

MUSIC TEACHERS NATIONAL ASSOCIATION BOARD OF DIRECTORS MEETING

**Cincinnati, Ohio
September 11-12, 2009**

MINUTES

ATTENDEES

Present

President Ann Gipson, President-elect Benjamin Caton, Vice President Sigrid Luther, Secretary-Treasurer Cheryl Pachak-Brooks, Immediate Past President Gail Berenson, Executive Director and CEO Gary Ingle (ex officio without vote), Fay Adams (Southern Division), Lezlee Bishop (Southwest Division), Thomas Ediger (West Central Division), Ellen Flint (Eastern Division), Debra Florian (Northwest Division), Celinda Hallbauer (South Central Division), and Karen Thickstun (East Central Division)

Staff Present

Senior Deputy Executive Director Marge Bengel and Deputy Executive Director and COO Brian Shepard

CALL TO ORDER

President Ann Gipson called the meeting to order at 9:00 a.m. on Friday September 11, 2009 and welcomed the new officers to the Board.

INVESTMENT PRESENTATION

Howard Kaplan and Donald Kaplan of Kaplan, Litwin, Kaplan presented a financial overview of the MTNA investments: the long term reserves, Foundation Fund Endowment, McHose Trust, and Certification investment accounts. Much of the presentation was devoted to issues related to the current economic crisis and the appropriate MTNA responses to it. The Board expressed its confidence in the work and guidance they provide MTNA.

AUDIT REPORT

Kerry Roe of Clark, Schaefer, Hackett presented a financial statement analysis of the June 30, 2009 (FY 2009) audit of MTNA. Roe is the Clark, Schaefer Hackett partner in charge of the MTNA audit. The opinion letter issued by the audit firm stated that "in our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Music Teachers National Association, Inc. as of June 30, 2009." He also discussed the "exception letter" dated September 8, 2009 from the auditors. The letter states there were no reportable conditions or exceptions to the audit, and that the auditors encountered no difficulties in performing the audit, did not find any misstatements, and did not have any disagreement with management.

Motion from the Finance Committee to approve the June 30, 2009 audited Financial Statements.

PASSED (unanimous)

The Board expressed its appreciation to Gary Ingle and Marge Bengel for their oversight of all the financial matters.

MINUTES

The minutes of the March 2009 Board meeting were approved via email on July 27, 2009. There were no further corrections.

STRATEGIC PLAN DISCUSSION

MTNA President Ann Gipson and Executive Director and CEO Gary Ingle led the Board in a discussion of strategic issues facing MTNA. The focus was on how to insure that MTNA remained: (1) a relevant organization, (2) a vital organization, (3) a well-structured organization, and (4) a “high-touch” organization. In addition to identifying several strengths and weaknesses, the Board assessed membership, publications, conferences, competitions, certification, and the Foundation Fund. Several short- and long-term goals and actions were identified and prioritized. The President and the CEO will continue to refine and implement these ideas in concert with the current Strategic Plan and the Financial Stabilization Plan already adopted by the Board.

The meeting was recessed at 12:00 noon.

The meeting was reconvened at 1:30 p.m.

REPORTS

National Officer Reports

Written reports were received from the following National Officers: President Ann Gipson, President-elect Benjamin Caton, Immediate Past President Gail Berenson, Vice President Sigrid Luther and Secretary-Treasurer Cheryl Pachak-Brooks.

President Gipson supplemented her written report by emphasizing the important partnership MTNA has with the Canadian Federation of Music Teachers’ Associations. The CFMTA recognizes and respects MTNA as a model for its own programs and services to members. She mentioned several significant outcomes of the relationship.

Secretary-Treasurer Pachak-Brooks recognized Executive Director Gary Ingle to lead a review of the financial reports. The July 31, 2009 financial reports were the most recent reports available. Assets of MTNA are \$2,374,248.22 with liabilities of \$49,032.41, and income of \$1,082,423.76 with expenses of \$105,202.01. Unrestricted long-term investments are \$608,606.43. The Foundation Fund Endowment Account has assets of \$584,724.99 and the McHose Trust has assets of \$480,385.32.

MTNA closed F/Y/E June 30, 2009 with assets of \$2,461,258.59 with liabilities of \$1,113,264.53 and income of \$1,839,128.35 and expenses of \$2,267,604.27. Unrestricted long-term investments are \$587,709.78. The Foundation Fund Endowment Account has assets of \$559,387.55 and the McHose Trust had assets of \$463,886.67.

Division Director Reports

Written reports were received from the following Divisions: East Central (Karen Thickstun), Eastern (Ellen Flint), Northwest (Debra Florian), South Central (Celinda Hallbauer), Southern (Fay Adams), Southwest (Lezlee Bishop) and West Central (Thomas Ediger).

Fay Adams announced a change in venue of the Southern Division 2011 Competition from Kennesaw University in Kennesaw, GA to Columbus State University in Columbus, GA.

National Forums

Written reports were received from all Forum chairs: Arts Awareness and Advocacy (Ellen Flint), Collaborative Performance (Fay Adams), College Faculty (Celinda Hallbauer), Collegiate Chapters (Debra Florian), Independent Music Teachers (Lezlee Bishop) Local Associations (Karen Thickstun) and Wellness (Tom Ediger).

National Program Chairs

A written report was received from the Composer Commissioning chair (Ann Witherspoon).

Standing and Special Committees

Written reports from the following standing and special committees were reviewed: *AMT* Editorial Committee (William Westney), e-Journal Editorial Committee (Lesley McAllister), 2010 Conference Planning Committee (Scott McBride Smith), Finance Committee (Cheryl Pachak-Brooks), 2010 Pedagogy Saturday Committee (Janet Lopinski), Membership Committee (Benjamin Caton), Nominating Committee (Gail Berenson), MTNA State Presidents Advisory Council (Scott Beard) and the Summit for MTNA Leadership Planning Committee (Benjamin Caton). There was no report from the Foundation Fund Development Committee (Brian Chung) or MTNA Partnership Review Committee (Benjamin Caton).

Upon review of the Finance Committee's minutes of the FY 2010 budget meetings, the Board discussed the committee's decision to change the policy to reimburse travel for both the Division Directors and the Directors-elect to the Division competitions to reimbursing only one of them. The Board felt it was important to maintain the current policy through at least January 2010. However, it also recognized the need to contain travel costs in the current economy. As the budgeting formula used over the years has been to allocate approximately \$500 per traveler to the competitions, the Board felt the appropriate approach would be to limit the reimbursement to a maximum of \$500 for the Directors-elect for this year only. The change should have little impact, if any, on the Director's-elect reimbursement.

Motion (Luther) and second (Thickstun) to limit travel reimbursement for the Directors-elect to the Division competitions in January 2010 to a maximum of \$500.

PASSED (unanimous)

The reports on the 2010 National Conference and 2010 Pedagogy Saturday were highlighted. The 2010 MTNA National Conference will be held from March 20 – 24 at the Hyatt Regency Albuquerque and the Albuquerque Convention Center in Albuquerque, NM. Evening events will feature pianist Kevin Kenner and cellist William De Rosa; the U.S. and Canadian Chopin Competition winners; American Pianists Association Fellows; and master classes and teaching demonstrations by Dallas Weekley and Nancy Arganbright (piano duet), Ingrid Clarfield (introducing Chopin), Jennifer Snow and Jens Lindemann (chamber music). There will also be special interest tracks for technology, group teaching and recreational music making and collaborative performance.

The theme of Pedagogy Saturday is: Rediscovering Chopin. The keynote address will be presented by distinguished Chopin Scholar Dr. Alan Walker. Veda Kaplinsky will present The Chopin Etudes: Lecture and Teaching Demonstration. Discovering the Dances, an interactive session consisting of a lecture supported with video clips and a live dance demonstration of the Polonaise and Mazurka will be presented by Kent McWilliams.

Ad Hoc Committees

Pre-College Membership Task Force

A written report was received from the Pre-College Membership Task Force, consisting of Rachel Kramer, chair, and members Sherry Frush, Texas, Marilyn Linde, Washington, and Coila Robinson, Utah. The task force charge was to generate a report that addresses two issues: the value/benefit of this membership category and the impact that it would have on states that already have an existing pre-college membership program.

The task force recommended that a category be developed for the pre-college students of MTNA members, although membership would not have to be limited to students of MTNA members. This membership category could exist wholly “on line” and would not necessarily be like any other membership category currently offered by MTNA. There would be “social networking” venues for the students and on-line resources for virtual training and mentoring. On-line resources could include, but would not be limited to: resources about careers in music, college audition tips, lesson planning ideas, business information, mentoring tools, discussion group, etc. Local and state affiliates could choose to offer additional assistance and develop teacher resources that would involve the collaboration between the active and pre-college member at both the state and local levels but would not have to. States and locals could set any guidelines of their choosing for inclusion (or not) of pre-college members’ students in the various state and local events and activities.

Motion (Hallbauer) and second (Pachak-Brooks) to accept the report of the Pre-College Member Task Force and to dissolve this task force with the Board's gratitude for its work in this area.

PASSED (unanimous)

President Gipson and Executive Director Ingle will follow up on the task force's recommendations and will determine the next steps in the process.

Year of Collaborative Music

A committee led by Janice Wenger is developing plans for MTNA's focus on collaborative music. It has designated a "Year of Collaborative Music," which will be launched at the March 2010 MTNA National Conference in Albuquerque, NM and culminate at the March 2011 MTNA National Conference in Milwaukee, Wisconsin with a Salute to Collaborative Music. As a part of the yearlong celebration, January 22, 2011 has been designated as the *International Day of Collaborative Music* (IDCM), one special day devoted to collaborative music making throughout the world.

Executive Director and CEO Report

A written report was received from Executive Director and CEO Gary Ingle. Ingle updated the Board on the progress of the four-phase *Financial Stabilization Plan* adopted by the Board in March 2009. He reported that the goals of the first three phases were accomplished, and Phase 4 is on-track. The results are as follows:

Phase 1: through March 31, 2009

The goal of this phase was to assure adequate cash flow to get us through the conference and up to the point when dues renewals provided significant cash inflows (approximately April 15). By continuing the austerity measures already in place (especially the freeze on travel), reducing conference expenditures where possible (especially in print materials and audio/visuals), and eliminating one full-time staff position (David Needham, web specialist), this goal was accomplished. We projected cash available on March 31 to be \$104,992. The actual amount was \$98,414.49.

Phase 2: April 1-June 30, 2009

The goal of this phase was to spend as little of the dues renewal cash as possible during this timeframe by reducing expenses further and maximizing our dues revenue potential by aggressively promoting the importance of MTNA membership during the crisis. In addition to continuing austerity measures, expenses were further reduced by eliminating two part-time staff positions (Phyllis Pieffer, Director of Member Development and Rachel Kramer, Member Liaison). We projected that \$465,176 of FY 2010 dues revenues would be spent during this last quarter of FY 2009. The actual was \$436,901.37.

Phase 3: FY 2010 (July 1, 2009-June 30, 2010)

The goal of this phase was to resize MTNA based on current economic realities and to start saving cash and building up surpluses. It was not feasible to make up the entire amount in one year. A three-year plan was adopted that projected a budget surplus of approximately \$250,000 per year beginning in FY 2010. The budget that was adopted by the Finance Committee in June 2009 calls for a surplus of \$246,998.

In addition to the results of the *Financial Stabilization Plan*, the fiscal year-end report was very positive. The approved budget for FY 2009 forecasted a surplus of \$43,720. The fiscal year ended with a deficit of \$26,787. However, Ingle noted two crucial decisions that were made during the year that benefitted Certification and the Foundation Fund, but had a substantial negative impact on MTNA. In the FY 2009 budget, Certification was scheduled to reimburse MTNA \$45,000 for overhead and salaries. In order to stabilize Certification, the program only reimbursed MTNA \$22,500, a saving of \$22,500 for Certification but a loss of \$22,500 in expense reimbursement to MTNA. The Foundation endowments were budgeted to provide \$61,900 towards grants and awards. In order to avoid realizing the losses to the Foundation endowments, at a time when the values of the funds had decreased substantially, the awards and grants were covered instead by cash from the Foundation checking account. The total impact of these two decisions to MTNA was \$84,400. If the decisions were not made, the MTNA bottom line at June 30, 2009 would be a positive \$57,613, an additional \$13,893 beyond the \$43,720 budgeted surplus.

Ingle concluded by remarking that, although the economic crisis remains, there are positive signs within our economy that recovery is starting. Within MTNA, the signs are also encouraging. Our renewals are down only 1.6% compared to the same date last year. Our fund balance as of July 31, 2009 reflects a positive change from \$849,577.51 on July 31, 2008 to \$977,221.75 on July 31, 2009, an increase of \$127,644.24. Plus, our long-term reserves are regaining their previous values.

Motion (Florian) and second (Berenson) that the Board express its gratitude for the MTNA staff and recognize their sacrifices, commitment to excellence, esprit de corps, and positive attitudes, especially during the difficult days of the past several months.

PASSED (unanimous)

The meeting was recessed at 5:00 p.m.

The meeting was reconvened on Saturday, September 12, at 9:00 a.m.

BUSINESS

Presidential Appointments

Motion (Berenson) and second (Adams) to ratify the following appointments:

2010 Poster Session Chair

Linda Christensen

Texas

e-Journal Committee – 2009-2011

Lesley Sisterhen McAllister, chair	Baylor University
Malcolm Bilson	Cornell University
Robert Duke	University of Texas
Barbara Fast	University of Oklahoma School of Music
Stewart L. Gordon	University Southern California
Andrew Hisey	St. Olaf
Midori Koga	University of Toronto

Exhibitor Committee

Heidi Steeno, chair	Hal Leonard Corporation Milwaukee, WI
Janet Steen	Alfred Publishing Van Nuys, CA
Jane Calder (re-elected)	Making Music Fun Salt Lake City, UT
Karen Koch (re-elected)	Music Educator's Marketplace Trenton, IL

PASSED (unanimous)

Review of Current Financial Policies

Executive Director Ingle led a review of MTNA's current financial and investment policies. The Finance Committee had no recommendation for changes to the policies except in the *Guidelines for Relationships of Outside Organizations with Music Teachers National Association*.

As background, MTNA Institutional Members in the past received a complimentary mailing list of the MTNA competition winners as a member benefit. This practice was discontinued December 2006 as a result of the Board's adoption of these guidelines, which forbade any marketing effort to members' students. The Finance Committee felt the policy was too restrictive and that Institutions should have access to these students for recruitment purposes.

Current Policy Statement

Structure of Relationships with Outside Organizations, Item #6

Member and Student Marketing: The MTNA member list can be rented through normal professional channels. The use of the list for marketing connected with relationships with outside organizations will be limited to those uses that are likely to be of inherent interest to the members. MTNA will not enter into marketing efforts for which the target of a marketing effort comprises the students in members' studios or classrooms.

Motion from the Finance Committee that the Board amend the *Guidelines for Relationships of Outside Organizations with Music Teachers National Association* policy as follows (amendment in bold and *italics*):

Structure of Relationships with Outside Organizations, Item #6

Member and Student Marketing: The MTNA member list can be rented through normal professional channels. The use of the list for marketing connected with relationships with outside organizations will be limited to those uses that are likely to be of inherent interest to the members. MTNA will not enter into marketing efforts for which the target of a marketing effort comprises the students in members' studios or classrooms, ***unless assurance can be obtained that no inappropriate pressures or methods are used to gain sales from minor children.***

PASSED (unanimous)

Conflict of Interest Policy

Several changes have been made to Form 990 by the Internal Revenue Service. One of them is that not for profits like MTNA should have a formal written conflict of interest policy.

Motion (Berenson) and second (Luther) to adopt the following policy:

Conflict of Interest Policy

The Board of Directors of the Music Teachers National Association (MTNA) has adopted the following policy designed to avoid any possible conflict between the personal interests of Board members, committee members and staff and the interests of MTNA. This policy also applies in any case in which a committee chairperson or committee member may be delegated the authority to transact any business on behalf of MTNA.

The purpose of this policy is two-fold. First, the policy seeks to reflect the spirit of MTNA's commitment to promote the highest ethical standards in the association management profession. Second, the policy seeks to ensure that decisions about MTNA operations and the use or disposition of MTNA assets are made solely in terms of the benefits of MTNA and are not influenced by any private profit or other personal benefit to the individuals affiliated with MTNA who take part in the decision. In addition to actual conflicts of interest, board members are also obligated to avoid actions that could be perceived or interpreted in conflict with MTNA's interest.

Conflicts of interest may occur when MTNA enters into transactions with not-for-profit organizations as well as those that are undertaken with profit-making entities. The best way to deal with this problem is to make known one's connection with organizations doing business with MTNA and to refrain from participation in/voting on decisions affecting transactions between MTNA and the other organization. Such relationships do not necessarily restrict transactions so long as the relationship is clearly divulged and non-involved individuals affiliated with MTNA make any necessary decision.

Policy

Any member of the MTNA Board of Directors, MTNA committees, and MTNA staff who may be involved in an MTNA business transaction in which there may be a possible conflict of interest shall disclose the potential conflict to the other members of the Board, committee or supervisor before any discussion and vote with respect to the transaction. Such disclosure shall be recorded in the minutes of the meeting at which it is made. The member shall refrain from voting on any such transaction, participating in deliberations concerning it, or using personal influence in any way in the matter. The foregoing requirements, however, should not be construed to prevent the member from briefly stating a position on the matter or from answering pertinent questions from other Board or committee members by reason of the fact that personal knowledge on the matter may be of assistance to the other members in reaching their decision. The member's presence may not be counted in determining the quorum for any vote with respect to the business transaction which involves a potential conflict of interest.

A written disclosure regarding any possible conflicts and of any adjustments made to avoid possible conflicts of interest shall be kept by the Executive Director and CEO.

Definitions

“Involved in an MTNA business transaction” means initiating, making the principal recommendation for, or approving a purchase or contract; recommending or selecting a vendor or contractor; drafting or negotiating the terms of such a transaction; or authorizing or making payments from MTNA accounts. That language is intended to include not only transactions for MTNA's procurement of goods and services, but also for the disposition of MTNA property, and the provision of services or space by MTNA.

A “possible conflict of interest” is deemed to exist where the Director or close relative, or a member of that person's household, is an officer, director, employee, proprietary, partner, or trustee of, or, when aggregated with close relatives and members of that person's household, holds 35% or more of the issued stock in the organization seeking to do business with MTNA. A possible conflict is also considered to exist where such a person is (or expects to be) retained as a paid consultant or contractor by an organization which seeks to do business with MTNA, and whenever a transaction will entail a payment of money or anything else of value to the official, member, to a close relative, or to a member of that person's household.

A “possible conflict of interest” exists when an individual affiliated with MTNA has an interest in an organization which is in competition with a firm seeking to do business with MTNA if the individual's position gives him or her access to proprietary or other privileged information which could benefit the firm in which he or she has an interest.

A “possible conflict of interest” exists when an individual affiliated with MTNA is a trustee, director, officer or employee of a not-for-profit organization which is seeking to do business with or have a significant connection with MTNA or is engaged in activities which could be said in a business context to be “in competition with” the programs of MTNA.

Acknowledgment

This policy statement shall be made available to each Director, officer, committee chair, and members, and staff. Such individuals will be asked to complete the acknowledgment and an attached disclosure concerning reporting of potential conflicts of interest.

PASSED (unanimous)

2010 MTNA Achievement Award

President Gipson submitted the name of Alan Walker as the recipient of the 2010 MTNA Achievement Award. This award is given to an individual who has made significant and lasting contributions to music teaching.

Dr. Alan Walker is Professor Emeritus of Music at McMaster University, Canada. Before settling in North America he was on the staff of the Music Division of the British Broadcasting Corporation in London. He has broadcast for the BBC, for the CBC, and for CJRT - FM (Toronto), and gives regular public lectures on the music of the Romantic Era, a period in which he specializes. His thirteen published books include A Study in Musical Analysis, An Anatomy of Musical Criticism, and symposia on Chopin, Schumann, and Liszt. Dr. Walker recently finished a three-volume, prize winning biography of Franz Liszt, published by Alfred A. Knopf (New York), and Faber & Faber (London), a project which took him twenty-five years to complete, and for which the President of Hungary bestowed on him the medal Pro Cultura Hungarica. The biography also received the Royal Philharmonic Society Prize, presented by HRH The Duke of Kent in London.

Motion (Hallbauer) and second (Luther) to confer upon Alan Walker the 2010 MTNA Achievement Award.

PASSED (unanimous)

2010 Distinguished Service Award

President Gipson submitted the name of Brian Chung as the recipient of the 2010 MTNA Distinguished Service Award. This award is given to an individual who has made significant and lasting contributions to MTNA through service to the national association. A longtime and dedicated champion of the MTNA Foundation Fund, Brian Chung is a former Chair of the Foundation Board of Trustees, a 2004 MTNA Foundation Fund Fellow, a member of the MTNA Legacy Society and currently serves as the Chair of the MTNA Foundation Fund.

Motion (Hallbauer) and second (Bishop) to confer upon Brian Chung the 2010 MTNA Distinguished Service Award.

PASSED (unanimous)

Collegiate Chapter Forum Proposal

Collegiate Chapter Forum chair, Debra Florian, presented several suggestions generated by the forum's discussion in Atlanta:

1. Encourage state and local associations to consider ways they might foster their collegiate members through:
 - a) providing opportunities to present at conferences or local association meetings;
 - b) offering assistance/waivers to attend state conferences;
 - c) networking with local associations/mentor teachers;
 - d) providing assistance with travel to national conference.
2. Consider how MTNA might further encourage and enable collegiate chapter members to attend national conference through these actions and/or others:
 - a) Waiving the first conference fee, or discounting it more than the standard collegiate registration fee;
 - b) Offering fewer monitoring hours (than the current 8) in exchange for free registration;
 - c) Providing more opportunities for active participation through individual and group presentations and poster sessions in both the Collegiate Expo and the Conference itself.

Motion (Berenson) and second (Bishop) that the Board and staff consider these suggestions in upcoming programming and to promote collegiate involvement whenever possible.

PASSED (unanimous)

2011 Chairs for the Conference Planning Committee and Pedagogy Saturday Planning Committee

The Board's ratification of the appointments for the Chair and members of the Conference Planning Committee and the Chair and members of the Pedagogy Saturday Planning Committee usually takes place at the December Board of Directors meeting. As that meeting has been cancelled and the committees must begin work before the March 2010 Board meeting, President Ann Gipson proposed that the Board of Directors authorize the President, in consultation with the Executive Director, to make these appointments.

Motion (Berenson) and second (Adams) to authorize the President, in consultation with the Executive Director, to select (1) the 2011 Conference Planning Committee chair and members, and (2) the 2011 Pedagogy Saturday Planning Committee Chair and members.

PASSED (unanimous)

Consolidation of Matching Grants

Over the past several years the applications for the State Matching Grant and the Local Association Grant and the New Local Association Matching Grant have been on the decline. As these programs are similar in nature, i.e. creation of innovative programs, benefit to many in the community, professional and educational development, etc. it would be very easy to combine the guideline and application process and have one committee of three instead of two committees of three each review and award the grants.

Motion (Ediger) and second (Luther) to approve the consolidation of the State Matching Grant, Local Association Matching Grant and New Local Association Matching Grant Programs and rename them the Affiliate Matching Grant Program.

PASSED (unanimous)

2012 National Conference

Executive Director Ingle presented the Board with proposals from Baltimore, Maryland and New York City. The most favorable proposal was received from the Hilton New York Hotel (6th Ave and 53rd St) for March 17 – 21, 2012. As the hotel is capable of holding all of our events, no convention center is required. Additionally, there is no charge for meeting space if a \$70,000 minimum for food and beverage is met. The hotel rate is guaranteed at \$239 per night.

Motion from the Finance Committee to accept the proposal from the Hilton New York Hotel to hold the 2012 MTNA National Conference on March 17-21, 2012, and to authorize the Executive Director to enter into contracts with appropriate and other vendors as necessary.

PASSED (unanimous)

ANNOUNCEMENTS

Conference Finance Committee Meeting – Albuquerque, NM
March 18, 2010 2:00 p.m. Presidential Suite, Hyatt Regency

Conference Board Meetings – Albuquerque, NM
March 19, 2010 9:00 a.m. – 5:00 p.m. Sierra Vista Room
March 24, 2010 9:15 a.m. – 10:15 a.m. Sierra Vista Room

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 4:15 p.m. on September 12, 2009.

Respectfully submitted,

Cheryl Pachak-Brooks
Secretary/Treasurer