

MINUTES OF BOARD OF DIRECTORS MEETING

May 28, 2014

Conference Call

11:00 CST

President Mike Stanard called the meeting to order on Wednesday, March 28, 2014 at 11:00 AM CST.

Board Members present: Mike Stanard, Pam Lenane, Don Templeton, Paula Drummond, Corinne Johnson, Dennis Reilly, Harry Huntley, Donna Murr, and Rebecca Floyd.

Also in attendance: Nichole Doxey & Maribeth Wright

The following items were discussed:

1. Approval of Minutes of the Meeting of March 25, 2014

Several directors pointed out that the minutes of the March 25, 2014 meeting were incorrectly captioned March 26, 2014. With the correct date to be reflected, the minutes were unanimously approved.

2. Financial Report

Don Templeton presented the Treasurer's Report, noting as of April 30, 2014, that current assets were just over \$450,000, with year to date net income of \$33,563.04, and a projected fiscal year loss of \$16,847.

Directors discussed the fact that NAHEFFA does not currently have an investment policy and several suggested that a policy could be developed to include investment parameters permitting investment in higher yielding securities. Various members volunteered to provide their Authority investment policies as comparison examples. The group agreed it would be helpful to review other policies, and also agreed the matter should be referred to the Finance Committee for review and study.

Directors again discussed the possibility of increasing dues, perhaps as soon as the next fiscal year. Following extensive discussion, the consensus of the group was that the July 1 dues billings should go out to members in accordance with the current schedule. It was additionally agreed that the dues increase matter should be further reviewed by the Strategic Implementation and Operations Committee ("SIO") for additional study and recommendations, and that in order to sufficiently explain a proposed dues increase to the membership, no dues increase would be presented to the membership before spring of 2015 with membership education on the financial affairs of NAHEFFA occurring at the fall 2014 conference. Directors discussed the need for a comprehensive presentation to members at a future meeting, to cover the need for a dues increase to achieve operational structural balance, the significant over-reliance on sponsorship income, the need to have and maintain some level of reserves to meet unexpected expenses, and how additional revenue would be spent.

3. Payment to Chapman & Cutler for Work on MSRB Rule G-42

Pam Lenane explained that Chapman had submitted a bill for \$30,000, for the engagement to research and prepare an advocacy letter on behalf of NAHEFFA regarding MSRB Rule G-42. She advised that Chapman had agreed to write

off \$15,000 as a pro bono contribution, and that she proposed that her Authority would pay \$7500 of the amount, and NAHEFFA would pay the remaining \$7500. Following discussion wherein board members recognized the need for rapid action on this matter, but that nevertheless, future such engagements should be arranged with certain parameters in place, including a not to exceed fee cap agreed upon by Board Directors, Donna Murr moved approval of payment of the bill. Harry Huntley seconded the motion and President Stanard asked if there was any further discussion. It was discussed that NAHEFFA should receive a copy of the bill, and that the bill be paid during the current fiscal year. The motion and second to pay the bill passed unanimously.

4. **Discussion Regarding Request for NAHEFFA Support of Louisiana Senate Bill No. 429 on behalf of Health Education Authority of Louisiana ("HEAL")**

President Stanard referenced the HEAL letter he received, date of April 21, 2014, from HEAL's Executive Director, Jacob Johnson, seeking NAHEFFA's support of Senate Bill No 429, the "HEAL Act", introduced during the State of Louisiana 2014 Regular Legislative Session. Following discussion of the proposed legislation, Rebecca Floyd moved that President Stanard advise Mr. Johnson that as a matter of policy, NAHEFFA does not take a stance or intervene in the internal legislative or policy initiatives of individual states. Corinne Johnson seconded the motion. President Stanard asked if there was any additional discussion, hearing none, he called for the vote, and Directors unanimously approved the motion.

5. **Contract for Services for Conference Assistant**

Nichole explained that Michelle was recommending a flat fee engagement in the amount of \$1500 to be paid to Kimberly Dallas in return for certain services to be provided at the Big Sky, MT conference. In response to Directors' questions, Nichole explained that Kim would assist Michelle and Nichole with certain conference functions, including registration and conference information support, meal and entertainment arrangements, and other responsibilities that Michelle and Nichole assume relating to conference logistics. The Contract was unanimously approved.

6. **Appointment of Julie Arvo Mackenzie to the Nomination & Governance Committee**

President Stanard advised that Ms. Mackenzie of the Arizona Authority had agreed to serve as Chair of the Nomination & Governance Committee. Several directors noted her significant work on the Bylaws revisions. Rebecca Floyd moved Ms. Mackenzie be appointed as Chair of the Nomination & Governance Committee, Donna Murr seconded the motion, and President Stanard after calling for further discussion and hearing none, called the vote which was unanimously approved.

7. **Additional Committee Business**

Maribeth Wright provided an update on the SIO committee activities and Donna Murr advised she was looking for someone to replace her as Chair of the Sponsorship Committee, and had a possible replacement, but was not yet ready to identify the individual.

President Stanard asked if anyone had any additional business to bring before the Directors, there being no additional business, the meeting was adjourned by unanimous vote at 12:23 PM, CST.

Secretary

