

**NATIONAL ACADEMY OF ARBITRATORS
BOARD OF GOVERNORS**

September 19-20, 2019
Savannah, GA

BOG Meeting Minutes

President Barry Winograd welcomed the BOG to the Savannah FEC and thanked **Program Chair Jeanne Vonhof** for putting together an excellent program.

Vonhof reported on the highlights of the program including a tour of the Port of Savannah.

After a motion and second, the BOG unanimously approved the Committee Reports submitted in advance of the FEC.

After a motion and second, the BOG ratified the EC's earlier approval of the registration fee structure for the 2019 FEC as follows: \$375 Early, \$400 Regular, \$425 Late.

After a motion and second, the BOG ratified the EC's earlier approval of additional expenses for the FEC online reputation speaker in an amount up to \$1500, which was deducted from the AV budget.

After a motion and second, the BOG approved the EC's recommendation to add the BRIC Committee Chair as an *ex officio* member of all current and future Annual Meeting/MEC Program and Host Committees.

After a motion and second, the BOG approved the EC's recommendation that all members receive a pdf copy of the 2019 and 2020 Proceedings with an option to buy a hard copy at cost.

The BOG noted its prior electronic, unanimous vote to approve the revised CPRG Opinion regarding fee changes during pendency of a case. On request from **VP Homer LaRue and Governor Andrew Strongin, DALC Chair Josh Javits** will be contacted and asked to report on communications he had with FMCS regarding the new Opinion.

EST Walt De Treux reported the following:

a) Savannah numbers

Registrants – 112

Spouses – 43

President's Dinner – 74

Savannah Tour – 43

b) Membership/Financial Status (as of September 10, 2019)

597 Total Members (*September 2018 – 600 Total Members*)

Regular (439 paying Full Dues, 33 on 50% B Waivers¹) (*Sept. 2018 – 446*)

Standing (4 on 50% A1 Waivers; 112 on 100% A2 Waivers²)

(Sept. 2018 – 4 on A1; 105 on A2)

Honorary Life Members (9 with 100% Waivers). (*Sept. 2018 -- 10*)

NAA Accounts: \$ 159,554 exclusive of Article IX and Board-Designated Funds)
September 2018 -- \$250,778

NAA Investment Account: \$1,712,540 (*September 2018 -- \$1,654,133*)

Legal Representation Fund Accounts: \$485,226 (*Sept. 2018 - \$485,814*)

Research and Education Foundation Accounts: \$549,403
(Sept. 2018 - \$ 557,888)

De Treux also presented a proposed 2020 budget, which after motion and second, was unanimously approved by the BOG.

De Treux reported on the schedule of upcoming meetings, including a Fall BOG meeting to be held October 8, 2020 in Atlantic City, NJ in conjunction with an FMCS Arbitration Symposium co-sponsored by five NAA Regions.

De Treux reported that current full-time Ops Center Administrative Assistant Suzanne Kelley will move to a part-time position beginning November 1, 2019, and Melissa Kelley will be hired on that same date as a part-time employee.

De Treux reported that approximately 6 members had not yet paid their 2019-20 dues, but will be given 30 days to do so before the BOG initiates suspension procedures.

2020 Annual Meeting/MEC Host Chair Kathy Eisenmenger reported on the preparations for the Denver meeting. Winograd reported on the program planning led by **Program Chair Dan Zeiser**.

Auditing Committee Chair Richard Fincher reported that the 2018 Audit is near completion and will be reviewed when received.

¹ B Waiver pays 50% dues, 20 year member, 5 or fewer cases per year

² A1 Waiver pay 50% dues, will engage in other employment; A2 Waiver pay \$0 dues, will not engage in other employment

REF President Richard Fincher reported that the REF Board will be meeting at the FEC for “reflection and restructuring” in accordance with the FEC mission. He noted that donations and number of contributors has decreased, a trend the Board wants to reverse. He explained that the REF has reached out to the Regions and to outside entities to market funding opportunities.

FEC Host Chair Katie Durham reported on the main activities and entertainment opportunities for the FEC attendees.

Winograd announced the appointment of the Academy Governance Reform Committee, chaired by **President-elect Dan Nielsen**, to study the size and composition of the BOG and to consider the impact of the Bloch and BRIC reports on governance of the NAA.

Winograd reported on the planning of an International Workplace Dispute Resolution Symposium to possibly be held in Fall 2020, sponsored by the NAA’s Committee on International Studies and other entities, such as FMCS.

Betsy Wesman, Chair of the Internal Grievance Committee, reported on the Committee’s activities to date, including its desire to conduct a survey of the membership regarding the issues for which the Committee was formed. After motion and second, the BOG approved the Committee’s plan to move forward with a survey that the EC will review before its issuance. The Committee was instructed to report back to the EC after the survey results were gathered and analyzed.

Governor Steve Befort reported on **Amicus Brief Committee Chair** Martin Malin’s request to the BOG to discuss possible intervention in the National Weather Service Union’s appeal of a FLRA decision to the D.C. Circuit Court of Appeals. Malin had noted that the Committee was split on whether to file an amicus brief. Winograd and Befort, both former Chairs of the Committee, noted that the Committee generally tries to reach a consensus before intervening and such a consensus has not yet been reached. They suggested that it may not be time to intervene because it is not clear that the appeals court will address the *Trilogy* standard of review, and the NAA will have an opportunity to intervene if a petition for certiorari is filed with the Supreme Court. LaRue and Vonhof expressed concern that the appeals court would have the final decision on the issue, precluding intervention. Strongin noted that the FLRA has not changed the standard of review, but rather applied it in “a nakedly political way.” Vonhof agreed that the FLRA approach has been result-oriented, as it interprets the standard to fit the desired result. Befort will report back to Malin on the BOG’s discussion.

Sarah Garraty, Chair of the Membership Standards Committee, reported that the Committee has been looking at all areas of arbitration work that may indicate general acceptability and could be considered in evaluating NAA applicants. She noted that the Committee has already directed that the alternative standard be applied to “regional stars” and that the Membership Committee is considering some such applicants at its meeting at the FEC. She expected that the Committee will have recommendations for the BOG at the 2020 Annual Meeting/MEC. In response to **Parliamentarian William Marcotte’s** question, Winograd confirmed that the BOG

will consider all the Committee's recommendations even if they require a vote of the membership. The BOG discussed at length the work our members perform and if and how that various type of work should be counted and considered for applicants. Garraty reported that the Committee is scheduled to meet on Saturday of the FEC to further advance the discussion.

Winograd reported on the American Arbitration Association's proposed program to have advocates serve as arbitrators on its labor panel under certain conditions in an effort to increase the diversity of the panel. The report led to considerable discussion among the BOG in opposition to the proposed program. Winograd and the BOG members emphasized that the choice should not be diversity at the expense of neutrality, a core principle of the NAA and the arbitration process. **VP Alan Symonette** emphasized that AAA should not be lowering the standards and qualifications for people of color and that the program would not help those panelists get selected by the parties. LaRue urged the BOG to include BOG members of color in any discussions with AAA. The BOG agreed that a statement of opposition should be forwarded to AAA that outlines the NAA efforts to increase diversity without sacrificing neutrality and offers continued discussions with AAA. Nielsen asked that the statement emphasize that neutrality is non-negotiable. Winograd, LaRue and Nielsen will draft a statement for review by the EC and the BOG.

Membership Committee Chair Howell Lankford reported that the Committee had approved the applications of Rafael Gely, Susan Panepento, Daniel Silverman, and John Marshall True, all pursuant to the alternative standard. The BOG unanimously voted to admit the four applicants at the 2020 Annual Meeting in Denver.

Nominating Committee Chair Laura Cooper reported that the Committee selected the following candidates as its nominees to be voted upon at the 2020 Annual Meeting in Denver:

For President-Elect for a 1-Year Term, 2020-21: **Susan Stewart**

For Vice-President for a 1-Year Term, 2020-21: **Amedeo Greco, Joshua Javits, Paula Knopf, Homer LaRue**

For Governors for a 3-Year Term, 2020-2023: **Christopher Albertyn, Ruben Armendariz, Melissa Biren, Jules Bloch**

For Executive Secretary-Treasurer for a 3-Year Term, 2020-23: **Walt De Treux**

After motion and second, the BOG voted unanimously to adjourn.

**NATIONAL ACADEMY OF ARBITRATORS
2020 Proposed Budget**

<u>Income</u>		<u>2019 Proposed</u>
Dues	297,375	\$309,075
Application Fees	2,600	2,600
Royalties	2,000	4,600
Meeting Registration	144,500	188,500 (w/FEC)
Miscellaneous	500	500
Investment Gain/Transfer	37,820	37,145
TOTAL INCOME: \$	484,795	\$542,420

<u>Expenses</u>		
Annual Meeting/MEC	\$144,500	188,500
Chronicle	16,000	21,000
Proceedings	15,000	38,000
Professional Services	6500	4,500
Contingency		
Governance	302,795	290,420
TOTAL EXPENSES: \$	484,795	542,420

Estimated 2020 Governance Expenses**2019 Proposed**

Banking and Credit Card Fees	\$ 11,400	11,700
Committees	1,000	4,000
Executive Committee	4,000	4,000
Extraordinary Exp Reimbursement	9,000	0
Fall BOG Meeting	10,000	0
Health Insurance	23,400	22,900
Retirement Plan	3,125	3,000
Insurance D&O, Business Owners		
Workers' Comp	7,400	5,000
Office Supplies & Software	9,400	16,000
Payroll (Gross) and Taxes	180,500	185,000
Postage & Shipping	7,400	10,000
Presidential Travel & Hospitality	7,500	7,500
Rent	13,020	13,020
Telephone, Internet, Utilities	3,650	4,800
Toshiba Printer Lease	6,000	0
Website	5,000	5,000
Miscellaneous	1,000	1,000
TOTAL: \$	302,795	290,420

2020 Budget Assumptions

Income

Dues

457.5 FTE Members @\$650 = \$297,375 (assuming no dues increase for 2020)

Application Fees

13 applicants per year (3-year average) @ \$200 = \$2600

Royalties

BNA (based on 2019-2020 contract) = \$2000

Meeting Registrations

Annual Meeting 165 Members @\$600 (\$99,000) and
70 Guests @\$650 (\$45,500)

Total - \$144,500

(assuming \$600 registration fee in 2020)

Miscellaneous

Checkbook interest, directory and DVD sales, etc.

Investment Gain/Transfer

Available while maintaining Article IX and Board-designated Reserves

Expenses

Meetings

Annual Meeting costs not to exceed \$153,750 registration fees
Fall BOG meeting is estimated, new budget item

Extraordinary Expense Reimbursement

Previously budgeted under meeting costs; moved to Governance.

Governance

See estimated governance costs based on 2019 actual projected over full year.
Extraordinary expense reimbursement previously budgeted under meeting costs.
Toshiba printer lease new in 2019.

Chronicle

Based on 2019 actual

Proceedings

Estimate of limited printing run for 2019 Proceedings.

Professional Services

Based on 2019 actual CPA fees, plus payroll service