

AGA National Executive Committee

Meeting Minutes

December 6, 2017
AGA Headquarters

NEC MEMBERS PRESENT

- James R. Arnette, Jr., CGFM, CISA, National President, Nashville Chapter
- John H. Lynskey, CGFM, CPA National President-Elect, Washington D.C. Chapter
- Douglas A. Glenn, CPA, Immediate Past National President, Washington D.C. Chapter
- Christina R. Beck, CGFM, National Treasurer, Washington D.C. Chapter
- Dennis G. Green, CGFM, CPA, National Treasurer-Elect, Northern Virginia Chapter
- Justin W. Poll, CGFM, Immediate Past National Treasurer, Washington D.C. Chapter
- Thalia J. Melendez, Senior Vice President Section I, New York Capital Chapter
- Mark A. Runyan, MBA, CICA, Senior Vice President Section II, Mid-Missouri Chapter
- Judy A. Shock, Senior Vice President Section III, Idaho Centennial Chapter
- Karen B. Hale, CGFM, Senior Vice President Section IV, Nashville Chapter
- Ernest A. Almonte, CGFM, Senior Vice President At-Large, Boston Chapter
- David A. LeBlanc, CGFM, CFS, Senior Vice President Appointed, Boston Chapter
- Andrew C. Lewis, CGFM, CPA, PMP, Senior Vice President Appointed, Montgomery/P.G. Chapter
- Deborah Loveless, CGFM, CPA, Senior Vice President Appointed, Nashville Chapter
- Riley Shaull, CGFM, CPA, Professional Certification Board Chair, Ex Officio Member, Oklahoma City Chapter
- Carlos A. Otal, CPA, Corporate Partner Advisory Group Chair, Ex Officio Member, Washington D.C. Chapter
- Ann Ebberts, MS, PMP, Chief Executive Officer, Ex Officio Member

OTHER ATTENDEES

- Kelly Stefanko, CGFM, CPA, Awards Committee Chair, Virginia Peninsula Chapter (partial attendance)

NATIONAL OFFICE STAFF PRESENT

- Susan Fritzlen, Chief Operating Officer
- Cristina Barbudo, MS, CPA, Director of Finance & Administration (partial attendance)
- Christy Herz, Executive Assistant/Governance Manager

Welcome and President's Report

President Jim Arnette welcomed the group and took a roll call.

A motion was made and seconded to adopt the December 6, 2017 NEC meeting agenda. The motion was approved unanimously.

A motion was made and seconded to approve the September 18, 2017 NEC meeting minutes. The motion was approved unanimously.

Jim reported on his successful chapter visits since September (East TN, Nashville, NY Capital, Maine and Northern New Jersey) and Governance Review calls he has held for RVPs and members.

He noted that individuals have been invited to join the new Higher Education Committee and they are meeting this week to put an action plan together. Reports of this committee as well as the Inclusivity and State/Local Task Forces will be provided at the February NEC meeting.

Governance Review

The Governance Review has been the NEC's primary focus this fall. Jim has talked with many chapter leaders, as well as RVPs and members, and almost everyone agrees that change is needed. The challenge is to determine what that will look like. He has reviewed a preliminary report of the Governance Review feedback received to date. 94% of respondents are supportive of a governance change. More information was requested on how proposed regional advisors would be selected, how communication would flow, and how a new structure will help us reach our strategic goals. About half of the respondents that favor one model like Model B, and about half like Model C. Feedback includes several positive comments about consolidating the NBD and NEC into one governing body and removing layers of the structure. 94% of those who responded to the question said they agree with collapsing the NBD and NEC into one governing body. 85% have said they like the concept of a chapter advisory council. 90% said they are supportive of removing structural layers. 64% said they would like to vote for their representative leaders rather than the current system of a nominating committee choosing a slate; there were several comments raising concerns about how voting can be done effectively. Several commenters thanked the NEC for taking on this review.

NEC members discussed feedback they have received about the Governance Review: Members are interested in this issue and there is a consensus that change is needed; the audit committee will be submitting their input next week – they agree change is needed. There is a feeling that a governance structure change is long overdue; one NEC member reported most people are leaning toward Model B as the most streamlined model; members like the idea of a chapter advisory council but are not sure how many members it should have; they would like to know how the council will affect change; how it will give chapters a voice, and how it will communicate with the National Governing Board. There are also questions about the timeframe of a change and a transition plan.

It was noted that once one model is decided upon, a timeline and transition plan will be developed for communication to the members. The Governance and Bylaws Committees will help with these items. Our goal is to have one model by the end of the February NEC meeting and all the attributes of the model, timeline, and transition plan to go with that model no later than the SLMs. It is possible that some Bylaws amendments will be proposed in 2018 to begin the transition if a new governance model is approved.

It was noted that after the December 31, 2017 deadline for feedback on the three proposed models, the Governance Committee will review the feedback and prepare a recommendation for one model for the NEC to use as a starting point for discussion at the February NEC meeting. The NEC will receive the full Governance Review feedback as well as the Governance Committee recommended model to consider. The NEC will then identify any needed changes/modifications to the model and identify updates to the attributes of the model.

It was noted that some chapters have voiced concern about losing their representation on the governing board and losing their voice in the governing of the organization. They want to be represented in the decision-making process. They want to ensure that the membership is in the forefront of the model that

is selected – that there is member involvement. Good communication can help ensure member inclusion. Chapters want to know how an advisory council is going to work – who will sit on it; what will happen, and how it will get and give information. Chapters are not sure if an advisory council will meet their needs as far as a chapter voice/connectivity, as it's role is not yet clear. Members appreciate the fact that there won't be any filters between chapters and the National Governing Board – there will be a direct connection.

Next steps in the Governance Review include:

- a December 20 Town Hall webinar to answer member questions and receive more input;
- the Governance Committee will review feedback and make a recommendation to the NEC by February;
- and the NEC may then make a proposal for a new governance structure to the NBD for vote in July.

Finance and Budget Committee Report

Treasurer Christy Beck reviewed AGA's Balance Sheet and FY18 projections. Christy reported on several financial highlights. We are projecting net revenues of \$107,000 at year end, as compared to a budgeted net loss of \$124,000. She reported that exam fees and sponsorship income are up and advertising revenue is down. When asked about potential negative impacts for the remainder of the fiscal year, she mentioned that the National Leadership Training is the largest remaining event on the calendar that will have a financial impact and we are on track to make budget. FSS is our other big event and is also on budget to date. Our GFM courses have exceeded budget. Our Education courses have met over half the budgeted revenue. Ann Ebberts reported staff is working with our chapter network to get the word out to employers about our educational offerings.

Christy Beck reported that the FY19 budget process is beginning and she requested that the NEC provide to her any ideas that may have budget considerations. It was recommended that we consult with the Higher Education Committee, as a new committee this year, on any costs involved with their initiatives.

A question was raised about technology needs at the national office. It was noted that we are currently undergoing the latest update on our IMIS membership database, and that we are constantly keeping our systems up-to-date. The current budget takes into consideration a technology modernization schedule for such things as computers and servers.

We are organizing a "young professionals" focus group at the AGA office to discuss the messaging, social media and other communication tools.

If NEC members have further feedback on items to be considered for FY19, please submit it to Treasurer-Elect Dennis Green. Dennis will be sending an email to the group about this.

CEO Report

Ann Ebberts presented DM 17-17 – PDT Co-Chairs recommending the following Co-Chairs for PDT 2018:

- Honorable David L. Norquist, Under Secretary of Defense (Comptroller)/Chief Financial Officer
- Sherrill F. Norman, CPA, State of Florida Auditor General
- Antoine (Tony) Elachkar, Managing Director, PricewaterhouseCoopers

A motion was made and seconded to adopt DM 17-17. The motion was approved unanimously.

Ann presented DM 17-18 – PDT 2022 Site, recommending Anaheim as the site of PDT 2022. A question was asked about the dates of the meeting in July of 2022, and if they could be moved to a later week. It was noted that those dates are the only dates available. Our PDT is a large conference, requiring a lot of sleeping rooms, meeting rooms and exhibit space, and dates available to us are often limited.

A motion was made and seconded to adopt DM 17-18. The motion was approved unanimously.

Ann reported on visits to five chapters since the NEC's September meeting and the university and employer visits she had in conjunction with those visits. She noted that staff are talking about how we can equip chapter leaders to have meaningful discussions with employers and universities themselves.

The annual Association Summit of accounting associations will be held next week. Ann also will be visiting the Charleston, South Carolina chapter, and employers and universities later that week. Her goal on employer visits is to garner support for allowing their staff members to actively participate in AGA activities.

Ann is working to schedule a meeting with the Federal CFO Council representative that is leading the human capital initiative. The CFOC is excited about partnering with AGA on a human capital effort to encourage young professional to seek careers in public service.

Ann also reported on four new staff members and noted that Maryann Malesardi is no longer working with AGA.

Awards Committee Report

Kelly Stefanko, chair of the Awards Committee, presented DM 17-19 – Awards Committee Charter, noting that more detail has been added to the charter, outlining the role and responsibilities of the committee. It was noted that the updated charter will bring it more in-line with the charters of other committees.

A motion was made and seconded to adopt DM 17-19. The motion was approved unanimously.

Kelly presented DM 17-20 - Chapter Awards Criteria, seeking approval of changes to the criteria of four chapter awards presented as part of the National PDT Awards of Distinction. The changes are proposed to make it easier for chapters to apply, and to ensure we are rewarding chapters for the activities that help them excel in the areas of education, CGFM, community service and accountability. It was noted that the changes would be implemented beginning with the 2018 PDT awards.

A motion was made and seconded to adopt DM 17-20. The motion was approved unanimously.

Kelly presented DM 17-21 – Volunteer of the Year Program. This new program would replace the Chapter Service Award and will allow AGA to provide national recognition to more local volunteers, who are vital to the organization's success, for their contributions to their chapters. Each year a chapter may nominate one member to receive this national honor.

A motion was made and seconded to adopt DM 17-21. The motion was approved unanimously.

It was discussed that the Awards Committee is currently reviewing the entrants to the 2018 National Leadership Awards, and there are no eligible nominees for the Distinguished Federal Leadership Award.

It was agreed that the deadline for submissions will be extended to Friday, December 8 and that Christy Herz will send the award criteria and nomination form link to NEC and Awards Committee members to encourage submissions.

Nominating Committee Report

Nominating Committee Chair Doug Glenn presented the 2018-2021 National Officer Slate for NEC ratification:

National President-Elect: Ernest A. Almonte, CGFM, CPA, CFE, CFF, Boston Chapter
National Treasurer-Elect: Andrew C. Lewis, CGFM, CPA, CIPP/G, PMP, Montgomery/P.G. Chapter
Senior Vice President Section I: Joseph H. Connolly, CFE, CICA, Northern New Jersey Chapter
Senior Vice President Section IV: Gina Smith-Moss, MSM, MBA, CICA, Shenandoah Valley Chapter

Regional Vice Presidents-Elect:

- Capital - Wendy Morton-Huddleston, CGFM, PMP, Washington D.C. Chapter
- Great Lakes - Jacquelyn Hall-Carrillo, CPA, Cleveland Chapter
- Gulf - Patrick A. Cowen, CPA, CISA, CIA, Tallahassee Chapter
- Midwest - Robin A. Burkhart, Mid-Missouri Chapter
- North Atlantic - Kiersten Kokotajlo, CFE, CICA, Trenton Chapter
- North Central - Kasthuri Henry, PhD, Greater Chicago Chapter
- Northeast - Daniel Bonnette, CPA, Boston Chapter
- Northwest - Eric E. Scheetz, CGFM, CPA, Northern Nevada Chapter
- Pacific Rim - Artemio "Ricky" Hernandez, CGFM, Guam Chapter
- South Atlantic - Randy Sherrod, CPA, Richmond Chapter
- South Central - Paul G. Morris, CPA, CIA, Austin Chapter
- Southeast - Larry Scott Owens, Atlanta Chapter
- Southwest - Vacant
- West Coast - Charles W. Hester, CPA, San Francisco Chapter

It was noted that a candidate has been identified for the Southwest Regional Vice President-Elect position and their application is forthcoming.

It was mentioned that as current Senior Vice President At-Large, Ernie Almonte's position will be vacant if he assumes the president-elect position. It was also noted that the National Bylaws outline a process for filling this vacancy. Once the election results are certified in February, the Nominating Committee will follow that process to fill the position.

Other

A motion was made and seconded to adjourn the meeting. The motion was approved unanimously.