

**TO: UNIVERSITY OF WYOMING ALUMNI ASSOCIATION MEMBERS**

**FROM: UWAA BOARD OF DIRECTORS**

**DATE: AUGUST 14, 2018**

**RE: SUMMARY DOCUMENT OUTLINING RECOMMENDED GOVERNANCE RESTRUCTURE OF UWAA BOARD OF DIRECTORS (hereinafter referred to as “Summary of Final Bylaw Amendment Proposal”**

### **Background**

The UWAA Board of Directors (“BOD”) has been evaluating the governance structure of its board over the past several years. In 2016, a subcommittee was tasked with reviewing best practices and engaging in robust discussion at the full BOD meetings and within the subcommittee. At the April 2018 full BOD meeting in Rock Springs, following a detailed presentation and discussion, the BOD voted to proceed with the recommendations of the subcommittee and executive committee. This Memorandum outlines the process since the April 2018 board meeting and the recommendations proposed for the Board’s governance structure, and offers supporting data or comments where appropriate.

### **Process and Timetable since the April 2018 Board Meeting**

Since the April 2018 BOD meeting, the Executive Committee has received recommendations from the UWAA directors to include in the original Summary Bylaw Amendment Proposal presented to the UWAA members on July 17, 2018.

On July 17, 2018, the BOD opened a two-week member comment period by sending an email to 9,398 members who had provided the UWAA with their email address. The email directed our members to proceed to our dedicated web page to view all of the bylaw amendment proposal documents. During the comment period from July 17-31, 2018, we received 25 comments from our members. There were points made that were both for and against a variety of the changes, and all of these have been reviewed and considered. All of the comments on the Original Summary Bylaw Amendment Proposal dated July 17, 2018 are posted on our website ([www.uwyo.edu/alumni](http://www.uwyo.edu/alumni)) for our members to review.

Since July 31, 2018, Our full board has reviewed all of the member comments and the Executive Committee has held conference calls on August 2, 9 and 13, 2018 to process all of the recommendations and suggestions and agreed to incorporate several of the suggestions in the final bylaw amendment proposal represented in the Official Notice as of today, August 14, 2018. A redline version of the bylaws and other documents pertinent to this change are now available on our website. In summary, the changes to the Original Summary Bylaw Amendment Proposal presented on July 17 relate to the following areas:

1. We updated the US regions map by consolidating all of California into the Far West region (renamed from Northwest) and Texas into the Southwest region. In addition, we moved Illinois into the Northeast, Virginia into the Southeast, Nevada into the Far West and Idaho into the Neighboring States region. Our alumni numbers by region are now approximately: WY – 52,000, CO – 19,000, Southeast– 11,000, Northeast 11,000, Southwest 12,000, Far West 13,000, Rocky Mtn, renamed Neighboring States, -12,000, International – 1,000. See Exhibit C below.
2. We reinstated the Young Alumni board position as one of the four (4) at-large positions. The other three (3) at-large positions will remain optional.
3. We clarified that Secretary and Treasurer will be appointed just as the other officers are and that they would serve a one (1) year term and would be eligible for re-appointment by the board as long as they have years remaining on their terms.
4. We reinstated the past-president as a member of the Executive Committee.
5. We added an additional director to the Executive Committee to be chosen from the board, bringing the total to nine (9) members.
6. We updated the duties of the Treasurer since the majority of investment decisions for the Life Endowment portfolio will now be made by the First Interstate Bank given their role is an asset management service one.

Today, the Official Notice that the BOD will act on the amended bylaw proposal at the fall 2018 meeting to be in held in Laramie on September 14-15, 2018 was emailed to all members with email addresses on file (9,398) and mailed to all members who do not have an email on file with the UWAA (4,003). If approved by 2/3 of the BOD, the Amended & Restated Bylaws and ballot will be made available to all paid members of the UWAA. Association members will have the opportunity to cast their vote from September 17, 2018 through September 30, 2018. If 2/3 of members who cast votes approve of the amended bylaws, the Amended & Restated Bylaws will be effective as of October 1, 2018. See **Exhibit A** for timeline.

### **Proposal**

The bylaws currently allow for a 43-member BOD for the Association. It has been historically challenging to engage all 43 members and execute the strategic vision while each Director also upholds his/her fiduciary duty. Therefore, we are recommending a transition from a 43-member BOD to a BOD that numbers a minimum of 19 to a maximum of 22 members, with the majority of members of the Board at all times residing in the State of Wyoming. In addition, we are proposing a new Brown and Gold Council to expand statewide, nationwide and worldwide representation, participation and engagement with our alumni. Qualification and population of the BOD are outlined below.

## **Rationale**

A smaller BOD will benefit the Association by providing timely, informed and engaged discourse regarding the variety of subject matters over which the Association presides.

The proposed structure will ensure fair representation of alumni from Wyoming and throughout the country. Other benefits of a smaller board model include:

- (1) Streamlines the board and reduces the cost of coordinating a 43-member board both in terms of operational cost and opportunity cost of staff time.
- (2) Improves efficiency in operation and communication with the board.
- (3) Frees up the Association's valuable staff and resources to apply to other engagement priorities.
- (4) Achieves efficiencies in keeping all of the members engaged.
- (5) Optimizes the individual potential of board members.

In conclusion, the benefits will be a nimbler, better-informed board at a size that is better positioned to be effective in representing our alumni base as fiduciaries and addressing emerging issues in a timely manner.

## **Board of Directors Role**

The BOD shall retain its principal fiduciary and oversight responsibility for the Association. As an independent 501 c (3) corporation, the BOD has a high level of accountability to the Association. A fiduciary role is required to govern the Association and provide oversight of the Executive Director, as well as accountability for the accomplishment of the Association's strategic goals. The fiduciary role will not change in the Amended & Restated Bylaws or in the proposed governance structure.

## **Board Member Composition and Qualifications**

The current BOD consists of a President, President-Elect, Past-President, Treasurer and Secretary and one Director from each of the twenty-three (23) counties; one (1) each from Colorado, Montana, Nebraska & Utah; two (2) from Denver Metro area; one (1) from N. or S. Dakota; two members each from the Northwest, Southwest, Northeast & Southeast; and two (2) young alumni, for a total of forty-three (43) Directors.

The proposed governance structure retains a geographic element for selection as follows: one (1) Director from each of the nine (9) Wyoming Judicial Districts as designated by the State (See **Exhibit B**) for a total of nine (9) Directors; and six (6) Directors selected from six (6) United States geographic regions (Northeast, Southeast, Far West (formerly named Northwest), Southwest, Colorado and the Neighboring States region, defined as Idaho, Nebraska, Montana, North & South Dakota and Utah. (See **Exhibit C**). In addition, the BOD will appoint one (1) Young Alumni at-large director and may appoint up to three (3) additional at-large positions. The at-large directors may be from Wyoming or out-of-state. The Young Alumni director must be thirty years of age or younger at the time of appointment. However, in no case will the number of out of state directors exceed

the number of directors residing in Wyoming. See Exhibit D for table comparing the current representation and terms, with the proposed new structure.

BOD candidates will be nominated based on their ability to assist the Association in accomplishing its strategic goals; commit the necessary time & travel for meetings and BOD work between meetings, and to stay informed of the major issues affecting the Association in fulfilling the Director's fiduciary responsibility.

This diverse BOD will be populated with individuals passionate for UW and UWAA, possessing varied areas of expertise, skills and experience. The BOD governance role is challenging and requires both commitment and a variety of skills and talents to advance the mission of UWAA and carry out his/her fiduciary responsibility.

### **Geographic Area Director Elections**

These Directors will be elected by our membership. Voting members of the Association will make nominations. A ballot containing a list of nominees by geographical area will be prepared by the Nominating Committee and provided to the members for vote in the spring of each year. The Directors by geographic area shall be installed if approved by the voting members by a majority of the votes cast.

### **At-Large Director Appointments**

The BOD will appoint one (1) Young Alumni at-large director and may appoint up to three (3) additional at-large positions. The at-large directors may be from Wyoming or out-of-state. The Nominating Committee may nominate qualified candidates for at-large director positions on the BOD. Nominees must be voting members of the Association. The Nominating Committee shall present qualified candidates at either the regularly scheduled fall or spring BOD meetings for consideration by the full BOD. Candidates receiving approval by a majority of directors in attendance will begin their terms effective immediately.

### **Board Member Terms**

Directors will serve one (1), three (3)-year term with the opportunity to be considered for a second term, subject to a majority vote by the board at a regularly scheduled board meeting. The longer leadership term was unanimously passed in April 2017 to build continuity and stronger relations within UW. However, we are clarifying the re-appointment process by adding this language to the bylaws: "**He/she must be voted on by the board for a second term.**"

### **Board Vacancies**

Vacancies on the Board shall be filled by any eligible person elected by a majority vote of the Executive Committee of the Board. Article VI Section 5.A. of these Bylaws notwithstanding, if the balance of the term is two (2) years or less, said replacement director is eligible to be re-appointed for a second term, subject to a majority vote by the board at a regularly scheduled board meeting.

### **Emeritus Directors**

The BOD may appoint, by majority vote, as Emeritus Directors former members of the Board whose longtime service to UWAA will continue to benefit the Association. Emeritus Directors shall be non-voting members of the board, but may attend any Board meeting or function. The term shall be three (3) years from date of appointment. As non-voting members, Emeritus Directors do not affect the number or geographic origin of directors on the board at any given time.

### **Officers and Executive Committee**

Under the proposed governance structure, the BOD will have five (5) officers consisting of President, President-Elect, Vice-President, Treasurer, and Secretary. These officers, the Immediate Past-President and three (3) additional BOD members elected at the spring Board meeting, and the Executive Director shall comprise the Executive Committee. The President and President-Elect shall serve two (2)-year terms. The Vice-President, Secretary and Treasurer shall serve one-year terms, but may be re-elected for successive terms while serving their regular Board term. The Past-President shall serve for one (1) year following his/her two-year Presidential term and will be a voting member of the Board but will not represent a specific geographic region. The Executive Director remains a non-voting member of the Executive Committee.

### **Board Member Transition**

Existing Board members with terms remaining after 2019 will have the opportunity to serve the remainder of their term on the newly structured BOD so long as such Director is qualified as set forth above, regardless of geographic status.

During the transition period, (2019-2021) new Board members shall be nominated, elected and installed as provided in the Amended & Restated Bylaws to populate the geographic areas. Existing Directors who are currently serving in their first three (3)-year term with expiration in April of 2020 qualify to be considered for a new 3-year term pursuant to the Amended and Restated Bylaws setting forth the 19-22 BOD size. Once each existing Director has completed his/her term(s) (by 2021) the BOD shall thereafter be populated under the Amended & Restated Bylaws numbering between 19-22 members representing geographic areas as outlined herein.

## **Brown & Gold Council (BGC)**

**Description and Duties** The Association shall create a BGC that will consist of UW alumni and friends who support the Association and its programs in matters including, but not limited to, student recruitment, alumni outreach, alumni career support, social gatherings, and community outreach. The BGC will be populated with the people envisioned as most closely connected to their individual communities, providing a strong personal relationship with UW's friends and alumni worldwide.

The goal is to have robust statewide, nationwide and worldwide representation and participation on the BGC.

An ad hoc committee comprised of current board members and non-board member alumni network leaders is in the process of developing the operational structure of BGC, including the selection and appointment of members, terms, communication process with the board, etc.

## **Other Housekeeping Bylaw Revisions**

### **Article III Quorum for a Special Meeting**

We replaced "proxy" with "electronically" as technology is available to use in lieu of a proxy.

### **Evidence of Membership**

We deleted Article V, Section 3 Evidence of Membership. While we still issue evidence of membership in card and electronic form, this section is unnecessary to be included in the bylaws.

### **Honorary Members**

We propose to eliminate this membership category. It has seldom been used. In addition, we have current awards that provide ample opportunity to honor outstanding service by UW alumni and friends.

### **Committees:**

A board member shall chair all board committees; however, non-board members who are voting members of the Association are eligible to serve on committees.

**EXHIBIT A**  
**TRANSITION TIMELINE**

**August 1-13** – Member comments reviewed by Executive Committee and BOD and incorporated into a final draft to provide to board for full board action.

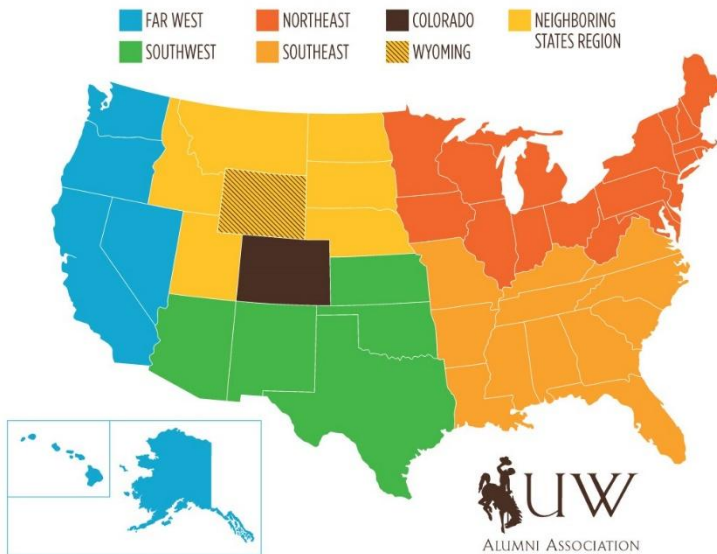
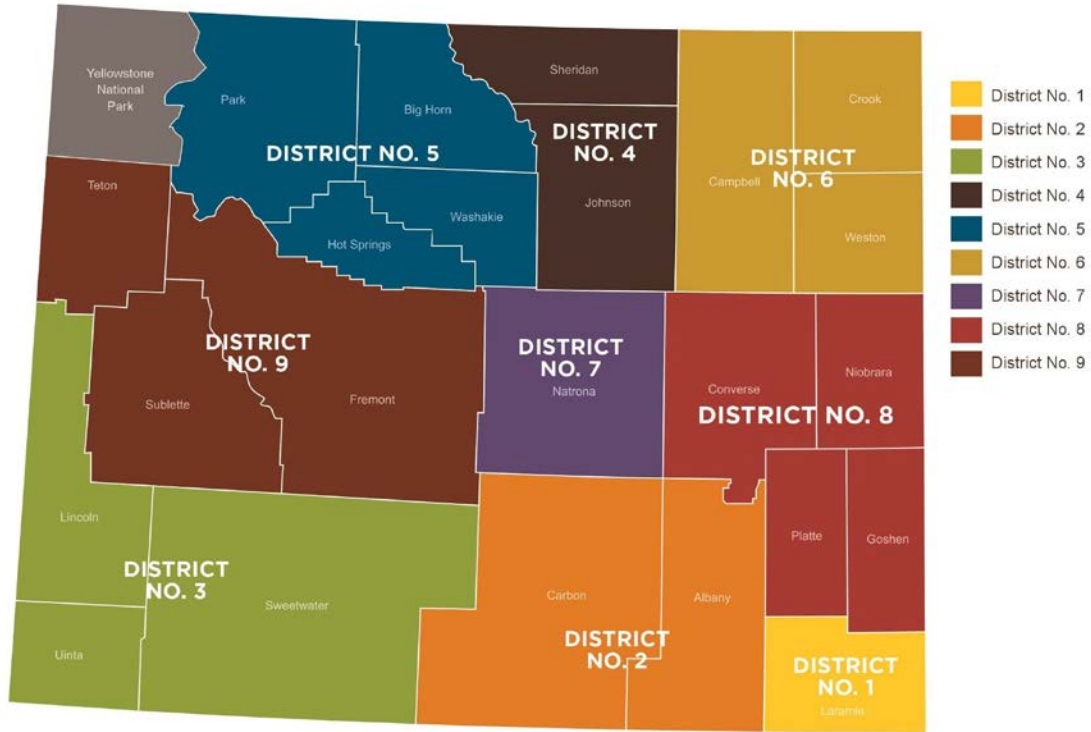
**August 14** – Official notification of proposed amendments to the Bylaws distributed to members. Documents to be available on the website: Summary of Final Bylaw Amendment Proposal, Redline Proposed Bylaws, Clean Proposed Amended Bylaws, Current Bylaws, Frequently Asked Questions, Original Summary Bylaw Amendment Proposal as of July 17, 2018 and Member comments received from July 17-31, 2018.

**September 14-15** - The board will act on the final draft revised bylaws. If 2/3 of board members in attendance approve, the bylaws are amended to distribute to the UWAA members for voting.

**September 17-September 30** – The final approved amended bylaws and ballot, as required in our current bylaws, will be made available to all paid and active members.

**September 30, 2018** – Voting ends. For the bylaws to be amended, 2/3 of voting members submitting a ballot must approve. If not, the current bylaws remain in place.

**EXHIBIT B**  
**NINE (9) WYOMING JUDICIAL DISTRICTS**



**EXHIBIT C**  
**Representation outside of Wyoming**



**EXHIBIT D**

<u>Board Composition</u>	<u>Current</u>	<u>Proposed</u>
Wyoming Counties/Judicial Dist	23	9
US Regions (NE, SE, FW/NW, SW)	8	4
CO/Denver Metro	3	1
ID, SD/ND, MT, UT, NE	4	1 (Neigh. St.)
At-Large	0	3
Young Alumni	2	1 (at-large)
Pres, Pres Elect, Past Pres	2	3
Treasurer	<u>1</u>	<u>0</u> (Chosen from bd members)
Total	43	22

**Note:** Depending on the areas where the presidents live, the board may have to appoint 1-2 at-large directors who live in WY to ensure that “in no case will the number of the out of state directors exceed the number of directors from Wyoming.”

<u>Exec Cttee Composition</u>	<u>Current</u>	<u>Proposed</u>
President (Officer)	1	1
President-elect (Officer)	1	1
Past-President	1	1
Secretary (Officer)	1	1
Treasurer (Officer)	1	1
Vice-President (Officer)	8	1
Other directors from board	0	3
Total	13	9*

**Note: The Executive Director will continue to serve as an ex-officio member of the Executive Committee.**