Peg Valentine, Chair, welcomed the trustees and Economics Center Staff and called the meeting to order.

Consent Agenda
The consent agenda contained the minutes from the November 7, 2013 Board of Trustees meeting, Committee reports and the Fundraising report. A motion was made to approve the consent agenda, seconded and approved by unanimous vote.

Financials
Mike Fox presented the Profit and Loss Budget vs. Actual and the Balance Sheet. He concentrated on the Profit and Loss Budget vs. Actual which contains two sections of information - the Actual/Budget/ Over (Under) Budget from July 2013 through December 2013 and the Projection/Budget/Over (Under) Budget for Fiscal Year 2013/2014. He pointed out that the report is trending worse than has been spoken about previously.

The budget is developed at the Finance & Investment Committee meeting each May using numbers from the previous FY budget. Expenses are fairly predictable with fixed costs mainly centered around staff salaries. Revenue streams are volatile with dependence on fundraising and research income.

Contract Research is $100,000 behind budget for a couple of reasons. Primarily a number of project proposals did not come through that seemed very promising and client decisions to either defer their project until our next fiscal year or change from an annual contracted project to going to doing the project on a biennial basis had a detrimental effect on the research budget.

Contributions to fundraising have historically been dependent on a small number of large donors. When one of these donors decided not to contribute this year the loss of the budgeted income is having a detrimental effect on the Center’s programs and fixed expenditures. The Center is concentrating on expanding the donor base.

The Finance & Investment Committee has formed a subcommittee to work with the Center on strategy for the budget and has a meeting scheduled on February 17. The focus on the meeting will be to determine the best way to manage the current fiscal situation. Points of discussion will be;
1. How to manage the current $426,000 projected shortfall so that it doesn’t expand further, 2. Work with Julie and the staff to identify the profitability of each program and determine which programs should be reduced, cut or increase targeted investment. 3. Develop a 5 year forecast to manage the Actual P&L to manage the fundraising probabilities. 4. Determine the liquidity needs through an investment strategy.

Scorecard
Julie Heath added some context to the Research shortfall by confirming that the research team had a number of projects ready to go, but for various reasons based on client decisions the projects were deferred to later in the year.
She went on to speak about Professional Development (PD). Last October the Center’s Professional Development Director was terminated. A search for a replacement was started immediately and a candidate had been chosen, however with the current fiscal situation the replacement has been put on hold. In the meantime, the Center was required to pay a severance for 6 months, which will end April 11, 2014.

The Center will continue to have a PD program, because it is at the core of the Center’s mission. The way PD is presented will look different than it has in the past. The Center has been scheduling PD workshops and ended up cancelling more than half of the classes for lack of attendance. The drop in attendance is attributed to changes in the way that educators need PD, the lack of monetary support from the educator’s schools and the current assessment system that the educators are struggling to implement. Additionally the reimbursement to the Center has decreased from UC for the sale of graduate credits, because of the move to a performance-based budget system by UC.

The new model will move toward sponsored PD, which the Center has already experienced some success with. Recent sponsored events with PNC, Fifth Third and State Farm were pointed to as sponsorships that have proven very effective. For the change over to the new PD model some responsibilities will be realigned within the staff. The Development committee will also work with the Marketing committee to help determine better ways of presenting our programs to potential sponsors.

Two programs that are currently experiencing a lot of success are StEP and the Alpaugh Scholars. The StEP program has seen an increase in school participation and benefited from an effective strategy of using the sponsored Money Savvy Kids program to onboard educators into the StEP program. The StEP program has also expanded its focus to include non-urban, in-need schools. Because of some of our on-boarding programs, there is now a waiting list of schools.

The Alpaugh Scholars program is experiencing a great year with special thanks directed to Adrijana Kowatsch who took over the program previously handled by the Director of Professional Development. The program experienced increased attendance from a mix of teachers and administrators from 28 public schools and 11 Archdiocese schools. The program was tailored this year to focus on greater relevance and engagement for the educators. Sessions were about forging connections for the educators to local businesses and government.

In response to the current fiscal situation the Center staff has established a number of action steps, both short term and long term;

Strategic plans are in place and being implemented for Research, Education and Development

- Research: Development of products that are easily replicated to a wider audience.
- Research: contracts - annually renewable
- Education: new PD model
- Education: programs packed as a 3 year recurring request
- Development: Diversification - developing a wider donor base
- Development: create stable income - institute EFT giving program
- Development: the Center is requesting more on participation from the Board of Trustees in Development/Fundraising through individual and committee work.
Annual Award Luncheon
Peg Valentine first congratulated the Board of Trustees on reaching 100% giving participation in the Center’s annual fund. She then thanked the Development Committee’s Luncheon Subcommittee for their excellent work on obtaining sponsorships for the Annual Award Luncheon.

Annual Award Luncheon Subcommittee members:
- Brian Brockhoff – Co-chair
- Shawn Kelley – Co-chair
- Christine Carleton
- Mark Cinquina
- Nathan Bachrach
- Chad Summe
- John Frank Jr.
- Steve Wanamaker
- Peg Valentine
- Margaret Lawson
- Crystal Faulkner
- Mike Conaton
- Chris Sucher
- Justin Vanderglas (YP)
- Julie Heath
- Adrijana Kowatsch

The subcommittee has set a goal to raise $100,000 in sponsorships and as of 02/11/2014 had raised $53,250 of their goal. The Board was asked to review the Potential sponsorship list for Kroger and Moody’s contacts to see if there are any connections that would help the Center in obtaining sponsorship from those businesses. Peg encouraged the Board members to advocate for the Center and promote their educational programs. The biggest need for sponsorships are at the Platinum Level sponsorship at $10,000 each. This type of sponsorship will push the fundraising efforts up to the goal.
A handout in the meeting materials included information about the Center and some excellent talking points.

Shawn Kelley also encouraged the Board members to become a part of the Development efforts stating that involvement in reaching out into the community on behalf of the Center encourages the feeling of being a greater part of the organization – much more connected.

**ACTION ITEM:** Board members who have identified businesses that could be approached for luncheon sponsorship should contact Shawn or Brian. s.kelley@nmfn.com or bbrockhoff@baileycap.com

**ACTION ITEM:** Center personnel to send out the subcommittee’s event package to all Board members for use in soliciting table sponsors.

Governance & Nominating Committee
Susan Zaunbrecher, Co-Chair of the Governance Committee advised the board that the newly formed committee met at the end of January. They are in the process of a number of action items including:
- Adopting guidelines for the committee
- Developing a comprehensive guide of roles and responsibilities of Board members to address Board members expectations.
- Updating the Bylaws (Code of Regulations) of the Center which were developed in 1977 and amended in 1998.

Susan advised that the Nominations process will still be an integral part of the tasks that this committee performs. Bill Neyer has been instrumental in operating the nominations process in the past and will continue to do so. If any member of the Board would like to suggest a nominee to the Board they should contact Bill Neyer. The deadline for nominations is July 2014.

**ACTION ITEM:** Propose Board Nominees to Bill Neyer: bneyer@neyer.com
**Board Retreat**

Chris Habel reported that the Board Retreat held on December 13, 2013 provided not only a lot of high energy and rejuvenation, but also fuel for the Board to operate moving forward. Some items being tackled as a result of the Retreat are:

1. A deeper look at the Mission and Vision statements,
2. Development on a Board Action Plan and
3. Feedback is being funneled to the Governance committee for their tasks.

Young professionals - Chris also introduced the Young Professionals Council members who were present at the meeting: Justin Vanderglas of Clark Schaefer Hackett, Lori Poole of Bartlett & Co., Jonathan Papin of Keybank, Will Schumacher of Keybank and Catherine Miller of Bartlett & Co.  
The YP Council is working through a set of written goals and selecting their Chair and Vice Chair for their group. One of the activities they are excited to become engaged in is the StEP program. They are working toward raising enough volunteer efforts to man all the school stores that don’t currently have human resource support.
The majority of the YP council members have been assigned to various Center committees and a mentoring program is in development. Chris will be reaching out to various board members to match up YP members with current Center Board members.

Chris also revisited the information concerning a potential partnership with Change Labs. The company has a working model that has been successful in Australia & New Zealand and the company is looking to do the same thing in the United States. The model involves ‘student experience’ presentation, which is then followed by teacher training. The Center is the content and expertise in this equation, while Change Labs acts as the packaging and conduit for funding from major corporations. Revenue from this venture would be generated for the Center.
This long term strategic planning will continue to be investigated and Chris will report back to the committee when more information is available. The Board members involved in researching this opportunity are; Chris Habel, Mark Cinquina, Peter Alpaugh, Doug Bolton, Peg Valentine and Julie Heath.

**Strategic Partnerships**

Crystal Faulkner, Chair of the Development Committee, shared that the Development committee is meeting with some Marketing Committee members in order to find the best way of packaging the Center’s programs in order to approach new partnerships for the Center. The question posed to the Board members was, “who should we approach?”.
The Cincinnati Business Committee (CBC) was suggested as a possible partner. Although the Center would have to make sure that they show the programs that improve the quality of education for CPS. Tom Williams is the Chair of Education for CBC. The offshoot of the CBC, the Cincinnati Regional Business Committee was recommended as a better possibility for funding if packaging aimed to emphasize the entrepreneurial aspects of programs like StEP, the Coffee Shop and Traveling T-shirt programs.
**ACTION ITEM:** Board members who have suggestions on businesses that might be interested in hearing more about becoming a partner with the Center should contact Crystal Faulkner; cfaulkner@cfscpa.com
The meeting was adjourned.

**2014 Board of Trustee Meetings:**
Please save the date for the next Board of Trustees meetings:
- Wednesday, May 14, 2014  7:30am  RM 352
- Wednesday, August 13, 2014  7:30am  RM 359
- Wednesday, November 5, 2014 Annual Meeting 12:00pm Location TBA

**Mission:** As a thought leader in the community, the Economics Center provides the knowledge building blocks for a stronger economy through education and research. Our student-based programs, interactive tools and professional development improve the economics and financial literacy of school children and young adults. Our research and consulting empowers business and civic leaders to make informed policy and economic development decisions.