

**IACBE Board of Directors Meeting**

**November 14, 2018**

**Web-Conference Meeting**

**Minutes**

1. **Meeting Time and Location**

The fall 2018 meeting of the IACBE Board of Directors was held on November 14, 2018, via GoToMeeting from 10:00 am – 1:00 pm (CST).

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, Fred Chilson, at 10:00 am (CST).

B: Recording of Attendance:

Roll was taken and attendance was recorded as follows:

*Officers of the Board:*

Chair: Fred Chilson 🗹 Present 🞎 Absent

Vice Chair: Pamela Imperato 🗹 Present 🞎 Absent

Secretary: Jorge Cardenas 🗹 Present 🞏 Absent

Treasurer: David Turi 🗹Present 🞎 Absent

Past Chair: Ann Tuttle 🗹 Present 🞏 Absent

*Regional Directors:*

Region 1: Edward French 🗹 Present 🞏 Absent

Region 2: Heather Pfleger 🗹 Present 🞏 Absent

Region 3: Chip Mason 🞏 Present 🗹 Absent

Region 4: Alyncia Bowen 🗹 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: Fady Fadel 🗹 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

Ted Collins, Vice President of Accreditation 🗹 Present 🞏 Absent

1. **Review and Revisions of Agenda**

No additions or deletions were offered. Fred Chilson called for a motion to approve the agenda. The motion was moved and seconded. Motion passed.

1. **Report of the Secretary – Minutes of Previous Board Meetings**
2. Board Meeting Minutes – April 17, 2018

The minutes of the April 17, 2018, Board of Directors meeting were presented. It was moved and seconded to accept the minutes as stated. Motion passed.

1. Board Meeting Minutes – April 18, 2018

The minutes of the April 18, 2018, Board of Directors meeting were presented. It was moved and seconded to accept the minutes as stated. Motion passed.

1. **Board Discussion**
2. Auditor Contract

The President presented a proposal from the current auditors, DSWA, for either a 1-year audit contract or a 3-year audit contract. There was some discussion as to whether we should consider a new firm for the annual audit. David Turi stated that he has been satisfied with the service that DSWA has provided. Kim Caedo added that the price would likely increase if the Council decided to pursue another auditor, especially for the first couple of years since a new auditor would not be familiar with accreditation and our process. Kim noted that she would prefer to stay with DSWA. Les Crall recommended IACBE accept the 3-year audit contract. Ann Tuttle made a motion to approve the 3-year contract with DSWA and David Turi seconded the motion. Motion passed.

1. Dues and Fees

The President proposed the following fee increases:

Annual Dues (4% increase) $2,650

Fee for Reaffirmation School up for Reaffirmation in 2021 $1,850

Candidacy fee for visits beginning in 2020 $1,500

Mentor Visit Fee $1,500

See table below for Maintenance fee schedule

|  |  |  |  |
| --- | --- | --- | --- |
| Number of Accredited Programs | Annual Maintenance Fee | Number of Institutions | % of IACBE Accredited Institutions |
| 1-14 | $500 | 121 | 67.2% |
| 15-19 | $750 | 33 | 18.3% |
| 20-24 | $1,000 | 10 | 5.6% |
| 25-29 | $1,250 | 7 | 3.9% |
| 30- | $1,500 | 9 | 5.0% |

The President explained the rationale for the increases is the staff effort to operate the organization. She pointed out that for all members, the total increase in maintenance fee revenue would be about $25,000. The President said those members with a large fee increase can do a payment plan if needed.

Ann Tuttle made a motion to approve the fee increases and David Turi seconded the motion. Motion passed.

1. Credit Card and Wire Transfer Fees

The President reported that the IACBE staff recommended the following:

1. 3% convenience fee for all credit card charges in 2018
2. Not waiving any wire transfer fees

The President explained that IACBE incurs credit card fees for members paying conference registrations and membership dues by credit card. She noted that IACBE has been absorbing $10,000-$12,000 in credit card fees annually. The President also noted that our current policy instructs institutions to include the wire transfer fee in the payment but when institutions fail to do that (resulting in an underpayment of $10-$20), IACBE has been waiving those fees at an annual cost of $1,000-$1,500.

During a discussion, Carlos Villatoro, reported that charging for credit card fees was not allowed in his country and that he was against the 3% fee proposal. Kim Caedo noted that she preferred members pay by credit card when registering for the annual conference because it is fast and no time is spent by staff on follow-up to try to receive payment. She noted that the accounts receivable would definitely increase if IACBE starts charging a convenience fee of 3%.

The President noted that another option would be to increase the annual conference fee to cover the credit card fees that are being incurred by IACBE when accepting credit card payments and possibly offering a 3% discount for cash, check, or wire transfer payments. Ed French discussed offering a discount for not paying by credit card. Kim Caedo informed the Board that for international members, credit card payments and easier and less expensive than wire transfer payments.

David Turi made a motion to approve the 3% fee for credit card payments and Ann Tuttle seconded the motion. Carlos Villatoro opposed the motion, but motion passed.

1. Individual Membership Options and Fees

The President proposed the following:

Active Educator $200

Retired Educator $100

Student $ 50

There was a brief discussion. Ann Tuttle made a motion to approve the fees and David Turi seconded the motion. Motion passed.

1. Regional Assembly Meetings

The President proposed charging the regional assemblies an administrative fee of $10 per registrant to cover the building and management of the registration website. She noted that headquarters was going to have to say “no” to regional directors who don’t meet the deadline for setting a regional conference date and picking meeting topic.

The President asked the Board if there were any ideas to increase attendance of regional meetings? Ann Tuttle noted that most schools have shrinking budgets and can’t attend multiple conferences. Patsy Parker explained that the South Central region hosted a virtual meeting in 2018 and they ended up with 15-16 attendees, which was a 50% increase. Pamela Imperato noted that it is hard to justify value add for virtual regional meetings. Fred Chilson reported that the Northwestern region combined with the North Central region for the 2018 conference and they were happy with the attendance.

Fred Chilson suggested that the Board table the structure of the regional assembly conferences for today’s vote. Susan Silverstone made a motion to approve the $10 per registrant fee and David Turi seconded the motion. Motion passed.

1. Vision and Mission

The President reported that she wanted to add more to the current IACBE vision/mission statements and that she wrote a diversity statement. She stated that the new vision/mission freshens up what IACBE is saying about our organization. Heather Pfleger stated that she liked both the revised vision/mission and the new diversity statement. Ann Tuttle made a motion to approve the proposed vision, mission, and diversity statement and Heather Pfleger seconded the motion. Motion passed.

The President informed the Board that the next step would be to have a vote by all members.

1. **Report of the Treasurer**

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

1. Financial Reports for September 2018
2. Budget Summary with Detail
3. Budget Summary-Staff Compensation
4. Balance Sheet
5. Profit-and-Loss Statement with Previous Year Comparison
6. Accounts Receivable Aging Detail

The Director of Finance presented an overview of the financial shape of the organization noting that we should have a decent net profit this year. She reported that the balance sheet is around $129,000 higher than last year’s and noted that we are getting invoices paid faster. She pointed out that she had not touched the line of credit since May 2017. The Director of Finance reported that the accounts receivables are looking really good and noted that Joanne has done a great job of helping her with the accounting.

The Director of Finance stated that IACBE made almost $30,000 on the 2018 annual conference. She reported that there was lower attendance at the regional conferences this year. She pointed out that general travel expenses decreased from last year.

The Director of Finance informed the Board that headquarters was looking at the Cvent registration system for next year’s annual conference registration platform. She noted that the software costs more than other platforms but it should give us more flexibility to build a more robust site in the hopes of making registration easier and reports better.

David Turi asked the Director of Finance to watch the accounts receivable to see if payments slow down with the new credit card fee of 3%.

The Director of Finance stated that she would try to collect all outstanding receivables before the end of the year with a goal of having the A/R report under 1 page long. She noted that she sent delinquent payment letters last year to schools that were in danger of being dropped for non-payment and that some of those schools subsequently paid.

1. Budgetary Matters
2. Proposed Budget for 2019
3. Proposed Budget-Staff Compensation for 2019

The Director of Finance presented the proposed budget for 2019 and asked if there were any questions. Fred Chilson reminded Kim to add the fee increases as previously discussed in this meeting. The Director of Finance noted that the 2020 dues were increased by $100 in the budget. She stated that IACBE currently have around 236 members.

The Director of Finance noted that one of the face-to-face commissioner meetings was cut and some business development trips were eliminated in order to produce a balanced budget for 2019.

The Director of Finance informed the Board that the 2019 annual conference in Las Vegas would be more expensive than the 2018 conference and that IACBE was absorbing the resort fee for the 3 conference nights. She added that headquarters is hopeful that our attendance will remain the same or higher than our 2018 annual conference.

The Director of Finance noted that there is added travel expense for Phyllis to travel to IACBE headquarters in 2019, but that her compensation had been reduced since she now works remotely from her home in Florida. Kim also reported that cell phone expenses had been eliminated, postage was down, and copier expense was lower due to new pricing based on quantity.

The Director of Finance reported that the line of credit had been renewed. She also noted that IACBE might have to wait another year or 2 to invest in a new server but did not think that would be a problem.

David Turi made a motion to approve the Proposed Budget for 2019 and the Proposed Budget Staff Compensation for 2019 (including the increased member fees and admin fee for regional assembly conferences). Heather Pfleger seconded the motion. Motion passed.

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

The President stated that there are 5 openings but 4 are not eligible for another term (Ed French, Hallie Neupert, Byra Reddy, and Carlos Villatoro). Rebecca Murdock is eligible for a second term.

1. Board of Commissioners Nominating Committee

The President stated that we would need to elect 1 commissioner from the accredited membership. She also stated that she has identified 1 public member who could possibly join the board.

1. **Report on Marketing and Website**

The President informed the board that we now have brand standard guides and a member only resources area on the IACBE website. Jorge Cardenas asked the President if it would be okay to provide access to all of their schools’ program chairs and/or faculty. Phyllis said “yes” and that headquarters would just need a list of names and email addresses to be added.

1. **Report on IACBE Staffing**

The President reported that Mr. Ted Collins began employment at IACBE in January 2018 as Director of Accreditation but that his title was changed in April 2018 to Vice President of Accreditation so that he has more clout when meeting with prospective members at national and international events.

The President reported that headquarters was looking to hire a compliance support staff person noting that this new hire would give herself and Ted Collins more time to recruit new members.

1. **Report on IACBE Accreditation and Visit Activities**

The Vice President of Accreditation gave a brief report on IACBE Accreditation activities. He also noted that most of the mentor visits are requested from institutions but a few of them are required by the Board of Commissioners.

1. Accreditation Site Visits:
2. 10 Business First-Time Accreditation Site Visits Conducted in 2018
3. 17 Business Reaffirmation of Accreditation Site Visits Conducted in 2018
4. 0 Accounting Accreditation Site Visits Conducted in 2018
5. Candidacy Visits
6. 8 Candidacy Visits Conducted in 2018
7. Mentoring Visits
8. 9 Mentoring Visits Conducted in 2018

The Vice President reported that Phyllis, Rochelle, or himself attended each of the regional meetings.

1. **Summary Report on IACBE Membership**

The President discussed membership trends in IACBE. The report covered the following areas:

1. 12 New Members – Since January 2018
2. Current Status of IACBE Membership with Prior Year Comparisons
3. Current Status of Regional Assembly Membership with Prior Year Comparisons

The President noted that 2 members were dropped due to closure or combining with an existing accredited institution, 3 members were dropped for non-payment of dues, and 8 members were dropped for other reasons.

The President reported that membership had a net loss of 1 so far in 2018. She also stated that of the 240 total members, 179 are U.S. schools and 61 (or 25%) are international schools. Phyllis noted that 19 members were currently in candidacy status and that 30-40 prospective members were being monitored.

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

The President summarized the dates and locations for future IACBE conferences. She noted that the 2019 annual conference would be held in Las Vegas April 9-12, 2019, and the 2020 annual conference would be held in Dallas March 30-April 3, 2020. She noted that the date for the 2020 conference was chosen because our normal dates are too close to Easer.

The President stated that the staff are considering Atlanta as the site of the 2021 annual conference.

1. **IACBE Strategic Plan**

The strategic plan for the IACBE (2017-20) was provided in the Dropbox as an informational item.

The President informed the board that she would like to hold the strategic planning session in Kansas City and include 1-2 commissioners. She noted that a 2-day planning session in K.C. has been included in the 2019 budget.

The President asked the board why IACBE could not publicly list those that attend our conferences? Fred Chilson asked if vendors have been requesting an attendee list with email address to which the President answered “yes.” Ann Tuttle noted that it is a professional conference and it seemed to make sense to publish names since attendees already give out business cards at the event.

David Turi asked if it would make sense to opt in through the conference registration platform?

Fred Chilson said since no written policy exists on this topic, there was no need to pass a motion to publish the conference attendee list.

1. **Adjournment**

It was moved and seconded that the meeting adjourn. Motion passed.

The meeting was formally adjourned at 12:13 pm (CST).

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