GOVERNING BOARD MEETING MINUTES

TUESDAY, OCTOBER 1, 2013 4PM

HYATT REGENCY EXECUTIVE BALLROOM C/D – MILWAUKEE, WI

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| 1. Call to Order – Katherine Bakeev
2. Roll Call – Robert Lascola

Executive Committee (voting members)President: Katherine Bakeev - presentPresident-Elect: Ian Lewis - presentPast President: Mary Kate Donais - presentTreasurer: Paul Bourassa - presentSecretary: Robert Lascola - presentAt-Large Governing Board MembersRichard Crocombe​ - presentRina Dukor - present​Nancy Jestel - present​Linda Kidder - not present​Mary Miller - presentGeoffrey Coleman - present​Robert Lascola - present (not voting as GB member)​Karla McCain - present​Michael Morris​ - presentBrandye Smith-Goettler - not presentRegional Section DelegatesChicago: Fred Swiecinski - presentDetroit: Mary Lewis – not presentIndiana: Kevin Pfeuffer - presentIntermountain: Paul Farnsworth - presentNew England: Mark Druy – presentNorthern California: Steve Barnett - presentPittsburgh: John Jackovitz - presentNew York: David Tuschel - presentUnited Kingdom: John Chalmers - presentTechnical Section DelegatesAtmoic: Deborah Bradshaw - presentCNIRS: Igor Kovalenko - presentCoblentz: Francis Esmonde-White - presentStudent Section DelegatesIowa State: Aleem Syed - not presentU. Wisconsin: Ryan Schmeling - presentExecutive Committee (non-voting members)Membership Coordinator: Karla McCain - presentNewsletter Editor: David Butcher - presentRegional and Technical Section Affairs (RTSA) Coordinator: David Heaps – present Web Editor: Francis Esmonde-White - presentStudent Representative: Ryan Schmeling - presentJournal Editor-in-Chief: Michael Blades - presentJournal Editor: Peter Griffiths - present Parliamentarian: John Wasylyk - presentExecutive Director: Bonnie Saylor - presentothers presentDiane Perry, 2014 Chair-Elect Bruce Chase, 2014 Treasurer-electGloria Story, 2014 Secretary-electChad Atkins, 2014 Student RepresentativeKristin MacDonald, Journal Managing EditorStephanie Iocco, SAS Office ManagerBill Cunningham, TPMLaurence NafieDon PivonkaDoug SchraderJohn Wasylyk confirmed that there was a quorum present. 1. Introductions – Katherine Bakeev

Katherine Bakeev welcomed the new at-large members of the GB and newly elected members of the EC, as well as new student rep. She also thanked: Mary Kate Donais, David Butcher, David Heaps, Ryan Schmeling, Robert Lascola, and Paul Bourassa for their recent service to the Society. 1. Meeting Rules of Order – John Wasylyk

John Wasylyk confirmed that the meeting would follow Robert’s Rules of Order.1. Approval of Minutes from October 2, 2012 Governing Board Meeting

David Butcher moved to accept the minutes as presented. John Jackowitz seconded. The motion passed 16-0 with 8 abstentions.1. Reports

Acceptance of Executive Committee reports (President, Secretary, Treasurer, Executive Director, Journal, Newsletter Editor, Web Editor, Membership, Student, RTSA): Ian Lewis moved to accept the reports as provided. John Chalmers seconded. The motion passed 21 -0 with 1 abstaining. There was no further discussion on these reports.1. National SAS Committee Reports

Acceptance of National Committee reports (Awards, Constitution and By-laws, Nominating, Tour Speaker, Meggers Award, Strock Award, Lippincott Award, Tellers, Fellows): Michael Morris moved to accept the reports as provided. Rina Dukor seconded. The motion passed 23-0. There was no further discussion.1. Delegate Reports

Acceptance of Delegate reports (FACSS, Chemical Heritage): Francis Esmonde-White moved to accept the reports as provided. John Chalmers seconded. The motion passed 23-0.1. Unfinished Business

B. Journal updates - Michael Blades(Discussed before Applied Spec Ad Updates, e.g. out of order from agenda) Michael Blades described office personnel changes and provided operations status. There will be a new manuscript submission system (Peer Track). Impact factor is up, mainly due to increased review papers. Review time is faster and there are more manuscripts being submitted. There were two points with extended discussion. First, the journal will start accepting open access (OA) papers in January, and is working with PubMed to meet their requirements for OA, indexing, and so forth. The charge will be $200/page, which is intended to cover lost royalties from future article requests. Second, the Journal has taken a financial hit due to subscriptions going down (which is an industry-wide trend). In addition to new products being developed (discussed later), we may reconsider our relationship with the Optical Society of America (OSA), which has positive and negative aspects. While we get a boost in subscription numbers, we have lost some direct subscriptions to OSA (and they are taking a larger cut of those fees), OSA is not promoting us heavily, and we are not part of a bundle. Options include joining the group with Wiley & Elsevier, or joining a publisher. We could also create a trickle-down journal. We also do not yet know the reasons why non-renewing direct subscribers have chosen not to renew.A. Applied Spec Ad Updates - Bill Cunningham, TPMBill Cunningham reported that 2013 ad income will come close to 2012 values. New products (HTML newsletter, e-book, etc.) intended to start in 2013 did not start. However, pending EC approval, the newsletter will start in December 2013. He hopes to start the e-book in 2014. TPM will also start an electronic buyer’s guide, which has received interest from sponsors, and which could serve as a boost to revenues in 2014.Bill also described new increases for sponsor levels, with enhancements of benefits for the sponsors including the buyer's guide. He has seen interest in all levels of sponsorship during the conference. Specific benefits to sponsors include getting named in the journal, access to the SAS mailing list, use of promotion material, an assigned web link on home page, an inferred partnership with the Society, and reinforcement that Society involvement is a good investment.Bonnie Saylor noted that we currently have 21 corporate sponsors (highest level in years), with 12 at Platinum (highest current level).  Stephanie Iocco and Bill have been working successfully to increase the number of highest level sponsors.C. Lippincott Award Update – Mary Kate DonaisThere is a signed agreement between the OSA, Coblentz Society, and SAS, whereby the funds have been moved to the OSA Foundation (OSAF) for management in the hopes they would work to maintain and grow the fund to make it self-sustaining. Mary Kate noted that the OSAF does this for a number of award funds. SAS and Coblentz can still do fundraising on their own. The procedures and decisions on the award have not changed - it's still a jointly decided award.Francis Esmonde-White discussed several funding proposals/opportunities. A fundraising lunch this week for the Lippincott and Fateley awards generated $3000 (with matching).  An anonymous donor was willing to donate $5000 if $5000 can be raised during this meeting. Further discussion ended up with our needing to find more information about the donor conditions.  Also, Francis stated that the Coblentz Society is inviting SAS and OSA to contribute about $5000 each to recapitalize fully the Lippincott Award in the coming year.D. SAS Day at SciX - Karla McCainKarla McCain noted that SAS members went to the Pabst Brewery on Sunday Septemeber 29th and the event was a success.E. Constitution and Bylaws – Mary Kate DonaisMary Kate Donais distributed the latest versions of these documents, including changes generated during the EC meeting earlier in the week. She proposed a deadline of November 15 to receive feedback from the Governing Board. She also noted that the vote to approve these changes will come from the Governing Board, and not the general membership.F. Audit Updates - Paul BourassaPaul Bourassa summarized the audit findings, which were distributed to the GB at the meeting. Between '10 and '11 the assets of the Society decreased from 680k to 614k, consistent with a budget deficit during that year. The auditors noted six deficiencies. The Office is already making adjustments to most of them and will present to the EC a report describing their actions.There was further discussion about discounted memberships, which was mentioned by the auditors. Bonnie Saylor clarified that sometimes, if the office is trying to get someone to sign up, they may offer deals to retain/recover people (e.g. 20% off one year if they renew for 3 years at once). The audit proposed that her approval (as Executive Director) would be required if more than 50% of the cost is to be discounted. Bonnie stated that substantially discounted memberships are noted in the comments section of the member database. She did not know what proportion of the membership had discounted memberships but could look it up. Paul Bourassa moved that any discount over 50% of the regular membership fee be approved by the Executive Director. Rina Dukor seconded.  The motion was approved unanimously.There was a question about the relevance of the audit, since it was for 2011. It was pointed out that this audit was just completed, and the 2012 audit is underway. Ian Lewis noted that there were issues at the auditing company that generated the delay, and it was not a problem of the society. Bonnie noted that the delay in the audit does not affect our ability to submit tax reports.Paul Bourassa moved that the Governing Board accept receipt of the audit.  Rina Dukor amended the motion to emphasize not only acceptance but also review, with the further recommendation that the EC and the ED address the audit issues.  Doug Schrader seconded.  The motion passed with one opposed, no abstentions.G. Web Committee updates - Francis Esmonde-WhiteFrancis Esmonde-White - at the last Governing Board meeting, concerns were raised about web costs.  The ad-hoc Web Committee formed in late 2012 was tasked to provide a plan to move forward, which was received at the last Executive Committee meeting in March and vigorously discussed.  More plans and details were put forth and discussed at the Executive Committee meeting this week.  There is a plan for moving forward which is to have two linked web sites, one for society and one for journal.  There are details for who would administer each web site.  We would move away from the current web site.  The membership site would have a graphical redesign using Google sites, and be a subdomain of [s-a-s.org](http://s-a-s.org).  The back end would be one of several options of commercially available membership management services. The journal side would have a seamless link to Ingenta.  Costs would go from ~50k/yr to ~25k/yr, with some one-time costs for making the transfer.Estimated transition is 8-12 weeks to implement, plus review and approval.  Details to support a decision will be obtained by Nov 15.  Current budget has numbers associated with the current contract.  These are the minimum costs associated with that contract.There was a question about the financial costs associated with maintaining two separate web sites rather than one. Francis responded that the maintenance of separate domain names is financially inconsequential, and that the likelihood of capturing new members would be better with the split format. Mike Blades noted that the journal had been involved with discussions and that, since the summer, they had taken over journal updates on the current website. Both Francis and Kristin MacDonald added that journal administration and protected access to journal content would be better with the split format.Several Governing Board members expressed concern that the Board did not see information on the audit or the web site until just before the meeting, which did not leave enough time for evaluation. These comments were noted by the Executive Committee and Office, and efforts for earlier circulation of reports in the future will be made.X. New BusinessA. Office Proposal - Ian LewisIan Lewis related the history of the proposal. It was discussed over several meetings, leading to in which the Executive Committee agreed (by a 4-1 vote) to ask him to put together a request for proposal (RFP) to determine if the function of the Office could be provided more cheaply by an outside entity.Subsequently, the Executive Committee looked at the RFP and decided to bring it to the Governing Board (again on a 4-1 vote). As it stands at the moment, there is a document which has not been sent out.  It is hereby presented to the Governing Board for discussion.  The RFP is being pursued in response to the decreased financial state and outlook of the Society.A number of Governing Board members expressed the importance of looking at the entire financial picture in deciding how to address the challenges the Society faces, and thought that the RFP was a way to obtain the information needed to make an informed decision. Diane Perry noted that FACSS used a similar holistic approach when addressing their financial problems 8 years ago. Diane suggested further discussion during Pittcon. It was further emphasized by several Governing Board and Executive Committee members that no specific actions were being planned apart from the possible issuance of the RFP. Ian stated that it is his interpretation that the Executive Committee is tasked to governance. In an effort for transparency, the RFP is being brought to the Governing Board for approval. Katherine Bakeev added that if the RFP does go out, it hasn’t been determined if subsequent decisions would be done by the Executive Committee alone or involving the Governing Board. However, the comments about taking a holistic approach are noted, and rash decisions are not in the interest of the Society.There was extended discussion about office service providers who might respond to the proposal. As an example, Ian mentioned Scientific Association Management, who services ASMS, FACSS, and ACS Div. of Analytical Chemistry. He emphasized that the request for proposal was not tailored to any one provider. Ian also mentioned other companies and stated that some “individuals who are members of the Society” may be recipients of the request for proposal. He did not feel it was appropriate to state who those individuals were, as they may not choose to submit a response to the request.Paul Farnsworth noted that while the RFP may be necessary, it is a radical step. He asked if there had been discussion of intermediate steps, such as reducing the size of the office. Bonnie Saylor noted that the office has offered to cut the size of the staff, or even move to a new location such as a home office.After some discussion and refinement, Paul Bourassa made a two-part motion. First, he moved that consideration of the proposal be set aside until all aspects of the SAS assets can be considered as a whole. Second, he moved that Diane Perry be appointed to lead the effort considering the office proposal, that that effort be an open process, and that there be a special meeting of the Governing Board at Pittcon to discuss this issue. The motion was seconded by Debbie Bradshaw. Discussion of the motion generally expressed that to postpone considering the proposal would delay collection of the necessary information to make a decision about future actions. As the Society is currently running a deficit, delays will only allow the deficit to grow. Diane Parry agreed fully that we need to get the bids, and that we need to evaluate all options, and those two are not mutually exclusive. Paul withdrew his motion. After accepting a friendly amendment, Ian Lewis moved that the RFP be sent out to potential bidders and that no action be taken on the responses to the RFP until there is a single issue GB meeting at Pittcon, which could include a teleconference.  Rina Dukor seconded the motion. Ian clarified that the RFP will be an open call for proposal. The motion passed with 19 positive votes and 2 abstentions.B. Appointed Officer Expiration (Newsletter Editor & Regional Affairs) – Katherine BakeevKatherine Bakeev noted that the terms for these appointed officers are ending, and that the positions need to be filled by the end of the year.C. Kowalski Award – Katherine BakeevKatherine Bakeev announced that SAS is administering a new award in the field of chemometrics. The winner will be decided and funded by the Kowalski Foundation.D. Budget - Paul BourassaPaul Bourassa introduced this topic by noting that in the bylaws, the Executive Director is tasked with making the initial budget, which was done with the treasurer. She was originally tasked with trying to create a balanced budget and accomplished that task.  During the Executive Committee meeting, it was decided to present to the Governing Board a worst-case budget to emphasize the difficult situation in front of us.  Paul highlighted a few areas which illustrate the flux in the budget (in both favorable and unfavorable directions).Under income: * Web income is kept at the current level, rather than increasing by $10k, since we are not quite ready to accept the new Diamond sponsorship level.
* $40k was subtracted from journal subscriptions to be consistent with recent trends.
* Potential revenue from a buyer’s guide is not included as there is no contract in place.

Under expenses:* There is a proposition to cut Office personnel time, saving $11k plus $3k in benefits and payroll taxes. Reduced staff travel is also included.
* The Executive Committee budget is cut in half and support is reduced for meeting attendance.
* There are minor adjustments to Governing Board and Publications committee funding.
* Current web services spending and commitment are included until the path forward is actually in place. Up to $25k could be saved when that happens.
* Increased ad revenues do generate increased commission fees.

The bottom line is thus negative and potentially as large as $78k.Rina Dukor asked if the EC considered cutting the Members Event, and what new revenues is the EC considering?  Karla McCain replied that it was discussed but it was decided to leave it at current levels for budgetary purposes.  However, sponsorship and cost-savings options are being considered for the next event. Paul added that there are a number of encouraging revenue raising ideas, but they are preliminary and not suitable for a budget at this stage.Bruce Chase noted that this is the first loss budget he has seen presented as proposed budget.  He added that there needs to be an entry to have a transfer of funds to make up the deficit, as a point of accounting.  Diane Perry noted that it is not possible to cost save everything, with an expectation that we won’t have to do it next time.  We really need to find a way to invest the time to figure out the direction of the society.Other discussion points:* Francis Esmonde-White noted that web site changes could be implemented in a few months once approvals are given. Also, we have current contractual obligations that need to be reflected in the budget until they no longer exist.
* Several people noted that the principal problem with income is not member dues, but journal subscriptions.
* Michael Blades and Kristin MacDonald described the journal-related expenditures, including those going to Allen Press. Michael asked that journal staff salaries be broken out in subsequent budgets.
* Paul Bourassa suggested than an interim budget be prepared in March.

Rob Lascola moved to approve the budget as presented by Paul, with the amendment to add a line item reflecting income from the treasury to make up the projected deficit.  Dave Tuschel seconded the motion. In discussion, Bruce Chase noted that in this vote, one is really approving the expenses, as that is what we control. Michael Blades noted that the biggest uncertainty is in journal income; better estimates should be available in coming months. The motion passed with 18 for, 2 against, and 1 abstention.E. Other business. Karla McCain announced that for next year's member event, the Membership Committee is working on an event to maximize interaction between members. Francis Esmonde-White returned to the topic of the anonymous matching donation offer for the Lippincott Award. Rina Dukor moved that we agree to donate $800 towards the Lippincott fund.  The motion was amended by Francis to make it clear that the donation will be matched by the anonymous donor. The motion was seconded by Rob Lascola. The motion passed with 11 in favor and 8 against.XI. AdjournDavid Heaps moved to adjourn.  Rob Lascola seconded. The motion passed unanimously. |

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