

Minutes AGA National Executive Committee

December 6-7, 2002

8 am to 5 pm
Alexandria, VA

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 Brown, CGFM, National Treasurer-Elect, Washington, D.C. Chapter
- Bobby A. Derrick, CGFM, Senior Vice President for Regional Services – Section I, Indianapolis 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
- Barbara B. Gladfelter, CGFM, Senior Vice President At Large, Sacramento Chapter
- Raymond H. Harris, CGFM, Senior Vice President At Large, New York Capital Chapter
- Jeffrey S. Hart, CGFM, Senior Vice President At Large, Presidentially Appointed, Denver Chapter
- Cynthia T. Osga, CGFM, Senior Vice President At Large, Presidentially Appointed, Greater Lansing Chapter
- Charles W. Culkin Jr., CGFM, Executive Director

NEC Absent

- Paul W. Bognaski, CGFM, Senior Vice President for Regional Services – Section IV, Montgomery/PG Chapter
- Russell W. Hinton, CGFM, Senior Vice President At Large, Presidentially Appointed, Atlanta Chapter

Guests and National Office Staff Present

- Susan Fritzlen, Deputy Executive Director of Programs
- Casey McAllister, Director of Finance and Administration
- Joan Schwartz, Deputy Executive Director of Professional Certification (Friday only)
- Lisa Thatcher, NEC Secretary and Executive Assistant to the Executive Director and Director, CEAR Program

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

MOTION #1 – Approve the updated NEC meeting agenda.

MOTION #2 – Approve the five items on the Consent Calendar: (1) NEC meeting minutes of September 13-14, 2002 (2) NEC executive session conference call minutes of October 24, 2002 (3) DM 02-33, appointment of William H. Pugh, CGFM to the CEAR Board, (4) DM 02-34, appointment of Patrick Hardiman to the Financial Management Standards Board and (5) DM 02-35, check signatory policy.

MOTION #3 – Combine the Southern California and Northern California regions effective July 1, 2004, returning to the established practice of alternating RVPs between the northern and southern chapters when possible. The regional management team (RVP, RVP-Elect, and Immediate Past RVP) will continue to collaborate with each other and the full complement of regional coordinators in both the north and south. This will improve regional governance and facilitate communication.

MOTION #4 – Proceed with design, development and production of self-study guides for GFM Courses 2 and 3 under the direction of the Professional Certification Board. Estimated expenses of \$49,000 will be charged against the current year 2003 CGFM budget, except for \$17,500 in development costs, which will be amortized over the next three to five years.

MOTION #5 – Approve sites listed in DM 02-37, “Future Locations for the Professional Development Conference” (PDC) as follows (1) San Diego, CA for PDC 2006 and (2) Nashville, TN for PDC 2007. Approval of the site for the PDC 2008 is on hold pending further research since the New Orleans dates proposed are too close to the Fourth of July holiday.

MOTION #6 – Approve the Ronald Regan Building in Washington, DC as the site for the 2004 National Leadership Conference as outlined in DM 02-38, “Location for the 2004 National Leadership Conference.”

MOTION #7 – Establish a new “Chapter Education Award” that will be chosen by the National Awards Committee to one chapter in each AGA group. Criteria will be developed and approved in time to present the first AGA Chapter Education Awards at the PDC in Chicago, IL.

FINANCIAL HIGHLIGHTS

Fiscal Year 2003

- For the month of October, AGA is showing a net loss of \$52,224, which is consistent with projections (for those months that do not have national conferences).
- Forecasted improvement over budgeted numbers for the fiscal year end is more than \$100,000.
 - PDC Atlanta netted \$644,000, which is \$230,000 over projections.
 - End of year projections are heavily dependent on achieving budgeted net of \$115,000 for the National Leadership Conference (NLC) in Washington, DC.
- Membership expenses are over \$12,000. \$10,000 of this is RVP-related expenses.
- The cost to support the three offsite National Office staff telecommuters is currently \$460/month and will drop to approximately \$290/month starting January 2003.

Fiscal Year 2004

- Discussion about the fiscal year 2004 budget is preliminary because the figures are contingent on the results of the dues increase vote. The preliminary budget includes membership revenues based on the NEC recommended dues figures and it incorporates full

funding for the four new contingency line items. Approval of the budget is on hold until the results of the dues increase vote are finalized.

- The GFM Courses business line has been moved under the CGFM department.
- Conservative but solid revenue numbers serve as the basis for the budget:
 - Membership revenue is based on 15,020 full-time equivalent members.
 - CGFM budget is based on 1,000 non-member CGFMs.
 - PDC Chicago 2003 is budgeted at 1,000 attendees at the current registration fee.
 - NLC 2004 budgeted at 405 attendees at the current registration fee.
- \$18,000 is budgeted for website banner ad revenue. Corporate Partner Kearny and Company has purchased the first website banner.

ACTION LIST

Bill Anderson

- Continue to monitor the NBD dues increase initiative and at the appropriate time, draft proposed membership categories definition changes.
- Initiate discussion with the Professional Certification Board about increasing the CGFM non-member renewal fee from \$50 to \$75 effective fiscal year 2004. It was noted that the board has had preliminary discussions about this issue and was receptive to considering an increase.
- Coordinate the working group to evaluate sectional/regional governance structure by the end of April 2003. Currently, some sections/regions are difficult for the regional team to serve economically, effectively and efficiently.
 - Barbara Gladfelter will chair the working group and Ray Harris will serve as vice chair.
- Coordinate the working group to evaluate viability and implications of establishing a paid lifetime membership category and to establish a new group membership program. The group will make a recommendation through the Finance and Budget Committee to the NEC by the March NEC meeting.
 - Jeanne Erwin will chair the working group.
- Establish Membership Vision Working Group.
- Continue to monitor the NASA related membership issue particularly as it relates to the Houston Chapter.

Jim Armstrong

- Inform appropriate regional and chapter leaders about the merging of the two California regions.
- Keep NEC apprised of the possible combination of the two Los Angeles Chapters.

Dick Bunce

- Ask Finance and Budget Committee to consider if any dues revenue could be/should be allocated to cover a portion of the Journal's costs and if so, how much.

Charlie Culkin

- Participate in the Membership Vision Working Group that will craft an AGA strategic membership vision plan. The plan will include a prioritized list of possible audiences, i.e. federal/state budget, IT representatives, etc., and then outline targeted recruitment plans tailored to promote the value of AGA to each specific group.
 - Targeted deadline is the March 2003 NEC meeting.

- Discuss the Journal business plan issues with other Association Summit attendees. In particular, explore how like-minded organizations fund their flagship publications. Are those journals self-sustaining and if so, how is self-sustaining defined? Do these organizations allot any portion of membership dues to cover the publication costs?
- Work with the conferences department to finalize PDC sites and negotiate contracts as approved by the NEC: San Diego, CA for PDC 2006; Nashville, TN for PDC 2007; and the 2008 location.
- Explore Phoenix and New Orleans for possible PDC sites in 2009 and 2010.
- Research the river front promenade option as a possible site for a PDC Chicago all-attendee reception.
- Draft telecommuting policy for inclusion in Chapter 14 of the AGA Policies and Procedures Manual. Include who pays for travel, phone, fax, computers, etc.
 - Submit draft language to the Finance and Budget Committee for review and approval by February 2003.
 - Submit FBC-approved policy to the NEC for discussion and approval at the March 2003 NEC meeting.
 - Ensure the AGA Staff Handbook is updated appropriately and approved by the NEC.
- Follow up with Hugh Webster regarding the copyright of all AGA educational materials, courses, books, etc.
- Draft letter to NASA OIG regarding the benefits of active participation in AGA.

Marie Force

- After the end of the year, initiate another phase to reinforce the AGA corporate brand initiative. Remind chapters of the value of a strong and consistent national and local identity and highlight AGA National's preference that chapters use the AGA brand and corporate logo.
- Obtain cost of having new AGA chapter banners produced.

Susan Fritzen

- Expand the "AGA Membership in 2003 and Beyond" presentation into a white paper that serves as a starting point for the membership vision working group's discussions.
- Implement and promote the AICPA insurance program as an AGA member benefit.
- Proceed appropriately to promote the membership and chapter survey results, including publishing articles in AGA publications, posting results to the AGA leadership listserve, and distributing it to membership chairs and all regional coordinators.
 - Draft brief letter for National President Bill Anderson's signature to introduce the survey results.
- Distribute membership demographics to the working group on sectional/regional reorganization.
- Distribute lifetime membership research results to the Paid Lifetime Membership Working Group.
- Continue attempts to locate key contacts at the AGA Space Coast Chapter to ensure local chapter participation during the Orlando, Florida PDC.
 - If necessary, consider asking the Tallahassee Chapter to serve as the host chapter.
- Keep NEC apprised of the possibility of new chapters in Charleston and Columbia, South Carolina.
- Keep NEC apprised of discussions with the Cherokee Nation regarding potential new AGA members and CGFMs.

- Oversee establishment of AGA chapter anniversary recognition initiative that acknowledges each chapter's 25 or 50-year anniversaries.
- Add Grant Thornton website hosting expenses to the contract list.

Barbara Gladfelter

- Keep NEC apprised of Silicon Valley Chapter progress and health.
- Inform appropriate regional and chapter leaders about the merging of the two CA regions.
- Keep NEC apprised of efforts to establish a Northern Nevada Chapter or a Fresno Chapter.

Jeff Hart

- Continue to work with the Journal Editorial Board to develop a business plan designed to make the *Journal of Government Financial Management* self-sustaining, which includes covering both direct and indirect costs.
 - Solicit the board's perspective about the issue of allocating a portion of AGA membership dues to cover the Journal expenses.
- Stay apprised of the San Antonio Chapter's progress.

Lin Latham

- Work with Ray Harris and Barbara Gladfelter to draft criteria for the new "Chapter Education Award" that will be chosen by the National Awards Committee and presented to one chapter in each AGA group.

National Executive Committee

- Examine Peer Review Implementation Plan and provide comments and feedback to Charlie Culkin and Bill Anderson.
- Review the draft Long-Range Strategic Plan and provide comments and feedback to Charlie Culkin and Bill Anderson.

Jullin Renthrope

- Continue preparing for National President leadership year marked by the theme, "AGA -- Taking Accountability to the Next Level."
- Remain engaged in dialog with the RVPs and SVPRS to construct the Leadership Training Workshop so it sufficiently trains the RVPs-Elect.
 - The agenda should include update on the development of the GFM self study courses.
- Initiate discussion with the SVPRSs about possibly asking RVPs-Elect to draft budgets for the 2003-2004 program year.

Joan Schwartz

- Proceed appropriately to design, develop and distribute the GFM self-study guides.
 - Professional Certification Board will oversee the guides' development.
 - Pete Rose will write certain portions of the guides. He resigned temporarily from the PCB board to eliminate any possible conflicts of interest.
 - Target deadline for Course 2 self-study guide is estimated to be March 2003 and Course 3 self-study guide is summer 2003.
 - AGA maintains all material rights.
- It was noted that AGA has explored the potential conflict of interest raised if AGA's professional certification body oversees the development of the GFM courses. The NEC agreed no conflict of interest exists because AGA is not a licensing body and the GFM courses and associated study guides are not accredited.

Lisa Thatcher

- Send letter to William H. Pugh, CGFM appointing him to the CEAR Board
- Send letter to Patrick Hardiman appointing him to the Financial Management Standards Board
- Draft February Topics article announcing the Sloan Foundation's funding of the establishment of a Certificate of Excellence in Service Efforts and Accomplishments Program.
- Solicit RVP feedback about the success of the regional coordinator program and get their thoughts about possibly eliminating and/or combining some of the coordinator positions. For instance, the membership group could assume early career issues and chapters already successfully address community service issues.
- Initiate design and distribution of a brief monthly "Hot Idea" email to SVPRSs summarizing one or two "hot" ideas related to AGA programs, meeting management or chapter administration and governance. Target the material to one or two pressing points that will help RVPs and chapter presidents focus on important issues.
 - The SVPRSs will in turn distribute the points to their RVPs and appropriate chapter leadership.
- Draft chapter event thank you letter for National President and begin sending a letter to each AGA Chapter that hosts the National President.

EXECUTIVE SESSION

The NEC met in executive session for one hour on Friday and for two hours with the Executive Director on Saturday.

NEXT NEC MEETING

The next NEC meeting will be held Thursday and Friday, March 6-7, 2003.