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ALASKA ENGINEERING EDUCATION FOUNDATION

AEEF DRAFT SPRING MEETING MINUTES

April 3rd, 2010

1. **Meeting called to order:** 12:00 PM
2. **Roll call for Quorum:** 15 present, 2 absent – Quorum Met

Present:

AEEF Vice President:	Angela Smith
AEEF Treasurer:	Greg Latreille
AEEF Secretary:	Katie Swenson
AEEF Executive Director:	Pat Crisenbery
AEEF MC Coordinator:	Doug Murray
Board Member:	Eric Eriksen
Board Member:	Deb Allen
Board Member:	Dave Lanning
Board Member:	Gerry Brown
Board Member:	Brad Fristoe
Board Member:	Maureen Hansen
NSPE President	Sam Grossman
Future AEEF Secretary	Mike Spitz
Future AEEF Executive Director	Steve Shrader
Future ASPE President Elect	Michael Dean

Absent:

AEEF President:	Pat Coullahan
Board Member:	Frances Isgrigg

3. **Comments from Ms. Angela Smith, P.E.**
 - a. Sentiments from Pat Coullahan read.
4. **ASPE Scholarship Report (Francis Isgrigg, P.E.)**
 - a. Francis is not present; she provided a report. Hard copies provided.
 - b. Review of Francis's report performed by Maureen Hansen.
 - i. Letters of award sent to scholarship winners.
 - ii. Reports from past included.
 - iii. Successful year for scholarships.
 - iv. Gerry Brown - Anchorage chapter scholarships given as well. This burdens AEEF because there is more accounting. Trying to coordinate with AEEF and ASPE in advance so that they can give bigger chunks of money at one time and things are not so spread out. Hold discussion for now. Add separate discussion to agenda.



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5. Approval of Agenda:

- a. Remarks from Sam Grossman – Removed from agenda.
- b. New Business – Add discussion of Scholarship Coordination between Societies.
- c. Old Business – Add discussion of turnover to Steve Shrader.
- d. Pat Crisenbery motions to approve agenda. 2nd by Gerry Brown. Passed unanimously.

6. Approval of Minutes from Last Teleconference:

- a. Deb Allen motions to approve January meeting minutes. 2nd by Eric Eriksen. Passed unanimously.

7. Remarks from Mr. Sam Grossman, P.E. NSPE President – Removed.

8. Executive Director's Report:

- a. Report provided. Update given by Pat Crisenbery.
- b. See attached Executive Director Report, April 3rd, 2010.
- c. Other Discussion:
 - i. Scholarship chair in Fairbanks is weak. Anchorage and Juneau scholarships are going very well. As Fairbanks Chapter Director, Brad Fristoe should address this with the scholarship chair. Needs to be addressed because communication is very weak at this point.
 - ii. Can only get 0.25% and 0.35% in CDs right now. So money coming in has been put into savings instead.
 - iii. Where does the money that is not in the endowment come from? Mostly MATHCOUNTS.
 - iv. Sam Grossman - MATHCOUNTS – Great program. History has shown that the kids don't go into the engineering practice. They become researchers and go for the PhDs and end up being more than engineers. But National does not want to abandon because it is such a great program. But they recognize that the program is not feeding our profession directly.
 - v. Operating fund budget is decreasing yearly. It will eventually run out. We will need to address this at some time.
 - vi. Will have Anchorage based ED, Steve Shrader, for the next 4 years. This will save some money on the travel item.
 - vii. Steve Shrader will not be using a PO Box address for AEEF mail. He will be using his home address. So address for AEEF will change, but this is how it is going to have to be. Fairbanks PO Box cannot be maintained with changing location of ED.
 - viii. New address will be: 1475 Essex Circle, Anchorage, AK 99503
 - ix. Could join the Rasmussen Foundation. They are a not-profit group. If we join, we would have access to their training. They teach the basics in ethics of being a non-profit. There is responsibility and accountability associated with being on the board of a non-profit. The organization would be able to



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help with accounting and business and would be able to provide guidance on how to correctly conduct business as a non-profit. Pat Crisenbery is recommending this as an option for consideration. If we decided to do it, we would need to allocate some funding for it. Would need about \$400-\$500 dollars. Cost to join is based on operating budget of the individual non-profit. So it would be \$100 for us to join. Pat Crisenbery added \$100 to 2010-11 operating budget.

- x. We could start taking a percentage of donations and putting it toward the operating fund. The more AEEF takes on, the more burden is put on administration. It is not going to be able to be voluntary as we get bigger. We would need to be transparent with the fact that a % is taken off of all donations and put towards administration. Right now, when people donate, they can specify where they would like their money to go. Is it right to take a % of this and put it towards administration? Most other foundations due this and it is assumed that a % will be put towards administration.
- xi. For the last two years, there has not been any income available from the endowment.
- xii. Could we link off of the pfd and put a donation option for AEEF there? Would need to investigate with the State on how to become one of the Pick/Click/Give organizations. This would be up to Steve Shrader if he wants to take the time to pursue this.
- xiii. We have enough money to approve the AEEF operating budget for another two years.
- xiv. Should a % (or set amount) of the endowment contribution go towards the operating fund. If we do take money for the operating fund should they money come out of the endowment, or should it be a % of the donations made? Sam Grossman - Most states take it out of the endowment.
- xv. Put \$500 in as a line item to move money from the endowment. Why piecemeal? If we need \$1,200 for the operating budget, why not put \$1,200?
- xvi. We are not having trouble with money coming in for the endowment. But we just don't have money coming in for the operating fund.
- xvii. Can add a line item to the operating fund budget for Endowment Administration. This amount could change depending on yearly operating cost.
- xviii. Add a line in the income section of the operating fund budget called "Withdrawal from the Endowment". Amount would be whatever is required to balance the fund.
- xix. Move to approve budget with described changes made by Eric Eriksen, 2nd by Greg Latreille. **VOTE – Unanimous. AEEF budget is approved from FY2010-11.**
- xx. Accounting between our ED's report and Forest report are different. Pat Crisenbery suggests to Steve Shrader to try to get the two in agreement.



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- xxi. Might want to come up with some guidelines on how to invest the endowment money. Would be a protection/insurance for the person doing the investing. In the case of a donator challenging how money is invested, we could say that the guidelines set by the board. If money is lost, a donator could challenge. At this point, Forest wouldn't have any protection on the investment actions he makes. If we have guidelines, he could fall back on those for protection.
- xxii. Sam Grossman – last year a lot of money was lost and people challenged asking questions about how money was invested, why it wasn't managed differently, etc.
- xxiii. Greg Latreille – Moves to have the board approve investment guidelines for our investment chair, with input from the investment chair. Motion thrown out. Need to create a task force to come up with proposed guidelines first.
- xxiv. Task force to create these guidelines – Volunteers for Task Force - Eric Eriksen, Steve Shrader, Pat Crisenbery, Dave Lanning, with input from Forest Braun. Task force created.
- xxv. Scholarships – Should the AEEF scholarship require that the student attends school at either UAA or UAF? 1 out of the 5 past students stayed in the state. Would it be more appropriate to have a different scholarship directed to students attending UAA or UAF? Would hate to take away what we have for a scholarship away; would have to add a new scholarship if we wanted to do this.
- xxvi. Top kids that get the scholarship are going to go to the top schools. Typically, they are going out of state. California does not require that the student stays in state for college.
- xxvii. Could discuss this as a future scholarship option? This can be addressed at a later date.
- xxviii. Motion to accept the Executive Director's Report by Greg Latreille. 2nd by Maureen Hansen. **VOTE – Unanimous. Executive Director's Report is approved.**

9. AEEF Endowment Report – Mr. Forest Braun, P.E., Invited

- a. As of April 1st the endowment sat at \$119,000.
- b. Earnings for the 2009 year was low, \$1600.
- c. Fundraising last year brought in a little over \$14,000.
- d. Recommendation to shift \$20,000 to \$30,000 to the mutual funds so that it can earn more than the money market rate.
- e. We have approved some money to come out of the fund, total is around \$3,000. This can come out of the cash fund. (\$10,000 would remain if \$30,000 is shifted out), so this would be plenty to cover our costs.
- f. Until we get the endowment fund large enough to cover the 1st scholarship, Forest recommends that we do not add any more scholarships.



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- g. Note – Would be really nice if we could get to the point of giving a larger scholarship amount.
- h. Investment Guidelines – Would Forest be in agreement of the development of operating guideline. Right now Forest is operating under the policy of the endowment. That the money is to be invested in a mix of stocks. Having the wording be so generic is risky. California has developed investment guidelines; Sam Grossman provided a contact to Eric Eriksen so he can get a copy of the guidelines from California. Then the task force can go through the guidelines, with input from Forest, and develop a brief formal document.
- i. 3 individual accounts in the endowment – 1 is for MATHCOUNTS, 1 is for scholarships, and 1 is for general. So \$900 to cover AEEF operating fund would come from the general account. All three accounts are fairly even in value.
- j. It goes against the policy to take money out of the principle of the endowment.
- k. Brad Fristoe - Motions that for next year, if the earnings from the endowment fund do not support a \$2000 scholarship, that a \$2,000 scholarship still be awarded in 2011, with the remainder of the amount being made up from the principle of the endowment. 2nd – Greg Latreille. Discussion:
 - i. This should just be for this 1-year period. Hopefully the situation changes next year and the earnings will cover the amount in the future.
 - ii. Committee can look at the 5-year averaging process.
 - iii. \$2,000 goes out over a 2-year period.
 - iv. **VOTE – Unanimous. \$2,000 will be taken out of the endowment fund for the 2011 scholarship.**
- l. Chapter directors will make a point to mention the endowment fund donations.

10. MATHCOUNTS Report: Doug Murray.

- a. No formal report.
- b. Involvement significantly decreased at the chapter level.
- c. LaQuita will not be going to Orlando for the National competition. State coordinator should go to Nationals, normally. LaQuita just had a baby.
- d. 2009/2010 Alaska MATHCOUNTS – Actual Statewide Budget provided.
- e. They were relying on more donations from Fairbanks. Fairbanks coordinator was not aware that donations were his responsibility, so income was not what it should have been.
- f. There is a \$4,400.65 loss for the year.
- g. There is decreasing involvement. Lack of donations, lack of interest, lack of coaches, lack of students. The program is faltering.
- h. This program could grow and is very valuable. Even if the top kids are not going into engineering, some do, and it is an important program.
- i. Need to get the word out about MATHCOUNTS.
- j. Doug Murray – Recommends that Juneau does not do State anymore. It is a great thing and a great time, but it costs way too much to bring the kids to Juneau. Money could be spent in better ways in Anchorage.



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- k. Doug Murray - Doesn't see the program getting any better if there isn't continuity from the leadership. And the work is too much to come from a volunteer. Continuity is just not coming with the way we are organized now. In some states, they pay the coordinator.
- l. Pat Crisenbery – Another problem is the lack of support from our chapters. It is not a priority or even a big topic on discussion.
- m. Mathew Korshin does fundraising in Anchorage. There is a separate fundraising person. Fairbanks and Juneau do not have a fundraising person; the responsibility falls on the MC coordinator.
- n. All schools get the MC handbook. But very few schools participate in the program. Need to be reaching out to the teachers. Money goes a long way for getting schools interested because then teachers have some funding to do the program; otherwise it is all volunteer for them.
- o. There is money in the endowment for MC; the coordinators do not know it is there so they do not let teachers know that money could be available if they choose to do the program.
- p. In October a MC Director was discussed. This person should have the interest and time to be the director for the whole program.
- q. State coordinator rotates with where the competition will be held. So the person in charge is changing on a yearly basis. Each region is responsible for their own fundraising.
- r. AEEF is only involved in MC from a financial standpoint. ASPE could be involved because MC is an NSPE program.
- s. Need to have face-to-face time between MC Director and the teachers in order for the program to grow.
- t. There are many other programs for No Child Left Behind. MATHCOUNTS has better resources than any of these; there is an incredible team of people that put together the tests and teaching processes. We have the best technology available and this should be a major selling point.
- u. Doug Murray – Asks the board to consider a paid MATHCOUNTS position, MC Director, in order to get this program back on its feet and running.
- v. Issue we have been hearing from the teachers is that there are so many programs that they just can't do all of them.
- w. Way to overcome this is to have continuity. A program that works smoothly and a single point of contact.
- x. Teaching method for MC is totally different than anything the schools are doing. This could be a huge selling point.
- y. Should we appoint a task force to come up with a plan to save MC. Yes. Need to have some deadlines and goals for this task force. Should this task force be ASPE or AEEF.
- z. MC Task Force Created – Members - Doug Murray, Greg Latreille, either Pat Crisenbery or Clark, and Deb Allen. Deadline for report is by August.



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11. Old Business:

- a. Executive Director
 - i. Eric Eriksen motions to turn over the position from Pat Crisenbery to Steve Shrader. 2nd by Greg Latreille. **VOTE – Unanimous. Steve Shrader replaces Pat Crisenbery as the new Executive Director.**
 - ii. Signers for AEEF will be Steve Shrader, Greg Latreille, and Angela Smith.
 - iii. Need to have turn-over of position written up to make the change official. President of AEEF should write this letter up and sign.
- b. MATHCOUNTS Director Position – Discussed above.
- c. AEEF Appreciation Award – Will be presented at the banquet tonight.

12. New Business:

- a. Scholarship Coordination between Societies – Other societies are interested in using AEEF. We decided in the past that we would manage other society's money, but that we would not solicit other societies. This would create a lot of work for the ED and until we have a paid ED, this is not feasible. If the society does all the work, and comes to AEEF with the money and paperwork, it would be fairly easy to route the money so that they could use out tax-free status. Gerry Brown, Dave Lanning, Steve Shrader and/or Pat Crisenbery will work on this and come up with a recommendation for the board.
- b. AEEF Website - \$1,200 was approved last year to be taken from the endowment fund to pay for the website. Maureen will contact Angie to see where she is with the creation of the website. Goal for website should be October. Maureen will communicate this. Want people to be able to donate on line.

13. Action Items:

- a. Investment Guideline Task Force to meet (Eric Eriksen, Steve Shrader, Pat Crisenbery, Dave Lanning, Forest Braun)
- b. MC Task Force to meet (Doug Murray, Greg Latreille, Pat Crisenbery/Clark, Deb Allen)
- c. Maureen to contact Angie about website. Have up and running by October.
- d. Steve Shrader to provide contact information to secretary.
- e. Angie to write/sign letter for new ED position.
- f. AEEF Not-for-Profit Tax use Proposal (Gerry Brown, Dave Lanning, Steve Shrader, Pat Crisenbery)
- g. Housekeeping for officer changes.
- h. Officer contact list.

14. Set Next Date for Teleconference Meeting: April 13th

15. Adjourn: Adjourned at 3:35 pm.



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Attachments:

- Agenda
- Executive Director Report, April 3rd, 2010
- Endowment Fund Report, April 1, 2010
- 2009/2010 Alaska MATHCOUNTS – Actual Statewide Budget