

SPRING BOARD MEETING MINUTES

June 1, 2011

Madison, WI

Attendees: Victor Dover, John Norquist, Scott Polikov, Marcy McNelly, Stephanie Bothwell, Zach Borders, Todd Zimmerman, Sam Sherman, Russ Preston, Laura Heery, Connie Moran, Steve Maun, Jack Davis, Sarah Lewis, Mike Krusee, Dhiru Thadani, Norman Garrick, Jennifer Hurley, Dan Slone, Doug Kelbaugh, Doug Farr, Scott Bernstein

Absent: Ellen Dunham Jones, Katharine Kelley

Emeritus- Andres Duany (arrived after introductions)

Staff: Heather Smith, Ben Schulman, Nora Beck, Jeannette Mihalek, Abby Bouzan-Kaloustian

Guests: Jed Selby, David Sattelberger (legal representation), Eliza Harris, Charles Marohn, Jennifer Krouse, Karja Hansen, Ian Rasmussen, Dan Bartman, Matt Lambert, Edward Erfurt, Scott Ford, Peter Harmatuck, Jim Kumon, Faith Cable, Mike Lydon

WELCOME & INTRODUCTIONS

17 Next Gen representatives were invited to attend the meeting, so all present were asked to give their name and background.

Victor Dover presented gifts for the three outgoing board members:

- Stephanie Bothwell
- Zach Borders
- Todd Zimmerman

Victor then recognized the incoming board members:

- Russ Preston- 1st Ch rep elected to full board; taking over the role as Secretary.
- Sarah Lewis- newly elected Ch rep.
- Marcy McNelly- newly elected board member.
- Dan Slone- newly elected board member (Mr. Institutional Memory).

CEO'S REPORT

John Norquist gave a brief report on CNU19

- Attendance nearing 1,000 (guessing we'll end around 1,050-1,100)
- Spending less money in Madison
- Meets our objective; but we'd like to grow

John emphasized the new membership goal of 4,000 members by CNU20. The goal will be shared with the membership at the Opening Plenary, along with a teaser video from First & Main. Ben Schulman directed the board to page 11 of the packet for a detailed

analysis of how the CNU staff plans to reach this goal. Member feedback on the proposed restructuring will be solicited at a Salon on Thursday evening. Jeannette Mihalek encouraged interested parties to attend the salon and pointed out the one-time, one-year introductory rate offer to encourage more people to try out a CNU membership.

Russ Preston raised the idea of a competition among chapters to recruit the most new members and asked if any board members would be willing to serve as a “prize” for the winner. Doug F volunteered to be a prize for the losing chapter.

TREASURERS REPORT

Stephanie Bothwell reported that all the financial records are up to date. Anticipated spending on catering and A/V for CNU19 is a fraction of the normal cost and should help to make up for the lower attendance. The current cash balance is roughly \$460K. We will have better knowledge after the Congress closes, but we should be in good standing.

Jennifer Hurley pointed out that at the beginning of the year the budget we were working toward was drawing on existing funds. We continue to strive for a balanced budget and are nearing that goal. Stephanie pointed out that with Jeannette on board to direct fundraising, this goal is achievable.

Victor extended thanks to the Finance Committee (Jack Davis, Kathrine Kelley, Stephanie Bothwell, Jennifer Hurley) and staff (John Norquist and Abby Bouzan-Kaloustian). The Finance Committee has been existence for roughly 18 months, originally established by former Board Chair Ray Gindroz, and is a helpful and productive group. He also thanked the incoming and outgoing treasurers for their work.

NOMINATIONS & GOVERNANCE

As Zach departs the board, the Nominations & Governance Committee is in need of a new Chair. Interested board members should contact Victor.

Victor Dover described an old myth of the CNU board as a self-perpetuating elite club. There are ongoing efforts to make the board more diverse- racially, professionally, geographically, etc. The board needs people with the energy to participate in a “do-er” board. Weekly, daily, hourly, this group is working on CNU efforts, outside of the board meetings. The issue of diversity keeps coming up and a call to renew ourselves came out of the Next Gen NOLA meeting. At the Winter board meeting, Victor and staff were charged with bringing a draft amendment to the bylaws to the Spring meeting. This amendment allows for the direct election of 7 board members. The board packet includes this draft (starting on page 24).

Voting will take place online (roughly a month), culminating at CNU20 and the results will be announced at the Congress. The procedure will favor those with extensive social networks and computer skills. There will be a phase in process over the next 3 years, with a total of 3 or 4 members elected each year for 2-year terms. The current board term is 2 years, with a limit of 8 years, or 4 terms. Term extensions can be granted by board vote or election to the Executive Committee, this has happened in the past. The renewal of

board terms has been looked at as almost an automatic thing in the past. In order to reach 7 elected members, this process cannot continue. Seven members is a substantial chunk of the board, but it still leaves 13 slots for the board to fill, allowing us to diversify, or recognize individuals that make substantial financial contributions (a practice done by many non-profits, but not CNU, to date).

Victor introduced David Sattelberger, of Schiff Hardin, who drafted the bylaws, to point out a correction.

David then made two corrections. First, David did not draft the bylaws. The second correction is in Article 2, Section 9 of the bylaws. Since CNU was originally organized in Florida, it is subject to the rules of that state, which states that member-elected board members cannot be removed unless a majority of the membership votes for his/her removal. There is an exception that would allow all board members to be subject to removal in the same fashion. Strike the highlighted sentence—"One third of the directors will be elected by the member pursuant to the voting process set forth in Article II, Section 21", and instead say "directors elected to the membership...may also be removed in the same fashion as the rest of the board".

There is also a typo in Article 2, Section 2; change "member" to "members".

Jennifer Hurley moved to accept the proposed bylaw changes; Russ Preston seconded. The floor was opened for discussion.

John Norquist pointed out that there are 4 board members whose current term ends in 2012. In order to comply with the proposed schedule, only 1 of the 4 members can renew their term through the Nominations & Governance Committee. The other three would be welcome to participate in the member election process.

Dan Slone sought clarification on the language in Article I, Section 8 that suggests 3% of all members present in person, proxy or by teleconference, constitutes a quorum. He suggested a simple amendment to clarify. Amendment below.

Stephanie Bothwell suggested under Article III, Section 5 that we might consider elaborating on the description of the Treasurer's duties to include all the new 990 regulations. David suggested that if you're obligated under federal law, then there isn't a strong need to include them, but Abby and David agreed to look into the matter.

Nora Beck directed board members to pg 22 of the board packet. This page shows an overall timeline for instituting the new election process and mentions the questionnaire that all interested parties will be asked to complete before running for election.

Steve Maun voiced surprise at how quickly the change would occur, and asked if anyone else remembered that being discussed at the last meeting. John confirmed that the board discussed a roll-out of 2, 3 and 1 (instead of 3 and 4) at the last meeting. But this plan looked very cumbersome and it seems better to do it quickly and get into a normal

routine. Victor commented that several members at the last meeting said they'd rather see things go faster than slower, and had even volunteered to step down from their position to allow for this speed.

Todd Zimmerman emphasized that the incoming Nominations & Governance Chair has a tremendous burden with reducing the 4 renewals. This period of transition will be very delicate and interesting to observe from the outside. He recommended putting someone in the Chair position with a powerful personality and a "don't give a shit" attitude.

Sarah Lewis spoke out in favor of the amendment. If the board is serious about moving the organization and board forward, having board member elections is crucial.

Dan Slone then suggested a second amendment to wording, in Article I, Section 8. Adding "being" after "members" so that it states, "Three percent (3%) of all members **being** present in person, proxy or by teleconference..." eliminates the idea of loading the voting and clarifies the language.

Todd Zimmerman asked what would happen if no candidates stepped forward, or (worse), one unacceptable candidate? Article II, Section 8 addresses vacancies on the board. Board terms are 2 years, and elected members must fulfill all the duties of a nominated board member, or they are subject to removal. Previous board members who have filled their allotted time must wait 2 years before running for a vacancy.

Zach Borders and Victor Dover confirmed that the chapter rep would continue to be involved in the Nominations & Governance Committee along with an Emeritus member (LPZ).

Doug Kelbaugh asked if it would be less disruptive to roll in the elected members 3, 2 and 2, instead of 3 and 4. Nora Beck pointed out that 4 seats would open up in 2013, due to people reaching their maximum service date. The term limits will automatically create the seats needed.

Scott Bernstein asked for earlier warning from the staff/Nominations & Governance Committee on what characteristics need to be met with board vacancies. Russ emphasized the need for discipline when selecting the remaining 2/3s of the board. More care is needed in the Nominations & Governance process.

Board Vote (oral) - all in favor, none opposed, Laura Heery abstained.

FALL BOARD MEETING

Jennifer Hurley gave a brief update on the planning for the Fall board meeting, which has been extended by 1 day to update the strategic plan. The board meeting will be kept to 1 day, and the remaining 2 days will be used for strategic planning. John and staff are recruiting an outside facilitator and funding for this meeting.

Victor Dover opened up the floor for commentary/discussion on set up. Scott Polikov encouraged the board to embrace the long-term goals for Congress. Board members need to take full ownership of the program, so when someone pops up with a new initiative or project, the board chair or president can step up and say “no”. Scott spoke out in favor of keeping the staff more focused and not overwhelmed. He encouraged the group to spend ¼ of time having a philosophical conversation, and ¾ of the time creating a concrete plan/program. Dan Slone said he hoped [Scott’s] push for detail doesn’t drive too far into the detail.

Victor and Jennifer talked about waiting for the facilitator to be identified before setting the agenda and reserving time to train board members on their duties as a board member. The agenda will be distributed before the meeting, but may change, as necessary. Russ Preston encouraged the group to review the current plan to see if we can demonstrate progress on the proposed goals and plan.

Todd Zimmerman encouraged the group not to let the plan get overtaken by events, as happened last time.

Victor asked Scott Polikov and Jennifer to put their heads together at the Congress to discuss invitations and solicitations.

Next meeting is scheduled for October 6, 7, & 8 in West Palm Beach Florida.

WINTER 2011 MINUTES

Doug Farr motioned to approve the Winter 2011 board minutes, Sarah Lewis seconded. No discussion.

All in favor; none opposed; Doug F. abstained.

John announced that all members of the board are current in their minimal obligations to the board- paid membership, congress attendance; \$250 donation.

Several thanks were made to staff, outgoing board members, Local Host Committee Members, and attending Next Gen representatives.

Next Gen representatives will share their thoughts offline.

Meeting adjourned