

UNC NROTC ALUMNI ASSOCIATION
NAVAL ARMORY
221 SOUTH COLUMBIA STREET
CHAPEL HILL, NC 27514
www.uncnrotcaa.org

Subj: BOARD OF DIRECTOR MEETING MINUTES of 3 March 2018

1. In accordance with Article III, Section 5 of the Association Bylaws and pursuant to a resolution of the Board of Directors in a regular meeting on 7 October 2017, the Board of Directors met in Chapel Hill, NC on 3 March 2018, assembling at 12:30 pm.
2. The meeting was called to order at 12:30pm and the following directors were present
In person:
 - Eric S. Schneider, President
 - Willard B. Stubbs, Secretary
 - James C. Collins, Treasurer
 - Terry C. Cline
 - Patrick P. Connelly
 - Steven P. Fish
 - Robert J. Gionfriddo
 - William H. Latham
 - Steven Levesque
 - S. Jay Plager
 - Brian T. Smith
 - Marc Stern, *ex officio*By telephone:
 - Ann C. Phillips
 - Robert P. Riordan13 of 14 duly elected directors being present or participating by telephone, pursuant to Article III, Section 8 of the Bylaws, a quorum was established for the transaction of business.
3. The President made brief remarks and cited the dramatic improvement of the condition of the organization since the march on Chapel Hill in November of 2015 and the election of the 2016-2017 slate of directors.
4. The President invited Captain Marc Stern, USN, Commanding Officer of NROTC Unit North Carolina Piedmont Region, Professor of Naval Science and *ex officio* member of the Board to deliver remarks.
 - Captain Stern cited the Alumni Association as distinct strength of the program in comparison to the N. C. State and Duke University programs.
 - Captain Stern reported that the Naval Armory is once again being considered for demolition and the property repurposed by the University and the possibility that construction could start as soon as two years from now which could mean departure of the NROTC unit as soon as one year from now. He was not asking for assistance but wanted the Association to be aware of the situation and share with us his priority that the Midshipmen have appropriate facilities in which to study and train. It was pointed out that the Naval Armory building has no historical designation by either the state or federal government.
 - Captain Stern gave an update on experiential learning funds and his need to obligate those funds by June of 2018. [Note: Dawson

Library upgrades may be eligible for these funds; the matter referred to the Dawson Library Committee].

- Captain Stern briefed the board on the current summer cruise program to include a new crucible / capstone event as a trial program this year. Up to 3 Midshipmen from UNC will have the opportunity to experience this trial as 2/c Midshipmen this summer.
 - Captain Stern departed the meeting after his remarks.
5. Consideration of Bylaws Amendment. The Governance & Bylaws committee reviewed and unanimously recommended passage of an amendment to Article V of the Bylaws, which expands and clarifies the process of the appointment of committees and the approval of those appointments by the board. The amendment was circulated to the Board 24 Feb 2018, seven days in advance of the scheduled Board meeting in compliance with Article VII, section four of the Bylaws. The text of the re-written article V is published below.

ARTICLE V Committees

Section 1. Committee Appointments, Terms, and Procedures. Except as specifically provided otherwise, the members and chair of committees, including any special committees as may be established from time to time, shall be appointed by the President, subject to review and ratification at the next regular meeting of the Board of Directors. The membership of committees listed below shall be appointed at the beginning of each two-year term of the Board of Directors, and when otherwise necessary because of vacancies. Unless otherwise terminated by resignation or death, or by action of the President subject to approval of the Board, all committee appointments will remain in effect through the remainder of the two year term of the then-current Board of Directors. Except as specified below, service on committees is open to any regular member of the Association. The number of committee members specified may be enlarged at any time by the President with the approval of the Board.

Section 2. Executive Committee. The President, Secretary and Treasurer together constitute the Executive Committee. The President may also appoint any past president or committee chair, currently serving, to serve on the Executive Committee. The Executive Committee shall meet or confer as necessary between meetings of the Board of Directors to execute the business of the Association. Official actions of the Executive Committee shall be reported to the Board at the next regular meeting and shall be subject to Board ratification..

Section 3. Budget & Financial Oversight Committee (Formerly known as the Investment Committee.) The committee shall include 3 Directors , and the Treasurer who serves as a non-voting *ex officio* member. The committee shall propose a budget each year to be considered at the first meeting of the Board; in addition, the committee shall exercise oversight of the Office of the Treasurer, and develop strategy and policy for the investment of long-term funds.

Section 4. Governance and Bylaws Committee. This committee shall include 5 Directors and the President who serves as a non-voting *ex-officio* member. The committee shall examine the functioning of the corporation and its governing Bylaws, records, documents, policies and business rules and seek ways to improve effective operation of the corporation, while complying with laws, regulations and good business practices. The Committee shall consider changes to the Bylaws, and recommend to the Board those of which it approves.

Section 5. Awards Committee. This committee shall include 5 members , at least three of whom are Directors. The committee shall execute the awards program, including 1) manage the Connor Award process to include acquisition, engraving and presentation logistics; 2) manage the Distinguished Alumnus Award (recognizing service or achievement of a member in the course of his or her career in the service or in the civilian sector), including identification, vetting, recommendation of recipient to the Board, and acquisition and presentation of the award logistics; 3) manage the Distinguished Service Award (recognizing service of a member in furtherance of the Association), including identification, vetting, recommendation of recipient to board, acquisition and presentation of the award logistics. The committee shall develop and submit an annual budget to support the awards program.

Section 6. Scholarship Committee. The committee shall include 3 Directors . Its purpose is to execute the scholarship program, including proposing criteria for the conferring of scholarships, vetting of candidates, interaction with NROTC Unit staff, proposal of recipients, and assisting the board with developing strategies for raising funds for the award of scholarships. The committee shall provide a member to serve on the NROTC Unit's panel which decides the proposed recipients of the scholarship. The Board of Directors maintains final authority on the conferring of scholarships, based on the recommendations of the NROTC Unit and the Scholarship Committee.

Section 7. Membership Communications Committee. The committee shall include 3 Directors and the Secretary who serves as a non-voting *ex officio* member. Its purpose is to maintain the website, appropriate databases, social media sites, and other forms of public communication. The committee shall execute the President's and Board's communication strategy by composing informative bulletin (electronic newsletters, announcements, bulletins, solicitations of non-members for membership, solicitation of past and present members for renewal, and solicitation for the raising of funds for designated

projects of the association, such as scholarships, awards, special events, Dawson Library, etc. The committee is responsible for the data content and security of the Association's electronic means of communications as well as developing new and innovative ways to improve communications with members and prospective members.

Section 8. Alumni Association Events Committee. The committee shall include 3 Directors and the President who serves as a non-voting *ex officio* member. Its purpose is to plan the Annual Meeting of the Association, including date, time, location and logistics; plan companion events associated with the Annual meeting (BBQ, football game, awards presentations, etc.); coordinate officer and board participation in unit events to which Association participation is desired or invited; develop a network of class representatives to assist with the planning and execution of class specific events (such as reunions); and plan other Association special events as may be required from time to time.

Section 9 Dawson Library Committee. The committee shall include 3 Directors and shall exercise oversight of the maintenance of the Dawson Library, interact with the NROTC unit staff, and develop procedures for keeping the library contents current and relevant for the Midshipmen. In addition the committee shall maintain liaison to the Dawson family on matters of mutual interest, and shall establish liaison with the Dawson Trust (if formed) to provide funding.

Section 10. Nomination Committee. This committee shall include 3 Directors. It shall convene as required every two years and as may be required by vacancies when they arise, to solicit nominations, vet, and propose candidates to stand for election to the Board of Directors. Members shall be appointed as and when necessary, but in the ordinary course no later than 30 days prior to the next scheduled election of directors, which normally occurs at the Annual meeting in odd numbered years.

The Bylaws amendment passed 13-0.

6. Consideration of Committee Appointments. The following committee appointments were made by the President on 9 February 2018 and presented to the Board for approval

- Executive Committee
Eric S. Schneider '86, President (Chair)
Willard B. Stubbs '85, Secretary
James C. Collins '03, Treasurer
Steven P. Fish '85, Past President
- Governance and By-laws Committee
S. Jay Plager '52 (Chair)
Terry C. Cline '71
Steven P. Fish '85
William H. Latham '85
R. Patrick Riordan '87
Brian T. Smith '84
Willard B. Stubbs '85
- Budget & Financial Oversight Committee
Steven Levesque '89 (Chair)
Terry C. Cline '71
Steven P. Fish '85
David L. Jackson '87
Ann C. Phillips '83
Willard B. Stubbs '85
James C. Collins '03, Treasurer (*ex officio*)
- Awards Committee
Steven P. Fish '85 (Chair)
Robert G. Bracknell '92 (*Past Board Member*)
James C. Collins '03
S. Jay Plager '52
R. Patrick Riordan '87
Brian T. Smith '84

- Scholarship Committee
 Brian T. Smith '84 (Chair)
 Debra L. Davis '82 (*Past Board Member*)
 Robert J. Gionfriddo '86
 Ann C. Phillips '83
- Events Committee
 Patrick P. Connelly '85 (Chair)
 David L. Jackson '87
 Steven Levesque '89
 Eric S. Schneider '86, President (*ex officio*)
- Membership Communications Committee
 Willard B. Stubbs '85 (Chair)
 James C. Collins '03
 Robert J. Gionfriddo '86
 William H. Latham '85
 Ann C. Phillips '83
- Dawson Library Committee
 Robert J. Gionfriddo '86 (Chair)
 James C. Collins '03
 Patrick P. Connelly '85
 William H. Latham '85
 Brian T. Smith '84
 Eric S. Schneider '86

The committee appointments were approved by a vote of 13-0.

7. Secretary's report. Will Stubbs presented the following information:

Alumni by the Numbers **Eligible for Membership**

Total program alumni:	2,100+		Need to audit this for accuracy
Living alumni & staff alumni known to us or GAA:	1,580	~75%	2 databases + a GAA spreadsheet
Alumni & staff alumni w/ e-mail addresses in database:	1,129	71%	
Obsolete e-mail addresses (bounces):	143	9%	Mitigated by annual refresh from GAA
Opt-outs:	66	4%	Who are they and why?
Net active contact base:	941	59.5%	639 alumni not being reached
Members today:	237	15%	25% of active contacts
Life	209 total	191 living	5 new this year
Multi-year	33	16 in 2017	17 new this year
Annual 2018:	13		

Recent Membership Trends: 2007-2018

	YTD 2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Life Memberships	5	25	7	1	6	4	7	6	4	4	8	10
Life Installments	0	1	1	0	0	0	0	0	0	0	0	0
New Multi-Year Members	17	16	0	0	0	0	0	0	0	0	0	0
Current Multi-Year Members	16	0	0	0	0	0	0	0	0	0	0	0
Annual Members	33	37	23	28	44	31	86	104	116	148	145	148
Total New/Renewing Members	51	79	31	29	50	35	93	110	120	152	153	158

- From 2001-2010: annual memberships averaged ~ 150 per year; life ~10 per year
- Precipitous drop in 2013, coincident with discontinued update of website updates starting in 2012 and not restores until late 2016.

Data Points to Consider

We are not reaching 639 of our ~1580 alumni (~30%) in out bound communication

- 143 have email addresses – but obsolete
- 496 do not have email addresses on file
 - Speculate that a great many do have e-mail addresses
 - Aging WW II, Korea and Early Cold War Veterans; impact on shrinking potential membership pool
- 25% participation rate among those whom we are reaching:
 - ~160 potential members in opportunity cost
 - ~\$3,200 in potential annual operating revenue
 - What could the Association do more, better differently with that additional membership and revenue?

Way forward

- Synchronize data update with GAA (pending)
 - Currently a manual process, must find an automated update capability
- Leverage technology to update the 143 obsolete email addresses and find as many as possible of the 496 who may have e-mail addresses
 - E-mail communicate with new found alumni and invite them to membership.
- Analysis of data to understand the demographics: who makes up our “missing from contact database” and “opt outs”?
 - Commonality and differences, implement easy fixes.
 - Conduct research to determine if there are consumer attitude barriers to membership
- Examine the cost, utility and time investment of communicating by postal mail with non e-mail enabled alumni.
- Transition to Sales Force.com database (to be discussed later)
- For discussion later during “New Business”: do we need a Membership Committee to focus on finding our missing alumni and increasing the membership?
 - Note: Your Secretary and Member Communications Chair is at capacity of time commitment.

8. Treasurer' report: James Collins presented the following:

Income/ Expenses (cash basis)

	2017	2016	2015	2014	2013
Income (Dues & Gifts)	\$45,643.50	\$13,553.22	\$1,715.87	\$ 3,760.74	\$ 2,788.58
Investment Income & Cap Gains	\$5,797.00	\$1,494.14	\$3,529.11	\$ 6,606.21	\$ 1,912.87
Total Income	\$51,440.50	\$15,047.36	\$5,244.98	\$10,366.95	\$ 4,701.45
Expenses	\$11,100.68	\$7,419.93	\$8,291.69	\$11,878.27	\$10,352.95
Net Gain/Loss	\$40,339.82	\$7,627.43	(\$ 3,046.71)	(\$ 1,511.32)	(\$ 6,138.10)

- Income from dues/gifts up smartly (3.4 x) in 2017 (mostly restricted gifts)
- Investment income up smartly (3.8 x); B&FO committee adopted a more contemporary asset allocation strategy.
- Expenses up 50% year over year while maintaining \$3,000 in Scholarships, Connor Award and reinvesting in website, which is the largest expense line item (\$5,715.00 in 2017 vice \$2,635.04 in 2016).
- Borrowed \$3,300 from Life Dues Account in 2017 to enable website recapitalization

Expense Comparison Report

(expenses, cash basis)

Category	Expenses 2017	Expenses 2016
Awards expense (DAA/DSA)	\$502.03	\$65.84
Bank Charges	\$676.92	\$250.79
MIDN Support (cable TV drops)	\$62.50	\$250.00
Miscellaneous, Business*	\$542.50	\$576.00
Postage & Shipping	\$2.00	\$0.00
Supplies, Business	\$16.42	\$32.84
Website expenses	\$5,715.00	\$2,635.04
Award- Connor Award expense	\$404.28	\$609.42
Midshipmen Scholarship expense	\$3,000.00	\$3,000.00
Dawson Library expense	\$179.03	\$0.00
Total Expenses	\$11,100.68	\$7,419.93

*Constant Contact account (\$546) and NC Secretary of State (\$30) in 2016
Constant contact only (\$542.50) in 2017

Conditions Noted:

- **Annual membership was in steep decline, now stabilized.**
 - ~150 annual members 2000-2009 (\$3,000)
 - down to 23 (\$460 in revenue) in 2016;
 - Up to 53 (with multi-year option in 2017)
 - Already 46 multi-year members in 2018 (class of 2018 given as gift)
- **Life Dues Account Growing Again!**
 - \$7,750.00 in corpus growth
 - \$3,798.00 in future years dues retained for investment
- **Scholarship funding in deficit**
 - 2001-2015: \$21,500 awarded / \$9,386 raised (\$12,114) deficit
 - 2016: \$8,631.97 raised, \$3,000 disbursed, net gain \$5,631.97
 - 2017: \$32,423.50 raised, \$3,000 disbursed, net gain \$29,423.50
- **Operating income strained by membership numbers**
 - forced to borrow from life dues fund to balance operating funds
 - \$2,250 borrowed from life dues in 2016
 - \$3,300 borrowed (and \$750.00 paid back) from life dues in 2017
 - Need 100 annual/multi-year members + 20 new life members / conversions in 2018 to meet operating budget targets.

Business Rules Adopted by the Board in 2016 (refresher)

- **Dues** (and life dues income) used only for the operation of the Association.
- **Restricted Funds:** Funds raised for a specific purpose used only for designated purpose.
 - Connor, Dawson, Life Dues, Scholarship funds segregated / re-established
- **MIDN Support:** Funds designated for MIDN support have reasonable nexus to academic or prof. development (including TDY travel), but excluding entertainment, food & beverage.
 - Raised specifically for MIDN support or from general fund gifts
- **Social events** sponsored by the Association paid for by those attending / participating in the event.
 - allowed on pay-as-you-go / cash positive basis. (Not tax deductible in most cases)
 - Charity fundraisers allowed (tax deductible net of benefit).
- **Ethics compliance.** Funds of the Association not to be used for food & beverage, travel or other expenses of NROTC Unit active duty or civil service personnel, so as to avoid appearance or actual ethics regulation violation.

Scholarship Program Funding

- **Scholarship Endowment established to raise funds for the perpetual award of three \$1000 scholarships annually**
 - The top fundraising goal of the Association
 - ~\$20,000 endowment minimum needed for EACH of three scholarships
 - Multi-year fundraising project (2016-2019)
 - First scholarship named in memory of the late CAPT Al Koster (Unit CO, 1981-1985)
 - Second scholarship named in honor of the great Master Chief Ledford (Univ. Admin Officer and University Naval Science Dept. Administrator (1980-2003)
 - Naming rights for third scholarships not yet decided. Those welcome! Thank fundraising done.
 - 2016: \$8,631.97 raised, \$3,000 disbursed, net gain \$5,631.97
 - 12 of 13 directors gave \$4,300.00 (avg. contribution of ~\$350 per director)
 - Koster family gave \$2,000
 - 2017: \$32,423.50 raised, \$3,000.00 disbursed, net gain \$29,423.50
 - 13 of 14 directors gave \$6,550.00 (avg. contribution of ~\$504 per director)
 - Smith Challenge raised in 2017 before match: \$20,708.50
 - Koster family gave \$2,000.00
 - 2018 YTD: \$10,725.00;
- **2001-2015: Scholarships funded each year without endowment: not a sustainable model.**
 - \$21,500 conferred on 26 MIDN, but only \$9,386 raised; remaining \$12,114 taken from funds designated for other purposes.
 - 2016 is the first year in which we have raised more Scholarship funds than the Association disbursed.

What was different in 2016-2017 ?

- **Budget & Financial Oversight Committee**
 - Steven Levesque (Chair), David Jackson (past Treasurer), Steve Fish (Secretary, past President).
 - Each has a financial management background and experience
 - Adding CPA Terry Cline, Former Pentagon Resource Sponsor Ann Phillips and past Treasurer (x2) Will Stubbs for 2017
 - Establish investment strategy, financial management controls and exercise oversight of the Treasurer
 - Develop and propose budget to the Board of Directors
- **Budget adopted, Board-approved (and revised).**
 - Annual budget development process established, monitored monthly by B&FO committee.
 - No spending takes place unless allowed by budget controls or specifically authorized by vote of the board.
- **Financial Reporting**
 - Treasurer reports balance sheet, income statement, budget report and copies of bank and investment account statements to B&FO committee (now cc: to all Directors) monthly.
 - Balance sheet, income statement and budget report and any analyses reported at each board meeting (3 x per year), published in the meeting minutes, and posted on the website once approved.

Way Ahead (update to last year):

Build Organizational Strength and Member Trust

Successes:

- Profligate deficit spending reversed / budget process working.
- Scholarship Trust doing well: off to a good start: \$48,402 is market value as of 2/27/2018
 - Repeat of 2017 will achieve full funding of all three scholarships
- 26 Life Member conversions in 2017; 5 so far this year.
- 53 annual / multi-year members in 2017, 46 so far this year.
 - Master Chief Ledford was the first to renew for 2015-2017 in January and is now multi-year.

Needs Improvement:

- Annual dues paying membership levels (~20s vice 100) is not sufficient to sustain operations with a modern and effective website: Must Grow Membership back to near historic levels.
 - Invest in website, social media & integrated membership (circle) database/ CRM software solution
- ~~Need to improve ROI on restricted funds portfolio: 2016 ROI: ~2.1% (1% Scholarship)~~
 - ~~— Would have been 4.2% annualized — need a 5% solution requesting B&FO committee engagement.~~
 - 2017 update: 12-16% ROI
- ~~Recruiting an Assistant Treasurer to apprentice in position to run for re-election in the Fall and seek office of Treasurer: Quicken savy, USAA member~~
 - Welcome James C. Collins '03, Treasurer
- **Need an audit:**
 - Welcome Terry C. Cline, CPA to the Board
- **Tax letters are out this week — need a more automated process. Mandraulic!**

Treasurer Turnover

- James Collins is now the Treasurer!
 - Will Stubbs is serving as Assistant Treasurer until relieved; remains accountable for funds and financial execution under direction of Treasurer until James is satisfied.
 - Estimate completion by end of March, 2018
 - Organizational letter generated to financial institutions documenting change.
 - Quicken
 - Done: Software purchased and installed; Test file transferred for indoc / training.
 - To do: complete bookkeeping and reports generation training; turnover final Quicken file
 - Wells Fargo
 - Done: Collins (and Schneider) added as account agents; Collins issued Debit Card
 - To do: Transfer account custodian to Collins; Stubbs relinquish Debit Card; turnover /change account passwords.
 - USAA
 - To do: add Collins to account as custodian; change online alignment to Collins account;
 - Requires notarized documents by Collins, Schneider and Stubbs
 - PayPal
 - To do: add Collins to account as custodian; change passwords
9. The Board recessed for 20 minutes. Director and Treasurer James C. Collins departed the meeting. 12 of 14 directors remained in person or by telephone such that a quorum was maintained.
10. Committee Reports: Governance & Bylaws. Jay Plager
- NSTR. Business covered earlier on the agenda with Bylaws Amendment and approval of committee appointments.
11. Committee report: Events. Pat Connelly discussed the following:
- Spring 2018 Alumni Panel Event. Very well received. Conducted on 1 March 2018, 15 Alumni members. 3 Board members present (Connelly, Plager and Smith). Midshipmen and alumni panel members divide themselves into 3-4 groups and discuss specific topics, and rotate about every 30 minutes. Event followed by happy hour and dinner. Planned again for the Fall 2018. Midshipman Bn planning horizon is short. Board participation is welcome.
 - Upcoming Events: Awards Day, Commissioning, Annual Meeting/Reunion, Veteran's Day, and a new possibility of inclusion in the Spring Field Meet (PT competition, drill competition, etc.). 7 April is the Spring Field Meet, and more information will be forthcoming soon on possible ways alumni can participate, so it can be published to the alumni base in the next news bulletin.
 - Eric Schneider also mentioned the September 11th run with the Midshipmen.
 - Establishment of a speaker's bureau was briefly discussed as a potential future alumni support activity.
 - Awards Day, 26 April. Connor Award and Association memberships will be presented to the Midshipmen.
 - Annual Meeting and Reunion: Homecoming weekend was the favored weekend by the GAA. Homecoming weekend is 2-4 November 2018.
 - BBQ cost control measures were discussed.
 - Hotel room costs (how much is too much?) were discussed.

- A motion was made by Pat Connelly to designate 3 November 2018 as the date of the UNC NROTC Alumni Association Annual Meeting and Reunion. The motion was approved 12-0.
- Eric Schneider proposed an idea about hanging a banner on the occasion of each classes Commissioning Ceremony and perhaps even present each graduate with an informational thumb drive. The idea referred to the Events Committee for further consideration.

12. Committee report: Awards. Steve Fish presented the following:

Awards Committee

- Connor Award – to be presented at Midshipman Awards Day Ceremony, Thursday, April 26, 2018 at 2:00pm at the Newman Catholic Center in Chapel Hill.
 - Interested in having former recipient and member, such as Bogamir Glavin, '97 to help present the award and inviting members of the Connor family to attend.
- Distinguished Alumnus Award - recognizes service or achievement of a member in the course of his or her career in the service or in the civilian sector.
- Distinguished Service Award - recognizes service of a member in furtherance of the Association.
 - Need to present 2009 Award to Brant Burgiss. Announced but never purchased or presented.
- DAA and DSA are presented at the Fall General Meeting. Will begin soliciting nominees for these awards in the next monthly news bulletin.

- Pat Connelly contacted class of '97 Connor Award recipient Bogomir Glavan and asked for him to help present the Connor Award at Awards Day.
- Butch Bracknell has been tasked to acquire the Connor Award watch (reimbursable) and deliver the same to the NROTC unit.
- In the discussion of the Distinguished Alumnus Award, Steve Fish pointed out that the award goes to a "member" which suggests paid membership. Will Stubbs offered to pay the dues for a DAA nominee selected, if that person's dues are not current.
- Brian Smith asked about the presentation of membership certificates at Awards Day to the class upcoming graduates.

13. Committee report: Scholarship. Brian Smith presented the following:

- There is a wealth of experience and a wealth of wealth among the potential donor pool of members and potential members in this association.
- September 1, 2018 - 1 November 2018 (with payment to be made by 31 January 2019) have a Scholarship Drive for the purpose of fully funding the 3rd Scholarship and more. Brian Smith pledged to match \$10,000 in gifts and has challenged the remaining directors to collectively do the same and raise among themselves another \$10,000.
- Eric Schneider pointed out that a \$1,000 scholarship is helpful, but not a big percentage of UNC annual expenses.

- Will Stubbs suggested that before we add additional scholarships or enlarge the existing scholarships, we must fully fund the existing three scholarships which the Association has committed to provide on an annual basis.
- Brian Smith asked to defer the naming of the 3rd Scholarship such that he can use potential naming of future scholarships as an interest generator to potential donors.
- Jay Plager suggested that donors be allowed to name scholarships after themselves or their family members.
- Jay Plager moved to approve Brian Smith's plan in principle and authorize the committee to proceed. The motion was approved 12-0.
- Pat Connelly raised the point of the need to be on guard for signs donor fatigue.

14. Committee report: Dawson Memorial Library. Rob Gionfriddo presented the following:

Dawson Library

Committee Membership

- Rob Gionfriddo (Chair), James Collins, Pat Connelly, Eric Schneider, Brian Smith

Dawson Family

- Dr. Donald Dawson (father), Paul Dawson (brother), Andrea Dawson (sister)

Library Status

- Library regularly utilized by Midn
- Collection has grown (Thanks Brian Smith!)
- Need additional barrister bookcases to store collection

Future Plans

- Acquire additional barrister bookcases
 - Approx \$3-\$5k, funds available
 - Enhance Midn academic experience
 - Sponsor Leadership Forums/Panels
 - Grow Dawson Fund
-
- Sponsored leadership forums, and other experiential learning ideas discussed as potential uses of Dawson Fund proceeds to keep Dave Dawson's name and memory alive.
 - The need to refinish the table in the Dawson Library to repair scratches and gouges was discussed.
 - Jay Plager offered to donate a book authored by Admiral James Stavridis to the library. Brian Smith suggested that there may be a way through his connections with the U. S. Naval Institute to have the Stavridis titles autographed by the author.
 - A motion was made to permit a capital expenditure (not to exceed \$6,000) from the Dawson Library Fund to purchase additional matching bookcases and other furnishings to contain the expanded collection of books, other collection items, and refurbishment of existing items. The motion passed 12-0.
 - The option to use UNC experiential learning funds on Dawson Library (\$80,000) was discussed.

15. Committee report: Membership Communications. Will Stubbs presented the following:

Member Communications

- **Communications Campaign and Engagement Plan**
 - adopted by board in March 2016, periodic outbound communication and website enhancements. Not implemented
 - Executed with some adjustments in 2017: membership jump 2.5x (31 to 79 with 25 new life members);
 - Committee process not wellfunctioning in 2017
 - New committee for 2018: Stubbs (Chair), Collins, Gionfriddo, Latham & Phillips. We have not met yet.
 - Will consider refinements to plan in near future
- **Constant Contact Campaigns and Stats**
 - Content ownership
- **Website enhancement and updates**
 - Planned updates: desire 45+ hours of labor for improvements; limited to 37 hours by budget constraints. Some hours allocated to the committees
 - Content ownership
- **SalesForce.com migration (from Constant Contact)**
 - over next 6 months
 - Avoid loss of communications / continuity
- **Social Media in use: Facebook, Twitter**
 - Other possibilities: Linked-In, Instagram, Snapchat?
- **Synchronization among: Events, Scholarship, Awards, Dawson Library**
 - Content ownership

- Brian Smith volunteered to serve on the Member Communications Committee. The President appointed Brian Smith to the Member Communications Committee and the Board agreed by a vote of 12-0.
- Allocations of portions of the web budget to the committees on Awards, Scholarship, Events and Dawson Library. Allocations to follow after budget approval.
- The President raised the issue of whether the correct content was displayed on the website with respect to the Association's mission statement. Matter was referred to the Executive Committee for further discussion and possibly further to the Governance & Bylaws Committee to investigate, propose amendment as necessary and report back.
- A demonstration of the the new and enhaced website features, including "current members" was conducted.
- A discussion took place about the lack of membership among classes of graduates who were suported by th Alumni Association during their matriculation (1991-2016).

16. Committee report: Budget & Financial Oversight. Steven Levesque presented the following:

2018 Draft Budget Proposal

	2018 Proposed	2017 Actual	Variance	Notes
Sources of Funds				
Annual Dues Current Year	\$2,579	\$872	\$1,707	2018 based upon 100 new or renewal members
Inv. Income Life Dues Endowment	2,488	2,426	62	
General Fund	0	820	(820)	Any 2018 gifts are bonus to plan
Loan From Life Dues	0	3,300	(3,300)	
Total Sources	\$5,067	\$7,418	(\$2,351)	
Uses of Funds				
Unrestricted Operating Expenses				
Award Expense-DAA	\$175	\$167	\$8	
Award Expense-DSA	330	335	15	
Bank Charges	513	677	(164)	Variable based upon activity
Misc Business/Constant Contact	336	543	(207)	
Postage & Shipping	70	2	68	
Quicken Software	64	0	64	
Office Supplies	40	16	24	
Website Hosting/Improvement	3,450	5,715	(2,265)	2018 based upon 37 hours at \$80/hr
MIDN Cable	0	63	(63)	
Total Uses	\$4,998	\$7,517	(\$2,519)	
Surplus/(deficit)	\$69	(\$99)	\$168	

UNC NROTCAA Budget & Financial Oversight Items:

Key 2018 Draft Budget Areas:

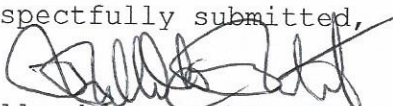
1. Revenue generation through membership dues are achievable given 2017 actual performance and favorable upward membership capture trends;
2. The largest expense line item is for continued website improvement and functionality (which in turn supports the favorable membership trends); and
3. We propose forbearing the internal loan repayment for 2018 until we determine whether there will be an operating surplus from which to fund the repayment.
4. The other budget areas have not materially changed from last year. The committee debated increasing the 2018 membership targets/revenue in order to balance the budget including the internal loan repayment but decided that there was no reasonable basis for achieving such a stretch goal. Accordingly it was decided that we would present the budget as attached and request the repayment forbearance from the full board in order to keep the membership goals achievable. We propose re-visiting the loan repayment later in the year to evaluate additional courses such as (1) repayment this year if surplus operating funds are generated (2) re-structuring the repayment and amortizing over a longer period in order to reduce the annual cash flow impact or (3) considering forgiving of the "debt"/repayment.

UNC NROTCAA Budget & Financial Oversight Items:

Other Areas:

1. The Treasurer turnover is progressing and expected to be completed in March.
 2. A gift of appreciated stock has resulted in a variance to our target asset allocation; we are currently reviewing allocation targets and will reconvene in March to determine what, if any, action needs to be taken.
 3. We continue to explore the possibility of an external accounting review. Terry Cline, CPA, who recently joined the board and committee, will assist us in evaluating options.
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17. Consideration of Budget proposal. The Budget & Financial Oversight Committee proposed adoption of the budget as proposed, with forbearance of this year's internal debt repayment to the Life Dues Fund and with the incorporation of the \$6,000 expenditure cap approved for Dawson Library Fund. The budget was adopted by a vote of 12-0.
 18. Old business / new business:
 - Consideration of need for additional standing committee on membership.
 - Ann Phillips discussed the consideration of how to address the issue of increasing the membership and how to integrate that into the current Association structure.
 - Jay Plager offered to have the Governance & Bylaws Committee consider any proposed adjustments to the Bylaws.
 - Brian Smith suggested that he and Ann Phillips form an ad hoc task force to study membership growth and enhancement and report back at the next Board meeting.
 19. Consider date, time and venue of the next Board Meeting. Jay Plager offered to host the June Board meeting at his home in St. Michaels Maryland. The date proposed was 23 June 2018. A dial-in will be arranged to accommodate those unable to attend in person. The motion passed 12-0.
 20. Motion to Adjourn. Approved by vote of 12-0.

Respectfully submitted,


Willard. B. Stubbs, Secretary
UNC NROTC Alumni Association