AGA National Governing Board (NGB) Meeting Minutes
December 5, 2019
9:00-11:00 a.m. EST
Virtual

NGB MEMBERS PRESENT
- Ernest A. Almonte, CGFM, CPA, CFE, National President, Boston Chapter
- Wendy Morton-Huddleston, CGFM, PMP, National President-Elect, Washington D.C. Chapter
- Andrew C. Lewis, CGFM, CPA, PMP, National Treasurer, Montgomery/P.G. Chapter
- Katherine J. Stickel, CGFM, National Treasurer-Elect, Nashville Chapter
- Michael S. Pearson, CGFM, CPA, Director (for Chapters), Idaho Centennial Chapter
- Donna M. Sandoval, CGFM, Director (for Chapters), Albuquerque Chapter
- Melinda J. DeCorte, CGFM, CPA, Director (for Chapters), Dallas Chapter
- Patrick A. Cowen, CPA, CISA, CIA, Director (for Chapters), Tallahassee Chapter
- Gina I. Smith-Moss, MSM, MBA, CICA, Director (for Chapters), Shenandoah Valley Chapter
- Joseph H. Connolly, CFE, CICA, Director (for Chapters), Northern New Jersey Chapter
- Michelle L. Yanok, CGFM, Director (for Chapters), Mid-Ohio Valley WV Chapter
- Kevin T. Greer, CGFM, CPA, CDFM, PMP, Corporate Partner Advisory Group Chair, Northern Virginia Chapter
- Sherri Voigt, CGFM, CPA, Professional Certification Board Chair, Southern Wisconsin Chapter
- David A. LeBlanc, CGFM, CFS, Director (At-Large), Boston Chapter
- Ann M. Ebberts, MS, PMP, Chief Executive Officer (non-voting member)

NGB MEMBERS NOT IN ATTENDANCE
- Gregory J. Sanial, CGFM, Director (for Chapters), West Michigan Chapter
- Gloria L. Jarmon, CGFM, CPA, Director (At-Large), Washington D.C. Chapter

OTHER ATTENDEES
- John H. Lynskey, CGFM, CPA, Immediate Past National President, Washington D.C. Chapter (partial attendance)
- Dennis G. Green, CGFM, CPA, Immediate Past National Treasurer, Northern Virginia Chapter (partial attendance)

NATIONAL OFFICE STAFF PRESENT
- Susan Fritzen, Chief Operating Officer
- Cristina Barbudo, MS, CPA, Director of Finance & Administration
- Dave Acerra, Executive Assistant to the CEO
- Katya Silver, Director of Professional Certification (partial attendance)
- Jerome Bruce, Director of Meetings (partial attendance)

The meeting commenced at 9:04 am EST.
Welcome – Ernie Almonte, National President
National President Ernie Almonte welcomed the group. A motion was made by Mr. Pearson and seconded by Ms. Sandoval to adopt the December 5, 2019 NGB meeting agenda. A vote was taken, and the motion was approved unanimously. A motion was made by David LeBlanc and seconded by Gina I. Smith-Moss to approve the minutes from the September 17, 2019 NGB meeting. A vote was taken, and the motion was approved unanimously.

President’s Report – Ernie Almonte, National President
Mr. Almonte thanked everyone for joining the meeting today. He commented that he has been busy traveling to chapters and the visits have been outstanding. The chapters are very engaged, enthusiastic, and looking for ways to improve. He also asked the Board to email any feedback they receive when they visit chapters.

The Council for the Advancement of Women is moving forward, with co-chairs identified. Tracy Walker, a diversity and inclusion executive with RSM, is helping Mr. Almonte put this together and he expects to have something to present at the February 2020 meeting. They are taking what was started as a PDT women’s leadership panel and significantly expanding it to help women advance in their careers and move into leadership positions. Mr. Almonte has been getting a lot of feedback on this new program and he intends for it to be of very high quality.

Chapter Trips
Mr. Almonte said that every chapter he visits loves the AGA logo. The feedback he gets from chapters is “don’t change the logo but add a tagline”.

He advised the Board to keep succession planning in mind when they are out meeting members and to always be on the lookout for future leaders.

Ms. Morton-Huddleston asked if a name change working group is still going to be formed. Mr. Almonte responded by saying that he feels the Board has received enough feedback on this and is now ready to move forward. Mr. Almonte asked if anyone had any additional feedback to contribute. There was none.

Leadership Development Committee Update – John Lynskey and Dennis Green, Co-Chairs
Messrs. Lynskey and Green were not on the call yet, so this topic was deferred until later in the meeting.

National Council of Chapters Report – Wendy Morton-Huddleston, Chair
Ms. Morton-Huddleston provided a summary of the last NCC meeting held November 7, 2019. There were 61 attendees. Below are the highlights that Ms. Morton-Huddleston shared:

1. Discussed bylaws resources (e.g. templates available)
2. Shared Chapter recognition program working group progress
3. Solicited feedback regarding chapter visit lessons learned & best practices
4. Discussed Code of Ethics presentation by Melinda DeCorte
5. Reminder to market and brand AGA across our networks
6. Thanked the dual hat volunteer leaders who serve as NGB & NCC members (Michael Pearson, Donna Sandoval, Melinda DeCorte, Patrick Cowen, Gina Smith-Moss, Joseph Connolly, Michelle Yanok)

There were no questions.

Mr. Almonte commented that 75% of Baton Rouge chapter PDT attendees were not AGA members. He said that the Baton Rouge Chapter is looking for ideas for getting those people to join. Mr. Almonte also commented that the chapters need to continue to engage more local university level students in their chapters and to promote the benefits of the CGFM credential and to encourage them to take the CGFM exams. The chapters need to coordinate with AGA/CGFM team to talk to the leadership at schools. Chapters also want help recruiting corporate sponsors.

Mr. Almonte thanked everyone for their efforts to date.

**Elevator Speech Discussion – Susan Fritzlen, Chief Operating Officer**

Ms. Fritzlen gave a brief summary of the survey that was administered to the members. Most respondents preferred option two. The Board then discussed option two.

It was suggested that the word “premier” be removed from the statement. It was also suggested that “accounting” and “accountability” should be added. Mr. Almonte liked option two, but with a few modifications. A few other minor tweaks were suggested, and AGA staff will work to refine option two.

**Diversity and Inclusion Statement – Susan Fritzlen, Chief Operating Officer**

Ms. Fritzlen reviewed the statement and then opened it to discussion. The feedback from the Board was positive. Ms. Morton-Huddleston suggested including something about AGA being cross generational in the second paragraph.

AGA staff will send it back to the Governance committee with the suggested edits. Then AGA staff will post and distribute the statement to the membership.

**Professional Certification Board (PBC) Report – Sherri Voigt, Chair and Katya Silver, Director of Professional Certification**

Ms. Voigt gave an update on the PCB activities (teleconferences in September, October and November and an in-person cut score meeting in November) and then asked Ms. Silver to talk about the specific outcomes.

Ms. Silver reported that a group of SMEs participated in the cut score workshop on November 7-9 at AGA and came up with recommended cut scores for the new CGFM exams. The PCB approved the new cut scores on November 12th, and Ms. Silver reviewed and approved the updated exams in the Pearson system. The administration of the new exams will start on January 2, 2020. This concludes the major exam update that is usually conducted every five years. The PCB also approved several changes to the candidate policies, including shortening the eligibility period from three years to 18 months and work verification form submission period from five
years to four, for new candidates enrolling after January 1, 2020. Effective December 1, 2019, the 90-day exam retake period has been shorted to 60 days. This retake period applies if candidates fail an exam more than once. The 30-day waiting period is for those who do not pass an exam the first time remains in effect.

There were no questions. Mr. Almonte commended Ms. Silver and the PCB for doing a great job.

**Finance and Budget Committee Report – Andrew C. Lewis, National Treasurer**

Ms. Barbudo started the finance discussion by referencing the financial highlights provided in advance of the meeting. She reviewed the financial success of the PDT and how the GFM classes are also contributing to the overall positive financial result. She spent some time explaining a new endeavor that AGA is undertaking in providing event management (registration and logistic) support for other organizations’ events and conferences. The AFERM Summit was the first such event for which AGA provided event management support in exchange for an administrative management fee. Board members posed the question of potential tax liability arising if such revenue was considered unrelated business income. Mr. Lewis explained how the FBC members discussed this issue at their monthly call and they felt confident that, given that the subject matter of the conference was in line with AGA’s scope, this would not be the case, as educating the financial community on enterprise risk management fits within our mission. Ms. Ebberts explained how the AGA events will always take precedence as far as staff’s time and dedication; and these services to other organizations would be provided only when it fits within our schedule.

Mr. Lewis went through slides presenting the financial information as of October 2019, or the first seven months of the fiscal year. Everything looks positive at this point in the year. The current estimated excess revenues over expenses for the end of FY20 is $122,000, as compared to a budgeted loss of $197,000. No usage of the reserves is anticipated based on this information.

**Leadership Development Committee (LDC) Update – John Lynskey and Dennis Green, Co-Chairs**

Messrs. Lynskey and Green joined the meeting to give their update for the LDC. A kickoff meeting was held on October 18th. Mr. Lynskey then reviewed the names of the LDC members. The next meeting is scheduled for December 19th. The nomination deadline was moved to December 15 to give nominees extra time to submit, given that Thanksgiving weekend fell at the same time as the original cutoff date.

Mr. Almonte thanked Messrs. Lynskey and Green for their efforts. He also emphasized that we want to focus on finding high profile future leaders, who can also bring in new members. Mr. Lynskey said they took an “all-of the above” approach to find the best future leaders. They are also setting a very high bar across the board.

There were no further questions or comments.
Professional Ethics Board (PEB) Update – Melinda J. DeCorte, Chair
Ms. DeCorte reviewed DM 19-20 with the Board, specifically drawing the Board’s attention to page four of the report. She said that when there is an ethics violation, the Ethics Board will only publish a brief factual summary of the violation. Ms. DeCorte then opened the discuss up to the Board for comments and questions.

Mr. Lewis asked Ms. DeCorte to speak more about not publishing the violators’ names. Ms. DeCorte said that AGA is not a state board of accountancy, which is why they would not automatically publish names. Not doing so also reduces AGA’s liability.

Mr. Connolly was strongly opposed to publishing the names of violators and does not support keeping the option to do so in DM 19-20. Ms. DeCorte emphasized that a violator’s name would only be published after significant review by the Ethics Committee.

Mr. LeBlanc felt that the Board should have input and should be required to vote before a name is published. Ms. DeCorte agreed with the recommendation. Mr. Connolly continued to voice his objections to publishing a name under any circumstance.

Ms. DeCorte motioned to approve a modified DM 19-20 and Ms. Sandoval seconded that motion. Mr. Almonte called for a vote; Mr. Connolly voted in opposition, but the other members of the Board voted for the modified version of DM 19-20 and it passed. Ms. DeCorte will amend the PEB recommendation to accommodate the suggested language from the NGB.

CEO Report – Ann M. Ebberts, CEO
DM 19-18 – 2020 PDT Co-Chairs
Ms. Ebberts reviewed DM 19-18 regarding the recommended Co-Chairs for PDT 2020, making a point that two of the co-chairs, Ms. Reiche and Mr. Badorrek, are both CFOs, but not accountants, furthering the point that even government leaders in the CFO role have broader educational and experiential backgrounds.

Mr. Almonte asked for a motion to approve DM 19-18. Mr. LeBlanc made the motion, and was seconded by Mr. Connolly. The motion passed.

DM 19-19 – Location for 2024 PDT
Ms. Ebberts reviewed DM 19-19 regarding the location for the 2024 PDT. Mr. Bruce commented that everything is laid out in the DM. This will be AGA’s first time in Denver, CO. Meeting space and sleeping rooms will be under one roof (as was our experience in New Orleans this past year) and AGA will be using the entire facility. The building will have just completed a major renovation just prior to the 2024 PDT.

Mr. Lewis expressed concern about the hotel having enough space because every year the PDT has seen growth. Mr. Bruce said that he accounted for 10% growth in 2024.

Messrs. Almonte and Lewis both complimented Mr. Bruce on a job well done.
Mr. Almonte asked for a motion to pass DM 19-19. Ms. Smith-Moss made the motion, and it was seconded by Ms. Voigt. The motion passed.

**Intergovernmental Partnership Update**
Ms. Ebberts updated the Board on the Intergovernmental Partnership. She said they are working on two key projects, one focusing on improper payments or “making payments right” with a focus on HHS Medicaid and Medicare programs and the second with a focus on cyber security (see AGA Cyber Hub on website) lifecycle from prevention through incident recovery.

**Closing Remarks – Ernie Almonte, National President**
Mr. Almonte expressed the Board’s gratitude for the work of the AGA staff and asked Ms. Ebberts to let the staff know how much the Board appreciates them. Mr. Almonte thanked the Board for their time and effort. He concluded by saying the members are happy with what AGA is doing.

Mr. Almonte asked for a motion to adjourn the meeting. Mr. Lewis made the motion and Mr. Pearson seconded it. The motion passed

The meeting adjourned at 11:11 EST.