# BOARD OF DIRECTORS STUDY SESSION

**Meeting Date/Time:**
- Thursday, May 20, 2010 @ 3:00 PM
- Friday, May 21, 2010 @ 9:00 AM

**Meeting Location:**
Marriott Rivercenter  
San Antonio, Texas

**Chairman:**
Paul Brennan, CPPO, CPPB, C.P.M.

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**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.

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### AGENDA ITEM

#### THURSDAY AFTERNOON SESSION
WITH THE NATIONAL BUSINESS COUNCIL  
3:00 PM

1. **Call to Order and Introductions**  
   - President Paul Brennan called the meeting to order at 3:00 PM

**Board Members Present:**
- Paul Brennan, CPPO, C.P.M. - President
- Ken Koester, CPPO, C.P.M., A.P.P. – First Vice President
- Stephanie Creed, CPPO, CPPB – Second Vice President
- Bobbi Matthews, CPPO, CPPB – Third Vice President
- Rick Grimm, CPPO, CPPB – Non-Voting Secretary
- Kirk Buffington, CPPO, C.P.M. – Immediate Past President
- Dave Davis, CPPO
- DeWight Dopslauf, CPPB, C.P.M., A.P.P.
- Kathy Elgin, CPPO, CPPB
- Marcheta Gillespie, CPPO, C.P.M., CPM
- Keith Glatz, CPPO
- Judy Meisel, CPPO, CPPB
- George Nader, CPPO
- Gord Sears, CPPB
- Sandra Wright, CPPB
2. Discussions with the National Business Council

A. Update on the Work of the Council (Rob Bezjak)

Rob Bezak provided a brief overview of the Council’s meeting.

B. Roundtable Meetings with Individual Members of the NBC Paired with Board Members

Themes:

Suppliers: Industry Overview and Introduction of Product Lines/Services

Board Members: Market Opportunities for Suppliers within the Region or Chapters (bring calendar of upcoming Chapter or Regional events)

Roundtables (8 sessions):

Board Members will Stay At Appointed Tables – Suppliers will move to the Next table

Table 1 – Paul Brennan / Gord Sears: Canon
Table 2 – Ken Koester: Caterpillar
Table 3 – Stephanie Creed / Don Buffum: C.H. Robinson
Table 4 – Bobbi Matthews / Dave Davis – Graybar
Table 5 – Kirk Buffington / Keith Glatz – Office Depot
Table 6 – Marcheta Gillespie / George Nader: Periscope
3. Call to Order and Introductions

Mr. Brennan called the meeting to order at 8:30 am.

All Board members in attendance on Thursday, May 20, 2010 were also present for the Friday, May 21, 2010 Board Study Session.

Barbara Johnson joined the meeting as a Board-elect member (non voting).

Ed Grant joined the meeting as the Non-Voting Treasurer

Carrie Rawn and Brent Woods joined the meeting as staff.

4. NIGP Board and Forum Committee Discussion

A. Verbal Update from the Forum Committee (Carrie Rawn)

Ms. Rawn gave the board an update from the Forum Committee regarding preparations for the 2010 NIGP San Antonio Forum. There was also a discussion on the results from the 2009 Forum survey.

Ms. Rawn then discussed the risk of attrition and how to mitigate those risks in the future, including the possibility of raising registration fees.

Finally, there was a discussion regarding the role of the Forum Committee in the future, in particular its desire to be more strategic. The committee position...
B. Facilities Tour of Hotel Meeting Space and Convention Center (Expo)

The Board toured the hotel and convention center.

MID-MORNING BREAK
10:15 AM

BOARD STUDY SESSION
10:30 AM

“SETTING DIRECTION”

5. Comments from the NIGP President

Mr. Brennan commented on the fiscal difficulties that the Institute has faced in FY10, and also the excitement over the strategic plan and the Guiding Principles/Standards of Practice initiative.

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

Board members discussed various issues including the following:

- Local preference legislation and the possibility of a white paper requested through the Policy and Position Committee
- Regional economies
- Legislative issues in various states
- Need to increase participation of in-person seminar and greater reliance on Chapter Scholarships (and a related decision by the Attorney General in GA that barred state employees from accessing chapter scholarships)
- Cost/Benefit analysis of membership
- How the BP oil spill would effect the economy in general and NIGP in particular
- Potential new chapter in New Hampshire, and a possible merger in Louisiana
- Recent articles on the ability of copy machines to store digital data which may affect confidentiality

7. Status Reports

A. Strategic Initiatives (Brent Maas/Brent Woods)

(1) eLearning Programs

Mr. Woods informed the Board of the progress in recruiting for the eLearning Developer. There was a general discussion about the already developed eLearning options available from Learnsomething. The consensus of the Board was that the off-the-shelf classes offered by Learnsomething and assessed by a NIGP focus group were relevant, of good quality, and should be offered to NIGP members.

(2) Guiding Principles and Standards of Practice

Mr. Maas discussed the process of developing the Guiding Principles and the next steps of getting public comments during the period which closes at the end of June. Mr. Maas pointed the efforts of Ms. Borger, Ms. Gillespie, and Dr. McCue in pushing the initiative.
Approving the Strategic Initiative

Business Plans

The Board discussed how the eLearning offerings would affect the GCC program. While not a budgeted item, staff mentioned that NIGP would continue to offer GCC classes during the Forum and when requested on demand through a training contract. Once the virtual classes are rolled out in 2011 and 2012, staff plans to consider options of moving content to a GCC offering.

B. Name Change Task Force (Gord Sears)

Mr. Sears discussed the work of the Name Change Task Force and the process for moving forward. He indicated that there was good chapter participation. Mr. Sears recommended that:

1. The Board decide whether to embrace a truly international mission or a North American mission.
2. NIGP solicit feedback from chapter leadership and members at the Forum in San Antonio.
3. Make a recommendation to the Board at the Fall Board Meeting.

After some discussion, the Board confirmed the recommendations offered by the Task Force and the proposed timeline for the next steps. As a result, the Task Force was charged with forwarding up to three proposed names to the Board by mid-June so that the Board can meet telephonically to discuss its options in late June 2010.

C. Suppliers as Affiliates Task Force (Brent Maas)

Mr. Maas discussed that there had been 3 teleconferences of the task force, and a survey of 1200 suppliers brought only 73 responses. The task force recommended not pursuing suppliers as members.

Mr. Brennan mentioned that he was surprised by the results and that, perhaps, the charge to the task force was not the right approach. Mr. Buffington agreed that the survey results may provide the wrong conclusions.

After Board discussion, there was consensus to send this issue back to staff in order to assess: (a) the value proposition to suppliers and (b) comparative programs from other associations.

8. Revisions to the Board of Directors Policy Manual

Mr. Grimm provided a categorical review of each proposed policy revision.

As a result of Board discussion, there were two policy issues that require further study and would therefore be removed from the agenda when policy revisions are presented for a formal vote during the official Board meeting:

1. The ability of Board members to retain their board seat once they retire from the profession
2. The Board elections cycle and allowances as well as prohibitions on election activity to include use of NIGP mailing lists to promote a candidate as well as the role of Board and staff during the
9. Partnerships: the Universal Public Purchasing Certification Council (UPPCC)
   A. Collaborative Agreement Between NASPO, NIGP and the UPPCC
   B. MOU Between NIGP and UPPCC for Program Administration

   Mr. Grimm will bring these two issues back to the Board at a future Board meeting.

   Mr. Grimm provided an overview of the two documents.

   It was noted that the Collaborative Agreement between NASPO, NIGP and the UPPCC should become effective July 1, 2010 rather than retroactively to January 2010; further, that the execution line by all parties should include a date.

   Mr. Grimm will make these modifications to the Collaborative Agreement before sending it out to the three parties for execution.

LUNCH

AFTERNOON STUDY SESSION
1:00 PM

“ENSURING ADEQUATE RESOURCES”

10. FY11 Budget
   A. Year-to-Date Assessment
      (1) April 2010 Financial Report and KPIs
      (2) FY10 Contingency Plan
      (3) Cash Management

   Mr. Grimm distributed the April KPI reports and provided a verbal update on the financial reports.

   Mr. Grimm reported on activities to date that align with the FY10 contingency plan. He mentioned that the layoff of four employees in April was not the result of the FY10 contingency plan but rather the need to reduce expenses in order to achieve a balanced and sustainable budget for FY11.

   The Board discussed the need for a new line of credit. Mr. Woods responded that a line of credit will likely be needed in the fall of 2010 and that he was pursuing options with SunTrust Bank who holds NIGP’s building loan.

   Mr. Woods presented the proposed budget via a comprehensive PowerPoint presentation. Questions from the Board were interspersed during the presentation.

   Since the Collaborative Agreement between NASPO,
NIGP and the UPPCC binds NIGP to a $25,000 cash contribution to the UPPCC in FY11, the Board requested that the FY11 Contingency Plan be modified to eliminate the reference to reduce funding support to the UPPCC.

Ms. Creed and Mr. Grant indicated their support for the budget, and discussed the work of the Finance Committee.

The Board agreed on the budget as presented, with a slight change to the rebate policy for chapters for hosting seminars. Based on the current philosophy of providing incentives to chapter affiliates, the new rebate structure would be:

- 10% for seminars with attendance less than 15;
- 15% for seminars with attendance 15 or greater;
- An additional 5% bonus for chapters who hosted 4 or more seminars with attendance of 15 or greater. Such bonus would be awarded following an audit of in-person seminars after the close of the fiscal year.

The Board directed staff to communicate this new rebate structure to chapter leaders.

Mr. Grimm presented the membership data.

The Board discussed the merits of targeting the largest jurisdictions in Canada and the United States.

It was suggested that staff could develop template letters that Board members could utilize as an introductory letter; with follow-up in person or by phone. It was also suggested that the Chapter Relations Committee and Membership Committee should be involved in this campaign.

As a result of this discussion, Mr. Grimm stated that staff will assess this issue further; culminated by a marketing plan from Mr. Maas.

Mr. Maas discussed a new NIGP offering, an online supplier directory. The Board was generally supportive of the initiative with the following comments:
14. Discussion on Travel Approvals to Attend the International Public Procurement Conference to be Held in South Korea in August 2010

The Board agreed that the NIGP President and Chief Executive should be authorized to attend the 2010 IPPC; further, that NIGP staff assigned to the UPPCC should be authorized to attend the 2010 IPPC under the stipulation that the Council is paying for all expenses associated with travel.

15. Discussion on Board Regional Alignments

The Board engaged in considerable discussion regarding the preferable method for representative and strategic governance on the Board.

After debate, it was agreed that Mr. Koester would establish a task force during his presidency to address options.

16. Discussion on the Procurement Savings Software offered by NIGP Observatory (Measure) and Sysoft

The Board agreed that NIGP’s relationship with Spikes-Cavell should be leveraged to provide member benefits; further, that promoting the NIGP Observatory, via their Measure component, would strengthen our relationship with them.

The Board expressed their desire to ensure that Measure was always a complimentary benefit to NIGP national members.

Mr. Brennan, Mr. Buffington, and Ms. Meisel agreed to work with Ms. Borger and representatives from Spikes-Cavell to finalize the agreement.

17. Discussion on National Committee and Task Force Assessment: One Year After

The Board expressed their appreciation to staff for the assessment on committee involvement. There was general consensus that:

1. The Board should review comments offered by Committee Chairs to determine if structural changes were needed;
2. The Board should receive a quarterly update on committee activities from Committee Chairs;
3. The Board should receive an annual, standing report from the Committee Chair during the Spring Board meeting; and
4. Committee meeting minutes should be posted on the Board’s FTP site.

18. Other Remaining Items
### THIRD VICE PRESIDENT NOMINATIONS

19. Third Vice President Nominations

- **A. Announcements by Ken Koester, Chair of the Governance Committee, regarding the Slate of Candidates**

  1. Kathy Elgin, CPPO, CPPB
  2. Marcheta Gillespie, CPPO, CPPB, C.P.M., CPM
  3. Keith Glatz, CPPO

  Mr. Koester announced the three candidates who are vying for the 2010-11 Third Vice President officer position.

- **B. Additional Nominations from the Floor**

  There were no additional nominations from the floor.

- **C. Oral Presentation by Candidates**

  Ms. Elgin, Ms. Gillespie, and Mr. Glatz gave oral presentations to the Board regarding their qualifications and experience.

20. Additional New Business

  None

21. Adjournment

  The meeting was adjourned at 5:18 PM.