

Leadership

Modernizing AGA's Governance

After a three-year review of AGA's governance, the National Executive Committee proposed, and the National Board of Directors approved, a structure change to enable AGA's continued growth and success. Our association is strong, but to continue to be the leading organization for government accountability professionals, we are making changes to the way we operate effective July 1, 2019. We are excited about the future and will continue to be forward-thinking to remain relevant to current and future members and our stakeholders in an ever-changing environment. Read more below.

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AGA's new structure

AGA's National Board of Directors approved the governance model below effective July 1, 2019 to position AGA for future growth and success. The National Executive Committee developed the model in consultation with the Governance Committee and based on extensive feedback collected from members and leaders.

The new governance structure:

- consolidates the National Board of Directors and National Executive Committee into one 17-member governing board
- establishes a National Council of Chapters, made-up of one member from each chapter, to advise the board and facilitate connections among chapters
- creates a streamlined structure with fewer layers for more direct communication between members and leaders
- gives chapters a strong voice in the decision making of the national organization
- provides consistent chapter support by professional staff



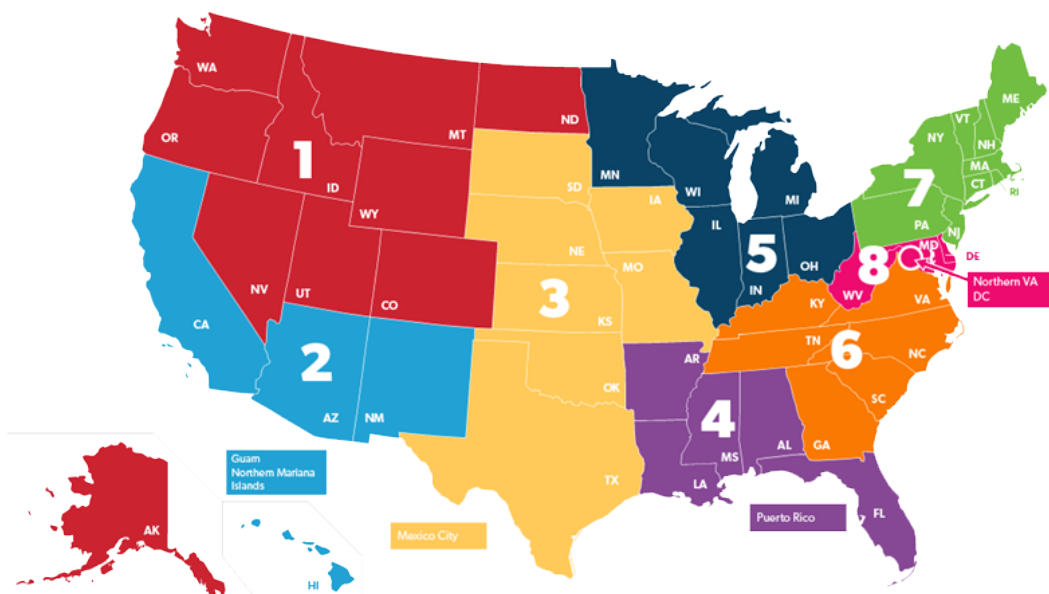
Chart of Model Attributes

Name of Body	National Governing Board (NGB)	National Council of Chapters (NCC)
Number	17	100 (+-)
Composition	Voting (16): President, President-Elect, Treasurer, Treasurer-Elect, 8 Directors (for Chapters), 2 Directors (At-Large), 1 PCB Chair, 1 CPAG Chair Non-Voting (1): CEO	One representative per chapter; chaired by President-Elect of NGB
How Selected	<ul style="list-style-type: none"> Leadership Development Committee (LDC) evaluates nominees and selects slate of President-Elect, Treasurer-Elect, Directors At-Large, & Directors for Chapters (Directors for Chapters selected from NCC members who self-nominate; one member selected for each of 8 areas) PCB, CPAG Chairs appointed by President, approved by NGB (as all Chairs) All reviewed and approved by NGB 	Each Chapter selects a chapter representative to the NCC and is strongly encouraged to have that individual serve on the Chapter's Executive Committee
Responsibility	<ul style="list-style-type: none"> Decision-making authority (combines current NEC and NBD authority) Sets organizational strategic direction Determines association policy and procedures Approves changes to Bylaws and Code of Ethics Approves President's appointment of Board Members/Committee Chairs Reviews all actions & programs of national boards, committees, etc. Appoints CEO, approves the job description and compensation Approves the annual budget recommended by the CEO and FBC (and any revisions in excess of 10% of any major budget category) Establishes membership categories and sets dues in each category Reviews and approves slate of NGB candidates Promulgates association programs 	<ul style="list-style-type: none"> Provides input to NGB on strategic issues/ topics; forum for pulse of the membership Communicates chapter needs and concerns to NGB; provides suggestions for board action Facilitates connections & communication among chapters Shares info about chapter successes Communicates AGA programs & activities to chapters and promotes chapter involvement Promotes chapter health and growth
Meeting Schedule	4-5 times/year	4 times/year (2 in-person at PDT/SLM and 2 virtual)
Staff Liaison	CEO, COO and Governance Manager	Chapter Services Manager
Membership Involvement	Members self-nominate for NGB positions; Members have direct lines of communication to and from NGB and its councils, committees and staff; NGB members make visits to chapters (esp. CEO, President, President-Elect)	Shares issues/concerns/thoughts from the membership and communicates back to the chapters as CEC member
Term	One two-year term for a single position except for PCB/CPAG chairs which are one-year terms (renewable) and President-Elect, President, Treasurer-Elect and Treasurer which are one-year terms; eligible to be considered to serve again for a director position by the LDC after a two-year break from service. Staggered terms for Directors	One-year term (renewable twice); eligible to be considered to serve again by the LDC after a two-year break from service

NCC geographic areas

The 100-member National Council of Chapters, made up of one member from each AGA chapter, will be organized in 8 geographic areas. The areas will be used to select the 8 chapter representatives to serve on the National Governing Board, ensuring equitable geographical representation of the membership on the board. Council members will self-nominate to be considered for a board position, and the Leadership Development Committee will select one council member from each geographic area to serve.

AGA National Council of Chapters Geographic Areas



Leadership

Benefits of new structure

AGA's new governance structure will provide more support and a stronger voice for chapters as well as a governing board that operates productively & strategically. The proposed structure:

- Enables better communication
- Allows the officers to be more responsive, agile, and proactive
- Promotes efficiency and productivity to move us forward via a simpler structure
- Encourages AGA working together as a whole with one voice
- Strengthens chapters:
 - Providing a direct voice in decision making through more board representation
 - Encouraging chapters to select their NCC Representative
 - Facilitating chapter to chapter communication
 - Empowering strong leaders active in chapters
 - Providing more consistent support and communications to chapters
 - Releasing staff time to work more directly with chapters and be more responsive

Impact of new structure on AGA's strategic goals

The governance proposal was developed after reviewing and updating AGA's strategic mission, vision, and goals. The new structure will help us reach our goals:

Goal — Maximize Member Value:

- Stronger chapters → better member experience
- Fewer layers in leadership progression, appeals to young professionals
- New Leadership Development Committee can provide mentoring to members

Goal — Serve as the catalyst for innovation and thought leadership in government financial management:

- New structure is more agile, leaders can be proactive vs reactive to a changing environment
- National Council of Chapters (NCC) enables direct communication regarding challenges, issues and solutions, and thought leadership
- Makes more focused on program impact, and less on simple reporting

Goal — Advance CGFM as the certification for government accountability professionals:

- Giving the PCB Chair a voting position on the National Governing Board (NGB) demonstrates a greater commitment to the CGFM certification
- CGFM is seen as more relevant and valued

Goal — Facilitate collaboration among multiple disciplines, sectors and levels of government:

- Encourages more state/local representation on the NGB through more chapter representation
- Provides corporate partner representative a voting position on the NGB, reflecting our changing environment and their important role in supporting and enabling AGA

Goal — Educate and empower professionals to advance government accountability:

- NCC representatives will have more avenues to interact and be involved in AGA leadership
- Increases networking opportunities via the NCC, promoting careers in government
- More leadership development opportunities on NCC and NGB
- More diverse NGB – new people, fresh ideas

Leadership

Transition timeline

The new structure will take effect in July 2019 with the first National Governing Board and National Council of Chapters meetings. Here is the transition timeline currently underway:

August-October 2018	Form Leadership Development Committee (LDC) Develop National Governing Board (NGB) position descriptions Determine board needs and board member recruitment criteria Call for Nominations for NGB officer positions Approve 8 National Council of Chapters (NCC) geographical areas
October-December 2018	Develop NCC charter and position descriptions of Chapter Representatives to the Council Announce criteria for chapters to consider in appointing NCC Reps
January-February 2019	Chapters select NCC Reps to begin in July NCC Reps self-nominate for 8 Directors positions on NGB LDC selects officers of the NGB for NEC approval
April-May 2019	LDC selects Chapter Reps to NGB for NEC approval New SLMs held with NCC Reps in attendance for NCC Orientation
July 2019	First National Governing Board Meeting First National Council of Chapters Meeting
July 1-June 30	Annual AGA leadership year calendar beginning in 2019:

National Council of Chapters

April	Orientation (at SLMs) for all NCC reps; NGB reps selected 2-yr term (staggered)
July	1 st meeting (at PDT)
Nov	2 nd meeting (virtual)
Feb	3 rd meeting (virtual)
Feb	Chapter appoint reps to NCC (for yr ahead) and self-nominate for NGB (selected by LDC)

National Governing Board

July	1 st meeting (at PDT)
Sept.	2 nd meeting (in person) Alex, VA
Dec.	3 rd meeting (virtual)
Feb.	4 th meeting (in person) Alex, VA
May	5 th meeting (virtual)

Leadership

Governance Review background

AGA's Governance Committee and National Executive Committee initiated a Governance Review in 2015 in response to perceived challenges the organization was facing—communication flow not working, chapters struggling; membership not growing, volunteers having less time, employer support declining, and unengaged Board of Directors members. We began by collecting data via a leader questionnaire, governance statistics review of several years of data, NEC Assessment, qualitative interviews of current/past leaders by a governance consultant, and roundtable discussions with chapter leaders at the SLMs. In addition, we conducted a strategic planning survey and updated our strategic mission, vision and goals in 2017.

We then held a Governance Summit with the governance consultant to discuss the findings of our research and the strengths & weaknesses of our structure. We developed potential models to modernize our governance structure for future growth and success. Our goal – to provide more support and a stronger voice for chapters and to develop a Board that operates productively and strategically. We refined and presented three models to members during the fall of 2017, along with the reasons the NEC believes change is needed, and asked for additional input to help the NEC prepare the model that is being presented this spring.

A proposed structure was developed after updating our strategic mission, vision, and goals. Having determined where we want AGA to go in the future, we began discussing changes to our structure to help us get there. The NEC has taken this responsibility seriously, knowing that the proposed model is a big change from the past. A change was recommended after a great deal of thought and with the consultation of professionals who work in the association industry based on best practices in membership organizations today. Our aim - to make a difference for our members and chapters and position AGA for success.

Why does AGA need a structural change?

Our structure was developed decades ago when AGA was much smaller and before the technological advances of today. Our chapters report they are not getting the information and support they need and they want their voice to be heard. Our Board of Directors does not operate productively or strategically. Our challenges:

- Multi-level 1950's structure does not work today
- Simpler structure needed for communication flow
- 40% of chapters identified as needing help; membership not growing
- Volunteers over-extended and have less time & employer support
- Most members/leaders go directly to staff for info
- Chapter Presidents don't need two roles! (chapter and national level leadership)
- Average Non-Profit Board Size: 13; AGA's Board size: 202
- Of 202 Board members, 126 are voting members:
- Less than 1/2 of voters attend NBD meetings
- 2017: 37% of voters didn't vote; 30% of voters were proxies
- Early 1/4 of members were unaware that they were NBD members
- At least 100 voting members are brand new to the board each year and serve a one-year term
- The Board meets only once a year for 2 hours; it is impractical to make decisions or strategically guide the organization in that time

What do we hope to achieve with a new governance model?

A simpler structure with fewer layers will allow for more direct communication with you and more support for your chapter... a structure that gives our members a voice and enables AGA leaders to be more strategic and responsive. Our goals:

- Better representation for chapters, a stronger voice in the running of their organization
- Improved, more direct communication
- Enhanced service to chapters and members; more time to focus on chapter training/development
- More chapter volunteers/use AGA's talent better

Less reporting for volunteer leaders and more action!

National leaders would be more flexible and agile in making decisions

AGA would have a Board that guides the organization strategically for the future

A new structure could increase overall participation by members/chapters

A new governance structure must...

The NEC and Governance Committee started thinking about ideas for a possible new governance structure by creating two lists shown here. These have been our guiding principles.

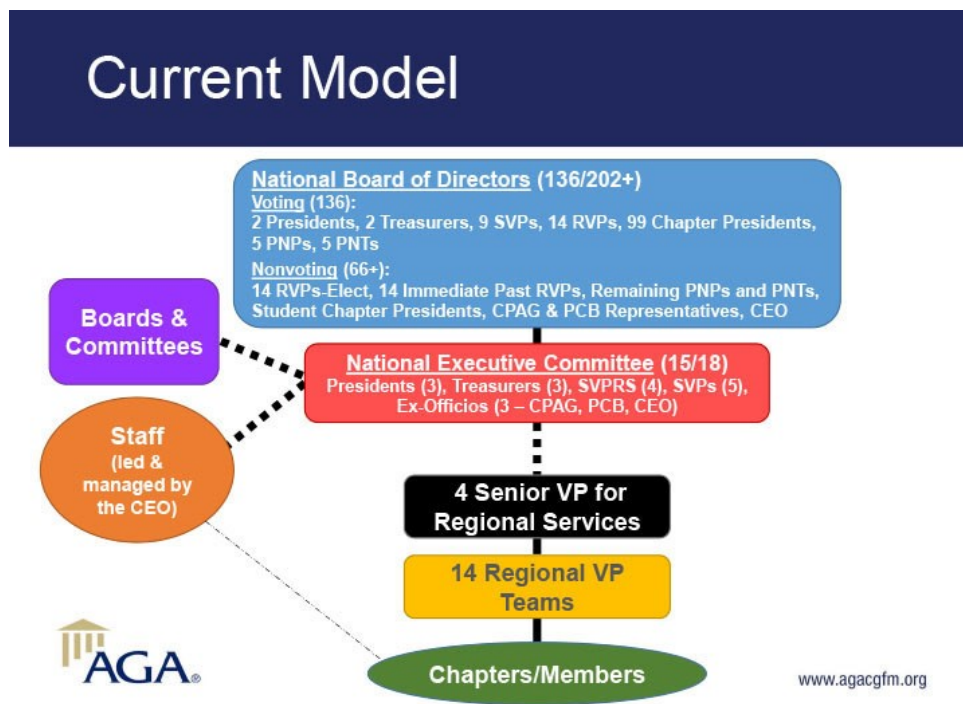
What must any governance model for AGA "be like" or "do":

- Representative of membership
- Inclusive
- More nimble; Responsive
- Provide value to members
- Facilitate communication up and down
- Transparent
- Supportive to chapters/members
- Forward thinking/innovative
- Agile
- Flexible-to meet emergent needs
- Clearly defined roles; understanding of strategic vs. operations
- Collaborative
- Purpose driven – be part of something bigger
- Provide members a voice (vote) in leadership

What must any governance model for AGA NOT "be like" or "do":

- Cumbersome
- Rigid
- Bureaucratic
- An 'old boys' club
- Self-serving
- Disrespectful of others' opinion
- Authoritative
- Reactive/Mired in past
- Directionless
- Too federal focused
- Micromanagement of staff

Current structure



Leadership

FAQ – AGA Governance Review

Will there be a leadership path from the chapter level to the national level in the new governance model?

Yes! The proposed model provides [multiple leadership opportunities](#). A member may serve on the National Council of Chapters (NCC) or directly on AGA's National Governing Board (NGB) after serving in a chapter leadership role. A member may also decide to run for a director position on the Board after serving for a year on the NCC. A member may lead or participate on a National board, committee, or task force. The proposed NGB will have more chapter representatives than our current National Executive Committee (NEC). And a member may serve on the Board in more than one position over time. The structure will appeal to young professionals as there are fewer layers in the leadership progression. A new Leadership Development Committee, replacing the existing Nominating Committee, will serve year round and provide mentoring to members. All of these potential positions are great opportunities to grow yourself professionally, serve AGA, learn more about how the association works, and for those who desire to work strategically, to help move AGA forward.

What about AGA's sections and regions where the RVP and/or SVP really work well to help the Chapters? Will they go away?

Yes. The RVP and SVP levels may work (or have worked) for you in your region, but the current model is inconsistent and is not working in many AGA regions. Currently, our volunteer leaders are over-extended and many are "recycled or drafted" to serve and are going backwards on the leadership path (e.g. they were an SVP and are now RVPs again just so the position is filled). We believe enabling our volunteer roles to be more relevant and meaningful will be more rewarding to the individuals serving and will maximize their impact on our chapters. Today, 40% of AGA's chapters are struggling and/or inactive and the majority of these chapter leaders report communication "through the layers" is not working. Many chapters in a region are so spread out geographically that the RVP can't/doesn't have time to visit and help all their chapters. The new model will put members/chapters closer to decision makers while also keeping the leaders in their chapters, supporting growth and membership. The new structure aims to empower and strengthen chapters via a National Council of Chapters (and a direct voice) to the Board, more representation on the Board, and improved communication between national leaders and chapters.

Who will support me and my chapter?

AGA staff and volunteers will provide increased direct services to chapters by removing the layers that today, seem to slow down or hinder communications.

Will AGA still be run by volunteers or will they all be replaced with staff?

Yes, the proposed National Governing Board (NGB) and National Council of Chapters (NCC) and our past national leaders council, committees, boards and task forces will still be led by and made of up of volunteer leaders and subject matter experts. Our volunteers from all levels of government (federal, state, local, tribal, higher education, etc.) tell us that they are swamped with work, understaffed in their offices, and are having a tough time juggling personal, work, and AGA activities. We also hear from volunteers that they don't have time for AGA's administrative regional and national roles. AGA members want to give of their talents to AGA in a way that is more impactful to their colleagues in the financial management community and their workplace

Today, active volunteer leaders are turning away from chapter leadership positions to serve in regional/national roles. The chapters, that had thrived under their leadership, then start to struggle without their active participation. Many of these leaders are serving multiple chapter roles at once and for repeated terms, and they are burning out.

AGA has staff members available to help chapters, who are experienced with membership/chapter issues and questions about CGFM, have assembled best practices from across all our chapters, and are more available and better equipped (with materials, processes and technology) than volunteers who are busy with their "day jobs".

How will chapters have a "say" in what goes on if we lose our vote by no longer being on the National Board of Directors (NBD)?

The new structure includes more direct chapter representation on the National Governing Board (NGB) than currently exists on the NEC. Instead of four (4) representatives for chapters, there will be eight (8). Plus the President-Elect for the Board will chair the National Council of Chapters (NCC). More than 50% of the voting body of the proposed Board will speak for chapters. In addition, the National Council of Chapters will provide input to the NGB on strategic issues and serve as forum for the pulse of the membership. They ARE the decision making process and will communicate chapter needs and concerns.

In addition, chapters aren't losing what they aren't exercising. Less than half of today's NBD members eligible to vote actually attend NBD meetings and 30% of those send proxies who might not be able to make a decision on behalf of their voting member if new information is presented at the Board meeting. Those who do attend have a cursory knowledge – at best, of the topic that will be voted upon. It is unrealistic to expect current NBD members to be able to cast an informed vote on strategic issues that will impact the entirety of AGA when they aren't actively meeting and studying the issues at hand. The NBD meets once a year for two hours and is not able to make decisions or strategically guide the organization in that time. At least 100 people are brand new to the Board each year and serve a one-year term; the level of constant turnover doesn't allow the Board to focus on longer-term vision or responsibilities. The NBD today, doesn't function with the roles and responsibilities of a true Board.

The NEC meets five times a year currently, has strategic discussions about the needs of AGA and the future of the association, and debates and discusses topics in depth. The NEC is supported by committees who focus on discrete aspects of the association to inform the NEC. Today, the NEC is providing the strategic leadership that a Board should be providing to the association. In the new structure chapters will have more control – chapters may lose an individual vote, but the chapters will get greater representation. Having a National Council of Chapters that can provide a continuous voice and/or have direct representation on the Board, will be more impactful to AGA and rewarding to the members who serve.

As an NBD member, we keep the NEC in check. How will that happen in a new model?

TRUST. We all need to trust our elected officials to do the best thing for the organization and its members. The new Leadership Development Committee will be more active in mentoring, recruiting and selecting leaders who will be fully engaged, involved and informed in strategic planning and decision making to guide the organization forward, and they will be transparent to the membership about their activities.

How will the new Leadership Development Committee (LDC) be different than the current Nominating Committee

The LDC is envisioned as a standing committee with a primary emphasis on identifying, vetting,

recruiting, training and evaluating potential Board members. Co-chaired by the Past National President and Past National Treasurer, the committee will work with the National Governing Board to establish position criteria, qualifications, and perspectives for achieving a balanced Board. Members will work to match Board needs with skilled, strategic leaders for AGA's future. Committee members will provide mentoring advice and guidance to help position future leaders.

The LDC will be proactive, working year-long to seek out and encourage leaders to nominate themselves for NGB positions, as well as provide mentoring to those members who seek to serve the NGB in the near future. The LDC will have a greater role than the current Nominating Committee which meets for just a few months a year to review nomination submissions and select the slate of officers. The Committee will work in the fall to select president-elect, treasurer-elect and at-large members of the Board and in the spring to select chapter representatives to the Board from the National Council of Chapters.

Who will support our chapter if we don't have regional vice presidents or senior vice presidents?

AGA staff will continue to provide excellent chapter service. During the last three years, we conducted research via in-person interviews, surveys, and group discussions. We also collected input from you and your peers. There was a great deal of consistency across these data sources which indicated that most chapter leaders go to staff before going to the volunteer leaders for assistance. By eliminating structural layers that haven't consistently been adding value for chapters, staff time will be freed up to provide more direct assistance to chapters. The National Council of Chapters will also be an excellent resource for facilitating connections and communication of best practices and lessons learned between chapters and promoting chapter health and growth.

With a new governance model, what will change for my chapter?

Your chapter will continue to be supported by staff. Leadership meetings (e.g. SLMS) will be held each year to train and inform chapter officers. While chapter presidents will not serve on the Board of Directors, they will have a greater voice through the National Council of Chapters meeting four times/year and via more chapter representation on the board. Communication between national leaders, staff and chapters will be more direct. Chapters will know that their elected board members are informed, engaged and committed to strategically leading the organization.

Tell me more about why PNP/PNTs and SVP Appointeds don't have a role on board in the new structure, and CPAG/PCB chairs do?

In accordance with good governance practice for associations, the goal of the Governance Committee and NEC was to keep the total number of Board members as low as possible to a manageable number (e.g. the average size of most Boards is between 11 – 15). Two-year Board terms are also more desirable to be appealing to both young professionals and senior officials alike. Eliminating the Past National President and Past National Treasurer Board positions was recommended, and instead have the President and Treasurer serve two-year board terms. The PNP/PNTs will remain active as co-chairs of the Leadership Development Committee and on the PNP/PNT Council, and will attend the July Board meeting immediately following the end of their term. In addition, the Past National Treasurer will remain on the Finance and Budget Committee for a year to support the new National Treasurer in an advisory role.

Senior Vice Presidents appointed by the National President were removed from the proposed structure, both to keep the total number of Board members to a manageable number and to eliminate the practice of a president choosing someone to serve with him and to reverse the old-boy network image the NEC may have had in the past.

The chairs of the Corporate Partner Advisory Board and Professional Certification Board have served on the NEC without voting rights for several years. The proposal gives them voting rights to reflect our changing environment and their groups' increased role in the organization. Corporate partner sponsorship and engagement provide 1/3 of the organization's revenue and the CGFM certification is a huge part of what makes AGA unique. Value on both these roles are documented in our strategic goals.

Will the new governance structure cost or save money for the Association?

The estimated budget impact of the new structure is an annual increase of approximately \$22,000 as a result of sending National Council of Chapters (NCC) representatives to the Sectional Leadership Meetings (SLMs). AGA's budget will now support three members from each chapter attending SLMs instead of two – the NCC representative and two chapter executive committee members. We will spend less supporting the regional and sectional layers of the organization, but those funds will be redirected to provide for more direct support to chapters. It's important to note that the structure change was not proposed for budgetary reasons—change was recommended to better meet the needs of our members and chapters, and to bring AGA into alignment of with 21st century association management. In addition, there will be a one-time increase of \$15,000 to the 2019-2020 budget to allow regional and section leaders to attend SLMs in addition to incoming National Council of Chapter members.

When will the governance change take effect?

Approved by the National Board of Directors in July of 2018 with amendments made to AGA's National Bylaws, the new governance model will take effect July 1, 2019. A transition timeline which documents how the changes will phase in is available on our [Governance Review web page](#).



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Leadership

Governance Transition Activities

At their July 2018 meeting, National Board of Directors members voted to modernize AGA's structure. This means effective July 1, 2019, we will have a new National Governing Board, a new National Council of Chapters and a flatter structure with more direct communication between leaders and members. Our goal is to provide chapters a stronger voice in the running of their organization, enhance service to chapters and members and develop a more strategic and responsive board.

Here are the steps AGA's national leaders and staff have taken this year to be ready on July 1:

Created a Leadership Development Committee

A new committee to actively identify, recruit, evaluate and mentor leaders for AGA's future was formed this fall (replacing AGA's Nominating Committee). A [Committee Charter](#) was developed, members were appointed and the groundwork was laid to select members for the first National Governing Board to begin in July.

Sought Nominations for National Governing Board

The National Executive Committee (NEC) approved position descriptions for the new National Governing Board and discussed Board needs and the skills and criteria desired of new members during their September meeting. In October, there was a call for nominations for officer positions of the Board and in February, the Leadership Development Committee recommended to the NEC the president-elect and the treasurer-elect for the new Board.

Established National Council of Chapters

A chapter Council to advise the Board, made up of representatives from each of AGA's chapters, will begin July 1, 2019. A charter for the Council, position descriptions for the chapter representatives, and criteria for chapters to consider in appointing their representatives, were developed. Chapters were asked to select their representatives by the end of January and representatives were invited to attend chapter leadership meetings in the spring for orientation.

Selected National Council of Chapters Representatives to Serve on the National Governing Board

The NEC designated eight [geographic areas](#) for the National Council of Chapters for the purpose of selecting chapter representatives to serve on the National Governing Board, ensuring equitable geographical representation of AGA's membership on the Board. After chapters identified their representatives to the Council, the reps were asked to self-nominate for eight director positions on the Board, one from each geographical area. The Leadership Development Committee reviewed all candidates and selected the directors of the National Governing Board for NEC approval.

Kicked-off New Sectional Leadership Meetings

AGA's sectional leadership meetings to train chapter leaders for the upcoming program year were given a new name (LEAD!) – and new look – in the spring of 2019. Three members from each chapter were invited to attend.

Amended Chapter Bylaws

At PDT 2018, changes were made to AGA's National Bylaws to modernize AGA's Governance structure. Since then, the National Bylaws Committee has finalized a new chapter bylaws template for chapters to adopt that reflects the new structure and [and](#) a new chapter policies and procedures template. These governing documents have been promoted to all chapters in Leadership Matters.

Chapter bylaws committees will be asked to update their governing documents in the year ahead.

Prepared for First National Governing Board and National Council of Chapters Meeting

The first meetings of the 17-member National Governing Board and 73-member National Council of Chapters will be held in July of 2019 at the PDT in New Orleans. We are planning and preparing for those meetings now!

[View the 2019-2020 National Governing Board](#). More details on AGA's structure change can be found on our [Governance Review web page](#). Questions? Contact governance@agacgfm.org.



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