



Minutes of the National Association of Rocketry Board of Trustees Meeting

Draft pending NAR Board vote of approval.

July 21-25, 2011 at NARAM-53, Mason, Ohio

The National Association of Rocketry Board of Trustees convened at 9 PM Thursday, July 21, 2011 at the Marriott Cincinnati Northeast in Mason, Ohio. The following Board members were present:

Trip Barber, President

Ted Cochran, Vice President

Joyce Guzik, Secretary

John Lyngdal

Jennifer Ash-Poole

John Hochheimer

Vince Huegele

Tom Ha

Absent: Stew McNabb, Treasurer (joined by conference call at 8 AM Friday)

The Board entered executive session for informational discussions on NAR headquarters services and operations. The Board came out of executive session at 10:15 PM. No decisions were made in the executive session.

NAR Member Concerns.

Site Owner Insurance. NAR members Kevin Weaver and Rod Bonser had recently separately asked the NAR President to approve issuance of NAR “site owner” insurance certificates for a school and for a park district in order to permit them to conduct personal volunteer youth outreach programs involving model rocketry, outside the direct sponsorship of an NAR section. In each case the place where the outreach activity was to be conducted required such proof of insurance. Current NAR policy is to issue site owner certificates only to NAR sections for section-sponsored activities. This is not a specific requirement of the insurance policy, but rather is an NAR policy to limit workload on our insurance agent and to ensure that organized rocketry activities covered by our insurance are subject to some degree of peer oversight within a section. The Board believed that expanding coverage for the types of occasional model rocketry events described by these members would be consistent with NAR organizational “paying forward” goals, and if not abused would neither unduly increase the workload on our insurance agent nor expose the NAR to significant new and unknown insurance risks. The Board left it to the NAR President to approve such future requests as found to be consistent with an updated policy.

Motion by John Hochheimer – seconded by John Lyngdal. Passed unanimously. Change the current policy on insurance that does not allow individual members to get site owner insurance to allow senior members to request site owner insurance certificates for one-time only volunteer outreach events involving model rocketry.

Electric Power Line Rocket Recovery. NAR member Larry Brand of California asked the Board to consider adjusting the current policy that requires the responsible member or section to pay the first \$1000 of the \$5000 deductible for any insurance claim to have the NAR pay all deductible costs associated with power company removal of rockets from power lines. Larry believed that this would reduce the incentive for members to attempt potentially lethal removal of rockets from power lines, even though such removal would be a violation of the NAR Safety Code and not covered by NAR insurance. The Board believed that such a policy change would remove fiscal incentives for members and sections to be cautious about preventing landings on power lines and would expose the NAR to potentially large new costs for removals, and therefore declined to change current policy.

The Board meeting adjourned at 11:15 pm Thursday and reconvened at 8:00 am Friday, July 22.

Membership Committee.

The Board reviewed the report from Committee Chair Stew McNabb, who joined the Board by telephone conference call for the review of this Committee's report and for the NAR financial review that followed.

NAR membership has declined from the peak of just under 5200 in March 2011 to about 5000 currently as the surge of members induced into joining by the merchandise bonuses offered to new members during the 2010 membership drive has been reaching their renewal dates; many have chosen not to renew. One program started during the drive, payment of a \$5 cash bonus to any NAR member cited by a new member as the reason for their joining, has continued and the second payout under this program was just made: \$1050 went to 117 different NAR members, two of whom earned over \$100 each.

The Committee Chair took actions from the Board to improve the connection between new members and the NAR in order to improve retention. He will develop a series of e-mails to be sent to new members on an automated basis by the headquarters software system throughout their first year of membership, each e-mail explaining a separate NAR service or activity. He will also develop a means of providing automatic mutual notification of nearby sections to new members and of nearby new members to sections.

Todd Schweim has completed assembling 100 boxes containing magazines, kits, and coupons for a new membership bonus program, where participating sections will provide this box on the spot to new members in exchange for their membership application and payment. These were distributed to interested section representatives at NARAM-53. Todd has also implemented a Board decision from the March 2011 meeting and mailed about 200 packets to hobby shops that belong to the National Retail Hobby Store Association, with each packet containing NAR advertisements that fit on the hooks that hold rocket kits, plus NAR membership recruitment pamphlets. Participating stores will be paid \$5 for each new member who cites that store as where they heard about the NAR. Vince Huegele has negotiated an agreement with US Space Camp in Huntsville, AL to provide a one-page advertisement for the NAR and TARC to each participant in their program, and a supply of these ads has been sent to them.

The Board discussed what else could be done to help NAR members and particularly sections put the NAR's name in front of the public and attract people to the organization. In previous Board discussions the idea of providing a vinyl advertising banner (with grommets) to NAR sections had been discussed and tasked to Tom Ha for pricing. Tom provided a sample of a 2 ft by 6 ft banner for the Board's consideration, with the per-unit price of around \$55 in quantities of 100 or more. The Board agreed that providing such a banner free to any NAR section that requested one would be useful for assisting with the NAR's public image and recruiting.

Motion by Vince Huegele – seconded by Jennifer Ash-Poole. Passed 6-1 with John Hochheimer opposed out of concern for the proposed mechanics of shipping. \$6000 shall be allocated to purchase at least 100 NAR banners for distribution to NAR sections.

Treasurer and Financial.

Tom Ha has completed a very extensive turnover from Stew McNabb, including two multi-day in-person meetings, and will assume duties as the NAR Treasurer effective July 25 when Stew's term as NAR Trustee expires. Stew and Tom jointly prepared the financial reports for the Board's review at this meeting. The Board recognized and commended Stew McNabb for his 19 years of extraordinarily hard and competent work as the NAR's Treasurer.

The NAR's financial position continues to be very sound. Total cash balance on hand is about \$360K as of 31 May, of which \$51K is in restricted-purpose funds (for the Alway R&D Prizes and Cannon Educator Grants) that were funded by donations and can only be spent on that specific activity. The NAR Emergency Reserve Fund, funded by the legal fee rebate from BATFE and by life membership dues, is another \$55K of this balance. Based on current trends the NAR's overall unrestricted cash balance at the end of 2011 will be a bit higher than it was at the end of 2010, although if membership levels continue their recent decline this balance growth may not end up occurring. Even if it does not occur, the NAR's unrestricted balance is somewhat higher than the level generally recognized as the "best practices" minimum for a non-profit association of our size. The Board concluded after the financial review that the NAR can afford to and should increase spending in 2011 for service enhancements in areas identified in the membership survey as places where our services are not as strong as the membership wants them to be. These opportunities were discussed and where appropriate approved in later parts of the Board meeting.

The Board also concluded that the professional accounting review of NAR financial practices and records that had been discussed in previous meetings should be deferred until Tom Ha had a year or more on the job of Treasurer, was comfortable in his understanding of NAR financial practices, and had a chance to implement the changes in these practices that he had identified during his turnover process.

The NAR President reported to the Board that the Association's current formal policy for management of its investment accounts (implemented as a requirement from the ethics policies of the investment company that employed the previous NAR President) was not being followed in every detail, and that it was extraordinarily lengthy, cumbersome, and restrictive. Tom Ha had developed a shorter and simpler proposed policy for the Board's consideration.

Motion by Jennifer Ash-Poole – seconded by Ted Cochran. Passed unanimously. The current NAR investment policy shall be replaced with the following:

I. PURPOSE

This Investment Policy of the National Association of Rocketry, hereafter referred to as the NAR, sets forth policies, procedures, and guidelines to guide the day-to-day administration of all NAR investment activities. The contents of this Policy are approved by the Board of Trustees and are to be followed by Management.

II. RESPONSIBILITY

The Board of Trustees is responsible for the formulation of investment policies. The Board delegates decision-making authority with respect to specific investments to the Treasurer for implementing investment policies and executing day-to-day investment decisions. All investment decisions shall be consistent with this Policy. The yield on investments is secondary to liquidity and safety. In addition to the emphasis on liquidity and safety, regulations and/or policies of the Board of Directors further constrain investment activity.

A. Authorized Investments. The NAR may invest only in issuers of securities that are specifically authorized in this section. Each issuer of securities shall be approved by Board vote before an initial investment is made. All other investments are prohibited by regulations and/or Board policy. The following investments are legally permitted and authorized by the Board of Trustees of the NAR:

1. Insured Bank and Savings Bank CDs, Credit Union Certificates.
2. Negotiable and non-negotiable Certificates of any domestic commercial bank, credit union, and savings bank may be acquired if the deposit does not exceed the federal insurance limit.

B. Maturity of Individual Securities. The maturities of investments in the portfolio are subject to the constraints in this section.

1. Certificates of Deposit. In the case of certificates of deposit, management is restricted to maturities not later than five years. The purpose of this restriction is to reduce the risk of loss, (realized or unrealized) and the liquidity risk resulting from an increase in the level of interest rates.
2. Limitation on Amount of Invested Funds. FDIC / NCUA insured CDs. Since these CDs are insured by an agency of the US government, the total amount of funds invested in these instruments is unlimited.

C. Conflicts of Interest. NAR officials and employees, and their immediate family members, may not receive anything of value in connection with its investment transactions. This prohibition also applies to any other employee, such as an investment officer, if the employee is directly involved with investments, unless the Board of Trustees determines that the employee's involvement does not present a conflict of interest. All transactions must be at arms length and in the best interest of the NAR.

D. Reporting. A standard biannual portfolio report to the Board showing the amount, maturity, yield and other basic information related to each investment shall be provided.

Motion by Joyce Guzik – seconded by Jennifer Ash-Poole. Passed 7-0 with Tom Ha abstaining due to his employment by AmeriChoice Credit Union. US Bank and AmeriChoice Credit Union shall be approved as appropriate financial institutions for NAR investments.

Education Committee.

Committee Chair Vince Huegele presented his report in person.

Roy Houchin has taken over as the editor of the quarterly e-newsletter that the NAR sends out to 1750 educators who have signed up on the NAR website of at the NAR booth at a National Science Teacher Association convention. The subcommittee chaired by Joyce Guzik has selected the top 10 applicants for awarding this year's \$500 NAR Cannon Fund grants to educators and has selected the top 10 applicants for awarding this year's \$1000 NAR scholarships for post-secondary education. These will be announced on July 25. Four B Division (age 14 to 18) applicants who were competing in their first NARAM were also selected for NAR \$800 travel grants.

The NAR ran a booth (funded by AIA) to advertise the NAR and TARC at the National Science Teacher Association national convention in San Francisco in March and will run a booth (funded by NAR) at the NSTA regional conference in Hartford, CT October 27-29. In both cases local NAR sections are the source of the manpower and the display rockets for the booth and the NAR collects contact information on the hundreds of interested science teachers who stop by the booth.

John Lyngdal reported on the status of the NASA Student Launch Program (SLP), for which NAR is serving as the launch services provider through an annual competitively-awarded contract that reimburses our expenses. 23 NAR high-power flier members traveled to Huntsville, AL April 14-17 to support the 2011 SLP launch, which involved 40 high school and college teams flying large complex J through M powered rockets with student-developed scientific payloads. NAR is also supporting the teacher training and HPR certification workshops over the summer that are preparing teachers for submitting bids to participate in the 2012 SLP. The participants in this workshop, and the students who participate in SLP, were considered by the Board to be exactly the type of high-visibility education-oriented HPR fliers that the NAR wants as future members.

Motion by Jennifer Ash-Poole – seconded by Ted Cochran. Passed 5-0 with John Lyngdal and Vince Huegele abstaining. The NAR will support the SLP program by offering teachers attending SLP workshops \$25 memberships for the first year, and student team leaders a complimentary membership at the SLP launch.

Review of 2011 NAR Member Online Survey.

The NAR conducted an online 30-question survey of all members between April and June 2011. 843 members took the survey, 95 percent of them age 21 or above. Based on answers to the questions about membership length, age, section affiliation, and high-power certification the survey respondents were considered to be a representative cross-section of the NAR's whole adult membership. In cases where the questions were the same, the results from this survey closely matched the results from an online survey done in 2008 that drew 1211 member responses. Before the meeting the Board had reviewed the scores from this survey's 30 questions plus the 65 pages of voluntary text comments submitted by members in amplification of their scores on various questions.

The Board drew seven overall conclusions concerning members' opinions from the results of the survey:

1. They visit the NAR website regularly for specific reference and organizational material, but they do not like its look or its navigational structure and want to see it revised.
2. They mostly like the section that they belong to but are not satisfied with the NAR's national level support to that section and want to see it enhanced.
3. They want more "how to" and technology articles in Sport Rocketry and less coverage of national events.
4. They do not like some aspect of our HPR program, but there is no consensus on which aspect this is.
5. They have little interest in model rocket competition and many of them have a significant aversion to the behavior of some of its participants.
6. They would support fundraising for education programs/grants/scholarships (only).
7. They do not have the degree of access to a good launch site that they would like to have.

The Board concluded that taking specific actions to address items #1 through #3 on this list should be their top near-term priority. Discussions for the rest of this Board meeting focused on identifying these actions.

Section Activities Committee.

Committee Chair John Hochheimer presented his report in person.

There are currently 116 NAR sections in 40 states. Of the 10 states without a section only 5 have more than 10 NAR members in that state and none have more than 20. The process for processing NAR section renewals has turned out to be more difficult with the Neon web-based headquarters management system than it had been under the previous stand-alone headquarters software. Developing the capability to have NAR sections do this renewal online and get all the resulting materials (charter, insurance certificate, etc) more quickly will be a priority for the rest of 2011 in order to get the process in place for the 2012 renewals.

Randy Boadway has developed and implemented a program for the NAR to recognize the most outstanding NAR section websites and will present the first round of awards from this program at NARAM-53. He is developing a new program for recognition of section overall excellence and will have this in place in 2012 to support awards at NARAM-54.

The Board discussed at length the issue of how to assist NAR sections and would-be sections in gaining access to a flying site, which was the top problem voiced by NAR members in the survey as the one impeding their enjoyment of the hobby. The Board concluded that there were three areas where such NAR national assistance could be useful and tasked these to specific people for action to develop for posting online:

1. Development of technical resources on how to locate vacant land and its owner; what the legal and tax implications are for a landowner in allowing land use; and how to determine what the waivable altitude will be over a potential launch site.
2. Collection of lessons-learned from sections on how they got access to their launch site and what the objections or concerns were from landowners (including those who refused use of their land) to such access
3. Development of a concise "3-minute" pitch to use in making the first appeal to a landowner for launch site access, including identification of what the benefits of this access might be to them or to the community

The Committee Chair took an action to assemble all the reference and other resources currently being provided singly to sections for their use in gaining launch site access, and to put all of these in one spot (page) on the NAR website, to be further enhanced as the items listed above are developed and posted.

Technology Committee.

Committee Chair Jennifer Ash-Poole presented her report in person.

The Board reviewed the tasks currently assigned to Technology Committee and concluded that the top priority was now to implement the capability for NAR sections to renew online, with implementation of the ability to purchase NAR memberships for multiple family members from a single online account being second. The Board also reviewed cost estimates for outsourcing the printing and mailing of NAR membership cards and thereby shifting to high-quality credit-card-style membership cards with graphics. The Board agreed that the cost of this (about \$1 per card) was affordable and that the Technology Committee should implement this process by the end of 2011.

Based on the discussions in the Thursday executive session concerning how current processes were working at NAR headquarters, the Board determined that it would be useful to have Jennifer Ash-Poole and Jonathan Rains (who will be taking over from Jennifer as the technical supporter of the Neon web-based headquarters management system) make a trip out to NAR headquarters to help the headquarters manager resolve Neon implementation issues, implement new processes, and replace overage and/or unreliable information technology equipment.

Motion by Jennifer Ash-Poole – seconded by Tom Ha. Passed 6-0 with Jennifer Ash-Poole abstaining. The Technology Committee Chair and Jonathan Rains will visit the NAR Headquarters at NAR expense in the next 8 months (before NARCON) to do a tech refresh and will review the NAR-HQ processes for a report at the winter Board meeting.

The Board discussed at length the issue of improving the NAR website's structure, navigation, and appearance. They concluded that the current website approach, from technology to graphical appearance, was unfixable and that

a complete replacement website should be developed. Bruce Canino has volunteered to lead the project to do this, and the Board expressed willingness to make a significant financial investment in development of the website if this turned out to be required. The Board developed the following overall guidelines to describe the desired attributes of the next-generation NAR website:

1. Uses web 2.0 technology, including compatibility with iPhones
2. Uses the structure of web pages developed in 2009 by the now-disestablished website redesign subcommittee
3. Has a members-only section
4. Uses the Neon headquarters database as the source of membership verification for the members-only section and of section information for the section listing
5. Permits editing of applicable sections of content by the volunteer responsible for that section\
6. Accepts transfer of current website content
7. Has more than one set of "master keys" so no single volunteer is the chokepoint in fixes or updates
8. Contains a search feature
9. Supports posting of videos
10. Recognizes user location and customizes displays based on that location

Periodicals Committee.

The Board reviewed the report from Committee Chair Mark Bundick.

Based on the member feedback from the online survey questions concerning Sport Rocketry magazine content the NAR President had asked the Periodicals Committee Chair to develop a proposed approach for obtaining the content that the members want most. The types of content most desired were "how to", technical, and construction-project articles about the technology of building and flying models of all sizes from model rocket through high power. The elements of their proposal offered by the Committee were:

1. Provide and publicize improved article submission guidelines at the NAR website.
2. Solicit potential articles including use of a web form at the NAR website for members to suggest potential authors/topics.
3. Provide \$250 payments for substantive "lead articles" on "how to" topics, payment to be made at the time the article is accepted with acceptance to be determined by the Periodicals Committee Chair.
4. Provide a free NAR Membership for "how to" articles which are shorter or less technical, but still worth printing.

Motion by Ted Cochran – seconded by Vince Huegele. Passed unanimously. The Periodicals Committee's recommendation for incentives for content in Sport Rocketry Magazine shall be approved.

The Board also discussed the other NAR paper publications. The NAR Member Guidebook, provided free to every new NAR member and to each renewing member once each two years, will be going into a new edition and print run for 2012-2013 this fall. Mario Perdue will be updating the content. The Model Rocketeer paper newsletter provided to every NAR member once per year containing the Trustee resumes and ballot and other information will no longer carry the Model Rocket Sporting Code ("Pink Book") rules change proposal material, this material will be transitioned to online posting and member balloting for 2012.

Public Affairs Committee.

The Board reviewed the report from Committee Chair Mark Stought.

Mark reported to the Board that the initiative to have his committee serve as a clearing-house for accumulating lessons-learned and copies/links for media coverage obtained by NAR sections along with lessons-learned on how they had got the coverage had resulted in zero inputs. He was not optimistic that an NAR national public affairs committee could really be of any assistance to local NAR sections in today's media market and suggested to the Board that his committee return to the inactive status that it had been in for many years until he took it over a year ago. The Board concluded that the concept of accumulating examples of media coverage of the hobby and lessons-learned remained one that they thought would be useful to the NAR and asked that the committee make one more pass at doing this.

The Board had reviewed before the meeting the reports from the following committees, which had information in them that was useful to the Board but that required no Board action or decisions and were therefore not scheduled for agenda time at the meeting:

Standards & Testing Committee
Safety Committee
National Events Committee
High Power Services Committee
NAR Technical Services Committee
Contest & Records Committee
Special Committee on FAI Activities
NARTREK Committee

Motion by Vince Huegele – seconded by Ted Cochran. Passed unanimously. The minutes of the March 2011 Board of Trustees meeting shall be approved.

Meeting adjourned at 5:30 pm Friday, July 22, and reconvened Monday, July 25, at 9:35 pm after the NAR Association Meeting. All 9 members of the post-election Board of Trustees were present Monday.

The results of the 2011 Trustee election and Bylaws balloting process were as follows:

167 ballots were mailed in before the Association meeting and 50 ballots were cast by members present at the meeting. The Bylaws change passed with a vote of 178 yes and 14 no. The Trustee election results were:

Dr. Ryan Coleman	154 votes (elected)
Mr. Randy Gilbert	102 votes (not elected)
Dr. Joyce Guzik	189 votes (re-elected)
Dr. John Hochheimer	168 votes (re-elected)

Motion by Jennifer Ash-Poole - seconded by Ted Cochran. Passed unanimously. Joyce Guzik shall be elected as NAR Secretary.

Motion by Vince Huegele - seconded by Ted Cochran. Passed unanimously. Tom Ha shall be elected as NAR Treasurer.

John Hochheimer was appointed as the new Board liaison to NARTREK Committee
Ryan Coleman was appointed as the new Board liaison to Contest & Records Committee
Vince Huegele was appointed as the new Board liaison to Membership Committee

Motion by John Hochheimer - seconded by Jennifer Ash-Poole. Passed unanimously. The NAR Board shall adjourn, to reconvene at NARCON 2012. The meeting adjourned at 9:45 PM.