

## **Cannon Valley Elder Collegium**

### **Board Minutes, 11/14/2012**

The Board of Directors of CVEC met at the Northfield Senior Center on November 14, 2012. A quorum being present, Board Chair ReJean Schulte called the meeting to order at 3:50 P.M.

1. An agenda having been circulated to the members of the Board prior to the meeting, Chair Schulte asked the Board to approve the agenda, with the addition of a discussion of fundraising under the "Finance Report" heading. Upon motion duly made and seconded, the agenda was approved unanimously with such addition.
2. Chair Schulte next asked that the minutes of the October meeting of the Board be approved in the form sent to the Board prior to the meeting. A motion to approve the Minutes in the form circulated was duly made, seconded and approved unanimously.
3. Executive Director Ed Lufkin discussed the need for a better podium and audio system for use in the Nygaard Theater. He had discussed this matter with Steve Edwins, who has some expertise, and concluded that a podium meeting CVEC's needs could be acquired for about \$350, and that the necessary audio speaker could be acquired for about an additional \$100. After some discussion, a motion was made, seconded and unanimously approved authorizing Ed to go forward with the purchase of podium and audio equipment.
4. Ed then reported that he had interviewed the affiliate members of the Board who represent the Senior Center, Three Links and Northfield Retirement Center, and that none of them considered attendance at Board meetings to be a smart use of their time. Accordingly, he suggested that the By-law provisions concerning affiliate directors should be deleted. See Exhibit A attached to these Minutes, containing the existing and proposed By-law provisions. It will be appropriate to vote on the proposed changes at the next (January) Board meeting. ReJean ended this discussion by suggesting that CVEC should keep in close touch with affiliates through their designated representatives after the change. She suggested formalizing a plan whereby CVEC would

meet with affiliates' representatives at least twice a year, and more often where necessary.

5. A discussion of plans to fill out the Board of Directors followed Ed's report. If the four affiliates cease to be members of the Board, the Board will be reduced from 16 to 12 members. Ideally, the new Board members would be chosen with an eye to allocating Board positions equally between faculty and students. Another factor to be considered is the rule currently precluding paid staff members from being voting members of the Board; if that rule changes, consideration will have to be given to voting staff members onto the Board.
6. Curriculum Director Jim McDonnell asked whether there is a "protocol" to follow in case classes are over-subscribed. There is not; Dave Halsor handles over-enrollment on an ad hoc basis in consultation with instructors. Jim circulated a list of 12 spring classes, which he characterized as reasonably firm. Jim expressed concern that CVEC needs to get going on the proposed summer, 2013 Film Festival. In that connection, it was agreed that Jim Holden would talk to Eric Nelson, with a view to getting him on the Board early in 2013. As a Board member, it is hoped that Eric would chair a committee that would arrange the Film Festival.
7. In connection with the Curriculum Committee's charge to find up to three "flexible offerings," Jim McDonnell reported that Laurel Bradley would be willing to hold a discussion of the 2013 Weitz museum collections in the spring. There was a brief discussion of the possibility that such events might be made a regular feature of CVEC's curriculum, in partnership with Carleton and St. Olaf museums.
8. Finance Director Barb Jenkins briefly discussed the operations financial report, which had been circulated to the Board prior to the meeting. The only thing of note was a reduction in tuition of about \$2,000, in comparison to 2011, and a related loss for the fall trimester. This loss is "well covered."
9. Rich Noer initiated a discussion of CVEC's financial assets, which as of the meeting totaled about \$75,000. A report circulated to the Board prior to the meeting detailed the assets, raised the question whether CVEC ought to hold assets of this magnitude without a specific

spending plan, and suggested several ways in which the assets could be spent down or given away. A copy of the report is attached to these Minutes as Exhibit B. After considerable discussion, it was decided that it is healthy for CVEC to hold assets in reserve and that the amount held is not excessive, but that the Finance Committee might consider whether some assets currently held in low- or no-interest accounts could be safely invested in accounts from which positive returns would be possible. Jerry Mohrig suggested that CVEC might consider some increase in instructors' stipends or in reimbursements, to which Jim McDonnell responded that while we should recognize that the amounts paid are "pittances," he would "not be opposed to larger pittances."

10. Bruce Roberts circulated a report regarding Idea Harvest, which held its first trial at Bethel on October 25<sup>th</sup>. The report is attached to these minutes as Exhibit C. Response from the board was unanimously positive, so at Bruce's request, and upon motion duly made and seconded, the Board voted unanimously to authorize Bruce to go ahead with a second meeting, probably in conjunction with the Senior Center.
11. Chair ReJean Schulte then passed out an invitation to a holiday party to be held December 9<sup>th</sup> at 3 PM, at her home. She asked that all RSVP as soon as possible.
12. Chair ReJean Schulte reported that she has asked Jerry Mohrig and Mike Harper to serve on a committee to consider questions involved in staff succession. She invited other Board members to volunteer to join the committee.
13. Finally, Chair ReJean Schulte read a prayer of thanksgiving.

Upon motion duly made and seconded and without discussion, the meeting was adjourned at 5:08 P.M.

Respectfully submitted

Michael H. Harper, Jr.  
Secretary

## Proposed By-Law Revision regarding Affiliates

November 14, 2012

Our affiliate members have requested a change in their status. They find the requirement to attend board meetings regularly and to participate in committee assignments to be burdensome and not a good use of their time. But they do want to maintain contact and advance the relationship of their organizations with CVEC. They would continue to be resource persons in our contacts with the affiliate organizations.

We propose renaming the representatives liaisons to the Board. They would be welcome but not required to attend meetings. They would be given voice but not vote at the meetings. And they would be provided with minutes and agendas of the meetings.

This change would leave us with 12 regular board members. According to the By-Laws we could add 4 more board members for a max of 16. Good prospects could be appointed by the Board and voted on at the next annual membership meeting. With more than 12 members we should have three groups of up to 5 members serving a three year terms.

Below are the changes in By-Laws that appear necessary. There are also slight changes to the Policy manual that will be required.

(original By-Laws)

### **Article 4 – Affiliates**

Affiliate status is determined by vote of the Board of Directors. Affiliates are organizations that provide significant program support and/or collaborate with program offerings.

Each affiliate organization may designate a representative to serve as a voting member on the Board of Directors. Such representatives shall serve as long as the affiliate organizations want them to serve.

(proposed revision)

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Each affiliate organization may designate a representative to serve as a liaison to the Board of Directors. Such liaisons shall serve as long as the affiliate organizations want them to serve. Liaisons are welcome, but not required to attend board meetings, where they will be allowed voice, but not vote. They will be provided with minutes and agendas of the board meetings.

(original By-Laws)

## **Article 5 – Board of Directors**

### **Section 2 - Membership**

Membership is limited to a maximum of 16 members and a minimum of 12 members including one representative from each affiliate. Each board member shall have one vote.

(proposed revision)

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## Towards a discussion of how we might use our assets

### **Background**

Our assets consist of the following (with rough current values):

- Checking account (\$17,000)
- Savings account (\$13,000)
- CoD (\$12,000)
- Schwab One account (\$40,000)

**Checking** is used for current operations. The balance swings greatly; the minimum and maximum over the past 2 years were about \$5,100 and \$21,500. On average, our current income somewhat exceeds expenses.

**Savings** (0.15% interest) has been used occasionally for special purposes (e.g., \$2000 for web design in 2010).

**Certificate of Deposit** (0.95% interest) has normally been rolled over when due.

**Schwab One**, in effect, was designated as endowment by a vote of the Board on Jan. 15, 2008. Further,

“The endowment income used to fund regular CVEC operations is not to exceed 4.5 percent of the previous year's endowment value at the beginning of the year or 1% less than the total percent of fund growth during the year, whichever is smaller. If the endowment fund has a loss during a particular year no endowment income can be used and in addition this loss must be recovered before future endowment income can be withdrawn for CVEC operations.”

By the above arrangement, we would have been able to withdraw \$1,804 (4.5% of \$40,084, the 1/1/11 value) this year if the account hadn't lost value during 2011 (which it did). (In fact, I'm not aware that we have ever withdrawn anything from our endowment.)

### **The issue**

Given that we're a non-profit organization, the question was raised at a recent Finance Committee meeting of why we are carrying the above large balances with no real plan of needing or using them. Assuming that at some level this is or becomes a problem, two kinds of solutions might be suggested:

1) Reduce income or increase expenses on an ongoing basis, making up the difference from Savings and/or CoD until some goal is reached. Specific ideas might include:

- Cut back on or cease our fund raising efforts, which usually bring in more than \$8,000.
- Reduce tuition charge. (E.g, \$50 → \$40 would cost about \$5,000)
- Increase instructors' stipend. (E.g, \$500 → \$600 would cost about \$3,600.)
- Increase staff salaries. (E.g., \$2000 → \$3000 would cost \$4,000.)

A possible difficulty with any or all of these: it might be hard after a few years to go back to “normal”.

2) Make one or more larger one-time expenses or donations.

- Is there a worthy organization or cause that we might support? Or would this amount to passing on some of our own gift income (given to CVEC to support our operations) to outside organizations not chosen by the original givers?
- Are there technology investments we might make?

We (Finance Committee members) hope the Board can begin to discuss the above at our October meeting, gathering any other ideas board members might have (including sentiment to simply maintain the status quo).

Exhibit C  
11/14/12

## **Report to The Collegium Board on November 14, 2012**

Re: *Idea Harvest*

The Idea Harvest program in conjunction with the Bethel Lutheran Church STARS organization for older adults was held at Bethel on October 25<sup>th</sup>. It was very successful.

The structured program consisted of (1) lunch, (2) an introduction describing the Collegium classes, (3) a 20 minute min-class on the Music of Broadway by Collegium faculty member Myrna Johnson, (4) a 20 minute mini-course on The Chemistry of Chocolate presented by Collegium faculty member Jerry Mohrig, and (5) a few questions and comments from the floor to conclude the program.

Evaluation meetings were held with the STARS group on November 8, and with the Collegium *Idea Harvest* volunteer planning committee today, November 14<sup>th</sup>.

A full report to the Board will be submitted. The final report will recommend a short term follow-up program this academic year and a tentative longer term trial of two programs per year for two more years 2013-14 & 2014-15.

The Collegium planning committee that met today (Jerry Mohrig, Kitty Runzheimer, Jim Holden, Jean Haslett and myself) felt that the structured *Idea Harvest* program at Bethel was successful enough to warrant an additional trial, potentially at the Senior Center this coming late February or early March.

Since the Collegium sponsors the *Idea Harvest* program, and it will be necessary to begin contacting people at the Senior Center relatively soon for a March program, a motion would be in order to give us permission to move ahead with those contacts for one more *Idea Harvest* program this year.

Bruce Roberts  
*Idea Harvest* planning committee