

Board of Directors Meeting #5

June 18, 2001

Conference Call

Board Members in Attendance via Telephone:

Mike Allen, Tom Bilger, Will Corprew, Louise Lonabocker, Gloria Nathanson, Joe Roof, Gene Schuster, Heather Smith, and Paul Taylor.

Staff Members in Attendance via Telephone:

Janie Barnett, Martha Henebry, Jerry Sullivan

1. Call to order and approval of agenda

President, Gene Schuster, called the meeting to order at 12:00 PM on June 18, 2001. The agenda was reviewed and approved without objection.

2. Change of Fiscal Year

Executive Director Sullivan reported that he recommends changing the current fiscal year. He noted the current fiscal year, July 1-June 30, has significant implications for budgeting since the largest expense and one of the largest revenue sources for the association occurs at the end of the fiscal year. ED Sullivan indicated he had a conversation with the Lang Group regarding the change and that Lang recommends AACRAO change its fiscal year, but did not recommend changing the membership year. In essence, member dues would still run from July 1-June 30 which works well for most institutions.

The recommended change for the Fiscal Year was October 1 to September 30. This proposed fiscal year corresponds with the Federal Government Fiscal Year and would benefit the association with any Federal Grants. In addition, the proposed change is outside the normal tax year and this provides some advantages for income tax filing and accountant work. In addition, this change places the Annual Meeting near the middle of the fiscal year, allowing time to recover from any unanticipated expenses. ED Sullivan reported the current auditing firm also supports the change in Fiscal Year and indicated there should be no major tax implications.

Since the Fiscal Year is included in the By-Laws, the members must approve any change. After a lengthy discussion, the Board agreed to make the change now and seek membership approval at the next Annual Meeting. If the members do not approve the change, the process would be retroactively changed back to the July 1-June 30 Fiscal Year. Since the association maintains monthly financial statements, this could be accomplished without much additional work.

Motion: Change the Fiscal Year from October 1 - September 30, effective with the FY 2001.

MSP Allen/Lonabocker 9-0-0

3. Financial Update

Vice President Joe Roof reported the Association continues in very good financial condition. Most of the revenue and expenses have been recorded for the Annual Meeting. Overall for the year, revenue is at 104% of budget and expenses are at 82% of budget through May 31, 2001.

ED Sullivan noted while financial status looks good, much of the additional revenue is from grants/contracts (soft) money and should not be considered reoccurring revenue. However, the current financial condition does provide the additional revenue to extend the Fiscal Year to September 30,

4. Annual Meeting Sites

ED Sullivan reported that Boston has submitted a proposal for a future meeting. Jerry is waiting to finalize all information prior to sending the meeting information to the Board for review.

5. Updates

Ed Sullivan provided an update on meetings scheduled this summer and on staffing at the National Office. He announced that Martha Henebry was promoted into Dana Walker's former position. In addition, he reported he was working with Lang to obtain some useful salary information for staff positions.