

CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES
8:30 a.m., Saturday, February 5, 2011
Bellinger Hall, Chautauqua Institution, Chautauqua, NY

Minutes

MEMBERS PRESENT

George Snyder - Chair
Chace Anderson
James Brady
Kathy Clingan
Laura Currie
Jennifer DeLancey
Henry Foltz
Barbara Georgescu
Don Greenhouse
Ron Kilpatrick
Candace Littell
Stan Lundine
Jack McCredie
Greg Miller
Jim Pardo
Pete Pedersen
Steve Percy
Tim Renjilian
John Viehe
Donna Zellers

MEMBERS ABSENT

Jill Bellowe
Jim Groninger
Katie Lincoln
Salvatore Martoche
Jason Phillips

OTHERS PRESENT

Sherra Babcock
Sebby Baggiano
Rindy Barmore
Tom Becker
Hugh Butler
Joan Campbell
Doug Conroe
Geof Follansbee
Marty Merkley
George Murphy
Sam Price
Bruce Stanton
Linda Steckley
Jack Voelker

I. Minutes

On motion made, seconded and carried, the minutes of the November 6, 2010, meeting of the Board of Trustees were approved as amended.

II. Report of the Chairman & President

Chairman's Report

Mr. Snyder thanked everyone for their participation in the retreat yesterday and noted that the Board will continue to discuss the issues in the coming months.

Mr. Snyder reminded the Board of the process for the development of the President's 2011 Strategic Goals. The President is evaluated annually based on his strategic goals as well as those duties noted in his job description.

On motion, made, seconded and upon the recommendation of the Personnel Committee, the Board approved the President's 2011 Strategic Goals.

President's Report

Mr. Becker noted that a computer has been set up for the Board to review the revised Chautauqua Institution web-site. He reported that he has been appointed to the New York State Tourism Council and shared with the Board some of the work of the Council and the statistics related to tourism in New York State.

The Refectory will undergo renovations prior to season, with a greater focus on customer service, layout, food service delivery and overall food selection. The Asset Policy Committee recommends amendments to the budget to allocate the funds necessary for the project. Staff will continue to review overall food services on the grounds and ways to improve those services. Should the project come in above the current allocation, staff would have to come back to the Asset Policy for approval.

Mr. Becker provided an update on the 2011 program noting the various partnerships including the International Spy Museum, Colonial Williamsburg and the National Museum of African American History and Culture; discussed marketing focuses for the 2011 season; shared a draft of the 2012 Lecture Themes; and provided a status report on the responses to date from the PBS film. The Program Policy will meet by phone to review and discuss the 2012 Lecture Themes in greater detail.

III. Nominating & Governance

Mr. Lundine stated that the committee has secured three of the four Trustee candidates that will be recommended to the Board for election in August. The committee is very pleased with the candidates selected and expects to announce all four candidates to the Board at its May meeting. There is an excellent list of candidates for future vacancies as well. The committee with the assistance of Laura Currie, Jim Brady and Candace Littell will be developing a more formal orientation process for new Trustees. The committee appreciates and encourages the Board's submission of potential candidates to the committee. Mr. Lundine is in regular contact with the chair of the Foundation's Nominating & Governance Committee regarding candidates and will continue to do so. In terms of skills, the committee reviews the needs of the Board on a regular basis and the need for leadership roles and capabilities.

IV. Chautauqua Foundation Report

Campaign Plan & Leadership

Mr. Follansbee stated that Mr. Snyder and Mr. Percy are going to be the chairs of the Promise Campaign. He referred to a document in the Board's material that outlined a platform for the Promise Campaign, a memo outlining a potential case statement for the campaign and the structure for the campaign. The campaign is currently in the lead gift private stage of the campaign and volunteer leadership is being recruited. The campaign will run 5-6 years depending on the progress made. The largest project in the campaign is the Amphitheater.

Development Council

Mr. Snyder reported that the Development Council met last weekend in Cleveland. They received the fundraising reports, updates on the Hagen-Wensley House; reports from Mr. George Murphy regarding the marketing/revenue plans; and discussed the recommended 3,475,000 goal for 2011 Chautauqua Fund. Discussion at the Development Council focused on the size of the goal as compared to the 2010 goal.

Upon the recommendation of the Development Council and the Foundation Board of Directors, and on motion made, seconded and carried, the Board of Trustees approved a \$3,475,000 goal for the 2011 Chautauqua Fund.

The Development Council also approved a goal for the number of planned giving gifts which requires no action by this Board.

The Chautauqua Fund had an outstanding year in 2010, exceeding its goal of \$3.3 million by \$16,000, a 5.3% increase and \$168,000 over the previous year's total raised. A total of 25 planned gifts were committed for the year ending December 31, 2010. Seventeen of those were solicited within the last two years. The remainder were unsolicited.

For the nine months ending December 31, 2010, the Foundation received \$2.7 million in cash and cash equivalents for endowment (excluding the Chautauqua Fund). Approximately 72% (\$1.97M) of the total endowment contributions received came from eight donors in gifts of \$100,000 or more. As of December 31, 2010, the endowment account totaled \$52,706,196.

The Foundation is looking at its endowment funds in terms of the allocation of overall development costs. Discussion has focused on allocating the cost of running the annual fund against the actual dollars raised. The Foundation will continue to discuss this issue.

V. Committee Reports

Asset Policy

Asset Policy unanimously approved and recommends the revisions to the 2011 budget. Those amendments include: an increase of \$66,000 to the Chautauqua Fund, adjusting 2011 budget to the 2010 actual; increased Hotel Capital spending by \$110,000 to reflect the balance remaining to complete the elevator project; capital spending from the Capital Improvement Service Charge Fund is budgeted at \$470,850; increased operating capital spending for the Refectory renovations; and amendments to the financing section to include \$100,000 of philanthropy for the Turner School final pledge payment and a reduction of the school investment fund draw from \$140,000 to \$80,000.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the revisions to the 2011 budget were approved.

Personnel

Mr. Pardo reported that no changes were made to the President's Job description and the 2011 President's Goals have been adopted by the Board. Mr. Becker provided a report on year-end staff evaluations and other related personnel issues.

Audit Committee

The Audit Committee reviewed the risk matrix and schedule in detail making several revisions to both documents. The Chautauqua Foundation has outlined a process in order to be compliant with UMIFA. After that process is complete, the Foundation will report back to the Institution regarding the impact of UMIFA on the payout of endowment income to the Institution. The committee also reviewed the summary of Conflict of Interest Statements as it relates to areas of risk. The committee reviewed the statement carefully and found no conflicts. The auditors schedule and fees for the 2011 audit services were reviewed.

VI. Executive Session

On motion made, seconded and carried, the Board went into executive session, inviting Mr. Price and Mr. Becker to participate.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore
Corporate Secretary
Chautauqua Institution Board of Trustees