

ASSOCIATION FOR INSTITUTIONAL RESEARCH



Board of Directors
ANNUAL REPORT
May 2017



ASSOCIATION FOR INSTITUTIONAL RESEARCH
Data and Decisions for Higher Education



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AIR Board of Directors
Annual Report to the Membership
Washington, DC
May 31, 2017, 2:30 – 3:15 p.m.
Washington Marriott Marquis

Table of Contents

Section 1 – President’s Report	1
2016–2017 Board of Directors	3
Section 2 – Financial Report	4
Audit Reports	5
Summary of the Auditors’ Findings	6
Section 3 – Ensuring the Health and Vitality of the Association	7
Section 4 – Immediate Past President/Nominations and Elections Committee Chair	9
Section 5 – Membership	10

Section 1 – President’s Report

On behalf of the Board of Directors of the Association for Institutional Research, I am honored to present the 2016-2017 Annual Report. Other sections of this report include more detailed information about committees that addressed Association priorities, such as **Nominations and Elections, Governance Orientation and Training, CEO Search, Ends Policy Review, IR Future, Membership Categories, and Procedure for Proposal of New Award.**

Officially, our work began at the 2016 AIR Forum in New Orleans, Louisiana. Excited by the energy and success of the 2016 Forum, the Board of Directors prepared to step into 2016-2017 with vigor in our commitment to (a) conduct an extensive search for the next outstanding Executive Director of the Association, and (b) pursue a stronger future for AIR and the IR profession.

The Board recognized the importance of the opportunity to examine the Association and identify what the Association would seek in a new Executive Director. The CEO Search Committee launched the search for the Executive Director with development of a draft position description and specifications for the request for proposals (RFP) for an executive search firm. The committee publicized the RFP, received and reviewed proposals, interviewed finalist firms, and selected AGB Search with Dr. Ted Marchese as lead consultant. An extensive search process included guided recruitment, careful screening of applicants and nominees, selection and processing of candidates, committee interviews of semifinalists, and interviews with the Executive Office staff in Tallahassee, Florida. The search process culminated in the recommendation of finalists to the Board of Directors, which interviewed finalists and made the final selection in January 2017. The Board was very pleased that Dr. Christine Keller accepted the position of Executive Director and joined the AIR Executive Office on May 3, 2017.

In June 2016, a couple of weeks after the 2016 Forum, the Board of Directors, the Executive Office staff, and Association members were shocked and saddened by the lightning strike and subsequent fire that damaged the Executive Office on Piedmont Drive in Tallahassee. Interim Executive Director Jason Lewis and the Executive Office staff did an amazing job of responding to the unexpected calamity and smoothly relocated AIR business operations to an initial temporary location while minimizing disruption of services to Association members. Within days, the initial temporary location was replaced by a suitable office space. The Executive Office staff rented and occupied the new space, and necessary furnishings and equipment were acquired. Despite the traumatic upheaval, the Executive Office staff was savvy, nimble, and committed; the entire team focused on combining their efforts, talents, and knowledge to face the challenge, continue operations, and serve AIR members. Plans were developed and enacted to renovate the AIR-owned part of the office complex on the Piedmont Drive property. Later, plans to list the property for sale were developed and enacted.

In July 2016, new and continuing Board Members engaged in policy governance training at a seminar conducted by policy governance consultant Miriam Carver.

The Board face-to-face meeting in Indianapolis in August 2016 included an extensive discussion about the future of both IR and AIR.

The development of a new course that features the fundamentals of institutional research emerged from the conceptual stage in fall 2016 through the focused, excellent work of the course development team, which included subject matter experts (AIR members) and the Executive Office staff. Through this talented collaboration, the first cohort of *A Holistic Approach to Intuitional Research* launched in spring 2017, providing a new learning opportunity for early-career professionals in IR and others seeking to expand their understanding of the field. Much appreciation for this AIR success goes to Jason Lewis, Eric Atchison, Mary Ann Coughlin, Darlena Jones, Kristina Powers, and Leah Ewing Ross.

In March 2017, the Board face-to-face meeting in Washington, DC provided opportunity for in-depth discussion about the Executive Office’s commitment to pursuit of the Ends (goals) of the Association (as cited in the Ends section of *AIR Governance Policies*), and about the core duties and functions of institutional research.

Correspondingly, the Board also reviewed and discussed the knowledge and skills that would enable IR professionals to perform fundamental duties and functions. Other information sharing, review, and discussion included an update regarding the development of the new holistic course. The Board also recognized the importance of exploring and monitoring how information and analyses are developed in higher education institutions, and how and by whom this responsibility will be handled as we proceed into the future.

My synopsis of the past year seems simply too abbreviated, but I invite you to engage with any Board Member to learn more about the evolving work of the Board, as we seek to help AIR members step forward productively in the ever-changing world of institutional research.

I cannot say enough about my appreciation for Jason Lewis and the entire Executive Office team, as well as an outstanding group of Board Members in 2016-2017. Also, there is such excitement about the new chapter in AIR history that has commenced with Christine Keller's selection as Executive Director of the Association. I look forward to the continuing opportunity to work with her, incoming AIR President Ellen Peters, and the 2017-2018 Board of Directors as I transition to the role and responsibilities of Immediate Past President.

Throughout my career in institutional research, I have had such appreciation for the extensive cadre of insightful, savvy colleagues, strong leaders, and committed professionals who have served the Association so well. They have been exemplary in sharing ideas and solutions, helping colleagues and institutions, and contributing adeptly and strongly to the development of better information and analyses to support solid understanding, better decision making, and the improvement of the higher education enterprise. I am truly grateful to our colleagues who helped build and develop AIR and the IR profession to reach its current stature. And I also appreciate our colleagues who are looking ahead and prompting us to strive for new ways to build an even better future. I continue to be enriched by the experience of learning together with AIR members, the Executive Office staff, the Board of Directors, and other volunteers, colleagues, and higher education professionals.

Thank you very much for the opportunity to serve as President. I certainly appreciate your contributions to making AIR and its outputs and activities even better!

Very best wishes,

Glenn W. James
AIR President, 2016-2017

2016–2017 Board of Directors

President

Glenn James, Tennessee Tech University

Vice President

C. Ellen Peters, University of Puget Sound

Immediate Past President

Gary Pike, Indiana University-Purdue University Indianapolis

Members at Large

Clifford Adelman, Institute for Higher Education Policy

Timothy Chow, Rose-Hulman Institute of Technology

Debbie Dailey, Delaware Valley College

Sara Gravitt, Wake Forest University

Michelle Hall (Treasurer), Southeastern Louisiana University

Kara Larkan-Skinner, Our Lady of the Lake University

Jessica Shedd (Secretary), University of Texas System

Michael Tamada, Reed College

Meihua Zhai, University of Georgia

Nominations and Elections Committee

Gary Pike (Chair), Indiana University-Purdue University Indianapolis

Eric Atchison, Mississippi Board of Trustees of State Institutions of Higher Learning

Marne Einarson, Cornell University

Denise Gardner, University of Tennessee

Mimi Johnson, Trenholm State Community College

Heather Kelly, University of Delaware

Eric Yang, George Washington University

Section 2 – Financial Report

While the AIR Board as a whole is responsible for overseeing the financial health of the organization, the Board delegated specific leadership responsibilities to the Board Treasurer, Michelle Hall, for 2016–2017. The Treasurer provides leadership for the independent annual audit, which reviews the Financial Statements and findings from an independent audit firm concerning the financial state of the Association. The Treasurer is also responsible for presenting an annual report of AIR’s financial condition at the Annual Forum, managing Board travel, and researching comparable CEO compensation every three years. The Treasurer ensures that the Board has sufficient information to make sound financial policies. Three of the CEO Monitoring Reports reviewed and discussed by the Board deal specifically with the Association’s finances — (1) financial planning, (2) financial condition and activities, and (3) asset protection — and evaluate how the CEO handles the executive limitations set by the Board. The governance policies and executive limitations related to the Association’s finances provide a level of protection, set boundaries, and serve as a warning mechanism.

The firm of Purvis, Gray & Company, Certified Public Accountants of Gainesville, Florida, audited the December 31, 2016 financial statements of the Association. The auditors issued a clean audit report that indicated that the audit disclosed no instances of significant deficiencies and/or material weaknesses in the Association’s internal controls. Further, the auditors noted that the organization is in a very healthy financial position.

The December 31, 2016 audit was discussed and accepted by the Board on May 25, 2017. A copy of the audited financial statement is available on the AIR Leadership and Governance website:

<https://www.airweb.org/AboutUs/LeadershipAndGovernance/GovernanceDocuments/>.

Questions may be directed to Mr. Jason Lewis, Chief Financial Officer, 850-385-4155 Ext. 125 or jlewis@airweb.org.

Key findings on the current financial health of the Association:

1. Unmodified 2016 audit issued on the Financial Statements with no reportable instances of significant deficiencies or material weaknesses in internal control and no material instances of noncompliance.
2. Unmodified 2016 audit issued on the Major Federal Award Programs with no reportable significant deficiencies or material weaknesses in internal control over major federal programs and no findings required to be reported.
3. Revenues exceeded expenditures by \$386,087 in 2016. The current total net assets of \$4,356,180 is the largest annual net reserve in the history of the Association.

The Statement of the Financial Position and Summary of the Auditors’ Findings are included in the following Audit Reports section.

STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2016,
 WITH COMPARATIVE TOTALS FOR 2015
 ASSOCIATION FOR INSTITUTIONAL RESEARCH
 TALLAHASSEE, FLORIDA

ASSETS

	2016	2015
Current Assets		
Cash and Cash Equivalents	\$ 1,674,678	\$ 1,869,522
Grants and Contract Receivable, Current	392,716	494,363
Accounts Receivable	104,967	79,046
Other Current Assets	97,447	67,191
Total Current Assets	2,269,808	2,510,122
Investments		
Fixed Income Securities	2,007,036	1,983,352
Property and Equipment		
Property and Equipment, Net	678,789	599,529
Total Assets	4,955,633	5,093,003

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable and Accrued Expenses	269,392	171,626
Accrued Compensated Absences	34,570	65,185
Deferred Grant and Contract Revenue	0	492,091
Deferred Membership Dues and Other	295,491	394,008
Total Current Liabilities	599,453	1,122,910
Total Liabilities	599,453	1,122,910
Net Assets		
Unrestricted Net Assets:		
Board Designated	420,000	420,000
Undesignated	3,866,317	3,482,620
Total Unrestricted	4,286,317	3,902,620
Temporarily Restricted:		
Scholarship Fund	69,863	67,473
Total Net Assets	4,356,180	3,970,093
Total Liabilities and Net Assets	\$ 4,955,633	\$ 5,093,003

Summary of the Auditors' Findings

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016
ASSOCIATION FOR INSTITUTIONAL RESEARCH
TALLAHASSEE, FLORIDA

SECTION I - SUMMARY OF AUDITORS' RESULTS

1. **Type of Audit Report Issued on the Financial Statements:**

Unmodified.

2. **Significant Deficiencies and/or Material Weakness in Internal Control:**

Audit disclosed no instances of significant deficiencies and/or material weaknesses in internal control.

3. **Noncompliance Material to Audited Financial Statements:**

Audit disclosed no material instances of noncompliance.

4. **Significant Deficiencies and/or Material Weaknesses in Internal Control Over the Major Federal Award Program:**

Audit disclosed no significant deficiencies and/or material weaknesses in internal control over the major federal program.

5. **Type of Audit Report Issued on Compliance with Requirements Applicable to the Major Federal Award Program:**

Unmodified opinion.

6. **Audit Findings Relative to Section 200.516 of the Uniform Guidance:**

The audit disclosed no findings that are required to be reported under Section 200.516 of the Uniform Guidance.

7. **Major Federal Program:**

<u>Federal Program</u>	<u>CFDA No.</u>
Research Triangle Institute (RTI) International	84.EDIES09C0056

8. **Threshold:**

The threshold for distinguishing Type A or Type B programs was \$750,000 for major federal programs.

9. **Auditee Risk Assessment:**

The Association qualified as a low-risk auditee.

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters noted.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters noted.

SECTION IV – PRIOR FEDERAL AWARD FINDINGS

No prior year findings noted.

Section 3 – Ensuring the Health and Vitality of the Association

Governance Orientation and Training Committee

The Governance Orientation and Training Committee was formed in April 2017 to codify the good work of the former ad hoc New Board Member Orientation and Training Committee. The purpose of the committee is to annually provide a plan for delivering orientation and training about governance to new and continuing members of the Board of Directors and Nominations and Elections Committee. The committee transitioned to a minimum four-member structure with the Vice President serving as chairperson, and the Immediate Past President serving to provide insight and perspective. The 2016-2017 committee was chaired by Ellen Peters (Vice President), University of Puget Sound. Committee members were Sara Gravitt, Wake Forest University; Michelle Hall, Southeastern Louisiana University; Gary Pike (Immediate Past President), Indiana University - Purdue University Indianapolis; and Jessica Shedd, University of Texas System. The committee developed a plan to deliver training just prior to the start of the AIR Forum in Washington, DC.

CEO Search Committee

The CEO Search Committee was appointed by Gary Pike in April 2016 to conduct the search for the Executive Director of the Association. The committee was chaired by Glenn James (President), Tennessee Tech University. Committee members were Debbie Dailey, Delaware Valley University; Mardy Eimers, University of Missouri; Gina Johnson, AIR Executive Office; Dawn Kenney, Central New Mexico Community College; Kara Larkan-Skinner, Our Lady of the Lake University; Ellen Peters, University of Puget Sound; Mary Sapp, University of Miami (retired); and Michael Tamada, Reed College. The CEO Search Committee was charged with oversight of the recruitment and review of Executive Director candidates and making a recommendation of two or three candidates for final consideration by the Board of Directors. The Search Committee worked with search firm AGB Search and lead consultant Ted Marchese to solicit candidates for the Executive Director position, review and screen applications, gather documentation about credentials, conduct initial interviews, and make a final recommendation to the Board of Directors in December 2016.

Ends Policy Review Committee

The Ends Policy Review Committee was formed in 2016 to “review, seek input on, and make recommendations regarding the AIR Ends policy with emphasis on AIR’s role as a membership organization.” The committee consisted of five members: Gary Pike (chair), Indiana University - Purdue University Indianapolis; Cliff Adelman, Institute for Higher Education Policy; Michelle Hall, Southeastern Louisiana University; Ellen Peters, University of Puget Sound; and Jessica Shedd, University of Texas System. The committee met with policy governance consultant Miriam Carver about possible changes to the structure of the Ends policy. The committee decided not to make any changes to the structure or content of the Ends policy until a new Executive Director was named, and the committee had an opportunity to consult with the new Executive Director about the future of AIR. With the selection of Christine Keller as the new Executive Director, discussions about the future direction of AIR and possible changes to the Ends policy are beginning.

IR Future Committee

Following discussion by the Board in summer 2016, the IR Future Committee was formed in December 2016. The committee is chaired by Timothy Chow, Rose-Hulman Institute of Technology. Committee members are Sara Gravitt, Wake Forest University; Jessica Shedd, University of Texas System; and Meihua Zhai, University of Georgia. In April 2017, the committee was charged to help the Board of Directors to understand the broad context in which institutional research professionals work in higher education and how this context appears to be proceeding and evolving. Specifically, the committee was charged with development of information to brief and advise the Board of Directors about the challenges and opportunities that institutional research (the function and profession) and AIR (the professional association) face. All Board members were invited to share their thoughts and suggestions with the committee.

Given the breadth of this subject, the committee considered narrowing the scope to a small number of focus areas, with each member focusing on and leading the investigation of specific issues of interest. Preliminary and exploratory questions developed by the committee included:

- What is the relationship between the AIR Ends (policy statement about Association products, impacts, benefits, outcomes, recipients, and their relative worth – i.e., about what good for which recipients at what cost) and (the topic of) the Future of IR?
- What is the relationship between *A Statement of Aspirational Practice for Institutional Research* and the Future of IR?
- Would the proposed duties and functions of IR be relevant to the Future of IR (IR forecasting)?
- Are the proposed matching knowledge and skills the essential ones to move IR professionals into the Future of IR?
- What about IR and IT relationships going into the future – the Future of IR?

Some of the earlier discourse of the committee explored the relationships between AIR Ends and the Future of IR with consideration that the Future of IR will be influenced significantly by the AIR Future, which will be impacted by the AIR Ends policy. The committee received a copy of the final report from the Committee on the Future of Associations. The comprehensive report offered insights into factors impacting professional associations like AIR and issues to be considered that are relevant to both the future of AIR and the evolving field of IR.

The committee also considered opportunities and issues associated with institutional research and information technology (IR and IT) collaborating and partnering in support of data-informed decision making in higher education institutions. Part of this exploration included learning more about professional development opportunities related to IR and IT. The committee plans to share available findings with the Board at the 2017 Forum.

Membership Categories Committee

The Membership Categories Committee was formed in April 2017 with a charge to review the categories of membership in the Association for sufficiency and adequacy. In particular, the committee will consider the advisability of creating a Senior Membership category for AIR members who are retired, but do not fulfill the requirements of the Emeritus Membership category.

The committee has five members: Mike Tamada (chair), Reed College; Cliff Adelman, Institute for Higher Education Policy; Debbie Dailey, Delaware Valley University; Kara Larkan-Skinner, Our Lady of the Lake University; and Ellen Peters, University of Puget Sound. The committee's work is projected to be completed by August 2017.

The work of the committee will include exploring what membership categories are used by similar organizations, estimating the effects of membership categories upon AIR finances, and evaluating the needs of, and benefits to, AIR members with regard to new membership categories.

Procedure for Proposal of New Award Committee

The Procedure for Proposal of New Award Committee was formed in early 2017 to develop a process through which association members could propose a new AIR award for consideration by the Board of Directors. Committee members are Jessica Shedd (chair), University of Texas System and Glenn James, Tennessee Tech University.

The committee is reviewing the final report of the *AIR Board Awards and Recognition Working Group* from 2012-2013 and has gathered examples of how other member associations and non-profit groups manage this process. The committee plans to recommend a procedure to the Board at the May 2017 Board Meeting at the Forum in Washington, DC.

Section 4 – Immediate Past President/Nominations and Elections Committee Chair

I am pleased to submit this report on behalf of the 2016-2017 AIR Nominations and Elections Committee (NEC). I would like to personally thank the six members of the NEC who worked with me: Eric Atchison, Mississippi Board of Trustees of State Institutions of Higher Education; Marne Einarson, Cornell University; Denise Gardner, University of Tennessee; Mimi Johnson, Trenholm State Community College; Heather Kelly, University of Delaware; and Eric Yang, George Washington University. It was a privilege to work with this group of dedicated professionals. The NEC was also fortunate to be supported by Elaine Cappellino from the AIR Executive Office. Her organizational skills, attention to detail, and wise recommendations were critical to the success of the NEC.

A total of 87 individuals were nominated in 2016, and 29 completed the required nomination packet for consideration by the NEC. Interviews of potential candidates for the Vice President role were conducted and all candidates' materials were thoroughly reviewed to select the final slate for the election. The election was held in February 2017; 510 AIR members voted in the election, and the results were as follows:

- **Vice President:** Michelle Appel, University of Maryland - College Park
- **Members at Large:** Paige Borden, University of Central Florida; Shari Ellertson, Boise State University; Christine Ross, Hampden-Sydney College
- **NEC members:** Russ Cannon, University of Washington, Bothell; Peggye Cohen, George Washington University; Dawn Kenney, Central New Mexico Community College

More information about the 2017 election is available on the AIR website:

<http://www.airweb.org/AboutUs/LeadershipAndGovernance/Elections/Pages/2017-Election-Results.aspx>

On a personal note, the last three years have been memorable, and I have learned a great deal from my friends and colleagues on the AIR Board of Directors and the NEC. Thanks to all of the people who mentored, supported, and encouraged me through difficult times and helped me celebrate the good times. I have been very fortunate to be associated with so many talented, caring people who are committed to AIR and its success. I also want to extend my personal thanks to staff members in the AIR Executive Office. You made my jobs as Vice President, President, and Immediate Past President easier, and more productive, in so many ways.

Thank you!

Gary R. Pike
Immediate Past President

Section 5 – Membership

The 2015-2016 AIR membership was comprised of 3,967 individuals (see Figure 1). This was a 3.3% decline (135 memberships) from the previous year, which was in large part due to a decline in the number of returning/renewing Professional members.

Starting with the 2015 Forum, AIR began awarding promotional memberships for the remaining membership year to any Forum registrant who wasn't a current member. This promotion was put in place to ensure that Forum attendees would gain immediate access to member benefits and resources without having to wait until the new membership year begins on July 1. The 2015-2016 membership year was the second year we awarded promotional memberships. The 2015-2016 paid and promotional membership total was 4,697, which is comparable with the 2014-2015 paid and promotional membership total (see Figure 2).

Figure 1

Membership Types	2011–2012	2012–2013	2013–2014 Revised	2014–2015	2015–2016
Distinguished	20	19	20	19	19
Emeritus	82	81	85	88	94
Graduate Students	255	208	202	161	139
New	118	114	110	85	114
Renewed/Returning	137	94	92	76	25
Professional	3,662	3,729	3,803	3,834	3,715
New	689	760	717	733	694
Renewed/Returning	2,973	2,969	3,010	3,030	2,955
Transfer	-	-	76	71	66
Total Memberships	4,019	4,037	4,110	4,102	3,967

Figure 2

Key Data Points	2011–2012	2012–2013	2013–2014 Revised	2014–2015	2015–2016
% Change from previous year	0.40%	0.40%	1.80%	-0.19%	-3.29%
# Change from previous year	15	18	73	-8	-135
# of new	807	874	827	818	808
# of Renewed/Returning	3,212	3,163	3,207	3,213	3,093
# of Transfers	-	-	76	71	66
Total Number of Members	4,019	4,037	4,110	4,102	3,967
Promotional-Not included in Total Memberships	2011–2012	2012–2013	2013–2014	2014–2015	2015–2016
Promotional				634	730
Graduate Student				32	21
Professional	-	-	-	602	709
Total-Paid and Promotional	-	-	-	4,704	4,697