NIGP OFFICIAL BOARD MEETING AGENDA

NIGP BOARD OF DIRECTORS

Meeting Date/Time: Wednesday, January 28, 2009 @ 11:00 AM Eastern
Meeting Location: Teleconference
Dial-In Information: Dial (866) 777-0485 – Conference Code 7368900
Chairman: Kirk Buffington, CPPO, C.P.M.
Board Secretary: Rick Grimm, CPPO, CPPB

NIGP’s Mission

Develop, support and promote the public procurement profession through premier educational and research programs, professional support, and advocacy initiatives that benefit members and constituents.

AGENDA ITEM | ACTION TAKEN
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1. Call to Order | President Kirk Buffington called the meeting to order at 11:08 a.m.

2. Roll Call of Board Members | **Board Members in Attendance:**
Kirk Buffington, CPPO, C.P.M. – President
Paul Brennan, CPPO, C.P.M. – First Vice President
Ken Koester, CPPO, C.P.M., A.P.P. – Second Vice President
Stephanie Creed, CPPO, CPPB – Third Vice President
Ed Grant, CPPO, CPPB, RPO – Immediate Past President
Chris Klein, CPPB, Treasurer (non-voting)
Mike Bevis, CPPO, C.P.M.
Dave Davis, CPPO
DeWight Dopslauf, CPPB, C.P.M., A.P.P.
Kathy Elgin, CPPO, CPPB
Marcheta Gillespie, CPPO, CPPB, C.P.M., CPM
Keith Glatz, CPPO
Bobbi Matthews, CPPO, CPPB
Judy Meisel, CPPO, CPPB
Sandra Wright, CPPB

**Board Members Absent:**
Gord Sears, CPPB

**Staff Present:**
Rick Grimm, CPPO, CPPB
Tina Borger, CPPO
Carol Hodes, CAE
Brent Maas
Carrie Rawn, CMP
Belinda Reutter, CMP, CAE
Juanita Sims
Erik Steffan, MCP
3. Opening Comments from the NIGP President

President Buffington discussed the recent, unfortunate situation with the Greater Miami Chapter and personally thanked Keith Glatz for his assistance and guidance to the Chapter during their recent meeting. He also informed the Board that the Chapter has a new President, Rona Sandler, and is moving forward despite recent obstacles. He indicated that the Chapter is not looking for financial assistance at this juncture and that such assistance would establish precedence for other chapters in the future. He also noted that, on a separate agenda, the Board may wish to address policy issues that would require chapters to demonstrate fiscal compliance as a condition for retaining their charter.

4. Environmental Scan by the Board: Key Issues affecting constituencies, members, chapter affiliates, governmental entities

Several board members shared information on pending legislation regarding transparency in government. Stephanie Creed, Bobbi Matthews and Keith Glatz provided feedback on legislative activities in Arkansas, Oregon and Florida respectively. From their standpoint, the proposed laws would create an additional burden on governments to report low-dollar contractual spend via their websites under the premise of public records and transparency. Stephanie, Bobbi and Keith agreed to send information to Rick Grimm for dissemination to the Advocacy Committee which may be interested in taking up this issue from a policy standpoint.

Paul Brennan noted that, in New York, the State Procurement Department may be transferred from the Department of General Services and report directly to the Governor’s Office. Paul also mentioned that a proposed bill in his state would require each state employee to participate in training programs every two years.

Kathy Elgin commented on a proposed bill in Virginia regarding cooperative procurement that would require greater documentation to prove cost-effectiveness and would reduce currently flexibilities. Kathy will send documentation to Rick Grimm for review.

Judy Meisel suggested that many jurisdictions are anticipating some benefit from the proposed economic stimulus package and that this will likely impact public procurement within state and local governments.

5. Approval of Minutes from December 15, 2008 Board Meeting (Attached)

There was a motion to approve the minutes as written by Kathy Elgin; seconded by DeWight Dopslauf. The motion carried.

6. Verbal Operational and Progress Reports

A. Update on netForum Implementation (Steffan)

Erik Steffan briefed the Board on the implementation of netForum; noting that his team is in the final stages of testing. February 27, 2009 will be the cutover date from the earlier Ablaze system to the new netForum software. The go-live date for both the management system and the accompanying conversion to the new NIGP Web site will be either the last week of February or the first week of March, 2009.
President Buffington encouraged staff to consider a marketing plan to coordinate the cutover of the new Web site; particularly since the logon function will be different. Erik confirmed that the message will be communicated to the membership in several different ways and will include instructions related to the new logon process.

B. December Financials (Woods)

Brent Woods provided responses to queries from the Board via email communications prior to the meeting. The discussion focused primarily on the Board’s revised 30-day cancellation policy and its impact on chapters as well as travel costs. Rick Grimm mentioned that it was too early to determine the direct impact of the policy; however, the January and February cancellation ratios are significantly below year-to-date averages of 35%. He committed to a cost/benefit analysis once relevant data is available. He also mentioned that the chapter leadership has been informed of the new policies and would send this communiqué to the Board for their reference.

Marcheta Gillespie asked about the response time for re-scheduling a seminar once it is cancelled by a chapter. Carrie Rawn replied that her staff will work with the seminar coordinator to schedule the event as quickly as possible but there could be an impact on finding an instructor who was immediately available. As a benchmark, Carrie believes that they can produce a seminar 60 days after the request is received.

Additional discussions centered on the Accounts Receivable aging report and the board’s involvement in trying to bring closure to AR that is past due at least 90 days. Brent Woods agreed to send the AR aging report to the Board on a monthly basis.

7. Board Governance

A. Revisions to Board Policies Related to Committee Re-Structure. The Process:

(1) Discuss specific topics within the following major sections of the proposed Board Policy Manual during the January 28, 2009 teleconference (Attached)

(a) Committee Classification and Structure (Board Policy Manual Section IV.A)

(b) Specific Roles and Responsibilities for Each Committee, Council and Task Force (Section IV.B)

(2) Achieve general agreement on

The Board agreed to the process outlined by Kirk Buffington.

The Board discussed the following issues related to the Committee Classification and Structure:

- Regarding Section IV.A.1.f(4) of the Board Policy Manual on eligibility for service on standing committees, the Board agreed that the President will appoint a non-voting board liaison to any standing committee that does not have a voting member from the NIGP Board.

- Regarding Section IV.A.1.k.(1) of the Board Policy Manual on appointments of the Vice Chair, it was agreed that the incoming president would appoint the chair and vice chair of all standing committees, advisory councils,
changes to these sections and
direct staff to issue final drafts

(3) During the February 2009
Board teleconference, discuss
specific topics within the
following major sections

(a) Governing Principles of
the Board of Directors
(Section III.A-J)
(b) Guiding Principles
Governing the Selection
and Appointment Process
(Section IV.C)
(c) Guiding Principles
Governing Roles and
Expectations for Service
(Section IV.D)

(4) Approve all final policy drafts
during the February
teleconference

(5) Direct staff to begin
implementing the transition
plan for committees (March
2009)

(6) Implement the new committee
structure (July 2009)

and task forces for consistency purposes; with the
understanding that the Vice Chair does not automatically
move to the Chair position.

- Regarding Section IV.A.2.c.(1) of the Board Policy
  Manual on the scope of program committees, it was
  agreed to strike the reference to ‘SMART’ in order to
  allow other options for establishing measureable program
  initiatives.
- Regarding Section IV.A.2.d.(3) of the Board Policy
  Manual on the LES Grants and Scholarships Committee,
  it was agreed that this committee would remain on the list
  of program committees until such time as the LES
  Transitional Task Force submits its recommendations to
  the Board.
- Regarding Section IV.A.2.f.(2) of the Board Policy Manual
  on non-voting members of program committees, it was
  agreed to strike non-voting members so that external
  stakeholders are given a right to vote on matters
  regardless of their status as a NIGP national member.
- Regarding Section IV.A.2.i of the Board Policy Manual
  regarding face-to-face meetings, it was agreed that the
  Chapter Relations Committee will be encouraged to meet
  with the NIGP Board during their Fall meeting. The
  Board engaged in significant discussion on the value of
  the Board’s ability to meet face-to-face with committee
  members because they are potential board members v.
  the value of eliminating the requirement for travel as a
  condition of committee membership.
- Regarding Section IV.A.2.k.(2) of the Board Policy Manual
  on Vice Chairs for the program committees, it
  was agreed that Vice Chairs will be established for all
  program committees and selected by the CEO with
  concurrence by the President-Elect.

All agreements will be formally approved by the Board during
their February teleconference meeting.

Due to time constraints, the Board agreed to defer its
discussions on Sections IV.B, C and D and Sections III.A
through J to the next Board teleconference in February.

B. Election of Kirk Buffington and
Paul Brennan to another term on
the Board

“…move, in accordance with
Article II.4.a and c of the NIGP
Bylaws and with Section III.E.3 of
the NIGP Board Policy Manual, to
elect, by acclamation, the
following representatives to the
NIGP Board of Directors for the
period of July 1, 2009 through
June 30, 2012: Kirk Buffington
CPPO, C.P.M. as the Region 7
Representative to the NIGP Board
and Paul Brennan, CPPO, CPPB,
C.P.M. as the Region 1
Representative to the NIGP

Ken Koester motioned for election; seconded by Bobbi
Matthews. The motion carried.
8. Fiduciary Actions

A. FY08 Independent Audit

1. Audited Financial Statements for the Years ended June 30, 2008 and 2007 *(Attached)*
2. NIGP Management Report in response to the independent audit *(Attached)*

“...move to accept the audit report of Johnson Lambert and Company as NIGP’s independent, external auditors for FY2007-08”

The Board deferred this item to the next Board teleconference.

B. Incentives to Stimulate Contract Training Seminars and Webinars *(Attached)*

“...move to adopt revisions to Appendix I of the NIGP Board Policy Manual with the intent of stimulating increased registrations as follows:

1. Offer two (2) complimentary registrations to contract training clients if the client registers 16 to 25 paid students or offer three (3) complimentary registrations to contract training clients if the client registers 26 or more paid students; and
2. Reward one (1) complimentary registration to an individual Webinar participant after the purchase of five (5) paid Webinar registrations over any twelve month period

The Board deferred this item to the next Board teleconference.

9. New Board Initiatives and Charges

A. Approval of Formal Partnership with Spikes-Cavell for Use of NIGP’s Brand to Promote a Spend Management System *(Attached)*

“...move to approve a formal partnership with Spikes-Cavell for the purpose of licensing the NIGP brand in order to promote The Observatory developed by Spikes-Cavell in the U.S.;

Further move to direct the Chief

Given the fact that there was inadequate time to discuss the formal partnership between Spikes-Cavell and NIGP, Rick Grimm asked if the Board agreed, in principle, to the partnership so that staff could continue its work with the company. The Board agreed that staff should continue to pursue a formal partnership with Spikes-Cavell and that a formal agreement would be forthcoming at the next Board teleconference.
Executive Officer to negotiate the terms of the partnership agreement with final approval by the Executive Committee.”

B. Discussion on NIGP’s Financial Disaster Plan

Rick Grimm mentioned that the discussion among the Board should focus on key components of the Plan such as use of reserve funds rather than the priority order of cuts to be considered if the Institute experiences a significant net deficit greater than $150,000 over a consecutive two-month period.

The Board’s discussion focused on two issues: use of restricted reserve funds and the staff benefit package.

After some philosophical discussion regarding the use of reserves by public entities, there was general agreement that the Board should access its reserve fund in $50,000 increments if necessary to maintain operations.

The Board also discussed employee benefits vs. head counts. There was general agreement that, if positions need to be eliminated, benefits to the remaining employees should be preserved to the extent possible. Paul Brennan raised his objection to eliminating any employer contributions to the 403(b) retirement plan.

Rick Grimm agreed to restructure the Plan based on board comments and to segregate cost reductions that can occur now vs. those reductions that cannot occur until the new fiscal year. He mentioned that he wants to have a full discussion with staff on the implications of the Plan and therefore needed the Board’s concurrence on the restructured Plan. Based on the issuance of the restructured Plan, the Board agreed to provide feedback via the Board’s Listserv by no later than next Friday, February 6, 2009. Unless there are conceptual disagreements that cannot be resolved by that time, Rick will proceed to provide a general overview of the plan to the full staff the following week.

C. Discussion on NIGP’s Financial Plan to Address Potential Reductions in the Number of Delegates Attending the 2009 NIGP Forum and Products Exposition in St. Louis, MO

There was no discussion on this issue.

10. Empowering the Executive Committee

“… move to empower the Executive Committee to take future actions on behalf of the Board of Directors prior to its next scheduled teleconference meeting in February 2009”

Rick Grimm stated that this motion is a formality that is not necessary in this instance because the Board had previously authorized the Executive Committee to take actions on its behalf during their November 8, 2008 meeting. This authorization extends to the Spring 2009 Board meeting in San Antonio. Accordingly, no action was taken.

11. Adjournment

The teleconference was adjourned at 1:03 p.m.