

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

Subj: BOARD OF DIRECTORS MEETING MINUTES of 7 March 2020

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 27 October 2019, the Board of Directors met in Chapel Hill, NC on 7 March 2020, assembling at 12:30pm.
2. The meeting was called to order at 12:30pm and the following directors were present

In person:

- Marianne Waldrop, President
- William H. Latham, Secretary
- Janet Keech, Treasurer
- Steve Fish
- Robert J. Gionfriddo
- Donald Cuddington
- Steve Levesque
- Frank Linkous
- Patrick Riordan
- Brian Smith
- Dan Wright
- Captain Andy Hertel, USN *ex officio*

By telephone:

- Kenneth "Pink" Floyd
- Pat Connelly
- Dan Wright

13 of 13 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.
 - Marianne welcomed everyone to the meeting. She indicated that on Friday she and a number of board members had meetings with Capt. Hertel as well as members of the Arts and Sciences Foundation development staff. These will be discussed later in the meeting.
4. The President invited Captain Andy Hertel, 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 Hertel expressed his gratitude to the Association for its support of the NROTC program and noted that what it does “is unique and special and makes a difference in money, leadership and mentorship” and is not replicated at Duke or N.C. State University.
- He said the current size of the UNC NROTC Battalion is approximately 50 midshipmen. Thirteen are to be commissioned this year (six Navy and seven Marines)
- Naval Armory future. The UNC draft master plan was released several months ago. It shows the Armory being demolished and a large multipurpose building being built on the site. The projected cost of the building would be in excess of \$100 million and the University does not have that kind of money available and will not have for the foreseeable future absent a charitable contribution from a big-money donor. He predicts that the unit will still be in the Armory 10 years from now. In any case, the University is bound by its agreement with the Navy to provide adequate space for the operation of an NROTC unit on campus.
- Responding to questions from the Board, Capt. Hertel indicated that he has no objection if the Association wants to advocate for preserving the Armory, or not. He is committed to providing us with accurate information and updates.

5. Secretary’s report. Bill Latham presented the following:



Secretary’s Report Membership Report

Regular members 2020 only	Regular members multi-year	Life Installment Members	Life Members *	Total Members *	Known Alumni & Staff eligible for membership
9 (3%)	56 (21%)	2 (1%)	199 (75%)	266	~1514 (~18% are members)

Year over year comparison 2016-2019 of Membership Activity

Category	2016	2017	2018	2019	2020 YTD	2020 goal for budget
New Life Members +	8	17	14	19	0	?
Regular Members	23	47	58	67	89	?
Total new/renewing	31	54	72	86	89	?

From 2001-2010: annual memberships averaged ~ 150 per year; life ~10 per year



Secretary's Report (Cont.)

- 11 members active in 2019 have not yet renewed for 2020
 - 9 members active in 2018 have not renewed
 - 17 members active in 2017 have not renewed
 - Low hanging fruit
- DUES:
- Annual dues \$25
 - 5 YR dues \$100
 - Life \$400
 - Or \$150 year x 3
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- Pat Connelly suggested identifying a class representative for each class to serve as a communication liaison with the Board.
 - Janet Keech recommended preparing a one page summary of what Association dues pay for—what you get for your money.
 - President Waldrop indicated that these issues will be wrapped up with the membership committee to be discussed when we get to the membership committee discussion in the meeting.

6. Treasurer's report: Janet Keech presented the following:



Treasurer's Report: Balance Sheet

	2020 Feb 29	2019	2018	2017	2016	2015
Assets / Members Equity	\$167,675.40	\$176,191.17	\$139,471.03	\$117,871.57	\$72,230.26	\$67,558.78
Year over year change	(7,515.77)	\$36,720.14	\$21,599.46	\$45,621.97	\$4,671.48	(\$7,458.11)
% change	(4.3%)	Up 26%	Up 18%	Up 63%	Up 6.9%	Down 9.9%

- Scholarship, Connor Award and Dawson Library funds at stable long-term funding levels.
- Life Dues Endowment is underfunded (~\$20,000) for number of life members supported. (@5% ROI would generate additional \$1,000 in annual operating income)
 - Attributed to deliberate spending policies during the period 2008-2015, now reversed.
 - Puts strain on operating budget (which funds website, DAA/DSA awards)



Treasurer's Report Income / Expenses (cash basis 31 Dec 19)

	2019	2018	2017	2016	2015
Income (Dues & Gifts)	\$15,691.86	\$39,794.90	\$45,643.50	\$13,553.22	\$1715.87
Investment Income (Int., Div. & Cap. Gains)	\$11,309.02	\$5,229.92	\$5,797.00	\$1,494.14	\$3,529.11
Total Income	\$27,000.88	\$45,024.82	\$51,440.50	\$15,047.36	\$5,244.98
Expenses	\$11,687.39	\$9,851.01	\$11,100.68	\$7,419.93	\$8,291.69
Net Gain / Loss	\$15,313.49	\$35,173.81	\$40,339.82	\$7,627.43	(\$3,046.71)

- Income from dues/gifts high (61% dues / 39% gifts)
- Investment income: out-performed goals substantially >20% ROI across the board
- Expenses: able to make \$1,850.00 life dues loan repayment at year end as a result of membership dues targets achieved, expenses controlled and solid investment performance realized.



Treasurer's Report 2020 Budget

Category	2020 Budget	Actual 2019
Awards expense (DAA/DSA)	\$525.00	\$323.02
Bank charges	\$250.00	\$251.49
Supplies (Quicken software)	\$225.00	\$107.24
Supplies, Business (office supplies)	\$40.00	\$0.00
Website expenses	\$3,600.00	\$2,574.13
Award –Connor Award	\$600.00	\$559.30
Midshipman Scholarships	\$3,100.00	\$3,000.00
Dawson Library expense	\$1500.00	\$4,872.21
Total	\$9,840.00	\$11,687.39



Treasurer's Report 2020 Goals

- ✓ Monthly: produce financial reports for B&FO Committee review
 - ✓ 31 Jan 2020: Produce 2019 end of year financial report and budget reconciliation.
 - ✓ 1 Feb 2020: receive budget inputs from officers and committees.
 - ✓ 15 Feb 2020: Draft 2020 budget for B&FO committee review
 - 15 Mar 2020: Produce tax letters for 2019 and dispatch
 - 15 May 2020: IRS deadline for filing Form 990-N
 - June 2020: Prepare Treasurer's report for mid-year Board Meeting
 - Oct. 2020: Prepare Treasurer's report for Fall Board meeting and Annual Meeting
 - Nov. 2020: Issue checks to Board approved Scholarship recipients
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- There was a discussion regarding the funding for the Johnson Marine Officers Sword award. Was provided by the Johnson family for many years. Unit MOI seeking information. President Waldrop and Steve Fish to investigate.

7. Committee Reports: Governance & Bylaws. No report.

- Bill Latham suggested that the committee adding provisions for the replacement of Association officers midterm. Committee Chairman Pat Riordan will put this on the Committee's task list.

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



Budget & Financial Oversight Committee Report

- 2019 2nd Half Recap:
 - 3rd Quarter meeting held via conference call on September 22, 2019
 - Reviewed status of year to date budget vs. actual financial performance
 - Receipt/expenditure execution substantially favorable to budget
 - Investment performance exceeding projections
 - Took measures to re-balance certain funds (Conner, Dawson) back to stated target allocations; re-adjust target allocation for the scholarship fund; and took no action on Life Dues fund (the committee is satisfied with the current position)
 - Noted that our mutual fund manager, USAA Investment Management Company ("IMCO"), is selling its mutual fund business to Charles Schwab Corporation.
 - The transaction is expected to close in early 2020
 - We will review alternatives as we learn more about the transaction and work to maintain our stated asset allocations or adjust as necessary



Budget & Financial Oversight Committee Report

- 2020 Agenda / Goals
 - Quarterly committee conference calls in the 2nd & 3rd quarters 2020
 - Review balance of funds given recent events
 - Would like to receive opinion of Steve Fish at March 7 meeting
 - In fall of 2019 took measures to re-balance certain funds (Conner, Dawson) back to stated target allocations; re-adjust target allocation for the scholarship fund; and took no action on Life Dues fund (the committee is satisfied with the current position)
 - Assist Treasurer as necessary regarding migration of accounts from USAA Investment Management Company ("IMCO") to Charles Schwab Corporation.
 - 2020 goal of reviewing feasibility of UNC General Alumni Association management of certain funds
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- President Waldrop discussed her meeting held with representatives of the UNC Arts and Sciences Foundation. Board members Steve Levesque, Pat Riordan, Frank Linkous and Brian Smith also attended. The purpose was to explore potential cooperation to facilitate leveraging member databases and communications mechanisms and investment opportunities for larger scholarships. The discussions were productive. This could allow larger, dedicated gifts for the NROTC midshipmen in the future. Discussions included sharing of information and comparison of membership rolls. These initial discussions were promising. Working with the Foundation would bring professional expertise to our investment strategies and monetary growth. Marianne has directed the Budget and Finance Committee to pursue further exploratory discussions with the Arts and Sciences Foundation in hopes of a proposal for future scholarships or investment opportunities.
 - Steve Levesque said the various funds for awards (e.g., Connor, scholarship, etc.) are not maintained as truly separate accounts but are accounted for separately on the books. Steve indicated that the Committee is considering whether there should be actual separate accounts but is not ready to make a recommendation.

9. Committee report: Awards. Steve Fish, Chairman.

- Steve Fish discussed the history of the Distinguished Alumnus Award, the Distinguished Service Award, and the Connor Award.
- Information is needed on the Richard S. Johnson, Jr. (Marine Officer sword) award. Historically this was given by the Johnson family. There were years with no Marine graduates. The MOI wants to award the sword this year. She has no information on how to request this. Steve and Marianne will explore the history of the award and try and determine whether the Johnson family wants to continue with this tradition.

10. The Board recessed for 10 minutes and re-convened. The following directors were present:

In person:

- Marianne Waldrop, President
- William H. Latham, Secretary
- Janet Keech, Treasurer
- Steve Fish
- Robert J. Gionfriddo
- Donald Cuddington
- Steve Levesque
- Frank Linkous
- Patrick Riordan
- Brian Smith
- Dan Wright
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11. Committee report: Scholarship. Chairman Donald Cuddington presented the following:



Scholarship Committee Report

- Budget
 - Requested \$3000 for Scholarships (3 @ \$1000)
 - Requested \$100 for more “Big Checks”
- Discussions since last meeting
 - Board composition
 - Current process of scholarship selections
 - Feasibility of considering need in selections

12. Committee report: Events. Pat Connelly presented the following slides and the board reviewed and discussed the content:



Events Committee Report

- Fall 2019 Reunion Financials. Fully reconciled.
- Budget Input. Action complete.
- There is no Spring 2020 Alumni Panel.
- Spring 2020 Battalion Events
 - FEX Field/Drill Meet, 3-5 Apr 2020
 - Dining In, 18 Apr 2020
 - Awards Day, 23 Apr 2020 - 1400
 - Commissioning 9 May 2020
- Fall 2020 Reunion Planning
 - UNC HOME 2020 Football Schedule:
 - 9/4: UCF 9/19: JMU 9/26: GA Tech 10/10: VA Tech 11/7: UCONN (Homecoming)
 - 11/14: Pitt (Military Appreciation) 11/27: NC State
 - GAA Partnership



Events Committee Report

- **Association Banner:**
 - MIDN designer (MIDN Jack Rivers) identified
 - \$250 Award Pending (Funds donated Dec 2019)
 - Banner Submissions were reviewed by the UNC licensing office and both were denied approval for various reasons.
 - **Way Ahead:**
 - Redesign (have reached out to MIDN Rivers)
 - Submit for approval
 - Solicit actual quotes (Approx. \$150-175 for 2 x banners)
 - Choose vendor
 - Order Banners



Events Committee Report

- **Decision Points:**
 - Reunion Weekend Date
 - Reunion Weekend Itinerary (what does the Board want?)
 - Friday night social, BBQ lunch,
 - Reunion Weekend Target Hotel Location/Price

- A motion was in order to set the date of the 2020 Annual Meeting of the Association for Saturday, 14 November 2020 (Military Appreciation Day); it was unanimously agreed to.

- There was discussion about having a President's Reception the Friday night before the Annual Meeting as has been done in the past.

- There was discussion regarding how to commemorate the 30th Anniversary of the Association. The general consensus was to do something at the Friday night reception. There was a suggestion that the Board consider procuring some 30TH anniversary swag.

- There was discussion about reserving a block of rooms at a local hotel for members attending the annual meeting. Various hotels were mentioned. The consensus was to consider the Doubletree and the Sheraton in Chapel Hill-Durham. The Doubletree is farther out but has been very

accommodating with providing a reception room for two previous reunion events. The Sheraton has the advantage of being closer and presumably cheaper because it is undergoing renovations. Pat Connelly will pursue competitive bids from hotels like these and others and will report back to the Board with details.

13. Committee report: Membership Communications. Dan Wright presented the following:



Member Communications Committee Report

Members- Wright, Floyd, Latham

- **Budget input submitted 02Mar20**
 - Website fees, maintenance and CC = \$3780.13
 - Liability insurance
 - Salesforce vs. Constant Contact
- **Latest News Bulletin (February 2020):**
 - Open rate-- 46.7% (465)/ Unopened (530)
 - Click rate-- 21.7% (101)
 - Bounces-- 114
 - Unsubscribe-- 1 (Albert McAdoo '71)



MCC Continued

- Next News Bulletin (March 2020)
 - Release Authority for News Bulletins
 - Common practice remains to have EXCOM review proposed News Bulletin before publication
 - GOALS: Generate membership enrollment/renewal and charitable giving through:
 1. Keeping Website up-to-date
 2. Consistent and timely publication of News Bulletins (10/yr)
 3. Improvement of News Bulletin
 4. Increased Social Media presence
 5. Reduce bounces of emailed publications
 - Additional Committee Member
 - Potential Arts and Sciences Foundation Benefits to Member Communications
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- Bill Latham to investigate cost of procuring D&O insurance for the Association and report back to the Board.
 - President Waldrop encourages the Board Members to post items of interest to the Association in the Association's social media feeds.
 - Discussion of Dave Jackson's UNC NROTC Alumni Connection FaceBook page. Dan Wright will discuss with Dave coordination of Dave's site with the official Association site.
 - Brian Smith volunteered to serve on the Member Communications Committee.

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



Dawson Library Committee Report

Current Activities

- New Committee Members
- Budget
 - Video Monitor
 - Need additional coordination with UNC Facilities for installation requirements
 - Identify/purchase additional CNO/CMC Reading List items

Future Activities

- Barrister Bookcases
- Leadership Lecture Series Sponsorship
- Funding Campaign
- Goal is to make the Dawson Library and Dawson brand more relevant to current and future midshipmen. Discuss in June meeting sponsorship of lecture series in collaborate with Events as a vehicle for doing so.

15. Old business: a discussion took place on the features and benefits of creating a standing committee on membership. Decision was made to form a membership task force consisting of Marianne Waldrop, Bill Latham, Donald Cuddington, Dan Wright and Brian Smith.

- The task force will explore instituting business processes to automatically reach out to members whose memberships are expiring in the Fall.
- Consideration of designating point person for each class year
- Development of a one-page bullet list of what the Association does with dues and contributions

16. New Business:

- On Motion of President Waldrop, properly Seconded, Rob "Moon" Rivers was unanimously elected to the Association's Board of Directors to fill the unexpired term of Terry Cline, who had resigned.

- On Motion of Secretary Bill Latham, properly Seconded, the Minutes of the February 8, 2020 Special Meeting of the Board of Directors were unanimously approved.

17. Date, time and venue of the next Board Meeting. Consensus reached on date of June 6, 2020 at the Emerald Isle, NC home of President Waldrop. Attendance in person or by teleconference; time to be determined.
18. Motion to adjourn approved unanimously at 1534.

Respectfully submitted,



William H. Latham, *Secretary*
UNC NROTC Alumni Association