Board of Trustees Meeting Minutes
Friday, May 21, 2010
Embassy Suites
4130 Lake Tahoe Blvd., South Lake Tahoe, CA

Trustees Present:
Mike Benjamin, Chair
Dan Barnett, Co-Vice Chair
Chuck Creigh, Co-Vice Chair
John H.O. La Gatta, Treasurer
Nazir Ansari
William Botts
Jeffrey Ceccarelli
Gayle Crowell
Thomas E. Gallagher
Bob Goff
Kathy Hone
Robert Lewis
Sandy Masters
Ed Ricks
Steve Weber
Dr. Steve Wells

Trustees Absent:
Marybel Batjer
Erin Bilbray-Kohn
Ralph Brodd
Ken Ciriacs
Kirk Clausen
Charles Goldman
Peter Kovacs
Jim Kropid
Lawrie Lieberman
Kristin McMillan
Maureen Mullarkey
Ian Rogoff
Jeff Shaw
Marlene Wheeler

Guests and Staff Present:
Michael Fagen, Foundation Fellow
Linda Baldwin, Database & Gift Coordinator
Dawn Coots, Event Coordinator
Laura Edwards, Faculty Senate Chair
Cleve McDaniel, PhD, SVP for
  Finance & Administration
Dr. Eric McDonald, Research Professor,
  Division of Earth & Ecosystem Sciences
Steve Salaber, Interim AVP for Finance
  and Administration
Karen Severin, Executive Assistant
Dr. Paul Verburg, Acting Executive Director,
  Division of Earth & Ecosystem Sciences

Introduction and Welcome of Guests
Mike Benjamin introduced new trustee, Jeff Ceccarelli; returning trustee, Nazir Ansari; and Foundation
Fellow, Michael Fagen. Mike that Russ Kost had a pacemaker installed and although he is doing fine was
unable to travel at this time.

Presentation by Dr. Eric McDonald, Research Professor, Division of Earth & Ecosystem Sciences

Call to Order
Chair, Mike Benjamin called the meeting to order at 8:55 a.m. noting we have a quorum. He asked for
any corrections to the minutes and John La Gatta requested his comment regarding the amount of online
donations coming in be changed from “a good portion” to “a modest amount.” No other corrections were
noted and Mike asked for a motion to approve the DRIF February 26, 2010 Board meeting minutes. Bill
Botts moved, Tom Gallagher seconded and the Board unanimously:
Approved the minutes of the February 26, 2010 DRI Foundation Board of Trustees meeting.

Executive Committee – Mike Benjamin
The Executive Committee met twice since the last Board meeting and has been working with the Finance & Investment, Board Governance, and Development Committees.

The Board’s plan to move funds belonging to DRI which are currently held and managed by NSHE to our own account and receive a 1.5% management fee from NSHE is on hold. DRI cannot take the funds from NSHE but can take credit for the endowment funds on our books which will give legitimacy to the Foundation. In addition, there is some confusion on where the fee will come from (interest or corpus). Dr. Wells advised the Board to move with caution as any monies taken from the corpus could cause alienation between the faculty and the Development Office and/or the Foundation. As both UNLV and UNR are currently receiving the management fee, Mike, Russ, and Steve Salaber will meet with their counterparts at both institutions to discuss the issue. In an effort to keep the Board involved, Dr. Wells suggested the Division Directors bring a report to the Board on the management of the funds they steward.

In a review of funds Cleve, with the assistance of the Financial Services Office, found $139,000 which was allocated to the Maxey Addition Loan but never administered. This amount will be used to reduce the principal bringing the balance to approximately $271,850 at the end of FY 2010.

Audit Committee
No report
Cleve announced the retention of Cupit, Milligan, Ogden & Williams CPA’s to prepare the audit.

Board Governance Committee – Dan Barnett
The Board Governance Committee met twice since the last Board meeting to focus on prospective Board members. Of the 39 prospects currently on the list, the Board has a direct connection to 27. The Executive Committee will make the final approval before any candidate is approached. Dan asked for additional recommendations as not all of the candidates will move forward in the process.

Kristin McMillan and Bob Goff are working on a self evaluation for all Board members to rate their experience, compare the DRIF to other boards, and make suggestions on for improvements. When complete, the evaluation will be sent to all Board members to complete and return.

Mike raised the subject of term limits, currently 3-3-1 and a discussion followed on whether to change to 4-4-1. Michael Fagen suggested staggering terms so as not to repeat the current problem where several Board members will retire at the same time. Nazir questioned if we needed to be consistent with UNR and UNLV, but Dr. Wells said we only need the Board of Regents to approve any changes. Mike stated the 4-4-1 amendment be voted on at the next Board meeting in October.

Finance and Investment Committee – John H. O. La Gatta
Steve Salaber created an Investment Policy Draft based on UNR’s policy and relevant to new monies brought to DRI. The Finance and Investment Committee still needs to review and make proposed changes before forwarding to the Executive Committee for approval and dissemination to the full Board. The goal is to have the document ready for a vote at the next Board meeting in October.

Minutes of the May 21, 2010 DRI Foundation Board of Trustees Meeting (Not Yet Approved)
The new one-page Operating Budget document is shorter and easier to understand. The goal was to make a clear and concise presentation of the numbers. Nazir questioned the Desert Research Corporation expense and Michael Fagen explained how the corporation was established 15-20 years ago as a way for DRI to capitalize on “for profit” efforts using DRI technologies. A reserve fund was established to finance any legal fees that may be needed in the future and to pay the $250 annual licensing fee. The $5,000 annual expense is set aside, no separate account is maintained.

Mike noted that the $5,000 Washington, D.C. Reception expense will not be incurred as an anonymous donor has stepped up to pay for the event.

Ed Ricks suggested a separate line item for revenue from the Nevada Medal Dinners. At this point Mike asked for a motion to accept the Treasurer’s Report, Dr. Wells moved, Nazir seconded and the Board unanimously:

   Accepted the Treasurer’s Report to the DRI Foundation Board meeting, May 21, 2010.

Mike proposed moving forward with Ed Ricks’ request of a separate line item for the revenue from the Nevada Medal Dinners. He then explained why it was not listed on the proposed budget. Instead of taking a one year hiatus, the decision was made to capitalize on the momentum from the last two years, but move the Nevada Medal Dinners to the fall, beginning in 2011. As a result there will not be any revenue for FY 2011; however some expenses will be incurred such as deposits to venues.

Dan announced a suggestion made at the Board Governance Committee meeting to make Nevada Medal winners automatic Fellows of the DRI Foundation. The proposal was still under discussion.

Mike asked for a motion to approve the DRI Foundation Budget for fiscal year 2011, Bob Goff moved, John La Gatta seconded (Dr. Wells abstained from the vote) and the Board unanimously:

   Approved the DRI Foundation Budget for fiscal year 2011

10 Minute Break

Dr. Wells introduced Laura Edwards, the new Senate Faculty Chair.

Development Committee – Charles Creigh, Jr.
Chuck explained the importance of having fundraising goals that are specific, measurable and attainable. Team leaders were assigned to categories related to each of the funding initiatives identified by the Division Directors. Chuck passed out a spreadsheet asking each trustee to sign up for one category they felt passionate about. The goal is to get 5 people in each category. In addition, a portion of the funds raised for each category would go to the Annual Fund to run the Foundation, keep it solvent, and to minimize the necessity to ask for more money several times a year for various projects or needs. Chuck also stated the Maxey Addition fund will be removed as it is more of a naming opportunity, especially with the significant reduction in the principal.

A lively discussion between Board members reiterated the need for small, bite-size goals where the Divisions can see specific, tangible results. A good overall knowledge of DRI along with clearly defined programs and projects will be helpful to identify potential partnerships with corporations active in arenas
which align with DRI. A “Closing Team” was recommended for substantial gift proposals. The one-page funding requests from each Division Director will be distributed to all Trustees.

In addition to the Funding Initiatives, Gayle Crowell reminded everyone of the importance of online micro-fundraising as a means of generating repeat revenue. Tom Gallagher agreed, comparing the Annual Fund to a membership, where the community (and revenue) grows each year. Changing the name of the Cross Cutting Initiative Scholarships was recommended. Overall, the program was well received. Steve Weber inquired about the proposed timeline for implementation. Mike indicated the Executive Committee will put together the details with the names acquired today and Chuck will be making calls to everyone soon, we will not wait for the next board meeting in October.

**Development and President’s Report – Dr. Stephen Wells**

The first Emeritus Recognition Award was to be presented to Bob Noland but due to health issues he was unable to attend the meeting today.

DRI Storm Peak Scientist, Ian McCubbin, has been collaborating with JPL and is on site in the Gulf to monitor the oil spill. He leads a team of other scientists and is highly visible with NASA, NOAA, and the USGS. The team prepares materials for U. S. Secretary of the Interior, Ken Salazar.

Dr. Wells gave a brief review of the Nevada Medal Dinners including attendance, tables sold and Trustee involvement. For the last two years DRI has been very lucky to have such high profile and dynamic scientists and the challenge now is how to keep up the momentum. Dr. Wells, John Warwick, and Russ Kost met and initially contemplated taking a year hiatus. After further discussions, which included Mike Benjamin, it was decided to capitalize on the success of the last two years and move the dinners to the fall. We will continue to have two dinners and are considering hiring a professional Event Planner to take this event to a new level. Revenue amounts were not large; however the dinners have set the stage for future monies to be brought into the institution. The decision on returning to a 10-seat table is still under consideration. The majority of Trustees were in favor of 10 seats, allowing for more flexibility and the ability to include a scientist or two as implemented this year.

While it is not finalized yet, the process for nominating the Nevada Medal Award scientist is being revised to become a more internal operation, with little or no input from UNLV or UNR. Final selection would include representatives from both AT&T and the Governor’s Office. Tom asked about the possibility of changing name of the award. Dr. Wells indicated the current name is recognized by the scientific community, but we could modify the name to read **DRI Nevada Medal Award**.

DRI received incredible media coverage, due in a large part to Public Information Officer, Kelly Frank. Kelly’s interim position was made possible by a donation from Leah and Mike Benjamin. Kelly was recently hired on permanently. Much of the media coverage was a result of the outreach to local schools by Dr. Ballard which replaced the traditional Governor’s Dinner.

Nevada Energy’s $100,000 donation in support of the GreenPower program has allowed Fayth Ross to become a full time employee. The amount has already been leveraged for a matching donation.

DRI will present a proposal for a new Clean Technologies and Renewable Energy Center (CTREC) to replace the Center for Arid Lands (CALEM) at the June Board of Regents meeting. The center will be run by Dr. Alan Gertler who is also overseeing the Renewable Energy Consortium between DRI, UNLV, and UNR. In conjunction with the DOE, the DRI Reno campus will build a modular home to test clean technologies and renewable energy.
On the Federal front, Senator Harry Reid has recommended more funding projects that directly affect DRI this year than in any previous year.

DRI is currently holding meetings with GE Energy in Minden, NV to collaborate on several projects.

Laura Edwards, the new Senate Faculty Chair, expressed a desire to establish a better relationship between the Senate Faculty and the DRI Foundation. Mike suggested the Foundation Chair visit with the Senate Faculty once or twice a year to present the accomplishments of the Foundation.

**Public Comment**
No public comment.

Mike asked for a motion to adjourn the meeting, Bob Goff moved, Dan Barnett seconded and the Board unanimously:

> Adjourned the May 21, 2010 DRI Foundation Board of Trustees meeting at 11:30 a.m.