

Minutes AGA National Executive Committee

June 28, 2003 – 9 a.m. to 5:15 p.m.

and

June 29, 2003 – 2 to 4 p.m.

Chicago, IL

ATTENDANCE

Committee Present

- William J. Anderson Jr., CGFM, National President, Washington, D.C. Chapter
- Jullin Renthrope, CGFM, National President-Elect, New Orleans Chapter
- Richard V. Norment, CGFM, Immediate Past National President, Nashville Chapter
- Richard O. Bunce, CGFM, National Treasurer, Richmond Chapter
- Evelyn A. Brown, CGFM, National Treasurer-Elect, Washington, D.C. Chapter
- Bobby A. Derrick, CGFM, Senior Vice President for Regional Services – Section I, Indianapolis Chapter
- Paul W. Bognaski, CGFM, Senior Vice President for Regional Services – Section IV, Montgomery/PG Chapter
- Raymond H. Harris, CGFM, Senior Vice President At Large, New York Capital Chapter
- Jeffrey S. Hart, CGFM, Senior Vice President At Large, Presidential Appointee, Denver Chapter
- Russell W. Hinton, CGFM, Senior Vice President At Large, Presidential Appointee, Atlanta Chapter
- Charles W. Culkin Jr., CGFM, Executive Director

NEC Absent

- Barbara B. Gladfelter, CGFM, Senior Vice President At Large, Sacramento Chapter
- William A. Morehead, CGFM, Senior Vice President for Regional Services – Section II, Jackson Chapter
- James P. Armstrong, CGFM, Senior Vice President for Regional Services – Section III, Los Angeles Civic Center Chapter
- Cynthia T. Osga, CGFM, Senior Vice President At Large, Presidential Appointee, Greater Lansing Chapter

Guests and National Office Staff Present

- Jeanne B. Erwin, CGFM, National Treasurer-Elect Designate, North Carolina Triangle Chapter
- William W. Ensign, CGFM, Senior Vice President for Regional Services – Section III Designate, Portland Chapter
- Joseph A. Kapelewski, CGFM, Senior Vice President for Regional Services – Section IV Designate, Richmond Chapter
- Eva J. Williams, CGFM, Senior Vice President At Large, Presidential Appointee Designate, Washington, D.C. Chapter
- Susan Fritzlen, Deputy Executive Director of Programs
- Joan Schwartz, Deputy Executive Director of Professional Certification
- Lisa Thatcher, NEC Secretary and Director, CEAR and SEA Programs

FORMAL NEC MOTIONS (The motion passed unanimously unless otherwise noted.)

MOTION #1 – Approve the items on the Consent Calendar: (1) Agenda for the current NEC meeting and (2) Minutes from the March 6-7, 2003 meeting.

MOTION #2 – Approve DM 03-11, appointing William W. Ensign, CGFM as Senior Vice President for Regional Services – Section III to complete Jim Armstrong’s remaining term. Note Mr. Ensign’s middle initial correction from “H.” to “W.”

MOTION #3 – Approve DM 03-10, updating AGA National bylaws for clarification and consistency. The NEC added the word “alleged” in two sections that discuss violations of the Code of Ethics so that the sentences read refer to “...alleged violations...”: Section 10, “Duties of Members,” paragraph (c) and Section 11, “Resignation of Members.”

MOTION #4 – Approve DM 03-12 re-appointing Pete Rose, CGFM to the Professional Certification Board to finish his unexpired term. The action includes retroactive approval of Mr. Rose to the board from May 29, 2003 to June 30, 2003.

MOTION #5 – Approve DM 03-13 appointing William Oliver, CGFM to the Audit Committee and documenting the election of Sam McCall, CGFM as the chair for the 2002-2003 program year. It was noted that term appointments and chair election for the 2003-2004 program year are included under DM 03-20.

MOTION #6 – Approve DM 03-14 reappointing Kenneth Bresnahan as chair and Arthur Hayes as vice chair of the Academy Board for the 2003-2004 program year.

MOTION #7 – Approve DM 03-15 appointing CEAR Board members, including John Hummel as chair, for the 2003-2004 program year. It was noted that AGA had received and processed the membership application for incoming board member Barry White.

MOTION #8 – Approve DM 03-16 appointing Professional Ethics Board members, including Joseph Kapelewski as chair, for the 2003-2004 program year. It was noted that Joseph D. Comtois agreed to serve a second term but that Sammy Patterson was not reachable to assess his willingness to serve another term. National President-Elect Jullin Renthrope will identify a replacement.

MOTION #9 – Approve DM 03-17 appointing Financial Management Standards Board members, including Craig Murray as chair, for the 2003-2004 program year.

MOTION #10 – Approve DM 03-18 appointing Journal Board members, including Dennis Duquette as chair, for the 2003-2004 program year.

MOTION #11 – Approve DM 03-19 appointing Professional Certification Board members, including William Taylor as chair, for the 2003-2004 program year.

MOTION #12 – Approve DM 03-20 appointing the chairs of AGA’s committees for the 2003-2004 program year. It was noted that in addition to identifying replacements for several vacancies on the Awards, Finance and Budget, Long Range Strategic Planning and

Professional Development Conference Committees, National President-Elect Jullin Renthrope will identify more state representatives for the National Leadership Conference Committee.

MOTION #13 – Approve DM 03-27 appointing Henry J. Steininger, CGFM as the chair of the Corporate Partner Advisory Group for 2003-2004 and John Cherbini, CGFM, as the vice chair.

MOTION #14 – DM 03-23 dissolving the group membership program – TABLED. The NEC instructed the Finance and Budget Committee to review the program at its August 2003 meeting and provide a recommendation to the NEC at its September 2003 NEC meeting.

MOTION #15 – Approve DM 03-24 modifying the Association’s Long-Range Strategic Plan, which includes the “strategic plan framework” components: vision statement, mission statement, strategic themes, goals and objectives, and core values.

MOTION #16 – Approve DM 03-25 pricing the CGFM Exam 2 Self-Study Guide at \$85 without CPEs and \$125 including 24 CPEs.

MOTION #17 – DM 03-26 approving Nashville, TN as the site for the 2007 Professional Development Conference & Exposition – TABLED. The NEC instructed the National Office to negotiate a cap on the per diem rate and then to reissue the DM to the NEC for an email vote.

MOTION #18 – Approve DM 03-21 updating the AGA Executive Director position description.

MOTION #19 – DM 03-22 updating the AGA Executive Director job expectations and performance measures. TABLED. The NEC will discuss the job expectations and performance measures with the new Executive Director before finalization.

FINANCIAL HIGHLIGHTS

Fiscal Year 2003

- The Association projected a loss of \$132,995 but ended up \$144,818 in the black.
 - This positive position is a result of expense reductions combined with the successful Atlanta PDC, which netted \$650,000.
 - The FY 03 year-end result equates to a 4% margin. (The peer review report cited a 7% ASAE benchmark - or a \$257,000 bottom line - for AGA to use to measure profitability.)
- Financial accomplishments for the year include: developing a long range financial plan, strengthening the budget process, expanding the size of the FBC, obtaining Sloan Foundation grant funding for SEA program, updating financial policies, restructuring membership dues, and achieving a positive bottom line for the Association.
- Financial statements are to be provided to the NEC in July for May and June.
- The results of the fiscal year 2003 audit will be distributed to the NEC in late July.

Fiscal Year 2004

- PDC Chicago registration is currently at 1,024. The fiscal year 2004 budget is based on 800 paid PDC registrations.
- To date, membership revenue falls \$90,000 short of targets.

ACTION LIST

Bill Anderson

- Review the draft letter requesting the Office of Personnel Management recognize certification in the appropriate job classifications for financial managers.

Evelyn Brown

- Spearhead the selection of a Director of Finance and Administration for the AGA National Office.
- Add the financial policies update recommendations to the September 2003 NEC meeting agenda.
- Add the AGA Group Membership Program billing issue to the Finance and Budget Committee meeting agenda for August 2003.
- Work with Jullin Renthrope and Bobby Derrick to identify a replacement for Laura Price on the Finance and Budget Committee.

Bobby Derrick

- Update the Executive Director's job expectations and performance measures document (DM 03-22) to include the working group's final recommendations. Distribute to the NEC for review and discussion.
- Begin identifying new board and committee members. Specifically encourage those who have not participated before to take advantage of AGA leadership opportunities.
- Work with Jullin Renthrope and others to develop the agenda for the March 2004 Leadership Training Workshop.
- Work with the SVPRSs and the National Office to streamline the quarterly SVPRS reports presented at the NEC meetings. The reports should be a one-page "exception" report that candidly highlights such items as problems, recommendations and good news.
- Review the draft letter requesting the Office of Personnel Management recognize certification in the appropriate job classifications for financial managers.

Bill Ensign

- Work with the AGA San Diego Chapter to generate ideas for recruiting city and county officials.

Jeanne Erwin

- Spearhead the continued discussion about the Group Membership Program. Bring the Finance and Budget Committee's recommendations to the NEC at the September 2003 meeting.

Susan Fritzen

- Monitor the AGA Albuquerque Chapter development and keep the NEC apprised of the status.

Lin Latham

- Work with Bill Anderson to explore the possibility of developing a course about FASAB standards.

Ada Phillips

- Discuss hotel rate currently cited in the draft contract with the Nashville, TN PDC site. The contract should include a hotel rate cap so that the rate remains within a certain limit of prevailing per diem.
- Take necessary steps to ensure the NEC receives at its annual March meeting a list of conference speakers that meet the approved criteria for the National Speaker Hall of Fame Award so that the NEC can consider those speakers for the award.

Jullin Renthrope

- Establish guidelines for handling chapter requests for National President visits so that resources are most efficiently and effectively used. For example, it might be most cost effective for a locally based Senior Vice President to attend a chapter event. Or, the RVP could be asked to coordinate visits to other chapters in the region.
- Identify candidates for vacancies on AGA's boards:
 - Ethics Board – one vacancy (replacing Sammy Patterson)
 - Financial Management Standards Board – work with Bill Broadus to fill the one “state” vacancy (replacing Bob Attmore, who shifts to the finish Diane Dudley’s unexpired “private sector” term.)
- Fill vacancies on AGA's committees and keep appropriate individuals apprised of updates:
 - Awards Committee – two vacancies (replacing Mark Funkhouser “local” representative and Cornelius Tierney “academic” representative).
 - Bylaws and Procedures Committee – one vacancy (replacing Susan Cohen).
 - Finance and Budget Committee – work with Evelyn Brown to fill the one vacancy (replacing Laura Price).
 - Long-Range Strategic Planning Committee – all members.
 - National Leadership Conference Committee – seek more members representing the state and local sectors.
 - Professional Development Conference Committee – all members.
- Review the draft letter requesting the Office of Personnel Management recognize certification in the appropriate job classifications for financial managers.

Lisa Thatcher

- Proceed with SEA Program related tasks, including working with NEC members to identify and contact key state/local officials.
- Proceed appropriately to incorporate bylaws modifications as approved by the NEC and the NBD.
 - Announce bylaws changes to all AGA members
 - Note that this includes adding the Immediate Past National Treasurer as an ex officio member of the NEC.
- Add Eva Williams to the NEC roster as National President-Elect Designate Bobby Derrick’s Senior Vice President At Large appointee.
- Add Dick Bunce to the NEC roster as National President Bill Anderson’s one-year Senior Vice President At large appointee to complete Cindy Osga’s term.
- Incorporate National Speaker Hall of Fame Award into the list of AGA National Awards.
- Ensure the NEC approved version of the Executive Director position description is distributed to appropriate parties and is incorporated into the Leadership Handbook.

EXECUTIVE SESSION June 28, 2003

The NEC concluded its June 28th meeting in executive session with the Executive Director Search Group for about 60 minutes. The NEC appointed Jullin Renthrope, Evelyn Brown and Jeanne Erwin to work with the Executive Director Search Group on the Executive Director compensation package once the NEC determined the package ceiling.

EXECUTIVE SESSION June 29, 2003

The NEC met in executive session on Sunday, June 29, 2003 at 2 p.m. to determine the ceiling for the Executive Director compensation package and relocation expenses.

NEC Present

- Jullin Renthrope, CGFM, National President-Elect
- Richard V. Norment, CGFM, Immediate Past National President
- Richard O. Bunce, CGFM, National Treasurer
- Evelyn A. Brown, CGFM, National Treasurer-Elect
- Bobby A. Derrick, CGFM, Senior Vice President for Regional Services – Section I
- Paul W. Bognaski, CGFM, Senior Vice President for Regional Services – Section IV
- Jeffrey S. Hart, CGFM, Senior Vice President At Large, Presidential Appointee
- Raymond H. Harris, CGFM, Senior Vice President At Large

NEC Absent

- William J. Anderson Jr., CGFM, National President
- James P. Armstrong, CGFM, Senior Vice President for Regional Services – Section III
- Barbara B. Gladfelter, CGFM, Senior Vice President At Large
- Russell W. Hinton, CGFM, Senior Vice President At Large, Presidential Appointee
- William A. Morehead, CGFM, Senior Vice President for Regional Services – Section II
- Cynthia T. Osga, CGFM, Senior Vice President At Large, Presidential Appointee

Incoming NEC Present

- William W. Ensign, CGFM, Senior Vice President for Regional Services – Section III, Designate
- Jeanne B. Erwin, CGFM, National Treasurer-Elect Designate
- Joseph A. Kapelewski, CGFM, Senior Vice President for Regional Services – Section IV, Designate

Incoming NEC Absent

- Eva J. Williams, CGFM, Senior Vice President At Large, Presidential Appointee Designate

NEXT NEC MEETING

The next NEC meeting will be held at the AGA National Offices in Alexandria, VA starting at 8:30 a.m. on Friday, September 19, 2003.