

FFA FINANCE COMMITTEE

January 23, 1975

The first session of the Finance Committee was held at the FFA Center, Alexandria, Virginia, and was called to order at 8:30 A. M. by Gordon Galbraith, Chairman.

Those attending were H. N. Hunsicker, National Advisor; Gordon Galbraith, Chairman, Finance Committee (Specialist, Agricultural Education, Oregon); Glenn Lewis, Vice Chairman-Secretary (State Supervisor, Agricultural Education, Maryland); James W. Warren, Jr., Member (Senior Program Officer, U. S. O. E., Philadelphia, Pennsylvania); Alpha Trivette, National President; Julian M. Campbell, National Treasurer, (State Supervisor, Agricultural Education, Virginia); and Edward J. Hawkins, Executive Director.

Agenda Adjustments

Alpha Trivette, National President, submitted a request to increase the amount of the National Officers' scholarship. Mr. Hawkins proposed an increase in the travel mileage rate for use of private automobile by National Officers, Board members and staff. Both items were added to the agenda.

Comments by Mr. Hunsicker, National Advisor.

Mr. Hunsicker raised a number of problems confronting the FFA that needed to be considered by the Finance Committee; travel expenses for additional consultants to the Board; expenses for judging proficiency awards, American Farmer applicants especially in the Southern Region.

Report on financial and administrative structure.

Mr. Hawkins reported that cash flow was satisfactory but noted the tendency of some states and chapters to delay paying of dues and merchandise accounts.

Mr. Campbell reported on the investment program and found it in good condition. He noted that interest rates are dropping thus returns on investments are slightly less.

Mr. Hawkins noted that due to the long-term disability and death of Mr. Allen, the position of Controller has been vacant for almost a year. He recommended that the position now be filled in the near future with an experienced individual with a graduate degree in accounting and that the job description be revised and reclassified as "Chief Accountant" at a lesser grade presently authorized.

A Motion was made by Glenn Lewis that the Controller position be filled with an individual with an accounting degree, and if possible an FFA background. Motion was seconded by Alpha Trivette and passed.

Mr. Hunsicker suggested that the title of Executive Director be changed to Administrative Director since it would be more descriptive of the duties now being performed.

A Motion was made by Glenn Lewis that the Board consider job title of Executive Director be changed to Administrative Director. Motion seconded by Alpha Trivette and carried.

Review of Divisional and Consolidated Budgets.

1. A preliminary review of the proposed consolidated 1975 - 1976 budget was made with areas of adjustments considered.
2. Each Division Director appeared before the Committee to review and justify his budget, and to suggest expense items that could be reduced.
3. In order to balance the budget, the following recommendations were presented:
 - (a). Each Division reduce requested expenditures as suggested.
 - (b). In order to maintain quality and service the official jacket price be increased by only \$.25 from \$14.00 to \$14.25.
 - (c). That dues income be equally divided between the National FFA Magazine and the Program Division for internal budget planning and allocation.

Mr. Warren moved that the above recommendations be approved and the balanced 1975 - 1976 budget be presented to the Board. The motion was seconded by Mr. Lewis and carried.

January 24, 1975

The second session of the Committee was called to order at 8:30 A. M. by Gordon Galbraith, Chairman.

Increase in Scholarship Allowance for National Officers.

Alpha Trivette moved that the National Officer scholarship amount be increased \$500.00 from \$1,000.00 to \$1,500.00 for each officer. The motion was seconded by Mr. Lewis and carried.

The recommend increase has been included in the Program Division budget under the proper line item.

Salary Adjustment for Magazine Personnel.

In keeping with Board policy that all grades 7 and above be approved by the Board, Mr. Carnes appeared before the Committee and recommended the following salary grade adjustments:

1. Richard Wright, Regional Advertising Manager, to Grade 11, Step 5.
2. Adriana Stagg, Circulation Assistant, to Grade 7, Step 4, with title change to Supervisor, Circulation Department.

Mr. Carnes indicated that the recommended changes are projected in the 1975 - 1976 Magazine budget.

Mr. Warren moved that the salary adjustments and title change recommended by Mr. Carnes be submitted to the Board for approval effective July 1, 1975. The motion was seconded by Alpha Trivette and carried.

Committee Review of the National FFA Supply Service.

(See attached report)

The meeting adjourned at 6:15 P. M.

January 25, 1975.

The third session of the Committee was called to order at 8:45 A. M. by Gordon Galbraith, Chairman.

Alumni Report

Mr. Benham, Administrative Secretary, FFA Alumni Association appeared before the Committee and gave an overview of Alumni activities and presented a proposed budget for 1975 - 1976.

Mr. Galbraith moved to accept the Alumni report. It was seconded by Mr. Lewis and carried.

Educational Materials Proposal.

Mr. Hawkins presented a proposal, submitted by the Program Division, requesting that the Supply Service list in the official catalogue and sell certain educational materials developed by that Division.

After consideration of the investments in stock and handling costs involved, Mr. Lewis moved that the proposed audio-visual materials, activity notebooks, and advisor guide only be sold by the Supply Service. The motion was seconded by Mr. Warren and carried.

Travel Expenses for Additional Consultants to Board meetings.

It was moved by Mr. Galbraith that the Finance Committee tentatively recommend the funding of travel expenses for two (2) additional teacher trainers, and two (2) additional teachers for the January Board meeting only to become effective with the 1975 - 1976 budget. The motion was seconded by Mr. Lewis and carried.

Funding of Travel Expenses of Judging Committees.

The Committee considered a request for increased funding of Judging Committee travel expenses, and expenses of a designated individual who will coordinate judging of applications for American Farmer, BOAC, and proficiency awards in the Southern Region.

It was moved by Mr. Galbraith that the Committee recommend the Board of Trustees adjust the Foundation budget line item for "Special Committees" with additional funding to cover expenses of the Judging Committees. The motion was seconded by Mr. Warren and carried.

It was moved by Mr. Lewis to recommend that the FFA Program Division provide the personnel time for coordinating the judging of awards in the Southern Region. The motion was seconded by Mr. Galbraith and carried.

Mileage Allowance for Use of Private Automobile.

It was moved by Mr. Galbraith that the Committee recommend to the Board approval of an increase in allowance from \$.09 to \$.12 a mile for National Officers, Board members, Consultants and FFA Staff for use of private automobile on official FFA business. The motion was seconded by Mr. Lewis and carried.

Space Requirements at FFA Center.

As requested by the Finance Committee at the July, 1974 meeting, a review was made of staff recommendations for long-range space requirements at the FFA Center. The staff recommendations were detailed to the Committee. The Committee suggested that a study of alternative plans for new construction be undertaken with the idea of adding a floor or a new addition to the warehouse building.

It was moved by Mr. Galbraith that Mr. Hawkins, after consulting with an architect and the Fairfax County Zoning Board, determine if zoning can be obtained and that construction is feasible at the present site. That no new construction or remodeling be undertaken at the Center until a specific plan is brought to the Finance Committee and Board in July which will include feasibility, costs and financing. The motion was seconded by Mr. Warren and carried.

The balance of the Committees' time was consumed in developing a report on the review of the National FFA Supply Service.

There being no further business to come before the Committee, the meeting adjourned at 3:45 P. M.

Respectfully submitted,

Glenn Lewis
Secretary - Vice Chairman

Approved:

Gordon Galbraith
Chairman

Recommendations:

1. Adequate space be provided for storage and production to ensure greater efficiency.
2. Improve delivery time to the West Coast area by utilizing United Parcel when it becomes available.
3. Seek out capable and responsible alternative sources for jackets and other items.
4. Continue to evaluate products and delete obsolete items.
5. Recommend that the Supply Service formulate a statement of its mission and objectives.

REPORT OF REVIEW COMMITTEE
FOR

NATIONAL FFA SUPPLY SERVICE

Areas of Review:

1. Observed processing (walk-through) of an order from the moment the mail was opened until the order was shipped.
2. Interviewed and observed activities of individual employees at their respective work areas.
3. Inspected and evaluated merchandise in stock and in process.
4. Discussions with key management personnel.

Observations and Impressions:

1. Evidence of sincere concern in all areas that the Supply Service is geared to personal service and accomodation to the FFA membership.
2. All Supply Service personnel are dedicated to the tasks being performed.
3. Personnel is well trained and knew their jobs, with evidence of in-house training for necessary employee back-up.
4. Well organized, efficient operation that reflects accountability.
5. Every effort is made to maintain quality standards.
6. Commend the Supply Service for being aware of the interests and needs of the FFA membership.

Recommendations:

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2. Improve delivery time to the West Coast areas by utilizing United Parcel when it becomes available.
3. Seek out capable and responsible alternative sources for jackets and other items.
4. Continue to evaluate products and delete obsolete items.
5. Recommend that the Supply Service formulate a statement of its mission and objectives.