

## **AGA National Executive Committee Meeting**

**Wednesday, February 17, 2010**

J.W. Marriott Hotel Pennsylvania Avenue – Salon G  
Washington, D.C.

### **ATTENDANCE**

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#### **Committee Present**

- William Morehead, Ph.D., CGFM, CPA, National President, Jackson Chapter
- Lisa Casias, CPA, National President-Elect, Washington, D.C. Chapter
- Samuel Mok, CGFM, CIA, Immediate Past National President, Washington, D.C. Chapter
- Mary Peterman, CGFM, CPA, National Treasurer, Virginia Peninsula Chapter
- Joseph Kull, CGFM, CPA, National Treasurer-Elect, Northern Virginia Chapter
- Thad Juszczak, Immediate Past National Treasurer, Washington D.C. Chapter
- Wallace Alan Franklin, CGFM, CGA, Senior Vice President Regional Services, Section I, Boston Chapter
- Karmen Stockman, CGFM, Senior Vice President for Regional Services Section II, Mid-Missouri Chapter
- Robert Bond, CGFM, Senior Vice President for Regional Services Section III, Northern Utah Chapter
- Phillip Nally, CGFM, Senior Vice President Regional Services, Section IV, Central Kentucky Chapter
- Kelly Stefanko, CGFM, CPA, Senior Vice President At Large, Virginia Peninsula Chapter
- Karl Boettcher, MBA, CGFM, Senior Vice President At Large, Washington, D.C. Chapter
- John Radford, CGFM, CIA, CFE, Senior Vice President, Presidential Appointee, Portland and Mid-Willamette Valley Chapters
- Richard Bunce, CGFM, Professional Certification Board Chair; National President Elect-Designate, Richmond Chapter
- Zack Gaddy, CGFM, CPA, Senior Vice President, Presidential Appointee, Denver Chapter
- Henry Steininger, CGFM, CPA, Corporate Partner Advisory Group Chair, Washington, D.C. Chapter
- Relmond Van Daniker, DBA, CPA, Executive Director

#### **Committee Not Present**

- Peggy Javery, CGFM, Senior Vice President, Presidential Appointee, New Orleans Chapter

#### **National Office Staff Present**

- Cristina Barbudo, MS, CPA, Director of Finance
- Susan Fritzlen, Deputy Executive Director/COO
- Evie Barry, MS, Director of Performance Reporting
- Helena Sims, Director of Intergovernmental Relations
- Anna Miller, MA, MBA, CPA, Director of Research
- Raymond Harris, CGFM, MBA, CFE, Director of Chapter Operations
- Joseph Jozefczyk, Director of Education
- Marie Force, MA, Director of Communications
- Jennifer Curtin, MPA, Director of Public Affairs
- Katya Silver, Director of Professional Certification
- Louise Kapelewski, NEC Liaison and Governance Manager

#### **In Attendance**

- Melinda Parton, CGFM, Senior Vice President-Elect Designate, At-Large, Nashville Chapter

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

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**MOTION #1:** Approved agenda with addition of 15-minute Executive Session prior to lunch.

**MOTION #2:** Approved all items on the consent agenda:

DM 10-01 Chapter Charter Revocations (Orange County, Quad Cities, Dayton)

DM 10-02 Fraud Conference Co-Chairs (David C. Williams, John J. Radford, Steven Johnson)

DM 10-03 Gulf Coast Mississippi Chapter Formation

DM 10-04 Missouri River Montana Chapter Formation

**MOTION #3:** Approval of the 2011 Operating Budget

## **FINANCIAL HIGHLIGHTS**

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- **2011 Budget** – Joseph Kull presented the budget for fiscal year 2011 showing an excess of operating revenues over expenses of \$92,456 after approved use of Board Designated Reserves. The NEC members were reminded by Thad Juszczak that they approve the summary and not the individual columns representing programs. The detailed information was reviewed by the Finance and Budget Committee (FBC) in an in-person meeting at the national office. At the FBC meeting assumptions were reviewed and compared with historical trends (the FBC has compiled financial information and metrics pertaining to the programs for the last five years to be used for such purposes). Some noteworthy items discussed: staff salary increases are included in the budget presented; there are no signed contracts from the Recovery Accountability and Transparency Board (RATB) for more American Recovery and Reinvestment Act (ARRA) dialogues yet, but the ongoing discussions demonstrate RATB's commitment to have AGA host more of these and as such, are included in the budget; and lastly, a Federal Performance Conference is not included in the budget but will most likely happen at the request of the Office of Management and Budget (OMB). Another highlight was the fact that the Intergovernmental Project was presented as part of the operating activities and no longer requires financing from the reserves.

## **DISCUSSION**

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- **Updates from Regions** – State Governments have cut budgets and professional training has been hard hit. Because of these cutbacks, chapters are challenged to gain increased support for their programs. The SVPRSs determined that the Kansas City Sectional Leadership Meeting can have up to 180 attendees, with those over the budgeted number paying for their hotel stay. The RVP-Elect Designate position is still open for the Northwestern and Texas-Oklahoma regions, no qualified candidates were submitted to the Nominating Committee. In Section III, the Northwestern Region RVP has been unresponsive to communications from the SVPRS, so Robert Bond is closely guiding the region. It was noted the Members Only section of the website does not always have the most up-to-date information. Marie Force stated we need the information for it to be updated, and all future roster updates can be sent directly to her or Louise Kapelewski. With regards to the student classification of membership, a request has been made to review the current definition to determine if individuals "working" who are attending school qualify. Finally, the RVP report schedule (due in March, May, September and December) is not in sync with the NEC meetings (February, July, September, December) to where SVPRS reports detail relevant information to the NEC.
- **Chapter Development** – The Minneapolis/St. Paul Chapter has been inactive for many years. After Bobby Derrick physically visited and spoke with several key employers, there was the realization there needs to be two chapters as a result of the large city's geographical spread. By the 2010 PDC there should be additional

new chapters in place. The Huntsville, Alabama chapter is coming along slowly because of the focus on assisting in Haiti. Naples and Miami, Florida, North Dakota, Colorado Springs and a second Chicago chapter are also in process. When comparing membership numbers to other organizations (AICPA, IIA, IMA, FEI, AAA), we see their membership numbers substantially decline, while AGA continues to have modest increases. This information is especially exciting in light of the fact that, for most of the other organizations, employers pay the members' dues. In AGA, we have many committed members who pay their own way.

- **Performance Reporting** – Rutgers University is designing an online performance report template (similar to the CCR template) at no cost to AGA. AGA is continuing to develop a toolkit, assisting local and state governments on preparation of a performance report. AGA has partnered with Accenture on the state and local performance reporting, and the arrangement is working out well. A meeting with the project lead is scheduled at the NLC to discuss their vision of the project's path and outcomes. For the federal program, AGA recruited 89 reviewers for the PARs, with 21 reports submitted as of February 16, 2010 for review. Evie Barry and Relmond Van Daniker met with Shelley Metzenbaum of OMB to plan a Federal Performance Conference tentatively scheduled for the end of April. The plan is to involve the Federal Performance Improvement Officers, with 200-300 people expected to attend. The event will not be the size of the NLC, but is a positive step in working closely with the federal government. As Dr. Morehead noted, the OMB's request for AGA to host this event is a high accolade. There was discussion of cutting the PMC for cost reasons, but Mr. Kull stated some projects should be done that may lose money because they add to the value of the Association overall.
- **Partnership for Intergovernmental Management & Accountability** – The Nevada CCR, which is the first report expanded to deal with Recovery Act funds, was distributed to the NEC. Kim Wallin, a member of the Partnership for Intergovernmental Management and Accountability and Controller for the State of Nevada, created this particular report. The Partnership is a major reason that AGA is able to be an honest broker with federal, state and local governments. Currently, AGA is staffing a work group for Cooperative Audit Resolution, which the U.S. Department of Education started in the 1990s to avoid litigation over audit findings, bringing in program managers with auditors, to decide what to do about recurring audit findings. The work group is enthusiastic, and the findings may be used for ARRA audits as well.
- **ARRA Sessions** – The intergovernmental dialogues, with the support of the Recovery Accountability and Transparency Board (RATB), are currently in a proposal going through GSA for contracting. The RATB realizes information needs to be given to state and local government employees implementing the Recovery Act, and they are looking to AGA to be the trusted, honest intermediary in this matter. Dialogues are tentatively scheduled for April in San Francisco, Chicago and Philadelphia. More information will be made available as plans are finalized with the RATB.
- **"We the People"** – "We the People" is the idea for a webinar series on the affects of Web 2.0 on government, focusing on the increase in interactivity of citizen-government communications as a live or ongoing discussion. The webinar series will explore what this means for governments, methods for disseminating government financial management information to citizens, and the types of reactions to expect. This is another example of the resources that AGA brings to the table as a result of the Partnership's ability to pull governments together and offer templates (CCR) and dialogues (ARRA). These items and abilities make AGA *the* source for intergovernmental concerns and projects.
- **Harris Survey Results** – A press release was sent February 17, 2010 on AGA's 2009 Harris Survey findings.

In January 2008 AGA released its first report, concluding that citizens were interested in receiving government financial information but were not receiving it. This failure leads to a lack of trust in government, as the information either was not on the user's level or it was not the information they desired. The goal now is to take the information and present it to segmented populations (e.g. citizens, financial professionals, legislatures) in a format they understand. Also, the majority of people had not heard of Recovery.gov, but were interested in the information it provides. The Citizen Centric Report was included in the survey, and survey respondents indicated the revenue and expense page of Palm Beach's report contained the most useful information. The most common way of receiving government financial information is word of mouth, followed by newspapers and television. Since additional eyes are reviewing the numbers, data quality is an issue for the federal officials working with Recovery Act funds. AGA is in a special position, as we bridge the gap between federal, state, and local governments with an unbiased viewpoint. This position enables AGA to advise and assist the government in ways such as the ARRA dialogues, Federal Performance Conference, feedback on financials statements, and progressing with the CCR in a "news you can use" manner.

- **CGFM** – Katya Silver is working with a CGFM recognition task force, reaching out and sharing best practices from CGFM chapters that have been successful in obtaining CGFM recognition. Mr. Bunce stated the GFM Program is separate from the CGFM Program and has to be that way to maintain the integrity of the certification. While there was a small decline in CGFM numbers during the 2009 calendar year, the expectation is that the numbers will increase in the upcoming year. Currently, the certification department has a candidate survey out that covers CGFM recognition and exam preparation. An AGA compensation survey is being planned. We are at the 16-year mark in the program, so we are working now to attract more candidates and raise the profile of the CGFM certification.
- **Education** – By December 2009, AGA had more than doubled our course offerings to 41 and changed our tactics. Joseph Jozefczyk and Lynn Hoffman are working with Raymond Harris and Bobby Derrick to have chapters in concentrated areas purchase courses in a close time frame. When multiple sessions of a certain course are purchased in the same geographical location, a better discount can be provided to chapters due to a reduction in the speaker's travel. Education also now has a "quick digest" flyer for courses, helping people to understand that we offer the courses and where to go for more information. There are six weeks left in the fiscal year, and education is \$2,000 under budgeted revenue. Six courses have already been purchased for next fiscal year. Given the growth of the program over the past three years and changes in marketing and tactics, we project for 2011 a 50 percent increase in gross sales.
- **CPAG** – The CPAG Research series will reach 25 completed reports by the spring. The Decision Maker Breakfast Series will hold its next event in late March/early April. The CFO Dinner series continues to be a valuable benefit to the Corporate Partners. The CPAG will hold its next quarterly meeting in late April/early May. These meetings provide an opportunity for new CPAG members to provide information about their company and network with the group. Overall, there is strong support from the Corporate Partners – 35 percent of AGA's revenue, in terms of dues, conference sponsorships and advertising. The CPAG members see a strong value proposition in the association. Henry Steinger stated the ability to fall back on a diversified portfolio is important to maintain the Association and its reputation in the marketplace.
- **Metrics and Benchmarking** – The goal is to report relevant, meaningful data to the NEC in a dashboard format so necessary decisions can be based on the current strategic plan. The current metrics are primarily outputs based on the current (2003) plan. We remain under this plan during the next year as we begin the

process of reviewing and updating the strategic plan. During this year of planning, the NEC wants to shift the focus from reporting outputs (i.e. statistics and numbers) to reporting outcome measures (quality information geared towards relevancy). The NEC believes this will increase AGA's value proposition to members.

- **Strategic Planning** - During the strategic planning facilitations in the future, a decision needs to be made whether the NEC is a governing board or a policy board. The point is to give a pulse of where AGA is as an association. Instead of reporting on all areas each time, summarize new information each quarter in a visual format, as everything is already laid out in the Strategic Plan Update document sent out prior to the meeting.
- **Strategic Planning Presentation** – Dr. Carey's presentation focused on the need for and steps of the strategic planning process. A list of specific, timed deliverables has been requested of Dr. Carey by the NEC. Also, the NEC decided to move forward with a bidding process to assess the reasonability of the Association Marketing & Management Resources proposal. The NEC considered an in-house effort on strategic planning, but decided it should work with a contractor to maintain the timeliness and independence of the research findings, which AGA will own once the process is complete.

## **ACTION LIST**

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### **Dr. William Morehead**

- Collect notes on changes to the current metrics, provide to Louise to make edits.

### **Joseph Kull**

- Send files of meeting handouts to Marie Force for posting to FBC portion of Members Only on the AGA website.

### **SVPRSs**

- Work with Raymond Harris on content and schedule of RVP reports.
- Send specific URLs and information to Communications for website updates; establish a communication plan with Marie Force.

### **Relmond Van Daniker**

- Discuss with the Academy Board the current course of action, with potential deliverables.

### **Susan Fritzen**

- Review the current student membership definition and consider revising it to allow working students to qualify.
- Create a Request for Proposal to seek bids from other strategic planning-focused organizations.

### **Raymond Harris**

- Work with SVPRSs to meet with RVPs and work on content and schedule of RVP reports.
- Standardize definitions of chapter status for RVP reports and National reports.
- Work with SVPRS for new process at NEC meeting, i.e. agreed action list from SVPRS meetings.
- Look into a web-based reporting format to make reporting easier.

### **Marie Force**

- Work with SVPRSs to establish a communication plan for future website update needs.

### **Louise Kapelewski**

- Make changes to metrics; re-send to NEC for additional comments. Include goal numbers.

## **FUTURE NEC MEETINGS**

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- **July 10, 2010** (the Saturday before the Professional Development Conference), Orlando, FL