing that will cause people to join. At this point, I cannot see what our value proposition is. We need to create one. Every strong organization has one.
2. Show people we are different. For example, make the October “reunion” more than just a barbecue. Make our communications lively, interesting and tied to the value proposition. For example, if we are to assist the current midshipmen, let’s get their bios and write about some of them in each newsletter. The front page of the newsletter needs to be lively and engaging. Make the website look different – up to date and different. Make graduation a celebration and get more people involved. Build links to the current grads and the recent grads with strong personal communications.
3. Get personally involved in getting grads returning to the Association. Let’s get a coordinator for every class from 1960 on (arbitrary year). Get the coordinators (we should all be one ourselves for our class) calling and emailing people about the value proposition and ask them to join. We should have a membership committee to spearhead this drive. Keep score every two weeks for a while to focus on results.

These three steps should take us a long way to becoming a viable organization again. If you disagree with these steps, that is fine. But what will we do to rebuild? Membership is the only metric that counts. No membership, no money.

We all agreed the reach and response so far is disappointing and began to discuss several things we could do to make this better. Further, it is very disappointing that

the Association used to make very high marks in all these points above, but recently has not – resulting in a strong and earnest effort to get back to the basics of reaching out to the membership.

First, each Board member will be provided a list of our members that is within driving distance of Chapel Hill and we will all call to personally invite as many of those as we possibly can. We want ALL members to come to the reunion, but given that time slipping away, the most likely attendees will be close enough to drive.

Second, the website must be updated significantly and IMMEDIATELY. Our current and long-time vendor is has a list of improvements to make for over a month and not much has been done. Director Good will contact them right away and push this as hard as possible.

Director Pat Connelly (Chair of Events Committee) will send Gerry Good a “memo” to be sent to the membership as much and as often as possible outlining the events of the Annual Meeting Weekend. It will also be published on the new website as soon as possible.

We are all dedicated to pushing this year’s event as hard as possible and we hope to get as many to attend as we can reach.

### **Financial Oversight Committee**

Since the previous meeting, the Committee has been working with the Treasurer to segregate funds for Awards and Scholarships away from the monies for the General Operating Expenses of the organization.

### **Treasurer’s Report**

The Treasurer prepared and presented net worth and income statements for 2016 YTD, as well as the revised budget proposal based on current income and investment returns.

Additionally, the Treasurer reported:

1. Scholarship contributions from Walt Fitts (\$250) and Chris Koster Sawyer (\$2,000) are in the bank, but not yet in the USAA Scholarship account; that transaction will take place on Monday, August 8th 2016.
2. 1,000 withheld from Life Dues Endowment in bank accounts to accommodate cashflow requirements until more dues income is generated.
3. Scholarship fund not yet diversified according to the plan because each fund requires a \$3,000 initial deposit. With transfer on 8 August, a second fund will be purchased. Other funds will be purchased as scholarship income permits.

4. Dawson Fund diversification not complete, awaiting \$3,000 threshold to open 4th mutual fund.

Summary of budget goals:

Annual members: 100; YTD: 22 (22%)

Life membership conversions: 20; YTD: 3 (15%)

Scholarship fund drive: \$23,000; YTD: 6,009.34 (26%).

The newsletter has helped, but not enough yet. We need a bright shiny new website and info bulletins monthly until the Annual Meeting in Oct (recommend one within the next week, one in early September, and one October 1st, a week before Annual Meeting).

## Financial Statements

8/3/2016	Net Worth 7/31/2016 - As of 7/31/2016 (Includes unrealized gains)			Page 1
Account	6/30/2016 Balance	7/31/2016 Balance		
<b>ASSETS</b>				
<b>Cash and Bank Accounts</b>				
PayPal Account	0.00	0.00		
Wells Fargo Bus Mkt Rate Savings	1,500.09	1,300.04		
Wells Fargo Simple Business Checking	6,763.39	513.83		
<b>TOTAL Cash and Bank Accounts</b>	<b>8,263.48</b>	<b>1,813.87</b>		
<b>Investments</b>				
Connor Memorial Fund	15,153.12	16,453.75		
Dawson Memorial Fund	11,211.39	13,646.90		
Life Dues Endowment	30,000.01	37,361.09		
Scholarship Endowment	3,000.00	3,732.23		
USAA Parent Account	3,305.58	0.00		
<b>TOTAL Investments</b>	<b>62,670.10</b>	<b>71,193.96</b>		
<b>TOTAL ASSETS</b>	<b>70,933.58</b>	<b>73,007.83</b>		
<b>LIABILITIES</b>				
	<b>0.00</b>	<b>0.00</b>		
<b>OVERALL TOTAL</b>	<b>70,933.58</b>	<b>73,007.83</b>		

**Income Statement 2016 YTD as of 7/31/2016**

1/1/2016 through 7/31/2016

8/3/2016

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Category	1/1/2016- 7/31/2016
<b>INCOME</b>	
Restricted Income	
Gift received-Connor Award Fund	1,659.42
Gift Received-MIDN Scholarship	3,755.00
Interest Inc	0.35
Life Dues Payment	825.00
TOTAL Restricted Income	6,239.77
Unrestricted Income	
Annual Dues	
2015	20.00
2016	400.00
TOTAL Annual Dues	420.00
General Fund	280.00
TOTAL Unrestricted Income	700.00
_DivInc	639.44
<b>TOTAL INCOME</b>	<b>7,579.21</b>
<b>EXPENSES</b>	
Uncategorized	0.00
Awards	
Patrick K. Connor Memorial Award	609.42
TOTAL Awards	609.42
Bank Charge	122.41
Midshipmen Support	187.50
Miscellaneous, Bus	546.00
Misc	30.00
TOTAL Miscellaneous, Bus	576.00
Supplies, Bus	32.84
Website	1,455.04
<b>TOTAL EXPENSES</b>	<b>2,983.21</b>
<b>TRANSFERS</b>	
FROM PayPal Account	4,861.21
FROM Wells Fargo Bus Mkt Rate Savings	2,547.31
FROM Wells Fargo Simple Business Checking	11,805.31
FROM USAA Parent Account	62,670.81
TO Wells Fargo Bus Mkt Rate Savings	-3,000.00
TO Wells Fargo Simple Business Checking	-10,714.81
TO Connor Memorial Fund	-16,263.59
TO Dawson Memorial Fund	-11,293.05
TO Life Dues Endowment	-36,888.19
TO Scholarship Endowment	-3,725.00
<b>TOTAL TRANSFERS</b>	<b>0.00</b>
<b>OVERALL TOTAL</b>	<b>4,596.00</b>

## **Scholarship Committee**

The Scholarship Committee is scheduled to meet with the unit staff on September 2<sup>nd</sup> for a full discussion of this topic.

## **Business from previous meeting**

Since the previous meeting, the Connor Family, the Dawson Family and the Koster Family have all be contacted and offered Honorary Membership. All have accepted and are very humble and appreciative of the invitation.

In particular, Mrs. Koster and Captain Koster's daughter Cris, have been in contact with the Treasurer regarding funding of the scholarship in his name and plan to be in attendance at the Annual Meeting to announce this.

## **Next Scheduled Board of Directors Meeting**

The Board agreed to meet again by phone as necessary prior to the Annual Meeting in order to conduct business pertinent to the outcome of that Meeting.