

APCO–International, Inc. [Not For Distribution Beyond APCO Governing Bodies]

Board of Directors Meeting
Wednesday, May 18, 2011
Alexandria, VA

Attendees:

President Bill Carrow	East Coast Regional Representative Dave Clemons
First Vice President Gregg Riddle	East Coast Regional Representative Jay Groce
Second Vice President Terry Hall	Gulf Coast Regional Representative Woody Glover
Immediate Past President Dick Mirgon	Gulf Coast Regional Representative Pat Hall
Executive Director George Rice	North Central Regional Representative Lynne Feller*
	North Central Regional Representative Julie Righter
Deputy Executive Director Mark Cannon	Western Regional Representative Dick Granado
Chief Operating Officer Barbara Myers	Western Regional Representative Gigi Smith
Chief Administrative Officer Ricky Marshall	CAC Representative Don Whitney
Accounting Director/Controller Doreen Geary*	
Corporate Counsel Heather Vargas	Second Vice President Candidate Mike Jeffres
FMG President Kevin Miller* (for branding)	

**connected via web conference*

President Bill Carrow *called* the meeting to order at **11:12 a.m.** EDT.

1. Adoption of Consent Agenda

CAC Representative Don Whitney *motioned to accept* the Consent Agenda as listed below. Immediate Past President Dick Mirgon *seconded* the motion.

Approval of 02/14/2011 Board of Directors Meeting Minutes

Approval of 04/29/2011 Board of Directors Meeting Minutes

Life Member Nominations (Carrow, Lee, Pallans)

Confirmation of Executive Committee Actions:

- PM 8.2: Robert L. Gurss, LLC (reduced to half time at his request)
- PM 8.5: Salary Increase of 10% for Interim Executive Director

A verbal vote was taken and the motion *passed with no opposition*.

2. Proposed FY2012 Budget and Work Plan

East Coast Regional Representative Dave Clemons *motioned to accept* the FY2012 Budget and Work Plan as proposed. East Coast Regional Representative Jay Groce *seconded* the motion.

With Deputy Executive Director Mark Cannon having previewed the proposed budget on all pre-calls, the senior managerial team presented a brief overview then opened the floor for questions. Gulf Coast Regional Representative Woody Glover asked several questions, including:

1. Q: Why the drop in budgeted revenue for MAAP? Both programs are budgeted low as a conservative measure as well as based on performance.

2. Q: Why the increase in the consultant line under CC9S and some other departments? A: This department, in particular, leverages the work of subject matter experts on a project basis. Other departments are also outsourcing more as a cost efficiency measure.
3. Q: Though why did salaries also increase under CC9S? A: This is due to a staff person being covered in general operating where in prior years it was through a PSFA grant under Project 41.
4. Q: Why has APCO's rent payments increased? A: APCO pays rent to PSFA, which is the landlord in VA.
5. Q: Why has the Project 25 line item been reduced to zero. A: This grant is no longer being funded by NIJ, though plans are underway to secure other federal funds. The acquisition of a grant is too speculative at this juncture to provide for the project's continuation in the budget, however, Second Vice President Terry Hall explained that the proposal continues to position APCO to take a leadership role.

Western Regional Representative Gigi Smith commended the staff for developing an effective case document around the budget.

In the absence of additional questions or comments, a verbal vote was taken and the motion ***passed with no opposition.***

3. CAC Policy Manual Amendments

CAC Representative Don Whitney ***motioned to amend*** the Policy Manual 7.4 Commercial Advisory Council. Gulf Coast Regional Representative Pat Hall ***seconded*** the motion.

CAC Representative Don Whitney explained the rationale for the amended language, which is to manage CAC membership as representatives move from company to company and participation requirements under a new subsection 10. Deputy Executive Director Mark Cannon briefed the Board on comments from the Bylaws Committee that subsection ten should be moved to an appendix, but the removal language contemplated under subsection 10 is of a different character than that under subsection 6. As such, subsection 10 should probably remain in the body of the policy, not as an appendix. First Vice President Gregg Riddle agreed that moving subsection 10 to an appendix would serve to make it more advisory in spirit than the removal clause would imply. He did acknowledge that the policy provisions should be amended to comport to the association's policy format of each numbered subsection reflecting a single thought.

Second Vice President Terry Hall asked about the replacement policy and where the CAC membership stood on making any change to this section. CAC Representative Don Whitney noted that the amended language clarifies that the Nominations Committee, as established under subsection 8, would be involved in replacing any vacancies. He did note that some discussions are continuing, and that he needs to propose an amendment.

CAC Representative Don Whitney ***motioned to amend*** his prior motion to his own motion to reverse one proposed change in section 9 so as to keep the phrase "unexpired term" and not replace it with the "APCO year" phrasing. Gulf Coast Regional Representative Pat Hall ***seconded*** the motion.

First Vice President Gregg Riddle asked for clarification on the service of time remaining. CAC Representative Don Whitney explained that a "yes" vote for his amendment would mean that the

Nominations Committee of the CAC would replace a vacancy in a manner that the new occupant of that seat would serve out the remainder of the four-year term.

A verbal vote was first taken on the amendment and *passed with no opposition*. Then, a verbal vote was taken on the main motion, as amended, and *passed with no opposition*.

4. Branding Task Force

East Coast Regional Representative Dave Clemons, who also serves as chair of the Branding Task Force, *motioned to review* the final three logos and select one as the association's new brand.

Several Board members asked for clarification on the motion. Gulf Coast Regional Representative Woody Glover asked if this could be postponed until a poll could be taken of Executive Council members with "no change to the logo" being one of the options. East Coast Regional Representative Dave Clemons emphasized that a decision should be made on next steps with the logo at today's meeting. Western Regional Representative Gigi Smith commented that the motion should reflect the preferred choice of the Board and Task Force and not be so wide and open to interpretation. Second Vice President echoed this comment, noting that the motion needs to narrow the choice.

East Coast Regional Representative Dave Clemons agreed to *withdraw* his motion. Immediate Past President Dick Mirgon then *motioned to approve* the logo and tag line identified as "Number One" on the sheet of three finalist logos. East Coast Regional Representative Dave Clemons *seconded* the motion for discussion purposes.

Gulf Coast Regional Representatives Pat Hall and Woody Glover both indicated that its call participants were not in favor of changing the logo. East Coast Regional Representative Jay Groce noted that there was similar discontent on his region's call. East Coast Regional Representative Dave Clemons clarified that he felt the predominant concern was over the process, not the designs themselves. Mr. Groce raised several questions that from the East Coast Regional call around whether more time for securing member input is needed and about the costs vs benefits of the branding effort. Ms. Hall noted that the Gulf Coast membership agreed with the new tag line and both Mr. Glover and she suggested that the tag line be adopted without changing the logo. CAC Representative Don Whitney noted that the CAC membership's reaction was mixed but not overwhelmingly negative. Mr. Glover stated that wider participation may be needed to ensure buy-in. Ms. Hall noted that she personally supports changing the logo, but would vote no to reflect the sentiment of the Executive Council members from the Gulf Coast whom she has heard from as opposing the change now.

Western Regional Representative Dick Granado asked if all task force members were actively involved. East Coast Regional Representative Dave Clemons answered that the pushing out of information was inclusive, but that some task force members did not participate regularly. President Bill Carrow explained that the Executive Committee had reviewed the history of outreach by the Task Force and that Mr. Clemons and the staff liaisons were able to demonstrate that there had been regular communication and consultation with Task Force members.

A verbal vote was taken that was determined to be inconclusive. A hand count was then taken, and the *motion was adopted* on a vote of 8 in favor and 5 opposed.

President Bill Carrow requested that the staff prepare a communication to the Executive Council and CAC that discusses the nature of the discussion and vote, answers some of the core questions raised by members, and conveys the next steps in the process. The Board agreed that the logo choice should be shared on the post-meeting web conferences scheduled for the week of June 6, but that no print or digital versions of the logo be released until an official unveiling at the Annual Conference.

5. Old Business

- **TACT Update**

In the interest of time, Executive Director George Rice referred Board members to the memorandum in the packet.

- **Proposed Merger of the Heritage Foundation and Historical Committee**

In follow up discussions at the February meeting, First Vice President Gregg Riddle *motioned to dissolve* the Heritage Advisory Committee and recommend that the Historical Committee carry out such duties through a subcommittee. Immediate Past President Dick Mirgon *seconded* the motion. A verbal vote was taken and the motion *passed with no opposition*.

- **Executive Director Selection**

Citing a conflict of interest as a declared applicant for the Executive Director post, Mr. Cannon left the room for discussion of this item. President Bill Carrow briefed the Board on the selection of the Search Committee. He explained that an official notice will be issued once all the process parameters are complete.

6. Other Business

Gulf Coast Regional Representative Woody Glover recommended that the MAAP program be examined for efficacy by the Executive Council. Immediate Past President Dick Mirgon reminded his colleagues that such action is within the Board's purview in the context of its approval of the annual Budget and Work Plan.

7. Discussion of Next Meeting

The next Board of Directors meeting is set to occur in conjunction with the Annual Conference in Philadelphia, PA on Thursday, August 4, 2011 at **3:00 p.m. EDT** (to be preceded by a workshop).

8. Adjournment

Second Vice President Terry Hall *motioned* to adjourn the meeting. A verbal vote was taken and the motion *passed with no opposition*. The meeting adjourned at **12:45 p.m. EDT**.

Respectfully submitted,

George S. Rice, Jr.

Executive Director

The Board Agenda will be part and parcel of the formal record of the Board of Directors meeting and will be retained at Headquarters.