



National Association of
Elementary School
Principals

**NAESP Board of Directors
Winter 2011 Meeting**

**Westin Alexandria Hotel
Alexandria, VA
February 2-3, 2011**

OFFICIAL MINUTES

Distribution:

NAESP Board of Directors
NAESP State Representatives
NAESP State Presidents
NAESP State Executive Directors
NAESP Editors
Past NAESP Officers
Immediate Past Members of NAESP Board of Directors

Serving All Elementary and Middle Level Principals

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NAESP Board of Directors Meeting Winter 2011

Wednesday, February 2

1. Call to Order and Welcoming Remarks

NAESP Board members present:

Barbara Chester	President
Rob Monson	President-elect
Diane Cargile	Past President
Ken Williams	Director, Zone 1
Fidelia Sturdivant	Director, Zone 2
Dean Warrenfeltz	Director, Zone 3
Nancy Flatt Meador	Director, Zone 4
John Ansman	Director, Zone 5
Mark White	Director, Zone 6
Kenny Jones	Director, Zone 7
Mark Terry	Director, Zone 8
Dwight Liddiard	Director, Zone 9
Sharon Pitts	Director, Foundation (Middle Level)
Cynthia Toles-Woods	Director, Foundation (Minority)

Ex-officio NAESP Board members present:

Gail Connelly	Executive Director
Michael Schooley	Deputy Executive Director
Ernie Mannino	Foundation Chief Executive Officer

Presenters upon request:

Deborah Bongiorno, NAESP Senior Associate Executive Director
Ernest Lilley, NAESP Director of Technology

President Barb Chester welcomed board members and called the Winter 2011 Board meeting to order at 9:00 a.m. on Wednesday, February 2, 2011. President Chester specifically welcomed new interim Zone 1 Director, Ken Williams from New Hampshire, appointed by the NAESP Board of Directors in December and presented him with his board pin. She next took a point of personal privilege to thank the board for their warm reach out during the time of the passing of her father and presented each with an Idaho Spud candy bar in his honor.

President Chester remarked that the last few months of meeting with members, travelling on behalf of the association to state affiliate activities, and participating in the critical association conversations with board members have been important and enriching. She noted that it appears that principals across the country are more alike than different and everyone is dealing with similar issues in both their professional work and personal lives.

She reminded the board that the job of the board is to lead this organization with their best thinking and be effective representatives of the entire membership as difficult issues are analyzed and important strategic decisions are made for NAESP. At times it can make the important professional relationships developed back home more difficult, when broad decisions made on behalf of the association do not

align with the local or regional perspective. Board members must listen to members, but “Directors must direct” and make decisions in the best long-term interests of the association. President Chester reminded the group that the board is the heart of leadership in the association and it must work hard to do the best work possible to move this association forward.

All board agenda materials and consent items were provided to board members prior to arrival in Washington D.C.

President Chester reviewed the schedule of events and the proposed agenda, noting one change in the consent items. Consent Item C1. Proposed Travel and Meeting Schedule for the Board was revised to include the correct travel dates for the convention in Tampa, FL and distributed.

Motion made by Mark White, seconded by Dwight Liddiard, and CARRIED: to approve the consent items as presented with the change to Consent Item C1.

Motion made by Sharon Pitts, seconded by Cynthia Toles-Woods, and CARRIED: to approve the agenda as presented.

2. Executive Team Report

Executive Director Gail Connelly provided an overview of NAESP operations and reported that it is no secret that NAESP has endured a very difficult couple of years. Based on a number of pragmatic and dramatic strategies employed by the NAESP Board and Executive Team, the strategic plan appears to be working to stabilize the association. The NAESP Board took strong supportive positions on making cuts to the overall operation, the most serious reductions occurring in the area of personnel. Connelly applauded the current staff for doing their best not to minimize services to leaders and members in the field, particularly considering a significant part of the work at NAESP revolves around governance activities, leadership development and collaborating with affiliate leaders.

Connelly informed the Board that the difficult reductions in personnel and overall resources have enabled NAESP to weather the economic storm. She is cautiously projecting financial stability by the end of this fiscal year that will hopefully include a modest start on a cash reserve fund. Gail is proud to say that this has been accomplished without having to sell the primary asset of the association, the Samuel G. Sava NAESP headquarters building. The NAESP Board and staff should be congratulated as role models for accepting the difficult reductions and doing their important jobs with less. Dramatic mid-year adjustments involved using some of the Foundation funds to support necessary association activities. Based on recent marketing research, Connelly noted that even with more limited resources, NAESP has continued to provide services and supports that are valued highly by our members. In summary, although NAESP has endured a couple of tough years, she believes the association has turned the corner and is trending upward.

Connelly reported that NAESP has a number of special projects underway, but noted it is taking a much more focused effort to build new relationships with corporate sponsors. The economic times have been universally difficult as evidenced by the difficulty obtaining and sustaining corporate sponsorships. NAESP values the longtime quality partnerships of VALIC, Lifetouch, Virco, Metlife Foundation, and Landscape Structures for supporting our mission.

Recently, Kelly Pollitt, Deb Bongiorno and Carol Riley of the NAESP staff worked together to secure a “Doing What Works” grant through the American Institute of Research (AIR) in the amount of \$75,000. The scope of work includes bolstering the development of a “Best Practices for Better Schools” segment of the NAESP website. It also includes significant funding for implementing a social networking capability where members will be able to connect with member principals from across the nation.

A second area of focus for NAESP is in the area of principal evaluation. Many states are already looking at revising evaluation systems and NAESP has an initial contract with a researcher from Johns Hopkins University to help chart a course for common sense guidelines for fair and objective principal evaluation. The emerging plan includes assembling a principal work group to provide the practitioner perspective in the development of guidelines to support effective principal evaluation. This project has been on hold pending available resources and will proceed as a result of initial funding from Lifetouch with additional funding built into next year’s operational budget.

The NAESP Foundation Early Childhood Task Force will release a final report and recommendations this spring that association staff will rely upon to expand our efforts in this area on behalf of principals. NAESP has been well-received by the early learning community and those interested in a seamless continuum of learning from age three through grade three. NAESP believes elementary principals can be catalysts for connecting the pre-K world and the K-12 learning systems. Concrete plans for developing the NAESP presence in the early childhood space will be forthcoming in the next year, building upon the success of our *Leading Early Childhood Learning Communities: Standards for What Principals Should Know and Be Able to Do*.

Deputy Executive Director Michael Schooley provided a brief overview of the advocacy work on behalf of NAESP and the upcoming NAESP National Convention to be held in Tampa, Florida, April 7-10, 2011. He thanked the Board for their active participation in the Federal Relations Conference and on Capitol Hill. Schooley reminded the Board of the new NAESP Advocacy brochure that was made available to FRC participants that outlines important positions on key areas for the reauthorization of ESEA. It also provides a brief overview of the two policy proposals primarily focused on professional development for principals that NAESP will be working to reintroduce in the 112th Congress. One proposal deals primarily with support and mentoring for novice principals; the second proposal focuses on quality professional learning in child development, pedagogy, and aligned curriculum to support principals in leading early childhood learning communities.

Executive Director Connelly recognized the leadership of Deputy Executive Director Schooley and praised his many outstanding efforts on behalf of NAESP, particularly acknowledging his key role in the reinvention of NAESP’s annual convention that sports a new look and feel this year. Schooley informed the Board that the convention will host only two general sessions this year featuring keynote speakers Sir Ken Robinson and Vernice Armour. In addition to the two general sessions, there are five plenary sessions featuring Todd Whitaker, Alan November, Charlotte Danielson, Douglas Reeves, and Anthony Muhammad. Convention attendees will be able to attend each of the plenary sessions and still have ample opportunity to attend concurrent sessions presented by principal practitioners. In addition, Robert Marzano will present a special three-hour session on the afternoon of the first day.

Over 1,000 individuals are currently registered for the Tampa Bay convention which is tracking ahead of previous conventions in both New Orleans and Houston. Exhibit sales are lagging behind last year at this time but the exhibits team is stepping up efforts and has seen a recent uptick in activity. The NAESP Bookstore will be included as a part of NAESP Central and a new Green Schools Pavilion is attracting some new vendors to the convention.

The Delegate Assembly will be held as the last leadership activity on Sunday afternoon and the convention will close with the President's Celebration on Sunday evening. Again this year, all attendees will be invited to the President's Celebration.

Executive Director Connelly added that the staff is looking closely at the financial analysis of the convention and the association's annualized return on investment. The association invests over a million dollars a year in the convention and it is becoming more and more challenging to financially break even. While she believes this year's convention may have the strongest program NAESP has ever offered, alternative plans may have to be investigated for the future. Alternative plans being explored include: changing venues from a convention center to a hotel; holding the convention at a different time of year; paring down to conference only sessions; and exploring alternative ways to conduct the governance/leadership "business" of the association. Justifying such a large expenditure of staff time and energy as well as financial resources on an event that is attended by a limited number of members may not be in the best long-term financial interests of the association. Connelly asked board members to think about different ways the convention investment might be redirected to provide new and different services for members and informed them this will be discussed further during their April 2011 Board meeting.

Membership continues to be a challenge for state affiliates as well as NAESP. The last two years of downturn in membership resulted in a significant loss of revenue, prompting mid-year modifications in expenditures. NAESP is trending steady at this time and the current numbers indicate we should finish the year with about 20,000 members, the same number as last year. This is certainly good news for stabilization, but not such good news in terms of growth. The downturn in membership in recent years has had a huge financial impact on the association and it must be the highest priority this year. The association is rethinking innovative ways to engage members and Executive Director Connelly urged the board to be actively engaged with membership recruitment and retention. Board leadership will be important as the association works to make leadership decisions to best serve all principals.

Connelly concluded the Executive Team report by informing the board that recent staff turnover has provided an opportunity to hold on filling positions to conserve resources as part of monitoring the association's financial position. That has been especially challenging in the area of membership processing and some states have reported concerns. Ongoing issues with database management are being addressed as quickly and efficiently as current resources allow. Outsourcing for expertise in this area is currently a viable alternative under serious consideration. Gail is proud that NAESP's financial operations were successfully turned around under the leadership of expert staff as a high priority two years ago. The expectation is to do the same in the area of membership development and affiliate relations as the highest staffing priority this year.

3. Finance Committee Report

Past President Diane Cargile who serves as Chair of the Finance Committee and Executive Director Connelly presented the following items during the meeting to the Board for their review and approval.

- NAESP Audit Report, 2009-2010 and Consolidated Audit Report for NAESP and the NAESP Foundation, 2009-2010

NAESP's financial position has been challenged seriously by the economic recession of recent years which is reflected in the annual audit reports for 2009-10. The audit reports show a \$1.4 million operating loss for last year which creates serious concern going forward but it was noted in the report that management has implemented plans of reductions in staffing, budget cuts, budget monitoring, enforcement of collection of receivables, and possible sell of its headquarters building in which the Association currently has significant equity. This equity is not factored into the statement of assets and liabilities. The report also notes that an initial assessment by NEA for withdrawal of NAESP employees from its pension plan was greatly reduced through a negotiated settlement. The Board discussed the audit reports, noted the seriousness of the financial position of NAESP, and reaffirmed the need for diligent oversight of NAESP's financial position and prudent stewardship of NAESP's resources going forward.

MOTION was made by Dwight Liddiard, seconded by Kenny Jones, and CARRIED: To accept the NAESP Audit Report and the combined NAESP and NAESP Foundation Audit Report for fiscal year 2009-10 as presented.

- NAESP Second Quarter Financial Statements, FY 2010-2011

Due to prudent and timely budgetary adjustments, NAESP's second quarter financial statements show that our financial position is stable and beginning to show signs of recovery. As of December 31, 2010, our revenues are up over expenses by about \$50,000 (as compared to a \$1,000,000 deficit last year at this time). Executive Director Connelly noted this dramatic turnaround is a direct result of the budgetary adjustments approved by the Board last October, including cutback in Board meeting and she is cautiously optimistic that NAESP will end the current fiscal year in a positive position. The Board discussed the Financial Statements, posed several questions, and recognized staff's prudent management of NAESP's resources.

MOTION was made by Fidelia Sturdivant, seconded by Ken Williams, and carried: To accept the NAESP second quarter Financial Statements for fiscal year 2010-11 as presented.

- NAESP Proposed budget FY 2011-2012

The proposed budget for 2010-11 of \$7,856,450 (down 4.5% from the previous year) reflects the realities of shrinking resources during this time of economic recession. The proposed budget is conservative by design as a strategy to avoid future losses to the Association and it is predicated upon approval of the proposed \$20 dues increase, including a \$2 rebate to NAESP State Affiliates. The dues increase allows for establishing an essential cash reserve fund for the Association and modest investment in new initiatives, including "Best Practices for Better

Schools” (as preferred by 99% of our members according to marketing research conducted last year), development of guidelines for principal evaluation, early childhood education and increased staffing to enhance membership, affiliate relations, and professional development. The Board discussed the proposed budget, posed questions, and encouraged a high priority focus on membership staffing and resources going forward.

MOTION was made by Mark Terry, seconded by Dean Warrenfeltz, and CARRIED: To approve the NAESP Budget for fiscal year 2011-2012 as presented for submitting to the NAESP 2011 Delegate Assembly.

- NAESP Cash Reserve Fund Policy

Executive Director Connelly explained that building a cash reserve fund is of paramount importance for strengthening NAESP’s financial position over time and asked the Board to review a proposed new policy requiring that 2.5% of NAESP’s annual operating budget each year be allocated to a cash reserve fund. Based on Board discussion, it was decided that the new policy should say “at least 2.5%” to allow flexibility for increasing the level in the future as NAESP’s financial position improves.

MOTION was made by John Ansman, seconded by Sharon Pitts, and CARRIED: To approve Policy 500.1.1 Cash Reserve Fund as amended.

4. Move into Executive Session

Motion made by Dean Warrenfeltz, seconded by Mark White, and CARRIED: to move into Executive Session.

Motion made by Mark Terry, seconded by Diane Cargile, and CARRIED: to move out of Executive Session.

5. Report out from Executive Session

Motion made by Diane Cargile, seconded by Ken Williams, and CARRIED: In the best interests of NAESP, the Board of Directors authorizes Executive Director Gail Connelly to negotiate a lease or lease/purchase of available office space in the Samuel G. Sava/NAESP Headquarters building owned by NAESP with the American Association of School Administrators (AASA). Furthermore, she is authorized to explore and negotiate the sharing or consolidation of appropriate operational staff and resources.

6. Officer and Zone reports

President Barbara Chester praised the board for the connections they are making in their zones and the genuine collegial atmosphere she has observed at the many state affiliate conferences she has attended. She said it was noteworthy the obvious excellent relationships zone directors have with colleagues and leaders in their respective regions of the country.

Each board member was asked to report on zone activities with regard to three specific areas: membership, NAESP presence on state affiliate websites, and key issues in each of their zones.

Membership across the nation is challenging in most areas and most reports indicated numbers were either down or holding steady.

Board members reported that state affiliate websites vary from non-existent to impressive and highly interactive. NAESP presence on the website also varied to a great extent. State affiliates with a vibrant website appeared to have full time personnel focused on an effective web presence and Board members reported that those affiliates with a more static website could most likely be attributed to small state affiliate budgets and a lack of human resources. An active and more prominent NAESP presence could certainly be better in many cases and most directors indicated this might be an area for increased support from NAESP when resources are improved.

There were many issues noted as worthy of support and consideration including: issues of frontier schools under 100 students, the influx of Spanish speaking students particularly in border states, the need for training for ELL students and professional development for principals, the exploration of district memberships for large urban districts, investigating convention venues with more affordable housing, and the push for vouchers in some states.

NAESP Foundation CEO Ernie Mannino reported that the Early Childhood Task Force had three very productive meetings and would be releasing a report and recommendations at the 2011 NAESP Convention in Tampa. In addition, he complimented President Chester for being selected as the national spokesperson for the Walmart Breakfast in the Classroom project that is providing grant funds administered through the Foundation to several urban centers across the nation. He also announced that he would be working on the launch of a funding initiative where corporate sponsors could donate to a new Centennial Fund to begin the planning for NAESP's 100th anniversary in 2021. He also plans to establish a Century Fund where individual supporters may make donations to support the association's celebration.

7. Discussion Items

Special Board Meeting, January 5, 2011

Motion made by Kenny Jones, seconded by Dean Warrenfeltz, and CARRIED: to approve the Minutes of the NAESP Board of Directors Special Conference Call Meeting held on January 5, 2011.

Proposed Amendment to the NAESP By-Laws

The Board discussed feedback received from members and leaders regarding the proposed amendment that would allow third-year Board members to serve out their final year on the Board should their position as principal change without creating a conflict of interest for NAESP. Most board members were pleased with the amount of feedback received from leaders and members obviously interested in the activities of the association. Each board member spoke to the specific feedback he or she had received since the January 5, 2011 meeting.

Most comments from current leaders in the states were supportive and positive as long as it impacted only third-year board members. There was a clear indication in several states that times are changing and this issue had been dealt with by several state affiliates in a similar manner to the proposed amendment. There was also an appreciation that the “conflict of interest” issue would be determined by legal counsel. There was also the position that those who generally run for an elected leadership position for NAESP do so in good faith, and that those fortunate enough to serve would not do anything deliberately in a final year to hurt or damage the Association.

Conversely, there were reports from a few members who were strongly opposed to the change. A primary concern expressed by those opposed included the fact that a candidate knows up front that if elected a three-year commitment to the association is expected and that should not be compromised. Also, there is concern there would be some disconnect from the principalship if the board member is not an on-line principal.

Other comments included a recommendation that the use of “unforeseen circumstances” may be too broad to specifically address the situations the board has identified and if three years is becoming too long for a commitment, maybe zone director terms should be reduced to two years.

After a thorough and thoughtful discussion of the proposed amendment the board again expressed appreciation for the many members providing feedback and concluded the discussion.

Motion made by Dean Warrenfeltz, seconded by Dwight Liddiard, and CARRIED: that the NAESP Board of Directors move forward and present to the Delegate Assembly the proposed amendment approved by the NAESP Board of Directors during a special meeting on January 5, 2011 that would allow third-year Board members to serve out their final year on the Board should their position as principal change and not create a conflict of interest for NAESP.

Dues Increase

The NAESP Board has proposed a dues increase of \$20 to be presented to the 2011 Delegate Assembly at the NAESP National Convention in Tampa Bay, FL. Each board member provided a brief report representing zone support for the increase.

Overall support and feedback regarding the proposed dues increase was very positive. There is the concern about loss of members, particularly in states where state affiliate dues are also increasing. Some board members reported a general concern from some leaders and members about the financial viability of the association and recognize that in these difficult economic times an increase in revenue is important.

Others reported that members have noticed and appreciated the “belt tightening” moves that have been implemented by the NAESP Team. While increases are unfortunate, there have been ample staff reductions and budget revisions to date that have reduced expenditures and protected the financial stability of the organization. Now is the time to support an increase in dues for the health of the association.

Board members reported that while most affiliates were also suffering from the downturned economy only a small number of affiliates have indicated they would be reluctant to support the increase. Overall, it was the consensus of the current board that the majority sentiment was very supportive and there was extra appreciation for the fact that \$2 of the \$20 increase would be rebated to support the affiliate budgets.

The Board also discussed the possibility of looking at future increases in smaller increments yearly or every other year that could be regularly built into personal and professional budgets.

Executive Director Connelly thanked the board members for their due diligence in gathering feedback and expressed appreciation for those members and affiliates that recognize the economic situation of NAESP. She encouraged board members to “remind” state affiliates of the various ways that NAESP continues to provide financial support through NAESP Foundation programs such as the NAESP Speakers Bureau Fund and funds earmarked by the board each year specifically to support joint membership state affiliate efforts. She reiterated the importance and necessity of the dues increase and renewed her pledge to help state affiliates even more when the organization is healthy and growing.

Nominating Committee Report

The Nominating Committee met at NAESP Headquarters on Friday, January 21, 2011 to prepare a slate of candidates for NAESP leadership positions. The Nominating Committee Report was presented to the board for approval.

Motion made by John Ansman, seconded by Diane Cargile, and CARRIED: to accept the 2011 Nominating Committee report.

8. Discussion Items

Vision 2021 Intermediate Goals

The NAESP Executive Leadership Team presented to the board a Vision 2021 Intermediate Goals document outlining possible revisions of the goals from 2008 through 2011 to strategically guide the association’s future focus. Board members were asked to reflect overnight on the 2008-2011 Intermediate Goals and the rationale for streamlining and refining the goals within the current areas of Leading, Learning, Communities, and Organizational Transformation for 2011-2014. Board members were expected to come prepared the next day to participate in a planning and consensus building activity around the Vision 2021 Intermediate Goals for 2011 – 2014.

Deputy Executive Director Michael Schooley and Senior Associate Executive Director Deb Bongiorno facilitated the planning session for the board. Board members were asked to provide feedback on previous intermediate goals and provide a future focus on priorities for the association. The board devoted considerable time to providing valuable insight to each new or revised intermediate goal. The Board then reached consensus and approved nine strategic goals for maintaining a vibrant, viable, and forward thinking association. The goals will form the basis for the annual state of the association report and proposed budget presented to the 2011 Delegate Assembly.

Motion made by Mark Terry, seconded by Kenny Jones, and CARRIED: to accept the 2011 – 2014 Intermediate Goals developed and discussed.

Membership

Senior Associate Executive Director, Deb Bongiorno, provided the board with an updated year-to-date membership numbers. She reported that if the current trend for recruitment and retention of members maintains at the anticipated pace, she projects NAESP will end the membership year with approximately 20,000 members which mirrors the number of total members on the NAESP roster at the end of the last membership year. Bongiorno acknowledged challenges with database management as a result of the conversion to the Avectra NetForum platform this past year, but noted the current number of individuals she is reporting by zone and state as members is a result of comparing the actual paper transmittals with database queries. She is confident that statistically reliable computer generated membership reports will be available in the near future.

9. Technology Demonstration

Ernest Lilley, NAESP Director of Technology, made a brief presentation on virtual conferencing. The NAESP Board of Directors is interested in having the capabilities to participate in virtual meetings and Director Lilley provided an overview of the current technology and made a recommendation to the Board about using WebEx Connect to accommodate the virtual meeting process. He provided current recurring costs and expected reasonable capital expenditures. The Board recognized that the anticipated costs will be somewhat nominal and is anxious to move forward with testing in the next few months.

Executive Director Connelly proposed that Mr. Lilley open a WebEx Connect account for NAESP and work to procure the minor equipment needed between now and the NAESP Convention. Given other priority demands on Lilley's time, she further proposed testing between the convention and the end of the current fiscal year so it would be fully functional by July 1, 2011. It was agreed that this timeline will be expedited if possible.

10. Move into Executive Session II

Motion made by Kenny Jones, seconded by Mark Terry, and CARRIED: to move into Executive Session.

Motion made by Fidelia Sturdivant, seconded by Sharon Pitts, and CARRIED: to move out of Executive Session.

11. Report out from Executive Session II

President Barb Chester reported that the Board had completed the annual evaluation of Executive Director Gail Connelly and was pleased to congratulate Gail for her hard work and visionary leadership. She praised Connelly for her vision regarding the effective focus on advocacy for principals, building a talented team to support her leadership, and her transparency and encouragement for change.

The Board identified two specific areas as organizational priorities: 1) maintaining the fiscal responsibility in these economically sensitive times, and; 2) membership retention/renewal and development Other areas identified for future focus include building an endowment through the Foundation, a continued focus in the area of early childhood, and a need for a complete revision of the NAESP Bylaws.

The NAESP Board is extremely pleased to have Gail as Executive Director and looks forward to another year under her leadership.

Connelly indicated she would be counting on the board to help with membership challenges, and reminded them that NAESP will work with any state to support their work on behalf of principals. Gail thanked the Board for their continued support and called them the most courageous board she has worked with in her many years with NAESP. She said it is an honor to serve with them in leading NAESP forward.

Motion made by Dwight Liddiard, Seconded by Ken Williams, and CARRIED: to adjourn the 2011 NAESP Federal Relations Conference Board of Directors Meeting.

Approval of Minutes

All Board members received the minutes via e-mail on February 4, 2011, and had an opportunity to review them and make changes or corrections. The minutes were unanimously approved.