

**IACBE Board of Directors Meeting**

**April 17, 2018**

**Annual Conference and Assembly Meeting – New Orleans, Louisiana, USA**

**Minutes**

1. **Meeting Time and Location**

The first of the spring 2018 meetings of the IACBE Board of Directors was held on April 18, 2018, during the Annual Conference and Assembly Meeting in New Orleans, Louisiana, USA.

1. **Agenda Presented**

The Board Book and agenda were provided to everyone via Dropbox.

1. **Call to Order and Attendance**

A: Call to Order:

The meeting was called to order by the Board Chair, Ann Tuttle, at 1:00 p.m. in the Astor II room of the Astor Crowne Plaza Hotel.

B: Recording of Attendance:

Roll was taken, and attendance was recorded as follows:

*Officers of the Board:*

Chair: Ann Tuttle 🗹 Present 🞎 Absent

Vice Chair: Fred Chilson 🗹 Present 🞎 Absent

Secretary: Jorge Cardenas 🗹 Present 🞏 Absent

Treasurer: David Turi 🗹 Present 🞎 Absent

Past Chair: Clara Munson 🞏 Present 🗹 Absent

*Regional Directors:*

Region 1: Edward French 🗹 Present 🞏 Absent

Region 2: Heather Pfleger 🗹 Present 🞏 Absent

Region 3: Chip Mason 🗹 Present 🞎 Absent

Region 4: Pamela Imperato 🗹 Present 🞏 Absent

Region 5: Rebecca Murdock 🗹 Present 🞏 Absent

Region 6: Patsy Parker 🗹 Present 🞏 Absent

Region 7: Hallie Neupert 🗹 Present 🞏 Absent

Region 8: Susan Silverstone 🗹 Present 🞎 Absent

Region 9: Vacant 🞎 Present 🞏Absent

Region 10: V. J. Byra Reddy 🞎 Present 🗹 Absent

Region 11: Carlos Villatoro 🗹 Present 🞎 Absent

*At-Large Directors:*

Patricia Cowherd 🗹 Present 🞎 Absent

Carol Williams 🗹 Present 🞎 Absent

*Public Members:*

Dominique Bert 🗹 Present 🞎 Absent

Phil Bussey 🞏 Present 🗹 Absent

Les Crall 🗹 Present 🞎 Absent

*Ex-Officio Members:*

Phyllis Okrepkie, President 🗹 Present 🞎 Absent

*Others:*

Kim Caedo, Director of Finance 🗹 Present 🞏 Absent

Matthew Steward, DSWA Certified Public Accountants, P.C. 🗹 Present 🞏 Absent

1. **Introduction of New Board Member Nominees**

On Wednesday, April 18, new members of the Board of Directors will be elected by the General Assembly. These board nominees were asked to attend the first meeting of the board (in a non-voting capacity) as an orientation session to observe the ways in which the board conducts its business.

Ann Tuttle asked the board nominees and the current board members to introduce themselves. New Board Member Nominees in Attendance:

🗹 Dr. Alyncia Bowen, Region 4 Director Nominee

🗹 Dr. Fady Fadel, Region 9 Director Nominee

1. **Review and Revisions of Agenda**

Ann Tuttle asked for a motion to approve the agenda. Fred Chilson made a motion to approve the agenda and David Turi seconded the motion. Motion passed.

1. **Report of the Secretary – Minutes of Previous Board Meeting: October 25, 2017**

The minutes of the October 25, 2017, Board of Directors meeting were presented. Fred Chilson made a motion to accept the minutes as presented, and Les Crall seconded the motion. Motion passed.

1. **Report of the Audit Committee**

The Director of Finance introduced Matthew Steward of DSWA Certified Public Accountants. Mr. Steward presented a brief overview of the audit report and discussed the following documents:

1. Audited Financial Statements and Independent Auditors’ Report for 2017

The audited financial statements and independent Auditors’ Report were reviewed. David Turi discussed the accounting review from the IACBE Board perspective.

Matt Steward noted that they issued a “clean audit” opinion. He pointed out that the 2017 revenue was down slightly from 2016 noting that there were fewer site visits than last year. Mr. Steward reported that general expenses were down in 2017 and that the cash flow experienced a net increase from 2016. He informed the Board that the website build was accounted for in capital assets.

Ann Tuttle made a motion to accept the audited financial statements and independent auditors’ report and David Turi seconded the motion. Motion passed.

1. Auditors’ Letter to Board of Directors

The Auditors’ Letter to the Board of Directors was reviewed. Matt Steward noted that this is a requirement to notify the board of any issues but that DSWA found no issues to report during the 2017 audit.

Ann Tuttle made a motion to accept the Auditors’ Letter to the Board and David Turi seconded the motion. Motion passed.

1. Auditors’ Management Letter

The Auditors’ Management Letter was reviewed. The letter included the following notes indicating opportunities to improve:

1. Audit committee should conduct periodic assessment of financial controls to make sure policies and procedures are working.
2. Audit committee should do some internal mini-audits to review internal control procedures.

Ann Tuttle made a motion to accept the Auditors’ Management Letter to the Board and Les Crall seconded the motion. Motion passed.

1. **Revisions to the Bylaws**

The President reported that the Board of Commissioners reviewed the bylaws and had some recommendations that relate to the Board of Commissioners (BOC).

The BOC recommended that the Board of Directors make the following changes to the bylaws:

1. Add “accounting programs” – may not require approval.
2. Add at least “10 Board of Commissioners.” Ann Tuttle asked Phyllis Okrepkie what her thoughts were regarding this request. Phyllis stated that we may not be able to get 10 people to agree to serve on the Board of Commissioners. She stated that if our membership shrinks, we may not need 10 commissioners. Phyllis also noted that IACBE would need to pay travel expenses for all the commissioners that are required.
3. Past commissioners should not be Secretary. The BOC is requesting a revision to the current wording in the bylaws.
4. Change the current wording stating that previous Chair cannot vote to read that the previous Chair can vote.
5. Terms of Office – The current bylaws state that commissioners can serve a maximum of 6 years. The BOC requests that be revised to state commissioners can serve a third term or 9 years, but that all commissioners must agree (which implies a majority). Ann Tuttle informed the Board that being a commissioner is a lot of work and that this change would allow for someone who wants to stay on for a third term to be allowed to do so. Pamela Imperato asked if this change would discourage participants in IACBE leadership roles?

Ann Tuttle made a motion to approve all recommended changes except A and B. Fred Chilson seconded the motion. Motion passed.

1. **Revisions to the Personnel Manual**

The President informed the Board that the personnel manual had been revised to ensure compliance with legal and statutory requirements. She noted that the IACBE name would be revised in the new personnel manual. Phyllis also noted that she received help on all revisions from the new Director of Accreditation, Ted Collins, who has a law background. She highlighted the following revisions:

1. Added common wording on page 3, section 2.1 Equal Opportunity Employment and section 2.2 Non-Harassment/Non-Discrimination Policy, regarding “ “…gender identity, sexual orientation,..” etc.
2. Edited page 4, section 2.2 Non-Harassment/Non-Discrimination Policy (continued), to add “…should bring the matter to the immediate attention of the President or the President’s designee.”
3. Added on page 4, section 2.3 Drug-Free/Alcohol-Free Environment, “… over-the counter medications, taken as prescribed, or responsible consumption at IACBE sponsored functions….” so staff can have a drink with all of you.
4. On page 6, section 3.3 Pay Periods, removed “Compliance” from the title Director of Finance and Compliance because Ted Collin’s new title will be Vice President of Accreditation and Compliance.
5. On page 7, section 3.5 Privacy, deleted “Assembly” so it is consistent with the IACBE name change.
6. On page 10, section 5.2 Tardiness, added “…..or repeated absences….” to give some flexibility.
7. On page 11, section 6.2 Performance Reviews, deleted “….in February and August of each year….”
8. On page 11, section 6.3 Insubordination, revised to the following more active language, “Acts of insubordination may result in termination.”
9. Revised vacation leave language on page 13 to accommodate Kim so she can forward four weeks’ accumulated vacation to next year.
10. On page 14, section 7.4 Sick Leave, removed “Compliance” from the title of Director of Finance and Compliance.
11. On page 14, section 7.5 Flexible Time Off, Phyllis is considering changing flex time language to include “within 180 days” rather than in the year it was earned. Phyllis stated this made her nervous, but Ann Tuttle said she is in favor. Also removed “Compliance” from title of Director of Finance and Compliance.
12. On page 15, removed section 7.6 Personal Days because Phyllis thinks it was very arbitrary and could be discriminatory.
13. On page 15, section 7.7 Family and Medical Leave, added “….prior to the requested leave…”
14. On page 15, section 7.8 Bereavement Leave, deleted “s” in supervisor.
15. On page 17, section 8.1 Retirement Plan, added “…an amount equal to…”
16. On page 17, removed section 8.2 Health Insurance Allowance because it is no longer offered.
17. On page 17, removed section 8.7 Cell Phone Service because we no longer pay for cell phones and will just reimburse if staff use their cell phone extensively for work.
18. On page 19, section 10.1 Grounds for Termination by the IACBE, added “…other unauthorized…”
19. On page 20, section 10.3 Termination Procedures, added “….passwords…”
20. On page 20, added “Any accumulated vacation time will be included in the employee’s final paycheck.”

Ann Tuttle asked if the Board had any questions for Phyllis. There were none. Les Crall made a motion to approve the revisions to the personnel manual and Heather Pfleger seconded the motion. Motion passed.

1. **Report of the Treasurer**

The Treasurer and Director of Finance presented the Treasurer’s Report, which included the following documents:

Financial Reports for March 2018:

1. Operating Budget vs Actual
2. Operating Budget vs Actual-Staff Compensation
3. Balance Sheet
4. Profit-and-Loss Statement with Previous Year Comparison
5. Accounts Receivable Aging Detail

The Director of Finance presented an overview of the financial shape of the organization through March 2018 but noted that she had not had time to enter the year-end adjusting entries and pointed out that there was some variance as a result. Kim did note that it appears IACBE has spent more on the 2018 ACAM than the 2017 ACAM but that it was mainly because IACBE is processing and paying the bills faster this year. The Director of Finance reported that IACBE should not have to use the line of credit this year. Kim highlighted that payment for membership dues and conference fees are being received faster than in previous years mostly due to more members paying by credit card.

David Turi asked the Director of Finance if IACBE charges an additional fee for members paying by credit card and she stated that IACBE does not currently charge any additional fees but rather absorbs the cost. Kim reported that last fiscal year, the credit card fees and wire transfer fees totaled $12,300. Fred Chilson stated that was a lot of money and proposed IACBE charge a 1% processing fee in an effort to share the cost with the member. Kim stated that she would prefer the members pay by credit card because IACBE receives payment faster and it takes less staff time to follow up and send reminders to obtain payment. Carlos Villatoro noted that he was not in favor of charging a processing fee. The Director of Finance stated she would be okay with whatever decision the Board made.

Susan Silverstone asked the Director of Finance how many members we had lost so far in 2018. Kim reported that 4 new members joined the IACBE family and 4 existing members had dropped so far in 2018.

The Director of Finance informed the Board that she now had the ability to pay Phyllis’s expense reports through the BillPay option of the Bank of Labor Operating Account noting that she both enters and approves them in the portal once David Turi has already reviewed the expense reports and approved payment. Kim noted that Phyllis and David Turi also have the ability to go into the Operating Account portal to review these payments. In addition, Kim reported that Ted Collins, Fred Chilson, and David Turi can sign checks if Phyllis is not available.

Ann Tuttle informed the Board that it had been challenging at IACBE the last 18 weeks and wanted to recognize the Director of Finance for her selfless acts to help the IACBE.

1. **Report of the Nominating Committee**
2. Report of the Board of Directors Nominating Committee

The Chair gave a report of the Board of Directors Nominating Committee activities. Ann Tuttle thanked all of the listed Board members for their new positions and second term extensions.

1. Report of the Board of Commissioners Nominating Committee

The Chair gave a report of the Board of Commissioners Nominating Committee activities. Ann Tuttle thanked all of the listed commissioners for their new positions.

1. **Update on IACBE Marketing Initiatives**

The President informed the Board that the new website was live but that the staff were working on some changes to make it more functional. Phyllis noted that the staff would continue to add more content to the member’s only section of the website. She reported that overall there continued to be more usage. The President reported that Rochelle Petway had been spearheading marketing, external relations, and social media, and that the marketing strategy is to establish our brand and grow. Phyllis stated that the brand standard guides could be found in the member’s only section.

The President reported that we only had one paid ad in the conference brochure this year. Phyllis noted that there would be an IACBE booth at our annual conference this year for the first time. She also mentioned that the office now has a standard email to recruit other member schools.

The President also informed the Board that the staff were trying to sell IACBE lapel pins with part of the proceeds going to charity.

Jorge Cardenas noted that it would be helpful if IACBE had the marketing materials in Spanish. The President said she agreed, and that Rochelle Petway would be given the green light to translate some marketing materials to Spanish.

1. **Update on Strategic Initiatives/Strategic Plan**

The President informed the Board that the strategic plan discussion would be tabled until the April 18th Board meeting. She did note that the goal will be to build a strong foundation and then move over to allow members to take the lead.

1. **Update on IACBE Operations and Staffing**

The President informed the Board that Kim Caedo is back to Director of Finance and no longer handling compliance.

Phyllis reported that Ted Collins started January 1, 2018 and has done a great job. She noted that his 90-day probationary period was up and that his new title is Vice President of Accreditation and Compliance. Phyllis pointed out that the VP title has more clout when dealing with other partners. She reported that Ted will be attending the Conference of Associations of Community Colleges.

The President reported that LaNita Malinowski will no longer be organizing the annual conference after this year. She stated that Rochelle Petway will take over and LaNita will focus more on internal support.

The President informed the Board that she would be attending the DEAC Conference in San Diego and would be staying at Susan Silverstone’s home to reduce travel expense.

Ann Tuttle noted that it takes money to make money. She also stated that IACBE could now make investments.

The President told the Board that she was looking for advice on proper salaries or hourly compensation based on job descriptions. Phyllis noted that having an external HR professional review our job descriptions is risk mitigation. She stated that she would love to hire an additional staff member but that she was currently doing fine. Phyllis reported that she would be going to China for a site visit with the Lotus Educational Group but that a school was paying for her travel expenses.

Heather Pfleger asked if the Board could see all the staff reorganization once the changes are finalized and Phyllis responded that she would send it out to all members.

Ann Tuttle asked the President if she could recognize IACBE staff to all members as it would be helpful to put a face/voice to the names. Phyllis responded yes and noted that the IACBE staff recently took professional photos.

1. **Report on IACBE Accreditation Activities**

The President informed the Board that during 2017 there were **8** first-time accreditation site visits (4 in U.S. and 4 outside of U.S.), **26** reaffirmation of accreditation site visits (all in U.S.), **2** accounting accreditation site visits (in U.S.), **10** candidacy visits (8 in U.S. and 2 outside of U.S.), and **21** mentoring visits (15 in U.S. and 6 outside of U.S.) for a total of **67** visits (55 in U.S. and 12 outside of U.S.).

The President reported that so far in 2018, there have been 10 first-time accreditation site visits (6 in U.S. and 4 outside of U.S.), 21 reaffirmation of accreditation site visits (15 in U.S. and 3 outside of U.S.), 1 accounting site visit (in U.S.), 5 candidacy visits (4 in U.S. and 1 outside of U.S.), and 5 mentoring visits (all in U.S.) for a total of 42 visits (34 in U.S. and 8 outside of U.S.).

1. **Report on IACBE Membership Status**

The President reported that 10 new members joined the IACBE in 2017 and 5 more have joined so far in 2018. She noted that IACBE currently has 172 members in the U.S. and 60 members outside of the U.S. compared to 178 members in the U.S. and 63 members outside of the U.S. at this time in 2017 and 178 members in the U.S. and 58 members outside of the U.S. at this time in 2016.

1. **Summary Report on Future Annual Conference and Assembly Meetings**

The President reported that she would be visiting Las Vegas in May to check the facilities for the 2019 ACAM happening April 9-12, 2019. Phyllis also noted that IACBE had signed a contract with the Westin Galleria in Dallas for the 2020 ACAM taking place March 31-April 3, 2020. She informed the Board that she was looking for a host city for the 2021 ACAM with the dates of April 13-16, 2021 and was considering the Atlanta Marriott because it had easier access for international members and IACBE should get a good deal from Marriott, particularly if we sign agreements for multiple events. She also noted that the 2022 ACAM would possible by in Kansas City.

1. **Adjournment**

The Chair asked the Board if any members had any points for discussion. Susan Silverstone suggested that she and Jorge Cardenas could team up and go to community colleges as a new member recruitment strategy. Susan also noted that Arizona was a state that IACBE should be looking at for new members. The President reported that she was also looking at faith-based institutions and noted that she would incorporate prayer sessions into the annual conference.

The President noted that folded IACBE business cards would be good marketing pieces.

David Turi stated that it would be nice to have an IACBE fact sheet and Fred Chilson thought that was a great idea.

Carlos Villatoro offered his help to check any Spanish translation of materials.

Susan Silverstone thanked Phyllis Okrepkie on behalf of the Board of Directors.

Les Crall thanked the Executive Committee of the Board of Directors.

Les Crall made a motion to adjourn the meeting and Susan Silverstone seconded the motion. Motion passed.

The meeting was formally adjourned.

**Respectfully Submitted by Dr. Jorge Cardenas, Board Secretary**