

ITEA Board of Directors
 Meeting Minutes – 7 December 2011
 Alion Proposal Center Conference Room – Fairfax, Virginia

The meeting of the 2012 Board was called to order by President Mark Brown at 6:34 p.m. on Wednesday, 7 December 2011. The following individuals participated in the meeting:

Officers	
Brown, Mark – ITEA President	McKee, Chas – ITEA Vice President
Hudgins, Gene – ITEA Secretary	McFalls, Mike – ITEA Treasurer and Southeast Regional Vice President
Directors	
Chalfant, Tim – Board Member (via Phone)	Nikoloff, Peter – Board Member (via Phone)
Christensen, Pete – Board Member	Ryan, George – Board Member
Clewer, Stephanie – Board Member and Senior Advisory Board Chair	Smith, Mark – Board Member
Hutchison, Steve – Board Member	Surch, Randy – Board Member
Advisors	
Olinger, Jeff – Government Advisor (Air Force) (via Phone)	
Committee Chairs	
Herrin, Randy – Education Committee Chair (via Phone)	Messer, Doug – Events Committee Chair (via Phone)
ITEA Staff	
Gaidry, James – ITEA Executive Director	

The following individuals were not able to participate in the meeting:

Barton, Michael – Publications Committee Chair	Sears, Jack – West Region Vice President
Garcia, Charlie – Board Member	Simmons, Brian – Government Advisor (Army)
Lambert, Greg – Southwest Region Vice President	Sutton, Keith – Chapter & Individual Membership Committee Chair
Markowich, Amy – Government Advisor (Navy)	Vargo, Robert – East Region Vice President
Sciarretta, Al – Awards Committee Chair	Welshans, James – Historian

1.0 Opening Remarks

- 1.1 President Brown established that a quorum was present and thanked all of the Board members for attending the meeting. He thanked Vice President Chas McKee and Alion Science and Technology for the use of their Proposal Center Conference Room for this meeting of the ITEA Board.
- 1.2 Review of the Agenda – President Brown asked the Board for any comments regarding the agenda. He noted that one of the major pieces of business for this meeting is the review of the proposed 2012 ITEA Operating Budget. He suggested that both the Executive Office and 2012 Annual Symposium Committee reports be moved up before the Ways and Means Committee, so that the budget discussion would be held until after all of the reports have been presented. Without objection this change in the meeting agenda was agreed.

- 1.3 President Brown noted that Board Member Tim Chalfant has indicated that he would be unable to fulfill his obligation as an Elected Director upon the advice of his organization's legal office, but would be interested in participating as an Advisor to the Board. Mr. Chalfant tendered his resignation from the Board which was accepted.

After discussion the following Action Item was assigned by the Board.

ACTION 120711-01: The Elections Committee to recommend to the Board candidates to filled the remainder of Mr. Chalfant's term.
Suspense: Update to be provided at the March 2012 BOD meeting.

- 1.4 President Brown submitted for the Board's consideration for appointment to one-year terms as Board Advisors Mr. Mike Greco of the Federal Aviation Administration, and Mr. Tim Chalfant of the U.S. Air Force. These appointments were moved by Vice President Chas McKee and seconded by Board Member Stephanie Clewer. With no further discussion the motion passed unanimously.
- 1.5 President Brown addressed Action Item 091211-07 (shown below).

ACTION 091211-07: Board to appoint Chair of the Corporate Development Committee.

Resolution: President Brown submitted for the Board's consideration for appointment as Committee Chairpersons the following individuals:

Corporate Development Committee - Mr. Rich Kniskern
Elections Committee – Mr. Rick Shelley
Events Committee – Dr. John Foulkes
Ways and Means Committee – Board Member Pete Christensen

These appointments were moved by Board Member Mark Smith and seconded by Board Treasurer Mike McFalls. With no further discussion the motion passed unanimously and this action item was closed.

Closed: Modified and Continued: _____ Continued: _____

2.0 Approval of the Previous Board Meeting Minutes

ITEA President Brown asked the Board members to review the minutes from the previous two Board meetings, and asked if there were any corrections. One correction was noted in that Board Member George Ryan had attended the September 12, 2011, Board meeting in person rather than via phone as was indicated on the meeting minutes. With no further corrections noted a motion was made by Board Member Mark Smith and seconded by Board Member Pete Christensen to approve the minutes with the single correction. With no further discussion the motion passed unanimously.

3.0 Review of Previous Action Items

- 3.1 ITEA Secretary Gene Hudgins noted that all the previous action items, with the exception of Action Items 120711-01 (which was handled in the Opening Remarks), 061611-05, and 061611-07, would be presented within the various Officer and Committee reports. Without objection discussion on the other action items was tabled until the appropriate report.
- 3.2 President Brown recommended modifying Action Item 061611-05 as shown below. Without objection this action item was modified and continued.

ACTION 061611-05: *President Stephanie Clewer to facilitate a meeting with representatives of the three Chapters to discuss their concerns regarding the TIW event.*

Resolution: *President Brown noted that there have been discussions with the representatives but due to scheduling conflicts a face-to-face meeting has not yet been scheduled, and that the assignment of this action item would now be his.*

Suspense: *Update to be provided at the March 2012 BOD meeting.*

Closed: _____ Modified and Continued: X _____ Continued: _____

- 3.3 President Brown recommended continuing Action Item 061611-07 (shown below) until March 2012. Without objection Action Item 061611-07 was continued with a new suspense date of March 2012.

ACTION 061611-07: *The Senior Advisory Board will work with the Executive Office to review the ITEA Bylaws and provide recommendations to any modifications, including those proposed by the Election Committee.*

RESOLUTION: *The Senior Advisory Board has reviewed the attached proposed amendments to the ITEA Bylaws and recommends to the Board that they move forward with their adoption using the following schedule.*

During the September Board Meeting – *ITEA Board of Directors to review and discuss the proposed amendments, and provide to the Executive Director any proposed amendments for review by the membership.*

By 30 September – *ITEA Executive Director to provide to each Chapter for member review the proposed amendments.*

By 18 November – *Comments from Chapters and members to be submitted to the Executive Director for presentation to the Board.*

During the December Board Meeting – *ITEA Board of Directors to review and discuss all Chapter and member comments on the proposed amendments, and act on the proposed amendments.*

Suspense: *Update to be provided at the March 2012 BOD meeting.*

Closed: _____ Modified and Continued: _____ Continued: X _____

4.0 Treasurer’s Report

Treasurer Mike McFalls presented the Treasurer’s Report.

- Balance Sheet – The Association currently has about 6 months of cash reserves (see table below). He noted that best practice among individual membership associations is to hold between 6 to 9 months of cash reserves.
- He also noted that both the Operating and Education Reserves have fallen below the minimums called for in the Reserve Policy. However, the Capital Reserves remain above the required minimum.

ITEA Reserves as of Nov. 30, 2011		Reserve Policy Guidelines	
	<u>Balance</u>	<u>Minimum</u>	<u>Max/Target</u>
Checking	\$114,755	n/a	\$125,000
Cash at Chapters	\$102,373	n/a	n/a
Operating Reserves - 04078	\$93,464	\$200,000	\$446,906
Education Reserve - 04076	\$235,234	\$278,272	\$347,840
Capital Reserves - 04177	\$141,565	\$75,000	\$297,937
Total Reserves	\$687,391		
Months of Reserves	5.9		

After discussion the following Action Item was assigned by the Board.

***ACTION 120711-02: The Ways and Means review the Association’s reserves and provide the Board some recommendations on returning the reserve account to their required minimums.
Suspense: Update to be provided to the Executive Committee by 15 January 2012.***

- P&L End-of-Year projection versus 2012 Budget – Net Income projected to be off by \$159K versus budget.
 - Revenue projected to fall short of budget by \$271K.
 - Shortfalls
 - Workshop revenue off budget by \$148K (FSK Open Forum and November event were cancelled, and Directed Energy and Tech Review both underperformed).
 - 2011 Annual Symposium Revenue off budget by \$56K (\$40K double counted with revenue budgeted for 2012 Annual Symposium).
 - Course revenue off budget by \$30K (Cancelled courses and low attendance at courses).
 - Over Achieving
 - Journal advertising revenue out performing budget by \$14K.
 - Expenses are projected to finish under budget by \$60K.

A motion was made by Board Member George Ryan and seconded by Board Secretary Gene Hudgins to accept the Treasurer’s Report. Without further discussion the motion carried unanimously.

5.0 Education Committee

5.1 Mr. Randy Herrin, Education Committee Chair, reviewed the following action item.

ACTION 091211-04: The Education Committee to distribute proposed changes to the ITEA Scholarship Program to Chapter leadership for their review and comment.

Resolution: Mr. Herrin reported that the Committee has reviewed the ITEA Scholarship Program and recommends the following modifications that would broaden the recipient categories for scholarship awards (e.g., revise the policy to expand and include high school scholarships to those schools with STEM programs) and clarify check distribution to students or institutions of higher learning:

Section I. Overview

The ITEA Scholarship Program is designed to foster interest and education in technical fields that may benefit the test and evaluation profession. The program furthers the goals of ITEA by providing financial aid to qualified students.

Proposed change: After "...qualified students..." **add:** "attending or scheduled to attend an institution of higher learning (i.e., universities, colleges, and community colleges) in a technical field and/or offering grants to educational institutions, including high schools with STEM programs, *to purchase equipment* that has the potential to impact their technical curriculum."

Section II. Administration of the Scholarship Program

The ITEA Scholarship Program is administered by the local Chapters with the assistance of the ITEA Headquarters Staff and under the cognizance of the ITEA Board of Directors. Local Chapters may, at their discretion, develop relationships with local universities and colleges to assist with the selection and award of scholarships. Local Chapters will develop eligibility guidelines such as, required grade point average, course of study and application requirements. The selection of individual scholarship awardees is at the discretion of the local Chapter. Each Chapter must provide ITEA with the names of individual scholarship recipients.

ITEA International will assist the local Chapters with the financial administration of the Scholarship Program including the issuance of scholarship checks and the establishment and maintenance of an Education Account.

Proposed change: After "Education Account..." **add:** "The ITEA EO will send the local Chapter a check for presentation to the designated educational institution. The check will be written payable to that institution. In accordance with IRS reporting requirements for year-end tax returns, each local Chapter must provide the ITEA office with the names of the individual scholarship recipients, their tax ID numbers, full postal mailing address, telephone number, along with the name, address, telephone, and tax ID of the educational institution and the financial/program POC."

Board Discussion: Secretary Gene Hudgins moved and Board Member Stephanie Clewer seconded that the Committee’s proposed changed in the Scholarship Program Policy be approved. *After discussion the motion was modified to change the phrase “including high schools with STEM programs” to read “including schools with STEM programs” by removing the word “high.”* Without further discussion the revised motion carried unanimously and this action was closed.

Closed: **Modified and Continued:** **Continued:**

- 5.2 Mr. Randy Herrin, Education Committee Chair, presented the following item for discussion and consideration by the Board.

The Education Committee requests that the Board consider renaming the “Education” Committee, the “Professional Development” Committee. The rationale behind the Education Committee’s request is that the phrase “professional development” is more descriptive of what ITEA is trying to accomplish with its educational endeavors. Specifically, this includes professionally developing the careers of T&E managers and technicians who work in the T&E industry, not only through a continuum of education offerings, but also through exposure to a vast network of T&E industry experts and leaders, as well as through the creation of a professional credentialing program.

After discussion the following Action Item was assigned by the Board.

ACTION 120711-03: The Executive Director to develop the appropriate verbiage for the change in the ITEA Bylaws to accommodate renaming the “Education Committee” to the “Professional Development Committee” and distribute this proposed Bylaws amendment to the Chapters for review and comment.
Suspense: Update to be provided at the March 2012 BOD meeting.

6.0 Events Committee Report

6.1 Mr. Doug Messer, Events Committee Chair, reviewed the following action item:

ACTION 091211-03: The Events Committee to work with the Executive Office to investigate the scheduling of a Net Ready/KPP short course hosted by the Fort Huachuca Chapter in conjunction with the 2012 JITC conference.

Resolution: Mr. Messer informed the Board that the 2012 JITC Conference has been cancelled and recommended that this action item be closed.

Board Action: Without objection this action item was closed.

Closed: **Modified and Continued:** **Continued:**

6.2 Mr. Messer presented the following items for discussion and consideration by the Board:

- **Underwater Acoustics One Day Forum (April 2012)** – This is a new team and could use some insight/mentorship from leadership as they host their first technical event. Request the Board provide a mentor to the Chapter President at Penn State for their Acoustics Workshop.

After discussion Board Member Stephanie Clewer volunteered to act as a mentor to the Penn State Chapter.

- **Cyber T&E Workshop (Nov 2012)** – Mr. Messer reported that he had met with Mr. Thomas Frey and Mr. Shawn Anderson at the International Telemetry Conference in October to discuss short term actions for a Cyber conference in November 2012. Tom is in the process of coordinating and developing a draft Call for Paper to go out in early January timeframe. The venue has not been selected; however the city of Baltimore has been selected for this conference. If a Chapter has not been identified to host this event, it will be considered an ITEA sponsored event and the Program Chair and Technical Chair should be appointed by the President (i.e. Symposium and Technology Review).

The Committee recommends that the individuals above be appointed by the Board as Program Chair and Technical Chair respectively for the Cyber T&E Conference. Without objection the Committee’s recommendation on the Chairs was accepted.

- **Annual Symposium 2013** – The Committee requests that the Board consider changing the date for the 2013 Annual Symposium to August 25 – 30 so that we may remain in Boston. The only alternative is to move the Symposium to the second choice location (approved at the last Board meeting), Louisville Kentucky, the Galt House. We would like to bring to the attention of the Board a recent challenge with the site selection for Annual Symposium 2013. Boston is still first option, however due to the following circumstances we can no longer consider The Boston Park Plaza. During the time from the proposal to the contract, the hotel sold the exhibit space (the actual building) to a third party thereby causing fiscal challenges to ITEA in excess of \$100,000 – ITEA did not sign the contract and currently has a proposal from the Seaport Hotel and World Trade Center in the Boston Seaport District that meets our meeting space and per diem

requirements. The only consideration is a change of meeting dates. The only option is for the week of August 25 – 30, leading up to Labor Day Weekend (Set 1-2).

After discussion the following Action Item was assigned by the Board.

ACTION 120711-04: The Events Committee to look at possible venues for conducting the 2013 Annual Symposium in the Northeast or East Regions during June 2012.
Suspense: Update to be provided at the March 2012 BOD meeting.

7.0 Chapter and Individual Membership Committee

7.1 ED Gaidry reported that Mr. Keith Sutton, Chapter and Individual Membership Committee Chair, is unable to attend the meeting, but that he would be able to review with the Board the Committee's action items.

ACTION 061611-01: The Chapter and Individual Membership Committee to work with the Executive Office to clarify a Chapter's authority to conduct events and enter into agreements to conduct events independently of ITEA review, oversight, and management.

Resolution: A Chapter's role, responsibility, and scope of authority are clearly and adequately defined in both in the ITEA Bylaws and the ITEA Operations Manual. The only additional point of clarification that the Committee recommended was to change one sentence in the ITEA Operations Manual as indicated below:

“Any contract that involves an ITEA obligation of more than \$1,000 must be sent to ITEA EO for review by the ED or the Ways and Means Committee before it is finalized.”

Changed to read

“Any contract or agreement that involves an ITEA obligation of more than \$1,000 must be sent for review and approval by the ITEA ED.”

After discussion it was agreed to distribute this proposed change to the Chapter leadership for their review and comment. Without objection this action item was continued.

Chapter and Individual Membership Committee Comments: This proposed change was distributed to the Chapters for review and comment. The Chapter and Individual Membership Committee agree with the proposed changes and recommends that this action item be closed.

Board Action: Without objection the Committee's recommendation was accepted and this action item was closed.

Closed: **Modified and Continued:** **Continued:**

ITEA Board of Directors

It was mentioned that perhaps \$1,000 was too low of a figure for a Chapter event to involve the ITEA Executive Office and that the Board might consider raising that threshold. After discussion the following Action Item was assigned by the Board.

ACTION 120711-05: The Ways and Means Committee to review the \$1,000 threshold for Executive Office review and approval of Chapter events, and recommend any change in that threshold to the Board.
Suspense: Update to be provided at the March 2012 BOD meeting.

ED Gaidry continued the review with the Board of the Committee's action items.

ACTION 061611-04: The Ways and Means Committee to work with the Executive Office to evaluate and present recommendations for enhancing the revenue sharing guidelines of the Scholarship Program.

Resolution: The Ways and Means Committee recommends the Board modify the Scholarship Funding Policy Paragraph 1 of Section III – Scholarship Program Funding in the ITEA Scholarship Program (Final Approved March 2008), to read:

“For each Chapter-sponsored event the Chapter will be allocated a base incentive of 25% of the net income up to a maximum \$10,000.00 (\$18,000.00 35% for events hosted by more than one chapter) for its scholarship fund. The chapter's allocation of the revenues will be retained by ITEA International and placed in the Education Account. As an added bonus incentive to Chapters, any co-sponsored event that exceeds its approved budgeted net income by 25% or more will be allotted 50% of the additional income.”

Or written without the strike-outs:

“For each Chapter-sponsored event the Chapter will be allocated a base incentive of 25% (35% for events hosted by more than one Chapter) of the net income for its scholarship fund. The chapter's allocation of the revenues will be retained by ITEA International and placed in the Education Account.”

After discussion it was agreed to distribute this proposed change to the Chapter leadership for their review and comment. Without objection this action item was continued.

Chapter and Individual Membership Committee Comments: This proposed change was distributed to the Chapters for review and comment. The Chapter and Individual Membership Committee agree with the proposed changes and recommends that this action item be closed.

Board Action: Without objection the Ways and Means and Chapter and Individual Membership Committees' recommendations were accepted and this action item was closed.

Closed: **Modified and Continued:** **Continued:**

ITEA Board of Directors

ACTION 091211-01: The Chapter and Individual Membership Committee to work with the Executive Office to develop a recommendation for offering a “Lifetime Membership.”

Resolution: After discussion the Committee was in agreement with this proposed offering change and recommends that this action item be closed.

Board Action: Without objection the Committee’s recommendation was accepted and the action item was closed.

Closed: Modified and Continued: _____ Continued: _____

ACTION 091211-02: The Chapter and Individual Membership Committee to work with the Executive Office to develop a recommendation for offering membership cards.

Resolution: After discussion the Committee agreed that the Association should not spend money on offering membership cards. The Executive Office will investigate if the new membership management system would allow membership cards can be printed “on demand” by members via the ITEA Web site. The Committee recommends that this action item be closed.

Board Action: Without objection the Committee’s recommendation was accepted and this action item was closed.

Closed: Modified and Continued: _____ Continued: _____

ACTION 091211-05: The ED to distribute the proposed changes to the ITEA Bylaws to the Chapters and membership for their review and comment.

Resolution: After discussion the Committee was in agreement with these proposed changes change and recommends that this action item be closed.

Board Action: Without objection the Committee’s recommendation was accepted and this action item was closed.

Closed: Modified and Continued: _____ Continued: _____

ACTION 091211-08: The ED to distribute the proposed “look and feel” of the new ITEA Web site to the Board and Chapter leadership for review and comment.

Resolution: ED Gaidry provided the Chapter Presidents a tour of the new Web site as well as the login area to the membership management application where a member can update their contact information, pay membership dues, look up other ITEA members and organizations, and register for events. After discussion the Committee was in agreement with the “look and feel” of the new Web site change and recommends that this action item be closed.

Board Action: Without objection the Committee’s recommendation was accepted and this action item was closed.

Closed: Modified and Continued: _____ Continued: _____

ITEA Board of Directors

7.2 ED Gaidry also noted that the Chapter and Individual Membership Committee Report included the following items for discussion by the Board:

- The Committee is requesting suggestions from the Board for assisting the “Chapters in Need” identified in RED below. Without objection discussion on this item was tabled until the March Board meeting.

<u>East Region</u>	<u>Chapter President</u>	<u>City</u>	<u>State</u>
Francis Scott Key - Aberdeen MD	Schab John	Aberdeen	MD
George Washington - DC Metro	Wetzel Michael	Alexandria	VA
Tidewater - Norfolk VA	McDonnell Jeanine M.	Virginia Beach	VA
Penn State - State College PA	Einfalt Bruce	State College	PA
Miami Valley - Wright-Patterson AFB	VACANT	Dayton	OH
<u>Northeast Region</u>	<u>Chapter President</u>	<u>City</u>	<u>State</u>
New England - Boston	Keller Michael E.	Boston	MA
South Jersey - Atlantic City	Frederick John	Milmyr	NJ
<u>Southeast Region</u>	<u>Chapter President</u>	<u>City</u>	<u>State</u>
Central Florida - Orlando	Grow David Paul	Winter Springs	FL
Emerald Coast - Florida Panhandle	Guidry Robert M.	Niceville	FL
Rocket City - Huntsville AL	Christian Leigh A.	Huntsville	AL
Atlanta	Weeks Christopher	Smyrna	GA
Charleston SC	Charles Philip	Isle of Palms	SC
<u>Southwest Region</u>	<u>Chapter President</u>	<u>City</u>	<u>State</u>
Huachuca - Southeast AZ	Woodruff Jonathan	Ft. Huachuca	AZ
Roadrunner - Albuquerque NM	Thompson Erik	Edgewood	NM
Valley of the Sun - Phoenix AZ	Woffinden D. Steve	Tempe	AZ
White Sands - WSMR NM	Messer Douglas D.	Amarillo	TX
Rocky Mountain - Colorado	Mayette Christopher G.	Colorado Springs	CO
Great Salt Lake - Utah	Peterson Jeffery D.	Dugway	UT
<u>West Region</u>	<u>Chapter President</u>	<u>City</u>	<u>State</u>
Antelope Valley - Edwards AFB CA	Janzen Doyle	Edwards AFB	CA
Southern Nevada - Las Vegas	Terry Courtney	Las Vegas	NV
China Lake - CA	Moody Bettye R.	Ridgecrest	CA
Mid Pacific - Hawaii	Burley Stewart V.	Lawai	HI
Channel Islands - Point Magu CA	Weal Christopher J.	Camarillo	CA
Greater San Diego CA	Phelan Daniel	San Diego	CA
Pacific Northwest - Seattle WA	VACANT	Seattle	WA
<u>International Region</u>	<u>Chapter President</u>	<u>City</u>	<u>State</u>
Western Europe - United Kingdom	Lyons Steve	Cardigan	UK
Israel	Leshem Aaron	Haifa	ISRAEL
Southern Cross - Australia	Nikoloff Peter G.	Edinburgh	SA

ACTION 120711-06: The Board to provide suggestions to the Chapter and Individual Membership Committee for assisting “Chapters in Need.”
Suspense: Update to be provided at the March 2012 BOD meeting.

- In that the Northeast Regions consists of just the New England and South Jersey Chapters, the Committee is also recommending that the Board consider consolidating the Northeast and East Regions. Without objection discussion on this item was tabled until the March Board meeting.

ACTION 120711-07: The Board to consider consolidating the Northeast and East Regions. Suspense: Update to be provided at the March 2012 BOD meeting.

8.0 Corporate Development Committee

ED Gaidry reviewed with the Board the Committee's Action Item below.

ACTION 091211-06: The Corporate Development Committee to provide budget requirements to the Ways and Means Committee to support these 2012 events.

Resolution: Funding for travel and exhibiting at the proposed events has been submitted as part of the 2012 operating budget and the Committee recommends that this action be closed.

Board Action: Without objection the Committee's recommendation was accepted and this action item was closed.

Closed: **Modified and Continued:** **Continued:**

9.0 Elections Committee

ED Gaidry reviewed with the Board the Committee's Action Item below. President Brown recommended that in the interest of time this action item be continued until the next Board meeting. Without objection this action item was continued.

ACTION 061611-06: The Elections Committee will work with the Executive Office to ensure a Board elections policy, process, and procedures document is developed that provides clear and specific qualification criteria for the nominees and evaluation criteria for the Committee. Items that should be addressed in this document are the requirement to include any qualifying criteria in the call for nominations and the establishment of any limitations on the number of Board members that may represent the same organization, Chapter, or ITEA Region at any one time.

Resolution: The Committee presented a draft "Nomination and Elections Process" to be considered for adoption as a Board policy. After discussion it was agreed that:

Board members should review the proposed policy and provide comments to ED Gaidry by 30 September.

ED Gaidry would consolidate the Board's comments with the proposed policy and forward it to the Senior Advisory Board (SAB) for their review and comment to be provided to ED Gaidry by 31 October.

ED Gaidry would consolidate the SAB's comments with the proposed policy and forward it to the Elections Committee for their consideration.

The Elections Committee would provide their recommendation to the Board at the December meeting.

Suspense: Update to be provided at the March 2012 BOD meeting.

Closed: _____ Modified and Continued: _____ Continued: X

10.0 Executive Office

ED Gaidry reported that all of the Executive Office's action items have been covered within the various Committee and Officer reports. And that the remaining items would be discussed during the Ways and Means Committee Report.

11.0 2012 Annual Symposium Committee

Mr. Randy Surch, Board Member and 2012 Annual Symposium Program Chair, reported that the Annual Symposium Committee is submitting the following items for discussion by the Board:

- 11.1** The Committee is requesting suggestions from the Board for potential speakers and assistance in identifying points of contact for potential speakers.

***ACTION I20711-08:** The Board to provide to the 2012 Annual Symposium Committee suggestions for potential speakers and assistance in identifying points of contact for potential speakers.*

Suspense: Update to be provided at the March 2012 BOD meeting.

- 11.2** The Committee is also requesting an update on the status of the budget. It was discussed that the 2012 Annual Symposium budget is part of the overall ITEA operating budget that would be discussed during the Ways and Means Committee Report.

12.0 Ways and Means Committee

- 12.1 Committee Report** – Treasurer Mike McFalls and Pete Christensen, newly appointed Ways and Means Committee Chair, presented the Ways and Means Committee Report, which was prepared by Mr. Michael Schall, outgoing Committee Chair, regarding the proposed 2012 operating budget.

The Ways and Means Committee has met several times to review the 2012 budget. The Committee has made several recommendations to the Executive Director, which has been incorporated in the latest version of the budget. Despite this, the budget still shows a \$53k deficit.

Of significant concern to the Committee is \$144k in projected revenue from 8 new courses which are yet to be scheduled. The Executive Director acknowledged this risk and has proposed fee increases to off-set the risk. The W&M Committee has informally discussed fee increases with the Education, Events, and Corporate Development

Committee chairs. Corporate Development agreed with the increase, Events and Education did not. No input was received from Membership.

The Committee is also concerned about attendance at all events next year, including the Annual Symposium, given current Government travel restrictions. Income for most events has been reduced from original projections based on these concerns.

The Committee directed that Staff Payroll and Benefits be reduced to reflect the retirement of Ms. Shivar. If the Board decides to fill this position next year adjustments to the budget will be necessary.

The W&M Committee is also concerned regarding the overall offerings and course quality. The W&M Committee strongly recommends proactive engagement by the Educational Committee. Actions could include reevaluating the planned course offerings, seeking input from DASD DT&E and OSD DOT&E regarding course offering adequacy and internal peer review of course materials to ensure quality.

The Committee also suggested that the ITEA Staff accelerate efforts to develop a T&E Certification Program and a long term source of revenue. If the Board decides to pursue this activity adjustments to the budget will be necessary.

Overall the Ways and Means Committee considers the proposed 2012 budget high risk. Significant management attention will be required by both the Executive Director and the Board to manage the risk.

12.2 Cash versus Accrual Method of Accounting – It was noted that the 2012 operating budget, as well as the Association's financial reports, are cash rather than accrual based and events such as the Annual Symposium, conferences, and workshops could have that revenue as well as expenses that spanned several years. For instance,

- Revenue received in 2010 for 2011 events included:
 - \$44K of the revenue generated for the 2011 Annual Symposium was actually received by the Association during 2010, with the other \$315K received in 2011.
 - \$43K of the revenue generated for the 2011 Live-Virtual-Constructive Conference was actually received by the Association during 2010, with the other \$59K received in 2011.
 - \$39K of the revenue generated for the 2011 Test Instrumentation Workshop was actually received by the Association during 2010, with the other \$153K received in 2011.
- Revenue received in 2011 so far for 2012 events include:
 - \$27K for the 2012 Annual Symposium.
 - \$44K for the 2012 System of Systems Conference.
 - \$12K for the 2012 Test Instrumentation Workshop.
- Expenses incurred in 2011 so far for 2012 events include:
 - \$24K for the 2012 Annual Symposium.
 - \$6K for the 2012 System of Systems Conference.
 - \$12K for the 2012 Test Instrumentation Workshop.

Using the cash method of accounting for events with revenue and expenses that span several years adds a level of complexity to both budgeting and reporting. It was suggested that the Executive Office provide an additional level of detail in both the budget and financial reports for those items with revenue spanning more than one year. ED Gaidry agreed and this will be done going forward.

12.3 2012 Budgeted Revenue – It was agreed that the Association should take a very conservative approach due to the uncertainty next year, especially regarding government budgets for travel and training. It was noted that the Ways and Means Committee, in working with the various committees, has taken this conservative approach in the proposed budget. The Board agreed that the most significant risk was the revenue associated with the Cyber Security event and the courses.

It was discussed that the Events Committee needs to quickly confirm a host Chapter and location for the Cyber Security event, and that they should also consider Fort Meade and Norfolk as venues for that conference.

ACTION 120711-09: The Events Committee to finalize the details and host location for the 2012 Cyber Conference.
Suspense: Update to be provided at the March 2012 BOD meeting.

ED Gaidry presented the Education Committee's strategy and some of the rationale for the 2012 course plan. The Board decided during their March 2011 meeting to invest in a dedicated staff member for professional development. This individual, Jay Weaver, was hired in April with two primary revenue objectives: 1) Increase the number of courses; and, 2) Develop a professional certification program.

- So far in 2011, the Association has conducted 10 courses—more than the previous 3 years combined (2008 – 2 courses, 2009 – 4 courses, 2010 – 2 courses).
- Those 10 courses have generated net revenue of almost \$100K—double of any of the previous 3 years.
- The 2012 budget is based on conducting 21 courses, up from 10, with a net revenue contribution of about \$150K, up from \$100K.
- As of today there are 16 confirmed courses scheduled for 2012 and another 16 that are being finalized.
- The process for developing a test professional certification program has been defined and the next step is to identify the funding required (about \$150K) to develop the credential.

The Education Committee feels that increasing the volume of courses from 10 to 21 and the net revenue from \$100K in 2011 to \$150K in 2012 is achievable.

12.4 2012 Budgeted Expenses – In discussing the 2012 budgeted expense items, it was noted that there were some items that had increased over the 2011 budget and/or projected actuals. In that the Ways and Means Committee had reviewed the expense items line by line, President Brown suggested that Board Members forward any comments or questions on any of the expense items directly to the Ways and Means Committee Chair and the Executive Director for their consideration during the preparation of the final budget.

12.5 2012 Fees and Dues – ED Gaidry noted that the Association’s 2012 budget should both mitigate some of the risk identified with the budgeted event and course revenue, and provide positive positive cash flow that can be used to return the Association’s reserves above their required minimum levels. The areas that have been identified to provide incremental revenue through rate increases were:

- **Restructure Corporate Membership Dues** – The Board could consider the following dues rates for 2012 which could provide up to \$28.5K in 2012 incremental revenue:
 - Small (<50 employees) Organizations – Increase from \$500 to \$800/year
 - Large (50+ employees) Organizations – Increase from \$1,000 to \$1,500/year

- **Individual Membership Dues Alternatives** – The Board could consider the following options for Individual Membership Dues for 2012 which could provide from \$15K to \$37K in 2012 incremental revenue along with a cost savings of up to \$14K if the Board elects the 3rd option.
 - Increase annual dues to \$60 to include delivery of a printed issue of The ITEA Journal.
 - Maintain annual dues at \$50 with a \$25 adder for delivery of a printed issue of The ITEA Journal.
 - Increase annual dues to \$60 with “opt-out” of delivery of a printed issue of The ITEA Journal, but no discount in annual dues.

- **Event fees** – The Board could consider the following options which could provide up to \$60K in 2012 incremental revenue:
 - **Exhibit Rates** – Increase by \$2/sf
 - Member fee of \$25/sf
 - Non-Member fee for small organizations of \$30/sf (includes corporate membership).
 - Non-Member fee for large organizations of \$35/sf (includes corporate membership).
 - **Registration Fees** – Increase by \$100
 - Member/Government/Military onsite registration fee of \$695.
 - Non-Member fee onsite registration fee of \$795 (includes annual membership).

After discussion it was moved by Mark Smith and seconded by George Ryan to increase the Individual Member annual Dues to \$60 and the Exhibit Fees by \$2 effective January 1, 2012. Without further discussion the motion carried unanimously.

It was noted that the effect of these two increases may not provide for a balanced 2012 budget, and additional action by the Board may be required. After discussion the following Action Item was assigned by the Board.

***ACTION 120711-10: The Ways and Means Committee is to incorporate the approved increases in the Individual Membership Annual Dues and Exhibit Fees into a revised 2012 operating budget for presentation to the Executive Committee.
Suspense: Update to be provided at the March 2012 BOD meeting.***

13.0 New Business

- 13.1** President Brown reminded the Board that the next Board meeting is scheduled for Wednesday, 7 March, at 6:30 p.m. He suggested that the Board look to meet in or near Crystal City. Without objection that was agreed.
- 13.2** A motion was made by Mark Smith and seconded by Pete Christensen to hold the June Board meeting on Wednesday, 13 June, at 6:30 p.m. also in the Crystal City area. After discussion the motion was approved unanimously.
- 13.3** ED Gaidry presented the Board for their consideration a recommendation for 2011 bonuses and 2012 salary raises for the ITEA Staff. ED Gaidry left the meeting so that the Board could discuss this recommendation in closed session. After discussion it was agreed that due to the current financial performance of the Association that no bonuses would be awarded for 2011, but a 2% increase in salaries for 2012 was approved pending review and approval of the final budget by the Executive Committee.
- 13.4** There being no more business to be brought before the Board, a motion was made by Mark Smith and seconded by Vice President Chas McKee to adjourn the meeting. The motion was approved unanimously. The meeting was adjourned by President Brown at 9:10 p.m.

March 7, 2012
Date Approved



Mr. Gene Hudgins
ITEA Board Secretary