**NIGP OFFICIAL BOARD MEETING MINUTES**

**NIGP BOARD OF DIRECTORS**

Meeting Date/Time: Tuesday, October 12, 2010 @ 11:00 AM Eastern  
Meeting Location: Teleconference  
Dial-In Information: Dial (866) 777-0485 – Conference Code 7368900  
Chairman: Ken Koester, CPPO, C.P.M., A.P.P.  
Board Secretary: Rick Grimm, CPPO, CPPB

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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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<th>AGENDA ITEM</th>
<th>ACTION TAKEN</th>
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| 1. Call to Order and Roll Call of Board Members | President Ken Koester called the meeting to order at 11:04 AM.  
Board Members in Attendance  
Ken Koester CPPO, C.P.M., C.P.P. – President  
Stephanie Creed CPPO, CPPB – First Vice President  
Bobbi Matthews CPPO, CPPB – Second Vice President  
Marcheta Gillespie CPPO, C.P.M., CPM – Third Vice President  
Paul Brennan, CPPO – Immediate Past President  
George Nader CPPO – Region 2  
Barbara Johnson CPPO, CPPB – Region 3  
Kathy Elgin CPPO, CPPB – Region 4  
Sandra Wright CPPB – Region 5  
Keith Glatz CPPO – Region 7  
Lourdes Coss CPPO – Region 8  
DeWight Dopslauf CPPO, CPPB, C.P.M. – Region 9  
Dave Davis CPPO – Region 12  
Gord Sears CPPB – Region 13  
Staff Members in Attendance  
Rick Grimm CPPO, CPPB – Board Secretary and CEO  
Tina Borger CPPO CPPB  
Carrie Rawn, CMP  
Brent Woods, CAE, SPHR |
| 2. Opening Comments from the NIGP President | Ken mentioned that the major issues for discussion during this Board session have been vetted through the Finance Committee and the Forum Committee as appropriate. |
| 3. Approval of the Recommendation to Access NIGP Reserves for the Purpose of Addressing Short-Term Cash Flow Issues *(attached)* | Rick Grimm and Brent Woods provided an overview of the issues.  
Rick mentioned that a Line of Credit with Suntrust was initially recommended to the Finance Committee; however, after much discussion, the Finance Committee recommended that the Institute’s |
“...move to approve the recommendation from the Finance and Budget Review Committee to access NIGP’s Reserves in an amount not to exceed $175,000 for the purpose of addressing short-term Cash Flow Issues.”

Board discussion centered on the following themes:

- The cost of ending our banking relationship with Suntrust and moving all of our banking services to Millennium Bank. (Brent Woods mentioned that the Institute would pay significant pre-pay penalties and would likely be unable to secure another commercial loan at the current rate of 5%. He stated that current commercial loans are offering a 6.5% to 7% interest rate.);
- Any fees associated with accessing the reserves (none);
- How the gap between the Marriott invoice ($250,000) and the reserve loan ($175,000) would be satisfied (existing cash resources);
- The anticipated payback to the reserve fund (January 2011)

Stephanie Creed moved the motion; seconded by Dave Davis. The motion carried.

4. Authorization to Empower the Chief Executive to Negotiate Terms for Two Future NIGP Forums on Gaylord Properties (attached)

“...move to authorize the Chief Executive to negotiate the terms of hosting the 2016 and 2018 NIGP Forum and Products Exposition at a Gaylord Corporate Property in exchange for reducing NIGP’s potential attrition liability during the 2011 Forum and Products Exposition at the Gaylord National Harbor, MD;

Further, to host the 2016 Forum at either the Gaylord National Harbor, MD or at a new Gaylord property in the western states;

Further, to host the 2018 Forum at the Gaylord Palms in Orlando, FL”

Rick Grimm and Carrie Rawn provided an overview of the five options. Board discussion centered on the following themes:

- How attrition is calculated based on room night commitments v. hotel re-sells and hotel sell-outs on a particular night (any hotel re-sells or daily sell-outs are deducted from the attrition obligation);
- The impact of the food and beverage minimums on the number of projected attendees and their registration categories (the Institute needs to set conference-only and daily fees high enough to encourage the full registration package);
- Government per-diem rates v. Gaylord rates (it was mentioned that conference rates are typically higher that the government per diem);
- The ability to delay the decision – possibly until February 2011 - until NIGP knows how many rooms have been re-sold by the Gaylord (this would delay the Gaylord’s opportunity to re-sell our rooms);
- The impact of today’s decision on the Forum rotation model (it is likely that the 2016 Forum will not be held on the West Coast as currently specified; however, the 2017 Forum could be held within the western regions in order to fulfill our commitment to the rotation model);
- The difficulty in predicting lodging room rates for 2016 and 2018 (it was noted however, that hotel lodging rates are projected to increase 6% per year for the next several years); and
- Interest in a new Gaylord property in Glendale, AZ and the ability to negotiate a change in venue with the Gaylord Corporation (Carrie will include this provision in the revised contracts).

As a result of the decision, President Koester asked for a straw vote on the five options. The Board unanimously supported Option 4 – a two-year commitment to a Gaylord property in 2016 and 2018.

The Board then discussed its location options. There was general agreement that the Board should choose a destination location; with Orlando considered the favorite. There was also agreement that a $229 room rate at the National Harbor for either 2016 or 2018 would
likely be an attractive rate.

As a result of the discussion, there was general consensus to host the 2018 Forum at the Gaylord Palms in Orlando and to host the 2016 Forum either at the National Harbor, MD or at a new west coast Gaylord property if available.

The motion, as amended, was made by DeWight Dopslauf; seconded by Keith Glatz. Motion carried.

5. Other Board Initiatives and Charges
   None

6. Adjournment
   Marcheta Gillespie moved for adjournment; seconded by Bobbi Matthews. The meeting was adjourned at 12:12 PM.