Appendix

Meeting of the Governing Board
November 1, 2008
Approved Minutes

La Fonda Hotel
Santa Fe, NM

Attending

Officers
C. Brian Rose, President
Elizabeth Bartman, First Vice President
Sebastian Heath, Vice President for Professional Responsibilities
Brian Heidtke, Treasurer
Teresa Keller, Executive Director

Trustees
Cathleen Asch, General Trustee
Laura Childs, Society Trustee
Lillian Joyce, Society Trustee
Charles S. LaFollette, Trustee Emeritus
William Lindsay, General Trustee
Jerald Milanich, Academic Trustee
Ili Nagy, Academic Trustee
Lynn Quigley, General Trustee
Paul Rissman, General Trustee
Ann Santen, Society Trustee
Glenn Schwartz, Academic Trustee
David Seigle, General Trustee
John Yarmick, General Trustee

Past President
Jane C. Waldbaum

AIA Staff (guests)
Lindsay Alaimo, Executive Assistant / Governance Coordinator
Naomi Norman, Editor-in-Chief, AJA
Thomas Pappas, Chief Financial Officer
Peter Young, Editor-in-Chief, ARCHAEOLOGY magazine

Not Attending
Elie Abemayor, General Trustee
Susan Alcock, Academic Trustee
Michael Ambler, General Trustee
John McK. Camp, II, Academic Trustee
Alexandra Cleworth, Vice President for Societies
Lawrence Coben, General Trustee
Mitchell Eitel, General Counsel
William Fitzhugh, Academic Trustee
Harrison Ford, General Trustee
Peter Herdrich, General Trustee
Norma Kershaw, Trustee Emeritus
Donald Morrison, Society Trustee
Robert Murowchick, Academic Trustee
Jenifer Neils, Vice President for Publications
Eleanor Powers, General Trustee
Caroline Rubinstein, General Trustee
Mat Saunders, Vice President for Education and Outreach
Ava Seave, General Trustee
Charles Stanish, General Trustee
Charlie Steinmetz, General Trustee

The meeting was called to order at 1:35 pm.

I. Approval of the May 2008 minutes
Discussion: Several minor changes and corrections to the minutes were suggested.

Action: A motion was made to accept the minutes with these changes. The motion was seconded and passed.

II. Approval of the Consent Agenda
Discussion: None

Action: A motion was made, seconded, and passed.

III. President's Report
Discussion: Brian Rose thanked the staff for all the energy and hard work that went into pulling together the wonderful and exciting board meeting. A special thank you was sent to Andri Cauldwell who planned meeting and all of the special events.

The Site Preservation Challenge Grant is only $5,500 away from meeting the $250,000 goal. Thank you to Co-chairs Larry Coben and Charles Steinmetz. We have organized four site preservation receptions/fundraisers to date.

The first site to receive a grant was Assos in Turkey. Brian Rose recently met with the head of the restoration program to check on the progress of the project. Easter Island will receive the next grant which will help support the development of a polymer that will be used to stabilize the iconic Moai statues. If the polymer is successful in preventing the erosion of soft volcanic rock, many other sites could benefit. There is also a local economic development aspect to the project.

The Hague Convention was ratified by the United States Senate on September 25, 2008. This is a huge victory for the protection of cultural property and the AIA applauds the US Senate for having made this decision. John Russell, the former Vice President of Professional Responsibilities, made the ratification of the convention his main goal while an AIA officer and should be commended for a job well done. This should make it easier to secure permission from the military to increase the number of cultural heritage briefings for soldiers in pre-deployment training. On the topic of Troop Lectures, they are becoming increasingly popular. Originally, lectures would run between 30 to 50 minutes, and that was really pushing the amount of time the military wanted to allocate for the program. Now we are being asked to train the troops for a full day. Fort Dix has been the most receptive location.

At the Annual Meeting in Philadelphia there will be an all-day workshop and a Presidential Plenary session focused on the subject of cultural heritage and armed conflict. Major General David A. Morris, Commanding General, United States Army Civil Affairs and Psychological Operations Command, will present "Cultural Property

and the Role of U.S. Army Civil Affairs" and Karl von Habsburg, Vice President, Austrian Society for the Protection of Cultural Property, will discuss "The Protection of Cultural Property in the Event of Armed Conflict."

Public Relations coverage has surged this year. This is largely because Harrison Ford joined the Board and the AIA hired a public relations firm to publicize his involvement just as *Indiana Jones and the Kingdom of the Crystal Skull* was being released. This would not have been possible without the help of Peter Herdrich and the PR Task Force and generous donations from several Trustees. Many media outlets, including radio, web, television and local and national newspapers picked up the story and helped bring the AIA into homes across the country.

John Russell has stepped down from his position as Vice President of Professional Responsibilities. His very successful work with the State Department is taking up much more time than anticipated and holding both positions was just too much. However, J. Russell will remain active on the Cultural Heritage Policy Committee. The Board thanks John for all of his hard work and achievements during his time on the Board. He was recognized with a round of applause. Sebastian Heath has agreed to serve as Vice President for Professional Responsibilities per Brian Rose's request. This left a vacancy in the Academic Trustees. William Saturno has been appointed to this seat until the Annual Meeting in January when he will be on the ballot. He is a specialist in Maya archaeology and will be a great addition to the Board.

The Gala will be held on Tuesday, April 28th, 2009 and will celebrate the 130th anniversary of the Institute and the 60th anniversary of ARCHAEOLOGY magazine. Both the Kress Foundation and Harrison Ford will be honored at the Gala. Elizabeth Bartman and Brian Heidtke are serving as Co-Chairs and Malcolm Wiener has agreed to be an Honorary Chair. Brian Rose requested that all Board members work to make the event a success in any way the can. We need people to attend the event, purchase tables, donate auction items, spread news of the event to others who might be interested in supporting it, suggest Honorary Chairs, help with the planning and provide lists of people who should be invited.

After many years of service as Chair of the Investment Committee, Jeff Lamia requested that a new Chair be appointed as he would like to focus on other initiatives. B. Rose thanked J. Lamia for his valuable service and asked Paul Rissman to step in as Chair. We are grateful to Paul Rissman who has accepted the position. The Board expressed its gratitude to Jeff Lamia for all that he has done, and continues to do, for the AIA. A round of applause was given in Jeff Lamia's honor.

Action: None

VI. Audit Committee Report

Discussion: John Yarmick expressed his thanks to Jeff Lamia again and acknowledged his contributions to the Board and the Audit Committee. Jeff Lamia remains a member of the Audit Committee.

The Audit Committee met three times in the past year. Lutz & Carr was retained as our independent audit firm again this year at a cost of $35,500. We continue to be satisfied with their work. Fred Martens, the head of Lutz & Carr, met with the Audit Committee to review their audit findings. He stated that Lutz & Carr has issued an unqualified (clean) opinion regarding AIA's financial statements for the year ended June 30th, 2008 and that his audit team found no significant issues that needed correcting this year.

There were some minor issues the Audit Committee discussed including the credit risk associated with the fluctuation of our cash balance, which relates to the timing of direct mail campaigns for the magazine. The Institute sometimes exceeds the $200K FDIC insured amount in its checking account. The risk was not deemed serious enough to modify our policies involving the management of cash.

Some notable points from financial statements: assets are down due to the negative investment return. The operating budget reported a surplus of just under $2K. There would have been a short fall without the $40K transfer from the unrestricted portion of the Administrative Endowment. Note that most of the Administrative Endowment is permanently restricted and cannot be accessed in this way, but one donor asked that his funds be kept unrestricted for just this type of situation. A portion of that gift was used for the transfer.

John Yarmick then talked about the IRS 990 form. The government has made the form more complex and because of this change and the fact that we have a new CFO, Lutz & Carr will be preparing the returns for next year. A question was raised in regard to the amount of personal information each Trustee was going to have to disclose for the forms this year. Because we are a public organization a certain amount of information needs to be disclosed. Tom Pappas, Teresa Keller and John Yarmick will report back to the Board when the IRS finalizes the new form.

B. Rose thanked the committee and John Yarmick for all of their hard work.

Action: None

V. Treasurer's Report

Discussion: Brian Heidtke reminded the board that at the end of FY08 we had reached a financial break-even point for the second year in a row.

The investment portfolio has deteriorated significantly as of this meeting. Net assets were down about $1MM, which is about $1.9MM worse than FY07.

The provisional budget was approved back in May, but there is a need to revisit because of various changes within the organization. These include a reorganization of the staff, the development of a more robust fundraising operation and the current economic situation. When we began the revised budget process, we were facing a $440K loss, $306 of which stemmed from the downturn in the economy. Several steps were taken to reduce this loss, the largest of which is the Gala, which is expected to bring in about $200K. The staff reorganization saved about $80K and various smaller cuts and revenue improvements brought the loss down to $210K. Management has asked that the Board approve an unbalanced budget with the loss of $210K, which is not an uncommon practice in many non-profit organizations this year. If need be, a withdrawal can be made from the endowment for cash flow purposes but we will try to avoid that by extending payables and cutting part of our direct mail investment. Management proposes that we wait until the spring meeting to make drastic cuts and further review cash flow implications.

Teresa Keller was asked to discuss the revised budget further. She recommended that the Board allow the loss for several reasons:

- We planned to take a draw from the endowment of between $200K and $250K to fund a more robust development operation as per the recommendations of the fundraising consultants. We have achieved that without needing a draw, mainly because of the Gala. The development office is already making progress. We are meeting with donors, bringing in new supporters and reconnecting with past donors. Improved fundraising is the only way to achieve our goals and create more financial security, so it would be a mistake to cut back on our investment in development.
- We have had a history of cuts and donors want to see that we are making progress toward the goals in our five-year vision. Drastic program cuts at this early stage will send the wrong message to our supporters and to the staff members who are going above and beyond the norm to achieve our new goals.
- Brian Heidtke has generously decided to donate $100K toward this year's operating budget, reducing our projected loss to $110K. Also, Paul Rissman has agreed to continue his increased annual fund gift of $50K this year. That gift is already figured into the budget.

This is not to imply that we have not looked across the board to make cuts and to be more efficient. We have been through an extensive exercise to explore the impact of different cuts and have made the ones that will not significantly impact programs. Examples include: eliminating the COO position, reduced travel costs between Boston and NYC by taking the $34 bus instead of the $200+ train round trip, even staying overnight in the Long Island City office instead of getting a hotel room and making plans to eliminate the cleaning service in Boston and having the staff share that work. The staff is more committed than ever to making our vision plan a reality and waiting to take action on a $110K shortfall is a small price to pay for maintaining our forward momentum. If the situation looks worse in April (when we will also have a better idea of how successful the Gala will be) we can take more drastic action.

T. Keller proceeded to explain the specific cuts she would recommend if we faced a larger shortfall in April.

P. Rissman asked about steps that have been taken to make the magazine more profitable or to reduce the possibility of large losses as people stop their subscriptions and advertisers cut back due to the economic downturn. T. Keller answered that a new renewal series has been designed and is being tested that emphasizes the savings that will benefit both the subscriber and the work of the institute if people renew on the first notice. Initial results show that the new series is significantly outperforming the old, even in this economy. Two new direct mail packages are being developed. One of them emphasizes the proposed subscribing member category as other magazines, such as Smithsonian enjoy a higher response rate when they use membership status to make subscribing more attractive. Boosting response rate is one of the most important things we can do to increase magazine profitability.

P. Rissman also asked about management of cash flow and T. Keller explained that the direct mail campaigns, which initially use more cash than they provide, have been cut to conserve on cash. We are also developing a less expensive package to try to reduce the cash outlay and the net cost per order.

There was a lengthy discussion of the finer points of the budget.

A motion was made to go into Executive Session so the Board could discuss the revised budget further. The motion was seconded, and passed.

-Break for Executive Session-

Brian Rose called the meeting back to order after the executive session.

Action: A motion was made to approve the budget as presented. The Governing Board furthermore acknowledges and applauds the staff's hard work, creativity, and enthusiasm in advancing the mission and goals of the Institute. The motion was seconded and passed unanimously.

VI. Nominating Committee Report
Discussion: John Yarmick recognized all of the members of the Nominating Committee and thanked them for their work in getting this slate together. Most of the officers are in a renewal phase including Brian Rose, Elizabeth Bartman, Jenifer Neils, and Alexandra Cleworth. However, there were many Trustee positions to fill and several last-minute changes this year that made the work of the Nominating Committee challenging.

As stated earlier, Sebastian Heath has been appointed the Vice President of Professional Responsibilities until the Annual Meeting where he will run on the ballot unopposed.

Society Trustees Laura Childs, Lillian Joyce, and Ann Santen are all up for re-election and will run on the ballot unopposed.

Susan Alcock and William Saturno have both been appointed in the interim to fill Academic Trustee seats on the Board. Both will run unopposed in January. Two more Academic seats are open in the area of Mediterranean/Greek archaeology. Carla Antonaccio, Barbara Barletta and Joan Connelly have all agreed to be on the ballot for these two seats at the Annual Meeting.

Lawrence Coben and Harrison Ford will both be running for General Trustee seats unopposed. Eleanor Powers was appointed to the Board last spring as a General Trustee and will also run unopposed in Philadelphia. She is a media consultant who was introduced to the AIA by Ava Seave and she will be able to help us with our digital strategy. Robert Atwater and David Boochever will run as General Trustees in the upcoming election as well.

The Nominating Committee has also revisited the policy of letting General Trustees run without term limits. This idea has been turned down because Nominating Committee members feel that it is important to bring new people onto the Board.

Action: A motion was made to accept the slate as presented. This motion was made, seconded and was approved.

VII. 21 Years at ARCHAEOLOGY magazine with Peter Young
Discussion: Peter Young discussed his experiences at ARCHAEOLOGY magazine over the past 21 years. He shared the most memorable moments through his tenure and also discussed his favorite articles. He wrapped up his report by thanking everyone for giving him the opportunity to talk about his time with the organization and expressed how excited he was to be working with the best staff that he has ever had at the magazine.

Action: Brian Rose thanked Peter Young for all of his hard work over the last 21 years and the Board applauded Peter Young for a job well done.

VIII. Executive Director's Report
Discussion:

Teresa Keller reviewed the top priorities that she had laid out for herself at the spring Board meeting, which included:

1. Fill vacancies in the staff
2. Build the development team
3. Review the board's vision with the staff
4. Create an implementation plan for the vision

Items 1 through 3 have been completed and item 4 is in the works. All staff vacancies have been filled. We now have a new Development Director—Jennifer Klahn; Annual Giving Manager—Sarah Schlesinger, who will also write grants and take on a small major gift portfolio; and a Database Manager / Development Associate—Steve Spezzano. Our Membership Coordinator, Maureen Merrigan, will also report to J. Klahn. A CFO,

Thomas Pappas, was also hired. The advertising department will now report to him. The COO position was cut in an effort to use more resources for development and reduce overall salary expense.

T. Keller then discussed updates on current programs:

ARCHAEOLOGY - Circulation
- Highest ever at 250,000 paid subscribers
- Cutting back to 225,000 to improve profitability by adjusting source mix
- Direct mail performing ahead of budget
- Erosion of renewal rates appears to have stopped – now we need to get back to where they were in FY06
- New renewal series is now being implemented – initial results are promising

ARCHAEOLOGY – Circulation - Newsstand
- Newsstand consultant is doing well
- Testing price increase of $1
- Expanded bookstore distribution
- We are now in Hudson Newsstands in the NYC airports
- Expanded foreign distribution--added 10 new countries
- Increased circulation in underserved countries

ARCHAEOLOGY - Production
- Challenges: increased costs for paper, ink and presswork binding
- Changed paper grade to offset about $36K of $80K paper cost increase

ARCHAEOLOGY - Advertising
- Lowered FY09 sales goal $100K due to market conditions
- CFO Tom Pappas has taken over responsibility for the department
- New salesperson is making many new contacts and is now bringing in ad dollars, but market conditions are making sales difficult

Marketing alternative products to increase revenue, including:
- Special ad sections
- Maps
- Sponsorships

Annual Meeting
- Expanding program to three sessions per day. Goal is to allow for more papers and to expand to more geographical regions
- Challenge: Difficult transition – especially with committee meetings
- Later paper submission date to encourage more papers on latest fieldwork and receive higher quality papers—more time between previous annual meeting and submission and less time between submission and presentation.
- Challenge: Compresses the amount of time we have to prepare for the Annual Meeting

and makes travel funding more complex

T. Keller then discussed her third and fourth priorities as outlined at the spring Board meeting: reviewing the Board's vision with the staff and creating an achievable implementation plan.

In reviewing the Board's Five-Year Vision the staff considered:

- Experience since passing the case statements
- Feedback from campaign feasibility study
- Whether the staff and volunteers can implement the initiatives successfully

We also tried to meld the individual initiatives in the plan into broader strategies that take advantage of AIA's unique strengths:

- Network of professional archaeologists
- Communication/outreach tools beyond compare
- Network of AIA Societies & volunteers
- Talents and expertise of our Trustees, staff and volunteers

The process: Two NY-Boston Joint Staff Meetings:

- July - discussed the initiatives outlined by the Board, then divided into workgroups that worked on detailed plans over the next 10 weeks. Paul Rissman generously hosted this meeting at his home in the Berkshires.

- October – a two-day off-site meeting during which each workgroup reported on their detailed plans, including some specific benchmarks for measuring progress each year. The whole staff then discussed the recommendations of the workgroup and came up with compromises and decisions about the plan.

- November – reported back to the Board on the plan at the November 1 Board meeting.

T. Keller then went through the specifics of the plan in order to get feedback from the Board.

Membership:
10,000 members or even tens of thousands may not be compelling when advocating for the field. Therefore, we want a plan that will allow us to have hundreds of thousands of members.

Barriers to significantly increasing membership with current categories:
- Price – $66 with Arky is high for direct mail solicitation
- Price increase when marketing to existing subscribers is $44
- Lack of tangible benefits makes the high price even harder to market

We are currently considering the following categories (detailed document distributed):

Subscribing Member	$24	(Intro $15)	Magazine
Supporting Member	$40	(Intro $25)	Network museum discounts, access to members-only content on the website
Society Member	$60	(Intro $45)	Join local society, meet archaeologists, dinners and other events at society, AM discount
Professional Member	$60	(Intro $45)	Fellowships, publishing grants, job-placement service, professional directory
Student Member	$45	(Intro $30)	

The goal is to have 250,000 members in five years or less

Higher donor-level categories of membership are being developed and benefits will include invitations to special events and various other forms of recognition.

Development:

- Running Annual Fund more strategically
- Emphasis on grants – Annual Giving Manager
- Active major gift cultivation
- Events – receptions, Galas, and Board retreats where we ask others to join us and donate
- Gearing up for a campaign starting in spring 2010

Websites:

- New strategy for AIA site – make it appeal to lay audience and attract new members – simplify design and create sections for information geared toward professionals and Society Officers – some content would appear on multiple AIA sites – all websites would be redesigned to look like a family of related sites
- Increase funding for all websites – grants
- Simulated or interactive digs
- Kids' website
- Other educational content
- Increase content generation by AIA members
- Create outline of useful content – volunteers could select topics and create the content
- Encourage interest groups and Committees to review and approve content for design and posting. This is low-cost and engages volunteers but will take staff time and effort to interact with Committees – we can manage it without adding staff
- Increase amount of video – lectures, etc
- Utilize new outreach methods like YouTube – this is already up and running
- Members-only content for Supporting Members - more video, content from special newsstand issues, selected magazine articles, etc

Generate content from AIA programs:

- Site preservation projects – progress could be filmed or photographed to highlight progress
- Fairs – film activities and presentations

ARCHAEOLOGY magazine - Foreign Editions

- Most publishers use a consultant to identify the most promising markets, negotiate with foreign publishers and monitor progress
- Requires up-front investment for retainer while the program gets up and running
- Next steps – more research and obtaining funds for up-front costs
- **ARCHAEOLOGY magazine - Digital Editions**
- Decided not to go forward with this initiative until current models become profitable
- Agreed to create a digital sample issue for promotional purposes

ARCHAEOLOGY – Newsstand-Only Issues

- Vertical content, profitable, increases profile of magazine, will also be used for marketing, improving pay-up, etc
- Goal is one per year – no increase in staff – Egypt will be the first

ARCHAEOLOGY – Editorial Strategy

- Subscriber Survey (current & former)
- Need to bring renewal rates back up - or at least hold steady through tough economy
- Continue excellence in content

Outreach and Education:

- Focus on outreach through Societies, a few national events & the websites
- Societies – develop Society Resource Guide; web tools for better communication of ideas; grants to Societies; help them raise their own funds; recognition programs
- National events include archaeology fairs; national archaeology day through Societies

Government Relations and Advocacy:

- Strengthen interaction between staff and related Committees: Cultural Heritage Policy, Conservation and Heritage Management
- Raise funds to have a pool of money to fund more trips to DC to testify regarding pending legislation
- Enlist the support of members – more effective advocacy; members know they make a difference
- Use PR firm – need to match PR challenge grant

Professional Services:

- Annual meeting improvements
- Professional directory
- Workshops/Colloquia through Societies
- Webinars
- Graduate School Directory
- Job seeking resources / guidance
- Guidance with creating tenure portfolio
- More active Interest Groups – working with an AIA staff member

AJA:

- Endow the Editor-in-Chief Position
- More color printing
- AJA supplemental series
- Archiving

Public Relations:

- Hired Trylon Communications in September
- Raised enough money to pay through January
- Need to raise balance of $25K challenge grant
- We are getting significant coverage for articles in the magazine, archaeology fairs, and the Gala, and will soon have a release on site preservation, the annual meeting and AJA articles

Earlier today members of the Society Committee and the Board had a detailed discussion regarding the new membership categories. The consensus of that group is that the Board should recommend to Council that all magazine subscribers be made members without representation at Council.

Action: the motion was made, seconded and passed

T. Keller then answered questions regarding the action plan for the next five years.

Have all of these been costed? T. Keller stated that costs were considered and many initiatives are planned to fit into the existing budget. We have costed many of the other initiatives and are working on a document that explains everything in detail. Initiatives that require fundraising will not be integrated into the five-year plan until the funds are raised, but they will be put into the development plan. We will review the plan again in January based on Trustee feedback at this meeting and for the benefit of those Trustees who were not able to attend this meeting.

D. Seigle asked about site preservation and why it is not incorporated into the plan.

B. Rose addressed the issue of site preservation. Larry Coben wanted to come up with a business plan independent of the Staff and share it with the Board and Staff upon its completion. B. Rose asked the Staff to hold off on incorporating site preservation into the plan until L. Coben was finished. We are committed to the Site Preservation Program and will work with the Site Preservation Task Force Co-Chairs to make it an integral part of our plan when appropriate.

Why is K-12 not more heavily emphasized? Based on feedback from the feasibility study, we have decided to emphasize general outreach, with a component of K-12 education rather than narrowly focus on K-12 in the classroom. General outreach is also something that ties in well with our existing strengths because we can run those programs through Societies and they can choose whether they are more suited to conducting programs in the schools, at local museums or at other venues.

Should we cut back on these plans to save money in the operating budget? The parts of the plan that we have recently begun are either revenue neutral or generate income, such as the special newsstand edition of the magazine. The outreach and education department itself is costing us less than it did two years ago because we are raising more money for it. Most of our recent grant applications for education have been successful. We will not start new initiatives unless they are funded.

Brian thanked Teresa and AIA staff for dedication to five year plan and our mission.

Committee Reports:

Development: David Seigle thanked staff for their hard work. He emphasized the need to maintain a robust development department to prepare for the campaign and to raise money for the Five-Year Plan initiatives and the Administrative Endowment.

D. Seigle discussed the revised charge for the Development Committee which was passed at the last Executive Committee Meeting. The Committee will take on more of an oversight role. The Development Staff will create a development plan each year and the Committee will advise on it, suggest modifications and approve it. There will be several subcommittees on which members can serve, including the Gala Committee. The goal is to have a Development Committee where Trustees can take an active role on specific initiatives like the Gala, but to give the Development Staff responsibility for the broader plan with Trustee guidance and input.

D. Seigle stated that given the new development events and plans, we need more help from all Trustees, including those not on the Development Committee. He asked the Trustees to sign off on the page included in the Board packet which lists areas where Trustees can help.

T. Keller reported on the specifics of the Gala.

- It will take place at *Capitale* in NYC on Tuesday, April 28th. Tickets are $500, $750, or $1,000 and tables are $5,000, $7,500 and $10,000. The PR firm is

publicizing the event and we are getting some calls for tickets. Save-the-Date cards will be mailed out in January and passed out at the January Board meeting.

- We plan to feature countries that are great archaeological destinations and theme the auction items accordingly. We will display the silent auction items by country on steamer trunks and hang related magazine covers above each. There will be a cocktail hour with the silent auction in the first room of the building, which is the former Bowery Savings Bank and features soaring ceilings and marble columns.

- Dinner, a traditional Maya feast, will be held in the main room, which has elegant décor. A person of Maya heritage, whom T. Keller met at the Maya at the Playa event will consult on traditional recipes and the Food Network is interested in doing a show on the dinner.

- Dessert buffet will include unique foods from the countries we are highlighting.

- T. Keller discussed the variable cost per person of the event ($150) and some of the fixed costs for décor, invitations, PR, etc. Corporate sponsorship is being sought and auction items are coming in. We are also looking at tourism boards and foreign consulates for auction items and sponsorship.

The Board meeting will be on Monday, April 27th in NYC. The NY Society is planning a film festival for the day before the Board Meeting.

Professional Responsibilities Committee:
Sebastian Heath, no meeting today due to lack of quorum, but there was a productive discussion.

The major issue to report to the Board is a modification of the membership regulations to prohibit the use of AIA's name in conjunction with the sale of antiquities or in commercial transactions in general—though the latter could be done with permission from the Executive Director.

The recommendation was made after a request was submitted to B. Rose by a group of more than ten Council members. According to regulations, such a recommendation must be brought forth at the subsequent Council meeting. The Council members submitting the request had suggested that the use of AIA's name be prohibited in conjunction with the sale of antiquities, but the group of Professional Responsibilities Committee members who met today thought that it might be better to prohibit the use of AIA's name in all commercial transactions, unless permission is obtained from the Executive Director. We could suggest revised language to the group of Council members or suggest a friendly amendment at the Council meeting.

The Board discussed the matter and thought it would be best for the Board to give its approval in principle and let the Governance Committee work out the actual language

which would be proposed to the group who originally submitted the recommendation and then sent to the Council for the January 2009 meeting.

Action: a motion was made, seconded and passed

B. Rose thanked S. Heath not only for his work on this recommendation to Council, but for agreeing to serve as the V.P. for Professional Responsibilities. The Board signaled their appreciation with a round of applause.

B. Rose thanked B. Heidtke and P. Rissman for their extraordinary support and the Board applauded their generosity and continued dedication to the work of the AIA.

B. Rose adjourned the meeting at 4:58 PM

Meeting of the Governing Board
January 8, 2009
Approved Minutes

Philadelphia Marriott Downtown Hotel,
Philadelphia, Pennsylvania

Attending:

Officers
C. Brian Rose, President
Elizabeth Bartman, First Vice President
Sebastian Heath, VP for Professional Responsibilities
Alexandra Cleworth, VP for Societies
Jenifer Neils, VP for Publications
Mat Saunders, VP for Outreach and Education
Brian Heidtke, Treasurer
Teresa Keller, Secretary; Executive Director

Trustees
Susan Alcock, Academic Trustee
John McK. Camp, II, Academic Trustee
Laura Childs, Society Trustee
Lawrence Coben, General Trustee
William Fitzhugh, Academic Trustee
Lillian Joyce, Society Trustee
William Lindsay, General Trustee
Donald Morrison, Society Trustee
Robert Murowchick, Academic Trustee
Helen Nagy, Academic Trustee
Lynn Quigley, General Trustee
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Caroline Rubinstein, General Trustee
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William Saturno, Academic Trustee
Ava Seave, General Trustee
Glenn Schwartz, Academic Trustee
Charlie Steinmetz, General Trustee
John Yarmick, General Trustee

Past President
Jane C. Waldbaum

Trustee Emeritus
Charles S. La Follette

Trustee Candidates
Robert Atwater
David Boochever
Douglas Tilden

Guests
Lloyd Trufelman, President, Trylon Communications, LLC

AIA Staff
Liz Gilgan, Director of Programs
Ilean Isaza, Administrative Assistant/ Governance Coordinator
Jennifer Klahn, Development Director
Jarrett A. Lobell, *Archaeology* Executive Editor
Naomi Norman, *AJA* Editor-in-Chief
Tom Pappas, CFO
Mark Rose, AIA Online Editorial Director

Not Attending
Elie Abemayor, General Trustee
Michael Ambler, General Trustee
Cathleen Asch, General Trustee
Harrison Ford, General Trustee
Peter Herdrich, General Trustee
Norma Kershaw, Trustee Emerita
Jerald Milanich, Academic Trustee
Eleanor Powers, General Trustee
Glenn Schwartz, Academic Trustee
David Seigle, General Trustee
Charles Stanish, General Trustee

C. Brian Rose. President, called the meeting to order at 1:05 pm.

I. Approval of the Consent Agenda
A motion was made to accept the consent agenda. The consent agenda included the minutes of November 1st from the Governing Board Meeting in Santa Fe, New Mexico; the Financial Statements as of October 31st 2008 and development and membership reports through November 30th, including a status report on the AIA's upcoming Gala.

Discussion: B. Rose explained that a discussion of the Gala would take place later in the meeting.

Action: A motion was made to accept the consent agenda. It was seconded and passed unanimously.

II. President's Report (Brian Rose)

B. Rose thanked the chair of the Nominating Committee, John Yarmick, for putting together such a wonderful slate of trustee candidates. Three of the candidates were present at the board meeting: David Boochever, Robert Atwater, and Douglas Tilden. B. Rose thanked them for their support and for their commitment to serve on the AIA Governing Board William Saturno was also introduced and welcomed as a new Academic Trustee. Saturno fills the spot vacated by Sebastian Heath when Heath was appointed VP for Professional Responsibilities. B. Rose thanked Heath for his commitment to serve in a position that is so critical to our mission

Troop Lectures and cultural heritage training programs for soldiers who are deployed to Iraq, Afghanistan and the Horn of Africa are becoming increasingly successful. Lectures have been done at Fort Dix (New Jersey), Fort Drum (New York), and Fort Bragg (North Carolina). One of the groups that B. Rose has been able to reach is the Army Corp of Engineers, which is particularly important because they oversee what is built in Babylon and where construction equipment will be used. The training gives them a good sense of why it is important to monitor the terrain at archaeological sites in Iraq and Afghanistan. The group was incredibly enthusiastic about the training sessions and wondered why the Department of Defense had not started them earlier.

Through the intervention of Charlie Steinmetz, who attended a meeting with the State Department, B. Rose met Richard J. Schmierer, Deputy Assistant Secretary for Near Eastern Affairs. The objective of the meeting was to encourage the State Department to promote the cultural heritage training programs as part of pre-deployment training for all troops deployed to Iraq, Afghanistan, and the Horn of Africa. With Charlie Steinmetz's help B. Rose now has a second meeting in late January with very highly placed officials in the State Department.

B. Rose encouraged all members to attend the **Presidential Plenary Session: Cultural Property in Armed Conflict**, with Major General David Morris, the commanding general of the United States Army Civil Affairs and Psychological Operations Command. "The General can make a real difference in mandating this cultural heritage training with the troops." Representing the Europeans is Karl Von Habsburg, President of the Association of the National Committee of the Blue Shield. The session was coordinated

with the help of Dr. Laurie Rush (the creator of the cultural heritage playing cards) and Cori Wegener (President of the US Blue Shield Committee). B. Rose also encouraged attendance at the Annual Meeting sessions presented by the German Archaeological Institute and the Institute of Archaeology with the Russian Academy of Sciences.

B. Rose stressed again the need to have **additional dialogue between the Association of Art Museum Directors (AAMD) and the AIA**. For too long there has been a wall constructed between both organizations and that helps no one. Although we will have to agree to disagree on a wide range of issues we need to work together and emphasize the areas where our missions overlap. B. Rose contacted the president of AAMD, Dan Monroe, and together they arranged to create a small working group for this purpose. Brian Rose will serve on the group along with Claire Lyons (Former Vice President of Professional Responsibilities for AIA and Curator of Antiquities at the J. Paul Getty Museum); Rosemary Joyce (Professor and Chair of Anthropology at the University of California, Berkeley and former Director of the First Museum); Jenifer Neils (AIA-Vice President for Publications and Professor of Art History and Classics, Case Western Reserve University), and Gil Stein (Director of the Oriental Institute at the University of Chicago).

Since the last Governing Board meeting, the challenge grant for the **Site Preservation Program** was met. B. Rose expressed thanks to the anonymous donor who put forth the challenge grant and to Trustees Larry Coben and Charlie Steinmetz who Co-Chaired the Site Preservation Task Force that worked so hard to match the grant. The last $2,500 of that grant was met by the AIA staff.

The first grant of the Site Preservation Program was given last year for conservation of the Temple of Athena in Assos, Turkey. The second grant has been awarded for a preservation project on Easter Island. B. Rose also thanked the site preservation reception hosts: Richard and Nonnie Burnes, in-laws of Sebastian Heath (Boston), Larry Coben (New York), Katie Ford (New York), and Michael and Jamie Lynton (Los Angeles).

Two new societies will be chartered at this meeting: Lubbock, Texas and Bozeman Montana, which brings us to 107 AIA Local Societies.

Lastly, B. Rose thanked the entire AIA staff in Boston and New York for their hard work. Andri Cauldwell broke her arm yesterday, but that did not slow her down one bit. Ms. Cauldwell was thanked for her service above and beyond the call of duty.

The order of the agenda was modified to allow Trustee Larry Coben to present his committee report on Site Preservation sooner.

Site Preservation Task Force Report – (Larry Coben, Co-Chair)
L. Coben extended his thanks to everyone who helped meet the grant challenge. He reported that the good news is that we now have money to spend, but the rest of the news is that we need to set up an infrastructure that can create a program very rapidly. We need to continue to double and triple our efforts to raise money if we are going to make a meaningful dent in the site preservation area. L. Coben and Charlie Steinmetz had just returned from Easter Island where they were well received by everyone. On the website

one can see a video of the Mayor of Easter Island speaking about the importance of sustainability in site preservation. L. Coben concluded by saying that we are off to a good start but still have a long way to go.

L. Coben was asked if there are plans to raise an endowment for this program and answered that once the program is off the ground and has a better fundraising base, that would be a long term goal, but at this point it is likely several years away.

III. Treasurer's Report (Brian Heidtke)

B. Heidtke reviewed highlights of the Financial Statements as of October 31, 2008.

Operating Revenue was just under $2.4MM; a little ahead of last year and very close to budget. However, we increased direct mail expense to achieve higher revenues in spite of lower renewal rates, so total expenses are higher and net revenue is lower. Lower net income is not uncommon in this economic environment, and we are taking measures to limit our losses.

ARCHAEOLOGY magazine, like most magazines, is sensitive to market conditions and we have seen its net revenue decline from $326k in FY07 to a budgeted loss of ($116k) for FY09. Tours and membership revenue are also suffering because of the recession. All other areas are at or close to budget. The American Journal of Archaeology (AJA) is better insulated from market conditions and continues to do well, with net revenue of just over $200k. Note that this is before allocated administrative expenses are charged.

Contributed Income: We are unfavorable to last year by about $100k because last year included a $125k bequest that was applied to operations. We continue to work to increase activity in our development operation to cultivate new donors.

Operating Expenses: At $2.3MM, expenses are on budget. About 30% of our expenses are compensation costs. The increase in expenses over last year is related to increased marketing of the magazine and our investment in development.

Balance Sheet: Shows that the AIA cash situation, $623k, was very good at the end of October. This is partly because of the timing of our $400k endowment draw.

Investment Portfolio: As of the end of October we had just over $4MM invested in equities. This is 63% of our total investments of about $6.5MM. There was a 34% loss in equities during the first four months of the year, but this is not unexpected considering the current economic climate. We had an additional loss of about $400k in November, because the stock market continued to decline. Our total portfolio is down 23%.

Changes in Net Assets: The majority of our endowment assets are restricted to the AJA, other publications, lectures, fellowships and scholarships. In the upcoming campaign, we will raise funds for site preservation and public outreach.

CFO Thomas Pappas reported that, at the November 1st, 2008 board meeting, the Board approved a budget with a $210k deficit. B. Heidtke generously pledged $100k to offset part of this, so we had an anticipated loss of $110k. Since then, we have learned more about the extent to which the economic crisis will affect us. Changes include:

- Tours revenue $25k below the budget that was already lowered in November
- List rental $75k unfavorable to budget
- Renewal and collections expense $25k unfavorable to budget
- Membership $50k lower-than-expected

The good news is that advertising revenue is still close to budget and our subscription revenue is ahead of budget. **With this new information, we can expect a loss of approximately $285k.**

T. Keller, Executive Director, commented that we have already taken some steps to reduce the loss without making any drastic decisions until the April board meeting, when the board will consider further action. We will temporarily reduce the page count of the magazine by four, which will save on production and freelance costs. We have also decided not to replace the magazine marketing manger, who markets advertising, not the magazine itself. This is a staff reduction that many Publishers are making at this time.

This is the time of year when we had planned to revise our five-year financial plan. However, these turbulent economic conditions make revenues and expenses very difficult to predict. A multi-year projection would not be accurate enough to be meaningful. **We will wait until the economy stabilizes to revise our five-year plan.** In the meantime, we will focus on our goals to increase development efforts and programs that tie closely to our core competencies.

B. Heidtke noted that in December the gifts to the annual fund were $150k more than the amount we had raised as of October 31, 2009. We also have $200k of new income budgeted for our first Gala. The Gala is proving to be a wonderful tool for audience development and partnerships with other organizations and companies.

Investment Committee Report – (Paul Rissman, Chair)

P. Rissman said that he is honored to serve as Chair of the Investment Subcommittee. He expressed appreciation to Jeff Lamia, the previous Chair, who acted as a careful steward of our assets for many years. One of Rissman's main goals is to make sure our assets are sufficiently diversified to allow us to earn an optimal return at an acceptable level of risk. A higher level of diversification can serve to dampen the volatility of our investment results. Of course, no level of diversification can protect a portfolio from the economic conditions that we have experienced this year because all asset classes decreased in value. Our objective is to select the asset allocation that best fits our needs so that when market conditions return to a normal state, we will be ready.

This is only a progress report as we are in the process of looking at the various methods of diversifying our assets. We will also need to review our Investment Policy, which severely limits our potential for increased diversification. For example, the current policy does not allow us to invest in anything outside of the United States. Foreign and global

investing is something that has become very common because it can increase both return and diversification. Placing a portion of our assets in foreign investments is just one of the options the Committee will consider.

The Investment Committee will report back to the Finance Committee and the Board as it moves further along in this process.

IV. Executive Director's Report (Teresa Keller)

T. Keller started by thanking everyone for attending the meeting and for their support.

A. Staffing
As our organizational chart shows, Sarah Schlesinger is our new Annual Giving Manager. In addition to her annual fund responsibilities, Sarah will write grants for AIA programs.

B. Current Activities
T. Keller explained that, in the interest of time, she will only review the areas with significant challenges, changes or new initiatives.

ARCHAEOLOGY - Circulation
- Highest ever at 250,000 paid subscribers
- Will cut back to 225,000 to improve profitability by adjusting source mix
- Direct mail is still performing ahead of budget
- Erosion of renewal rates appears to have stopped – now trying to bring rates up in spite of the economy
- New renewal series is now being implemented – initial results are promising
- New direct mail package designed for January mailing

ARCHAEOLOGY - Newsstand
- Continuing price test of $5.99 ($1 increase) – initial results poor, but now improving
- Expanded bookstore distribution
- We are now in Hudson Newsstands in NYC airports
- Expanded foreign distribution – added 13 countries and expanded distribution in others

ARCHAEOLOGY - Production
Challenges: increased paper, ink & presswork / binding costs
Actions:
- Changed paper grade to offset about $36k of $80k increase
- Cutting an average of 4 pages per issue – will reduce both production and editorial costs
- Cutting on-site supervision of production – testing this for the March/April issue

ARCHAEOLOGY - Advertising
- Lowered FY09 sales goal $100k – so far, we are on track to meet or exceed the new goal
- New salesperson has been making many new contacts and is now bringing in significant ad dollars

- Ad Director is out on maternity leave
- Established relationship with new independent rep
- Still marketing alternative products to increase sales
    - Special ad sections, maps and sponsorships
- CFO Tom Pappas has taken over responsibility for the dept.
- Restructuring the department to increase sales
- Marketing Manager position cut
- Extra sales effort now should help us stay on budget and boost sales in the future
- Need to secure sales of insert to preserve weight of magazine with four page reduction

C. For the benefit of those Trustees who could not attend the fall meeting, T. Keller reviewed the AIA's Five-Year Vision Plan which was presented at that time:

Membership
Currently considering the following categories (see detailed document):

Subscribing Member	$24	Magazine
Supporting Member	$40	Network museum discounts, members-only content on the website
Society Member	$60	Join local society, meet archaeologists, dinners and other events, AM discount
Professional Member	$60	Fellowships, publishing grants, job-placement service, professional directory
Student Member	$45	

Goal is to have 250,000 members in five years or less

Higher donor-level categories of membership $1k, $5k, $10k, $25k
- haven't worked out the specifics yet
- invitations to special events and various forms of recognition

- Proposal to designate all subscribers as members is being considered by Council
- Fulfillment operations will be more complex with strategy to upgrade subscribing members to higher categories
- Considering changing to Palm Coast Data's membership fulfillment platform
- Outsourcing fulfillment will free in-house staff to secure membership benefits, market membership and help Societies with their membership acquisition

Development
- Running Annual Fund more strategically
- Emphasis on grants – Annual Giving Manager
- Active major gift cultivation
- Events – receptions (many hosted by others), Gala, paid lecture with Earthwatch, Board retreats where we invite others to donate to AIA and join us
- Creating smaller events held in conjunction with Society lectures
- Gearing up for a campaign in spring 2010

Websites

- New strategy for AIA site – make it appeal to a lay audience to attract members
- Simplify design – separate information geared toward professionals and Society Officers
- Some content will appear on multiple AIA sites
- Websites will be redesigned to look like a family of related sites
- Need funding for redesign
- Will explore grants for content
    - simulated or interactive digs
    - kids website
    - other educational content

Websites - Increase content generation by AIA volunteers

- Create outline of useful content – volunteers could select topics and create the content
- Encourage Interest Groups and Committees to review content for design and posting
- Low-cost; engages volunteers – will take staff time and effort to interact with Committees – we will manage it without adding staff

Websites - Increase amount of video – lectures, etc

- Utilize new outreach methods like You Tube – this is already up and running
- Consider members-only content for Supporting Members – including additional videos, content from special newsstand issues, certain ARCHAEOLOGY articles, etc
- generate content from AIA programs
- site preservation projects – progress filmed or photographed to highlight progress
- Fairs – film of selected activities

ARCHAEOLOGY magazine - Foreign Editions

- most publishers use a consultant to identify the most promising markets, negotiate with foreign publishers and monitor progress
- requires up-front investment for retainer while the program gets up and running
- next steps – more research and obtaining funds for up-front costs

ARCHAEOLOGY magazine - Digital Editions

- Decided not to go forward with this initiative until current models become profitable
- Agreed to create a digital sample issue for promotional purposes

ARCHAEOLOGY – Special Interest Publications (SIP's)

- Special issues do not go to subscribers, they are newsstand only
- Vertical content, profitable, increases profile of magazine, will also be used for marketing, improving pay-up, etc
- Goal is one per year – no increase in staff – Egypt will be the first

ARCHAEOLOGY – Editorial Strategy

- Subscriber Survey (current & former)
- Need to bring renewal rates back up - or at least hold steady through tough economy
- Continue excellence in content
- Chair of Magazine Committee will conduct the research for us to save the cost of hiring an outside consultant

Site Preservation:

- Challenge grant was matched – thank you to challenge grant donor, Co-Chairs of Task Force and other donors who made this program possible
- continuing to raise additional funds and host informational receptions
- First grants have been awarded and projects are underway – Assos & Easter Island
- Task Force is now being converted to a Committee
- Draft vision plan for Site Preservation nearly ready for Committee and Board review

Site Preservation Program is multi-faceted and will utilize AIA's existing strengths

1) Sustained preservation through economic development whenever possible
2) Endangered sites program – raise awareness and create grant program for rescue archaeology excavations
3) Spread best practices in sustained preservation – sessions (at AM and/or standalone) & publishing

1) **Sustained preservation through economic development** whenever possible

- Best way to sustain preservation
- Difficult to do well – we can spread best practices to the archaeological community, which will help save many more sites
- Allows donors to help people as well as sites

2) **Endangered sites program**

- Raise awareness – "Archaeology Watch" list in Arky
- Increase funding
- Can help stop future destruction
- Create grant program for rescue archaeology
- Society members express interest in funding excavations – could support or "adopt" sites
- Provides content for website "interactive digs"
- Information and artifacts saved appealing to donors
- Fellowships to participate in project – produce content

3) **Spread best practices** in sustained preservation

- Sessions (at AM and/or standalone)
- Produce publications from those sessions
- Publish on the projects themselves
- Utilize PR firm, AJA, magazine & websites

Outreach and Education

- Focus on outreach through Societies and the websites with a few events run by the national office
- Societies – developing Society Resource Guide; web tools for communication of ideas; grants to Societies; help them raise their own funds; recognition programs
- Continue to provide K-12 web & other resources
- Material developed for resource guide can be repackaged for teachers to create archaeology clubs, etc
- National events include archaeology fairs; national archaeology day through Societies

Professional Services

- Annual meeting improvements
- Professional directory
- Workshops/Colloquia through Societies
- Webinars
- Graduate School Directory
- Job seeking resources / guidance
- More active Interest Groups – working with an AIA staff member

AJA

- Endow the Editor-in-Chief Position
- Printing more color
- AJA supplemental series
- Archiving

Government Relations and Advocacy

- Strengthen interaction between staff and related Committees: Cultural Heritage Policy, Conservation and Heritage Management
- Raise funds to have a pool of money to fund more trips to DC to testify regarding pending legislation
- Enlist support of members – more effective advocacy - members know they make a difference
- Utilize public relations firm to raise awareness

Public Relations

- Hired Trylon Communications in September 2008
- Raised enough money to fund through FY09
- We are getting significant coverage for magazine content, archaeology fairs, the annual meeting and the gala, and will soon have more coverage for site preservation, advocacy (UNESCO endorsement), and AJA content

Discussion: P. Rissman asked if the Five-Year plan included a capital campaign to fund these programs. It would be great to have a virtuous circle where we could show how much we accomplished, thereby getting more money so you can accomplish more. Have you thought about how our recent accomplishments might affect the goals we outlined in the feasibility study for the capital campaign?

T. Keller confirmed that we plan to begin the quiet phase of a campaign in the spring of 2010. In the feasibility study we said that we wanted to raise money for outreach and education, site preservation, general operations, and the administrative endowment. We started the Gala partially to reduce the need to raise general operating funds as this is the least compelling of the four initiatives. We are likely to increase our endowment goals for site preservation because we have expanded that program and the goal was low at $1MM. T. Keller would also like to make sure we include a goal for funding local society programs as part of outreach and education. The campaign case statement will be revised by the Campaign Committee, which will be created in 2010.

W. Fitzhugh asked whether the Five-Year plan includes programs related to New World archaeology, and commented that Native American topics might be particularly compelling and useful for attracting more members.

T. Keller said that is one of the reasons we decided to have our last meeting in Santa Fe, to get people excited about New World archaeology. Our Annual Meeting mainly covers Classical archaeology, but we have achieved a global balance in our other programs. We can begin to expand the scope of the Annual Meeting by adding more technically oriented and site preservation sessions that appeal to all archaeologists.

This led to a discussion regarding the merits of covering worldwide archaeology in all of AIA's programs. While some expressed concern that we would have difficulty attracting a sufficient audience for non-Classical sessions at the Annual Meeting, others pointed out the importance of appealing to as wide an audience as possible in all of our programming. This not only increases mission impact, but can attract a broader range of donors.

B. Rose mentioned the AIA's first Gala, which will take place on April 28th in New York City. He encouraged those who can to buy a table and to spread word of the Gala to friends and associates. B. Rose stressed the importance of attracting new supporters if we are to maintain and increase the reach of programs in which we are engaged. He stated that there is a danger that we might have to sacrifice some of those programs in this economic climate unless successful development operations allow us to continue them.

V. AIA Public Relations Report (Lloyd Trufelman, President Trylon Communications)

Trylon was hired by AIA to represent both the magazine and the rest of the Institute. L. Trufelman explains the philosophy of his company, which is to, "set up a constant newsreel machine to generate as much legitimate outside coverage as possible." Some PR companies try to do a host of things, but Trylon focuses on getting news pieces out to media, old media, blogs, wikis, and newspapers. For AIA, for example, there have been a number of clips in the Philadelphia Enquirer about the Archaeology Fair. The Easter Island story broke this morning on the Associated Press in Chile. We are keeping our fingers crossed that it will be translated to English in the next few days. Trylon will be

working a little bit on the Gala in New York, getting listings in social calendars and other similar things that pop up months in advance.

Trylon will soon break story of AIA's endorsement of the UNESCO Convention on the Protection of Underwater Cultural Heritage. They will tie this into the AIA's and ARCHAEOLOGY magazine's position against, the underwater salvage documentary that aired on the Discovery Channel on Friday February 15th.

Trylon's job is working with the magazine and the AIA to find out what is happening and to generate the coverage that draws people out to events, raises awareness for possible funding, and increases web traffic, membership, and subscriptions. The more people who know about the good work the AIA is doing and the insights that archaeology is bringing, the more people who will understand the value of that, and this will help the magazine and the association grow.

Discussion: There was a discussion with L. Trufelman, during which L. Coben asked how Trylon could make the AIA the "go to source" to discuss site preservation issues?

Lloyd Trufelman responded that is a frequency and tactical thing. The most important issue is creating relationships with the media. It is not a discipline that is usually considered to be front page news. Last time Trylon worked for the magazine (in 2005) we had a good relationship with *USA Today* and once they got used to us, they liked to have a few archaeology stories. The more articles that we are sending out the more you start to see a boomerang effect of the media coming to us. We have to subscribe to a number of different services that journalists belong to when they are looking for stories. So when somebody says "we need an expert on Maya ruins," for example, they will be aware of the AIA.

VI. Committee Reports

A. Development (Jennifer Klahn)

T. Keller covered our Development strategy in the Five-Year Plan. J. Klahn highlighted one point that is particularly important. **We need to expand our audience.** We can accomplish this in a variety of ways and we need board members' help. Klahn requested that board members provide names of people who might be interested in learning more about the AIA as plans were being made to visit donors and potential donors. Through our interactions with AIA constituents, we are learning that some people have been involved with AIA Societies for years, but have not been given enough attention from the home office. We are also hosting a variety of events, including the Gala, to which board members can invite friends and associates who might share their interest in our programs. As we have expanded our Site Preservation and Outreach initiatives, there is a richer variety of programs which address a number of different philanthropic interests.

Report on the Gala: This is an exciting opportunity. The event will take place April 28 at the Capitale in New York. Board members were encouraged to attend, purchase a table, and invite friends and colleagues. Our goal is to raise $200k. We are expecting an attendance of about 350 for the evening, and we now already have commitment for 22 tables, which equates to 220 people. Invitations will reach mailboxes in March. We are selling advance tickets now. Klahn stated that many Board members had come forward to participate in or head the Gala committee, which has been a tremendous boost to our efforts. The Committee put forward great ideas and great connections, in terms of planning a unique gala, increasing attendance and donating or bringing in fabulous auction items. Because we will have live and silent auction at the event, generating interest in bidding on auction items is another a critical component of making the gala a success.

Ways in which board members can help:

- Provide the names and addresses of anyone you would like us to invite
- Donate or help us secure an enticing item for the auction
- Help us solicit corporate support via any contacts you might have
- Assist our public relations efforts:
- Advance P.R. – if there is a particular media outlet that you think should be notified of the Gala, please let us know. We are planning a multi-pronged approach to newspapers, event calendars, and society listings in the greater New York area, Harrison Ford fan websites, and of course, AIA resources
- Post-event P.R. - if you are planning to attend the Gala, please let us know the name of your local newspaper. We plan to photograph all attending Gala committee members and trustees and we would like to share these photographs with appropriate local newspapers.

Planned Giving (*Charles La Follette,* Trustee Emeritus and Norton Society member)
C. La Follette showed his Norton Society Owl and reminded trustees of the importance of remembering AIA with a planned gift. The society started ten years ago and we have about 60 members. Obviously, there is a long lead time, and we would like this to be as long as possible, but last year we received about $300k from Norton Society donations. The good news is you do not have to give us all of your money. The point is to do something, because it makes a tremendous difference in the long run. It can be as easy as changing the beneficiary on a life insurance policy to the AIA.

B. Annual Meeting New Format and Submission Deadline (Elizabeth Bartman)
E. Bartman noted that she would read the report as an officer of the Programs for the Annual Meeting Committee, the PAMC, not as an actual member of the committee itself. In the last several years the number of submissions of abstracts for papers at the annual meeting has been increasing steadily to the point that it is now over 500. In the last few years, there have not been enough time slots to accommodate all of the worthy papers submitted.

The PAMC has made various changes to the format of the meeting, and created a more efficient vetting procedure to handle the increased volume. We have moved from two sessions and two timeslots per day to three sessions and timeslots per day. The APA has been doing this for some years. By doing this, the committee has been able to increase the number of papers given each day without adding an extra day. The second change

has to do with the deadline for submitting paper abstracts. For a number of years this was March, very early in the season. The committee decided to move the deadline to September, which better allows for submission of work from the most recent field season.

As regards to the vetting procedure, the committee was divided into subcommittees which were area specific, and no longer was everybody reading every proposal, but a fraction in a certain area of specialty. There are controls against bias, which E. Bartman described. All colloquia are read by the entire panel.

The fourth change is that the submission and the voting all take place electronically, so there is no paper involved anymore and we have Kevin Mullen to thank for this innovation. After the electronic voting takes place, the committee meets in the fall.

Thanks to Garrett Fagan, Chair of the PAMC, Kevin Mullen, and Andri Caldwell for putting these changes into place. Bartman commended the Committee for their work because our Annual Meeting has a reputation for being of the highest quality, but they continually strive to make it even better. Finally, there will be a survey of meeting participants to gather feedback on the changes to the program.

Discussion*:* Paul Rissman asked if the increased submissions related to Mediterranean topics, non-Mediterranean, or both.

Elizabeth Bartman answered that submissions are still primarily in realm of Old World archaeology. However, we have an increase in foreign presence in the last couple of years, first the Germans, the DAI, and then the Russians. We have always had a strong British contingent. Last year there was a Danish panel composed almost completely of Danes. Again this is all done anonymously, so they write good abstracts and they are accepted. Bartman did not think there was a huge increase in New World archaeology and commented that those who were interested in Custer's Last Stand, could visit her stand.

VII. New Business: Sebastian Health noted that the first two items of our new business are also items on the agenda of the January 10th Meeting of the AIA Council.

A. Proposed Amendment to Article II.4: (Sebastian Heath)
We would like to modify our regulations so that we can have control over the use of our name. There are websites from dealers of antiquities, mostly small scale, where the dealer states that he/she is a proud member of the AIA. We need to be able to stop this practice.

The proposed amendment reads as follow:

> *Members shall not use the name of the Archaeological Institute of America in connection with or in the furtherance of commercial transactions involving antiquities. Upon warning from the Executive Director, future failure to comply will result in suspension or termination of membership.*

To pass the amendment a vote of three quarters of the Council will be required. This was considered by the Professional Responsibilities Committee, and approved by the Governance Committee, which is recommending it to the Board and the Council.

Discussion: There was a discussion regarding logistics and the mechanism for enforcement of the proposed regulation. Basically, the Executive Director will issue a warning in cases where we think our name is being used in conjunction with the illegal sale of antiquities. If the member does not comply, membership will be revoked. If the former member continues to use our name inappropriately, we can take legal action if we decide that is the best course of action. We are targeting the use of our name in the sale of antiquities, not the use of our name in conjunction with the sale of an academic publication, but the regulation must be sufficiently broad to allow us to have appropriate control over the use of our name.

B. Proposal to Endorse the UNESCO Convention on the Protection of Underwater Cultural Heritage (Sebastian Heath)

This proposal was recommended to the Board by the Cultural Heritage Policy Committee, the Professional Responsibilities Committee, and the Governance Committee. It is important that the AIA endorse this convention to encourage the United States to join the other countries who have already signed this convention.

Action: A motion was made and seconded to accept the endorsement of the UNESCO convention on the protection of underwater cultural heritage and it passed unanimously.

C. Amicus Brief (Sebastian Heath)

This third item on the agenda is a request for the Archaeological Institute of America to consider expressing support for an amicus curiae brief for a case consensus. Due to an administrative error the supporting materials for this request were not included in the Board packet. S. Heath explained that The Lawyers Committee for Cultural Heritage Preservation is preparing an *amicus curiae* brief to support the Archaeological Conservancy's efforts to retain land donated to the Conservancy in Texas. He proposed that the Board vote to give Brian Rose the authority to review the issue and express AIA's support if he deems it appropriate. A motion was made and seconded to give Brian Rose that authority.

Discussion: There was a discussion of the merits of supporting the brief as well as the potential problems of offering AIA support.

Action: The motion was passed unanimously.

D. Proposal for the Felicia A. Holton Award in Non-Fiction for General Audiences (Jenifer Neils, VP for Publications)

J Neils explained the proposal to create an award for non-fiction writing geared to general audiences. The award would be co-sponsored by the Archaeological Institute of America and the Center for American Archeology (CAA). This award would be given annually to a writer who, through either a single major publication or a body of work, represented the importance and excitement of archaeology to the public.

The Award would be for Felicia Horton, co-author of the 1979 popular book entitled *Koster: Americans in Search of their Prehistoric Past.* The following motion was made and seconded:

> *The Archaeological Institute of America, together with the Center for American Archeology, will establish an annual award to honor an author who, through a single publication or body of work represented the importance and excitement of archaeology to the non-specialist audience. The award, which would complement the existing Wiseman Book Award, will be named for Felicia A. Holton in recognition of her under-recognized, but groundbreaking role in this arena.*

Discussion: There was a discussion of the merits of creating such and award. B. Rose stated that a committee would be created to select the award winner each year.

Action: The motion was passed unanimously.

VII. Adjournment

Action: A motion was made to adjourn. The motion was seconded and passed. The meeting adjourned at 4 p.m.

Archaeological Institute of America
Spring Governing Board Meeting
April 27, 2009 2:00 PM EDT
FINAL Minutes

Participating:

Officers
C. Brian Rose, President
Elizabeth Bartman, First Vice President
Sebastian Heath, Vice President for Professional Responsibilities
Alexandra Cleworth, Vice President for Societies
C. Mathew Saunders, Vice President for Education and Outreach
Brian Heidtke, Treasurer
Teresa Keller, Executive Director

Trustees
Susan Alcock, Academic Trustee
Carla Antonaccio, Academic Trustee
Cathleen Asch, General Trustee
Bob Atwater, General Trustee
David Boochever, General Trustee
Laura Childs, Society Trustee
Peter Herdrich, General Trustee
Lillian Joyce, Society Trustee
Don Morrison, Society Trustee
Eleanor Powers, General Trustee
Lynn Quigley, General Trustee
William Saturno, Academic Trustee
Ava Seave, General Trustee
Charles Steinmetz, General Trustee
Doug Tilden, General Trustee
John Yarmick, General Trustee

Past President
Jane Waldbaum, Past President

Honorary President
Nancy Wilkie, Honorary President

AIA Staff
Chelsea Chapko, Governance Coordinator / Executive Assistant
Naomi Norman, Editor-in-Chief, *American Journal of Archaeology*
Tom Pappas, Chief Financial Officer
Peter Young, Editor-in-Chief, *Archaeology*

Not Participating:
Michael Ambler, General Trustee
Barbara Barletta, Academic Trustee
Lawrence Coben, General Trustee
Mitchell Eitel, General Counsel
William Fitzhugh, Academic Trustee
Harrison Ford, General Trustee
Norma Kershaw, Trustee Emeritus
Charles S. La Follette Trustee Emeritus
William Lindsay, General Trustee
Robert Murowchick, Academic Trustee
Helen Nagy, Academic Trustee
Jenifer Neils, Vice President for Publications
Ann Santen, Society Trustee
Glenn Schwartz, Academic Trustee
David Seigle, General Trustee
Charles Stanish, General Trustee

The meeting was called to order by Brian Rose at 2:05 p.m.

I. Consent Agenda

Action: A motion to accept the Consent Agenda (including the minutes from the January 8, 2009 Governing Board Meeting, the Financial Statements as of February 28, 2009, the Membership, Development, and Investment Reports, all through March 31, 2009, and the Public Service Award and Conservation and Heritage Management Award Nominations) was made, seconded and passed unanimously.

II. President's Report (Brian Rose)

Having recently returned from a trip to Iraq, Brian Rose spoke about his observations and experience in that country. During his trip, B. Rose visited six archaeological sites—all of which had been looted—primarily in the southern area of Iraq. Blackwater security or US troops guarded his group on these excursions. When he took a helicopter to Southern Iraq, there were gunners on each side of the helicopter. Although they were there for protection, they spent much of their time waving to people on the ground. Major looting at archaeological sites began after the sanctions went into effect, following the first Gulf War.

Brian Rose also made a trip to Ur, a site famous for its ziggurat. He will be working on a site management plan for the Ur ziggurat. He also visited the Iraqi museum in Baghdad, which he reported to be in better condition than he would have expected. The galleries feature signage in both English and Arabic. Many of the items that were looted have since been returned. In addition to the problem with looting that Iraq has experienced, there has also been a great deal of iconoclasm. B. Rose said that he would argue for showcasing these historical sites, but many Iraqis feel that they should be destroyed, as they are symbols of Saddam Hussein's power and the abuse of that power. B. Rose also noted that there has been ill-advised "restoration" in many sites, which is actually hastening their destruction.

III. Site Preservation Committee (Paul Rissman)

Paul Rissman (Chair of the Site Preservation Committee) came before the Governing Board to present a new approach to the AIA's Site Preservation Program.

P. Rissman said that he is honored to be Chair of the Committee and emphasized that he would work closely with Lawrence Coben and Charlie Steinmetz who should be thanked and congratulated for getting the program off the ground and meeting the challenge grant. They also share close ties to UCLA's Cotsen Institute.

In order to make the most of the AIA's program, and the funds dedicated to it, it was proposed that the strengths of the AIA be combined with those of UCLA to create two preservation programs, one in conjunction with UCLA and one managed solely by AIA. The UCLA / AIA program will give out grants for preservation projects that emphasize economic development as an incentive for members of the community surrounding the site to care for it and protect it. The AIA program will focus on using our outreach tools (including the magazine, website, education programs, and our Societies) to raise awareness of the rapid destruction of sites; lobby for better legislation and international agreements; publicize and spread best practices; provide smaller direct grants and information to the archaeological community on how best to achieve sustainable preservation and obtain funding.

Under this new approach, there would be two separate committees, the AIA Site Preservation Committee (administrated through the AIA) and the AIA-UCLA Site Preservation Committee (administrated through UCLA).

P. Rissman presented a business plan that included the mission of the AIA Site Preservation Program, the need for such a program, the reasons why AIA is uniquely qualified to successfully carry out this program and its five main components, which are as follows:

1. Increase public awareness using our media outlets
2. Educate people so they can become part of the solution by mobilizing AIA Societies and by partnering with other organizations.
3. Fund, publicize and spread best practices and innovative programs.
4. Train specialized groups that have a significant impact on sites, such as military troops and tour operators.
5. Use our network of professionals and members to lobby for appropriate legislation, international agreements and more funding for preservation.

P. Rissman reviewed the business plan, which included examples and costs of the actions that AIA's program could take under each main component, along with a financial plan that showed the cost of implementing these actions. The plan also included the program's fundraising goals. A few of the examples are:

Item 1: The creation of an AIA section in *Archaeology* magazine that would, among other things, discuss site preservation projects and issues.

Item 2: The San Francisco Museum of Fine Arts will host the King Tutankhamen exhibit this year. One of AIA's Trustees has donated the funds to make it possible for 25,000 public school children in San Francisco to see the exhibit, but with the understanding that the museum's education staff work with AIA staff to include site preservation information in the curriculum, which will be used to supplement and inform the children's visits to the exhibit. This is a cost-efficient way to reach the next generation so that they have an appreciation of sites and are aware of the many causes of the destruction of sites and are less likely to contribute to those causes. Work on this curriculum has already begun and will be completed this summer. Students will begin visiting the exhibit in the Fall of 2009.

Item 3: As part of item 3, the AIA would give smaller grants ($25k or less) to programs that exemplify best practices, take a unique and successful approach to site preservation, are particularly conducive to raising awareness and support for preservation, and/or tie outreach and education to site preservation. For example, there is a program in Florida, where at-risk high school students who have been trained in archaeology, travel to Belize to excavate, and to learn about the ancient Maya and the importance of site preservation. Because the site is almost exclusively excavated by high school students and is part of a larger archaeological complex that attracts many tourists, such a program could generate public interest and raise awareness of the importance of preserving archaeological sites. The program also brings together two aspects of AIA's mission: to educate and to preserve.

Although P. Rissman provided these specific examples, he made it clear that the Site Preservation Committee had approved the overall strategy of this new business plan, and not the specific initiatives contained in it. He asked the Board to do the same. Once the strategy is approved, the Committee will tackle the specifics and report back to the Board as it makes progress on implementing the new site preservation program.

In regards to the UCLA / AIA program, AIA proposes to support that program with a commitment of $25,000 per year for three years. Larry Coben will also contribute $25,000 per year, as will UCLA, so that there will be at least $75,000 per year in funds to provide grants.

Discussion: A Board member proposed that there be two separate motions, as there are two issues at hand. First, there should be a motion regarding the change in strategy. Second, there should be a motion to approve the three-year financial commitment to the AIA-UCLA partnership (at $25,000 per year). As there was general agreement about this suggestion, the Board moved forward with two motions.

Action: A motion was made to approve the modification of the AIA site preservation program as outlined in the document that P. Rissman presented. It was seconded and approved unanimously.

Action: A motion was made to approve the AIA-UCLA Site Preservation relationship, which involves the commitment of $25,000 per year for the next 3 years. It was seconded and approved unanimously.

IV. Executive Director's Report

Teresa Keller discussed the effect the economic crisis is having on the Institute's financial situation and its ability to reach the five year goals that were approved by the Board in the Fall of 2008. T. Keller reported the good news that AIA is achieving mission fulfillment as never before, with great progress being made in the reach of our publications, including the website, our outreach and education programs and the plan for site preservation. The Institute has also achieved new milestones in development, as evidenced by the first gala, which will take place on April 28th and will be discussed below.

The bad news is a deficit of at least $393k in FY09 and the Institute is budgeting for a loss in FY10. As stated in the budget package, the AIA has done several things to grow revenue and reduce expense for FY10, and has reduced the loss estimate down to $70K. T. Keller noted that she would discuss the proposed budget in more detail when she reported on specific areas and in the Treasurer's report, but recommends the approval of the $70k loss to avoid losing the progress being made. With all of the potential that AIA has and the progress made to date, the Institute needs to be ready to grow out of this recession instead of shrinking with it.

T. Keller reported on specific aspects of the organization as follows:

Staffing

In response to the recession, one position was cut in Boston and one in NY. The budget includes a plan to reduce some employee's hours and pay.

The budget contains a proposal to hire a Deputy Director using funds from a bequest that the AIA will receive this year and next. This position would help to ensure that the Institute has the staff it needs to meet its development goals in the coming years. Jennifer Klahn (Director of Major Gifts) has been doing a wonderful job visiting current donors, establishing new connections and developing prospective donors and/or Trustees for the future. However, she cannot be out of the office traveling and securing major gifts while simultaneously managing a development team in the office.

The budget includes the addition of an Outreach and Education Coordinator, which is fully funded by a gift.

Development

Audience development is a key focus. The gala and the other events have helped bring new people into the organization. The work being done to improve the effectiveness of our programs is also helping to attract new donors.

T. Keller introduced the idea of a new "AIA Ambassador Program" that has been developed in conjunction with David Seigle, the Chair of the Development Committee and members of the development staff. The program would allow Trustees (and other supporters) to become AIA Ambassadors and would provide a way for the Institute to reach out to more AIA constituents and AIA tour participants and people who are likely

to want to become involved in the Institute. Ambassadors could reach out to people in various ways, from meeting someone for a drink and conversation, to hosting a reception where tour participants could share stories from their trips with one another, hear an interesting AIA lecture and learn more about upcoming tours. Next steps are as follows:

1) Create a process for identifying top prospects for AIA Ambassadors to visit.
2) Create materials for Ambassadors to have on hand relating to AIA, it's mission, and its programmatic accomplishments and goals.
3) Create a process for communication between the AIA Annual Giving Manager, who will manage this program and the Ambassadors, so that the proper follow-up can be done with the prospects who have been visited. The Ambassadors, the Annual Giving Manger, Jennifer Klahn and T. Keller will come up with a strategy for each prospect as we learn more about their level of interest and potential support.
4) Invite AIA Trustees (and others as appropriate) to join the program.

T. Keller noted that the program will take some time to develop, but invited Trustees who might be interested to let her know.

Fundraising goals for FY10: T. Keller noted that aside from the campaign in the 90's, the AIA had not set specific fundraising goals for anything other than the annual fund. She and the staff have changed that, setting goals for temporarily restricted gifts by program and for the total amount of endowment gifts for FY10. The details are included on the contributions page of the FY10 budget documents.

Preparing for Campaign: Spring of 2010 is still the goal for the start of the quiet phase. Next steps include:

- Putting together a Committee
- Modifying the Campaign Case Statement based on feedback and what we have accomplished since we created a draft for the feasibility study in the Spring of 2008
- Developing campaign materials
- Working to build programs now to show a great track record so donors will have confidence that we can implement new initiatives and reach target programmatic goals

The time, effort and money currently being invested in audience development will help ensure a successful campaign. That investment includes the gala, other development events and the AIA Ambassador program.

Gala: (the day after the Board meeting)

- There are 430+ people signed up for the gala – about 345 are paid attendees
- Comps include Consulates, Ambassadors, tourism board representatives, media and staff – two Trustees are covering the cost of staff who are not required to attend
- 35 Media outlets will be attending
- The gala has proven to be a great tool for developing relationships with representatives of other countries, the media, past donors and potential donors

- T. Keller reviewed the program for the gala and asked that Trustees come early to be photographed and to mingle with the representatives from the featured countries
- T. Keller reviewed some of the items in the live auction and thanked Trustees for the advance bids they have made. She encouraged bids to donate to the Waldbaum Field School Scholarship, which should persuade other guests to follow suit. Also, every bid is being matched through the generosity of Paul Rissman and an anonymous donor.
- Most important: thank you for your support and have a great time!

Outreach and Education

On-line Society Resource Guide - our top priority for Outreach and Education is to give Societies the tools they need to organize and implement more programming, including:

- Step-by-step guides for creating programs that have been successful in other societies or as part of the national AIA outreach and education program
- Improved communication from headquarters and on-line methods for communicating with other Society Officers and volunteers
- Grants from headquarters for programs – most of which are matching grants so local fundraising is encouraged
- Fundraising help – methods for applying for local grants and sample language that has worked well for the local grants AIA has applied for to fund its outreach events
- Recognition program for volunteers – including students

These tools will be organized into an On-Line Society Resource Guide. The goal is to complete this guide by the Fall of 2009. This is an efficient way to expand AIA outreach programs. We know societies are interested because of the programs they are doing and from the results of a Society survey in which over 90% of Societies said they would apply for the grants. Doug Tilden has generously donated $100k for FY10 to make this program a reality. The donation will fund the first year salary of the Outreach and Education Coordinator, the development of some of the materials, and $35,000 in grants to Societies in FY10.

Archaeology Club – middle school aged kids: another big goal for Outreach and Education – the plan is to complete these materials for a Fall 2010 launch into schools. The AIA will develop a kit of materials that makes it possible for teachers to organize an Archaeology Club, much like a science club. These programs are often conducted before or after school, but can also be done at a community center or similar venue. The kit will include fun and interactive ways for kids to learn about archaeology, history and preservation including things like:

- Game show video – Who is the archaeologist?
- Simulated excavation – shoebox or layer cake
- Activities from existing AIA lesson plans
- Activities that DIG magazine has already developed – we have already approached them about sharing content and have received a favorable response

We also conducted a survey of twenty schools in different parts of the country, which showed that schools are willing to conduct this program if they are provided with the materials. This is another cost efficient way to reach a large number of people. A portion of Doug Tilden's gift is earmarked for the development of some of these materials.

Timeline:

Summer 2009	Online Society Resource Guide
Fall 2009	Society applications accepted
Spring 2010	Society applications accepted
Summer 2010	Archaeology Club marketed to schools and community centers
Fall 2010	Archaeology Club kit is completed

Possible Future Goal – AIA Junior Societies (for high school aged kids)

- Opportunities to learn about archaeology
- Service component – teach younger kids
- Reaches another target age group
- Connect them to local societies and/or museums to provide some continuity of leadership
- Could provide grants for some participants to excavate
- Test this as a pilot program in Long Island, NY

AJA

- Continues to generate a significant contribution to overhead and the bottom line
- Subscribers decreasing slightly – trying to counteract by marketing subs
- Expenses are favorable to budget
- Sarah and Naomi will work to increase support for the AJA fund
- Campaign goal – endow Editor-in-Chief

ARCHAEOLOGY

Circulation:

- Highest ever paid circulation at 278k in November/December
- Partially due to new gift promotion, which brought in 10,000 holiday gifts (compared to the usual 4,000)
- FY10 budget – dropping to 230k subscribers, dropping less profitable circulation and cutting direct mail – guaranteed rate base will be 225k, which is actually up from 215k
- Direct mail – test packages - membership seemed to suppress response – this is disappointing – will conduct further testing
- Full implementation of new renewal series
- Increasing renewal rate to $23.95, which slightly outperformed current $21.95 in total revenue from renewals during the testing phase

Newsstand:

- Rolling back the $5.99 cover price to $4.99 – testing showed that the increase caused a substantial drop in revenue – but could be related to the economy
- Hudson Newsstands not performing well enough to consider expansion at this time
- Expanded foreign distribution by 16 countries – now fine-tuning for profitability
- *ARCHAEOLOGY* is still doing well compared to the industry, but this may not last

Advertising:

- $14k under revised budget (5 of 6 issues closed)
- Established relationship with new independent sales representative who is starting to bring in some new business
- Gala is opening up new connections and opportunities for ad sales and partnerships
- Many publishers are turning to alternatives, such as sponsorship of events

Budget Measures:

- Renegotiating print contract – getting bids on our own and through a consortium
- Cutting an average of 4 pages per issue
- Cutting on-site supervision of production – most magazines don't do this each issue
- Renegotiating fulfillment contract
- Testing a new vendor for forms and envelopes
- Selecting less expensive stories during economic crisis
- Reduced work-hours options for some editors
- Cut the marketing manager position
- Hiring a consultant to solicit licensing agreements for foreign editions – consultant projects 16 foreign editions over the next six years = $500k/year in year 6

Thank you for your support!

V. Treasurer's Report

Brian Heidtke noted that the budget package included a narrative and great detail on our current financial situation and what we have done to improve it for FY10. T. Keller also covered many of the details in her report, so he did not go into great detail. B. Heidtke did point out the overall financial strategy is to continue to invest in development and program excellence while being as efficient as possible. This is the only way for the Institute to grow out of the recession and realize its potential. Development should not be cut during these tough economic conditions and is more important than ever. The amount of the AIA's income that comes from development efforts is lower than it should be. However, there has been an improvement in the area of restricted grants, which are up significantly from this

time last year. The AIA is also planning to make some changes in its investment policy and investment managers, which Paul Rissman will discuss in greater detail.

Action: A motion to approve the FY10 budget was made, seconded, and approved unanimously.

Investment Subcommittee update - Paul Rissman

P. Rissman reported that the Finance Committee met on April 13, 2009 and approved a recommendation from the Investment Subcommittee to modify AIA's Investment Policy. The Finance Committee recommends that the Governing Board approve the following modifications to the Investment Policy.

The Investment Committee has two initiatives it would like to undertake.

The first relates to the way we invest in assets. We currently have a mix of index funds and actively managed funds. While many investment managers can outperform the market, on average, they underperform the market by the amount of their fees, which can be high. Index funds are a more passive form of investment, where you get the performance of whatever index you choose, and would be a low-cost option with respect to maintenance fees.

The Investment Committee would like to move in the direction of passive investing, because of high fees and an overall inability to outperform the market. This action can be taken under the current Investment Guidelines.

The second initiative relates to the asset allocation of our endowment. We would like to diversify the portfolio as much as possible in order to achieve maximum protection from market fluctuations. While it obviously does not work under every type of market condition, the idea is to hold assets that perform differently under the same conditions, so that if one is decreasing in value, the other is increasing.

The current Policy does not allow any allocation to non-US investments. This limits our ability to truly diversify by investing worldwide. The proposed guidelines would also allow for alternative investments of up to 10%. There are no alternative investments at present, mostly because we have not yet found a good fund that will allow a low dollar amount investment without a high fee. However, we would like the Investment Committee to have this option should the right investment opportunity present itself. Though we would not aim to have 10% in alternative investments, we need to allow for a wider range, as these investments are illiquid for a period of time. Also, if we don't make the range wide enough, we could be in violation of our guidelines in the event that the value of our alternative investments increases significantly during the period of illiquidity.

Under the proposed asset allocation guidelines, our target allocation for equity investments would be 65% (with an acceptable range of 55% – 75%), our target allocation for fixed income investments would be 35% (with an acceptable range of 25% – 45%), and our target allocation for alternative investments would be 0% (with an acceptable range of 0% – 10%).

Action: A motion to approve the recommendation to modify the AIA Investment Policy, as proposed by the Investment Subcommittee and Finance Committee, was made, seconded and passed unanimously

VI. Nominating Committee, E. Bartman

Elizabeth Bartman spoke briefly about the Nominating Committee and potential candidates for the slots that will be available at the end of the 2009 calendar year.

Academic Trustees - We currently have eight Academic trustees, so we will need to fill one slot to give us the required nine Academic trustees. In addition, we will have one other slot open when Bob Murowchick's second term ends. We have a number of prospects, and have invited some to run for election already.

Society Trustees - We currently have four Society trustees. Donald Morrison will have completed his second term at the end of the year. This leaves up to two slots available, as our Regulations allow for three to five Society trustees. The following are some of the potential candidates we have discussed:

John Hale
Robert Littman
Helen Brown
Art Casanoss

General Trustees - We currently have sixteen General Trustees. Four of those sixteen will be completing their second term and leaving the Board at the end of the year, which will leave four to six slots (depending on the number assigned to Society Trustees, as the total number of trustees on the Board cannot exceed 30). In addition to Paul Rissman, who we are pleased to have running again, there are a number of strong potential candidates for these open slots.

We want to encourage our trustees to suggest people for positions on the Board. Some of the best trustees have come to the Board in this way. Ideally, we like to cultivate prospects over a few years, to determine their strengths and whether they would be a good match for the AIA, and whether we will be a good match for them. Those who are recommended through personal connections to current trustees have a head start in this process as we would know more about them, and they about us, from the start.

E. Bartman emphasized that the process is going well and that it has been somewhat easier to identify good candidates than in the past. There has also been great enthusiasm among potential candidates. We are being successful in out efforts to raise the profile of the organization and people seem to be excited at the prospect of being part of our success.

VII. Professional Responsibilities Committee, S. Heath

Sebastian Heath reviewed a few recent developments related to the PRC. Last January, the AIA modified the Regulations to allow for greater control over the use of our name, and more specifically, to prevent its use in conjunction with

commercial transactions without prior permission. Now we are working to enforce that. One of the reasons for this regulation change was a website where antiquities were being sold. The owner of the business noted that he was a proud member of the AIA. This website no longer exists, but the regulation is designed to allow us to stop that in the future.

AIA has published a statement (written by members of the PRC) calling on Congress to reinstate immunity for objects of cultural heritage on loan to American institutions. A policy granting immunity to these items would encourage countries to continue loaning objects to American institutions by guaranteeing the security of those items, particularly from seizure to cover court settlements brought by victims of terrorism. While acts of terrorism are deplorable, selling objects of cultural and historical significance to private collectors only serves to limit access, both to the objects and to the knowledge that they can provide about our shared history.

The USA signed a Memorandum of Understanding with China on January 14, 2009. The purpose of the memorandum is both to encourage the sharing of information between the two countries, as well as decreasing the volume of illicitly obtained/sold objects being transported from China to the United States.

As a result of considering Dianne Siebrandt's nomination for the 2010 Public Service Award, some members of the PRC expressed an interest in discussing the AIA's involvement with the US armed forces, and more generally, our policy on working with the US Military. S. Heath indicated that a statement regarding our position on working with the military, that shows a careful consideration on the part of the Board of the implications of that policy, would be welcomed by many of our academic members.

It was suggested that a session be organized for the January 2010 AIA Annual Meeting where the issue would be discussed. The Board agreed that would be a good idea and Susan Alcock kindly volunteered to handle the organization of the session.

The meeting was adjourned by Brian Rose at 4:55 p.m.