



FINAL AGENDA
BOARD OF GOVERNORS MEETING

Saturday, July 16, 2016
9:00 a.m. to 12:30 p.m.
Hilton Portland & Executive Tower
Salon Ballroom – Executive Tower

(Continental Breakfast: 8:30 a.m.)

CALL TO ORDER--President Steve Merritt

ROLL CALL--La Tonya Rajah

WELCOME, INTRODUCTIONS, ACKNOWLEDGEMENT OF GUESTS AND STAFF--President Merritt

ASSOCIATES' COMMENT PERIOD – three minutes per speaker

APPROVAL OF MEETING MINUTES AND RATIFICATION OF ACTION TAKEN BY STEERING COMMITTEE ON BEHALF OF THE BOARD OF GOVERNORS

MINUTES: [April 13, 2016 Meeting](#)

STEERING COMMITTEE-- [May 20, 2016 Teleconference](#): MtW Reform and Expansion Act, USDA Rural Development Programs, Amicus Brief supporting HACL A – NOZZI vs. HACL A and members to serve on the 2016 CEO Search Committee

STEERING COMMITTEE—June 27 electronic vote: added two members to the [CEO Search Committee](#).

PRESENTATION OF CONSENT AGENDA:

President Merritt will identify ALL items on the Consent Agenda. He will ask if any Board member wishes to move any items **from the Consent Agenda to the Discussion Agenda**. Committee chairs will then comment on their Consent Agenda items, followed by Board action.

CONSENT AGENDA

BUDGET AND ADMINISTRATION

#1 2015 Audit Report

Background: The B&A Committee has had a thorough review and discussion of the FY2015 Audit report. The report was presented, in detail, by the auditing firm of Gelman, Rosenberg and Freeman at the B&A committee meeting in April. At that meeting, there was extensive discussion with staff and the auditors around the details of the report and management letters. The audit resulted in a clean audit of NAHROs combined financial statements and provided recommendations for overall accounting procedures going forward. Staff has already taken effective action to address each recommendation.

Resolution: The B&A Committee recommends that the BOG accept the 2015 audit report, combined financial statements and management letters.

#2. Support of Member Services Resolution on Dues Increase

Background: At the 2016 Washington Conference, the B&A committee made a recommendation that the BOG task the Member Service Committee with discussing and taking action on an increase in membership dues. That recommendation was approved in the form of a resolution that Member Services Committee complied with at their meeting here in Portland.

Resolution: The B&A resolves to formally support the action taken by the Member Services Committee to raise membership dues.

COMMUNITY REVITALIZATION AND DEVELOPMENT

#1. Development of Best Practices and Policy Recommendations on the Use of Criminal Records by Housing Agencies – CR&D/Housing Joint Resolution

Background: On April 4, 2016, HUD's Office of General Counsel (OGC) released [guidance](#) on the application of Fair Housing Act standards regarding the use of criminal records by providers or operators of housing and real-estate related transactions. According to the OGC, if a policy or practice that restricts access to housing on the basis of criminal history results in a disparate impact on individuals of a particular race, national origin, or other protected class, such a policy or practice may be unlawful under the Fair Housing Act, even if the provider had no intent to discriminate.

The OGC highlights a three-step process that is used to analyze claims that a housing provider's use of criminal history results in a discriminatory effect. First, the plaintiff (or HUD) is required to prove that a housing provider's criminal history policy results in a disparate impact on a group of persons because of their race or national origin. If the plaintiff or HUD proves a disparate impact, the housing provider must then prove that the challenged policy or practice is necessary to achieve a substantial,

legitimate, nondiscriminatory effect. A blanket prohibition on any person with any conviction record will be unable to meet this burden. Furthermore, a housing provider with a policy that excludes individuals with only certain types of convictions must still prove that its policy is necessary. If a housing provider proves its criminal history policy or practice achieves a substantial, legitimate, nondiscriminatory effect, the burden of proof shifts back to the plaintiff or HUD to prove that such interest could be served by another practice that has a less discriminatory effect. Housing providers may also be in violation of the Fair Housing Act if the provider intentionally discriminates against a potential tenant using criminal history information.

Resolution: Be it resolved, that the Housing and CR&D Committees recommends a working group be formed to develop and publish a white paper on the topic of implementing successful policies and guidelines that are in line with the OGC's memorandum on the application of Fair Housing Act standards to the use of criminal records by providers of housing and real-estate transactions. The white paper will provide best practices and broad policy recommendations that are sensitive to state and regional variations and will act as Fair Housing guidance for housing agencies. The white paper will be developed with input from NAHRO members and from other organizations relevant to the issue.

#2 Affordable Housing Credit Improvement Act of 2016

Background: On May 19, 2016, Senators Maria Cantwell (D-WA) and Orrin Hatch (R-UT) introduced S. 2962, a bi-partisan legislation titled the Affordable Housing Credit Improvement Act of 2016. The bill offers numerous changes to the Low-Income Housing Tax Credit (LIHTC) program that have long been supported by NAHRO and industry partners, including a 50 percent expansion in LIHTCs, the inclusion of income-averaging for affordable housing developments, and establishing a minimum 4 percent rate for acquisition and bond-financed developments. Overall, the bill would help create or preserve approximately 1,300,000 affordable homes over a 10 year period – 400,000 more units than is possible under the current program.

Resolution: The CR&D Committee supports the passage of the Affordable Housing Credit Improvement Act of 2016.

HOUSING

#1 The Rural Housing Preservation Act of 2016

Background: HR 4908/S 2783, The Rural Housing Preservation Act of 2016, would amend the Housing Act of 1949 to direct the Department of Agriculture (USDA) to extend rural housing vouchers to any low-income household (including those not receiving rental assistance) residing in a property financed with a Section 515 loan made or insured for housing and related facilities for elderly or other low income persons and families which has been prepaid, or which has matured, after September 30, 2005. The bill would also prohibit owners of properties financed with these loans, whether outstanding or fully paid, from refusing to lease available units in the property to a rural housing voucher holder. The bill also decouples USDA rental assistance (USDA Section 521) from a USDA Section 515 loan, allowing USDA to contract to make, make, and/or renew annual rental assistance

payments to owners of projects have matured on or after enactment of the bill. The bill would also require USDA to shall establish uniform requirements, terms, and conditions for any sale or transfer of a Section 515 financed property to any entity, including a nonprofit organization, seeking to acquire it with a similar loan and any low-income housing tax credit under the Internal Revenue Code. The bill would also allow USDA to establish a Multifamily Housing Revitalization Program for the preservation and revitalization of multifamily housing projects funded with Section 515 loans, as well as with loans for housing and related facilities for domestic farm labor, to ensure that those projects have sufficient resources to provide safe and affordable housing for low-income residents and farm laborers.

Resolution: BE IT RESOLVED, NAHRO supports the Rural Housing Preservation Act of 2016 (HR 4908/S 2783), BE IT FURTHER RESOLVED, NAHRO recommends including language in the bill that would allow PHAs to receive loan forgiveness when acquiring properties financed with rural development loans and language that guarantees the PHA housing affordability on the property for 30 years.

#2 Small Area Fair Market Rents

Background: HUD published a proposed rule titled “Establishing a More Effective Fair Market Rent System; Using Small Area Fair Market Rents in Housing Choice Voucher (HCV) Program Instead of the Current 50th Percentile FMRs” in the Federal Register. The proposed rule would replace the current policy of basing payment standards on 50th percentile fair market rents (FMRs) in certain areas in order to deconcentrate poverty with a policy of using small area fair market rents (SAFMRs) in certain metropolitan areas according to criteria set by HUD.

Comments to HUD on the proposed rule are due by August 15, 2016. Previously, NAHRO has voiced concerns about the impact of SAFMRs on tenants, some of whom will have lower payment standards; on landlord participation rates; and the administrative costs, among other concerns.

Resolution: WHEREAS, the use of Small Area Fair Market Rents poses tenant welfare concerns, concerns about limiting choice of tenants in metropolitan areas, and numerous administrative concerns, WHEREAS, additional time is needed to study the full impact of Small Area FMRS, and WHEREAS, additional funding is need to support the transition to Small Area FMRs, BE IT RESOLVED that NAHRO does not support the mandatory implementation of Small Area FMRs, but believes that use of Small Area FMRs should be completely voluntary.

#3 Application of Fair Housing Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions.

Background: HUD's Office of General Counsel (OGC) issued a Memorandum on the use of Criminal Records. The OGC states that the memorandum is guidance concerning how the Fair Housing Act applies to the use of criminal history by providers or operators of housing and real-estate related transactions.

Resolution: BE IT RESOLVED, the Housing and CR&D Committees recommend to the Board of Governors that NAHRO form a working group to develop and publish a white paper on the topic of implementing successful policies and guidelines that are in line with the OGC's memorandum on the

application of Fair Housing Act standards to the use of criminal records by providers of housing and real-estate transactions. The white paper will provide best practices and broad policy recommendations that are sensitive to state and regional variations and will act as Fair Housing guidance for housing agencies. The white paper will be developed with input from NAHRO members and from other organizations relevant to the issue.

MEMBER SERVICES

#1 Louisiana By-Law Changes

Background: The Louisiana Housing Council proposed the following changes to their bylaws:

ARTICLE VII-ELECTION OF OFFICERS AND BOARD MEMBERS.

Section 3. The president shall, at least four weeks prior to the annual meeting, appoint a nomination committee of five (5) members, to consist of past active LHC Presidents. In the event that there are not five (5) active past Presidents, the current LHC President shall select nominating committee members from among the current duly elected officers and or Executive Committee member at the ensuring annual meeting. Nominations may also be made from the floor.

Section 3. Change to:

The President shall at least 60 days prior to the annual meeting; appoint a nominating committee of eight (8) members to consist of the five (5) most current past active LHC Presidents, the current LHC President, the current Senior Vice President and the Current Executive Secretary. The latter three (3) shall be nonvoting members. In the event that there are not five (5) active Presidents, the current LHC President shall select nominating committee members to fill the balance of the active past Presidents from among the current duly elected officers and or Executive Committee members. At least 4 weeks prior to the annual meeting, the membership shall be notified of the committee's recommendations'. At the time of the annual meeting nominations may also be made from the floor.

ARTICLE X – MEETING

Section 1. Delete: on the third Thursday of May. (The membership of the corporation shall meet annually on the third Thursday of May.)

Insert: in the month of May. (The membership of the corporation shall meet annually in the month of May.)

Delete the second sentence. (Should such a day fall on a holiday, then the annual membership meeting shall be held on the following day.)

Resolution: The Member Services Committee moves the acceptance of LHC's By-laws. The motion passed unanimously.

#2 SWRC By-Law Changes

Background: The Southwest Regional Council (SWRC) proposed the following addition in bold to Section VI: Nominations and Elections of their bylaws:

Section 1. Not less than sixty (60) days prior to the annual convention of the Regional Council held in odd-numbered years, a Nominating Committee consisting of the Regional President, Immediate Past-President, Senior Vice President, the President (or designee) of each chartered NAHRO State Chapter within the region, and a representative elected from the Commissioners Committee, shall meet for the purpose of selecting one or more persons from the roles of active associate members in good standing as nominees for each office. The Immediate Past-President of SWRC shall serve as Chair of the Nominating Committee.

Resolution: The Member Services Committee moves the acceptance of SWRC's By-laws. The motion passed unanimously.

#3 Member Dues Increase

Background: In April of 2016, the Budget and Administration Committee put forward a resolution that was passed by the Board of Governors requesting the Member Services Committee to discuss and act on the implementation of a dues increase. At this meeting, NAHRO's CFO provided the committee with the following background information to consider:

- dues had not been raised for housing agencies since 2008,
- the revenue generated from membership has declined slightly over the years while the rate of inflation has risen, and
- additional benefits have been provided to the membership since 2008.

He also provided the committee with several scenarios to consider:

- increase dues by 13% which would keep pace with actual cost escalation,
- increase dues by 10% every three years,
- increase dues by 10% in 2017 and commit to review the dues rate on an annual basis, or
- increase dues by 6% in 2017 and then 1% per year over the next five years.

Since a majority of members pay \$500 or less in dues, he also provided data on each proposed rate and the cost an average member paying \$500 currently incur in each situation with the highest only adding an additional \$65 to their current dues.

Resolution: The Member Service Committee moves the acceptance of a 13% dues increase in 2017 with 24 in favor and two opposed.

#4 Membership Dues Review

Background: Based on the previous dues discussion it was recommended the committee review the dues structure every two years to make sure it was still meeting NAHRO's needs.

Resolution: The Member Services Committee will review the dues structure every two years beginning in the summer of 2018. The motion passed unanimously.

DISCUSSION AGENDA

PRESENTATION OF DISCUSSION AGENDA: Committee chairs will present each item; the Board will vote on each item separately.

HOUSING AND EDUCATION TASK FORCE

#1 Memorandum of Understanding between NAHRO and the Campaign for Grade Level Reading (attached)

HIGHLIGHTS

Standing Committees: Presented by Vice Presidents

- Professional Development: **Duane Hopkins**
- Member Services: **Donna Brown-Rego**
- International Research and Global Exchange: **Julie Brewen**
- Community Revitalization and Development: **Donovan Duncan**
- Commissioners: **Rick Leco**
- Housing: **Regina Mitchell**

National Committees, Task Forces and Ad Hoc Groups: Presented by Chairs

- Budget & Administration: **DeeAnna Peterson (see attached report)**
- Legislative Network: **Don May**
- Strategic Planning Advisory Group: **Marty Ryan for Michael Gerber**
- Housing America Task Force: **Clif Martin**
- Small Agencies Task Force: **Sharon Carlson**
- Housing and Education Task Force: **Preston Prince**
- BECT: **Dan Trozzi**
- [Housing and Development Law Institute](#) – **Vivian Bryant-HDLI Rep. for Ricardo Gilmore**

REGIONAL COMMENTS AND HIGHLIGHTS

Presented by Regional Presidents

Topics for comments: Does your region use NAHRO Professional Development (PD) trainings and is there a growing interest in NAHRO certifications? If so, please comment on what we are doing right and how we could improve.

Is your region actively marketing NAHRO PD and certification products? If so, how—newsletters, magazines, website ads, incorporating NAHRO trainings into conferences or any other ways?

Are you partnering with local agencies to host on-site NAHRO PD trainings? Should NAHRO consider adding training centers in your region, if so, where?

SWRC: **Darrin Taylor**

PSWRC: **Ed Mayer**

NERC: **Joseph D'Ascoli**

PNRC: **Sunny Shaw**

MARC: **David Allen Brown**

NCRC: **DeeAnna Peterson**

[SERC](#): **David Baldwin***

MPRC: **Dianne Hovdestad**

***report posted online**

PRESENTATION OF:

- President's Report
Status on the CEO Search
- Senior Vice President's Report
- [Acting Chief Executive Officer's Report - Status Report on Resolutions adopted at the 4/13/16 Board Mtg.](#)

NEW BUSINESS

EXECUTIVE SESSION -- to consider a BECT resolution

ANNOUNCEMENT: Next Board Meeting: Saturday, October 15 – 2:30 to 5:30 p.m., New Orleans, LA

ADJOURNMENT

MEMORANDUM OF UNDERSTANDING
NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS

and

THE CAMPAIGN FOR GRADE-LEVEL READING

Regarding

**Ensuring Children Living in Public or
Assisted Housing Achieve Grade-Level Reading**

I. PURPOSE

This Memorandum of Understanding (MOU) is entered into by and between the National Association of Housing and Redevelopment Officials (NAHRO) and the Campaign for Grade-Level Reading (GLR Campaign), collectively “the Parties,” to collaborate on Ensuring Children in Public or Assisted Housing Achieve Grade-Level Reading.

This MOU sets forth the intent of the Parties to establish a framework within which they will work collaboratively and in a mutually beneficial manner to support partnerships between public or assisted housing authorities and local communities participating in the GLR Campaign’s efforts. Together, the Parties desire to increase the visibility, understanding and appreciation of the critical role that housing plays in ensuring that low-income children are reading proficiently by the end of third grade and of the role that communities and public housing authorities play in reaching that goal.

II. BACKGROUND

National Association of Housing and Redevelopment Officials

With approximately 2,900 agencies and 16,000 individual members, NAHRO is the nation’s oldest and largest organization representing public officials engaged in the production and operation of affordable housing and in community development. NAHRO’s member agencies own or manage more than 95 percent of all public housing in the United States. NAHRO inspires and engages professionals in housing, community development, finance, government and social services in collaboration with residents to create attainable and sustainable housing and communities for vulnerable families and individuals. Through its Housing America campaign, NAHRO raises national awareness of the need for and importance of safe, quality, affordable housing in addition to advocacy and ensuring that children receive the education they need and deserve.

NAHRO believes that schools need a 24/7/365 partner and understands that Public Housing Authorities (PHAs) and community development organizations are uniquely positioned to fill this role. NAHRO shares the GLR Campaign’s desire to help PHAs and community development organizations become learning enablers by ensuring that the young learners in affordable

housing can read proficiently by the end of third grade and to promote grade-level reading as a step on the path to future success. By partnering with the GLR Campaign, NAHRO will leverage the Campaign's commitment to ensuring that children living in housing properties in the communities that NAHRO serves are set up for success in schools — by arriving ready to learn, maintaining consistent attendance and gaining access to enrichment over the summer so they don't fall behind. Through this relationship with the GLR Campaign, public and affordable housing agencies will be able to build upon their efforts to strengthen communities and outcomes for the families they serve. The GLR Campaign will help by equipping public and affordable housing agencies with evidence-based strategies and technical assistance that can be deployed in their communities. Both Parties recognize the importance of partnerships among public and affordable housing agencies, local GLR Campaign communities and nonprofits.

The Campaign for Grade-Level Reading

The Campaign for Grade-Level Reading is a collaborative effort by foundations, nonprofit partners, business leaders, government agencies, states and communities across the nation to ensure that more children in low-income families succeed in school and graduate prepared for college, a career and active citizenship. The GLR Campaign focuses on an important predictor of school success and high school graduation — grade-level reading by the end of third grade.

Currently 80 percent of children from low-income families are missing a milestone that is a major predictor of high school graduation and success in life — reading proficiency by the end of third grade. That number climbs even higher when applied to children of color from low-income families and is north of 90 percent for African-American boys attending high-poverty schools. The research is clear that failing to read proficiently by the end of third grade has significant and adverse consequences for the children, their families, communities and our nation. Changing the odds for these children requires an extensive and intensive effort to ensure that more children are ready for school, attend school regularly and are engaged appropriately during the summer months.

The GLR Campaign hopes to leverage the partnership with NAHRO to amplify its key messages, reach important audiences and constituencies in the public and assisted housing community, and strengthen its working relationships with public and assisted housing agencies in GLR Network communities. The partnership provides a platform to ensure children in public and affordable housing are reached by these campaigns and a messenger to help engage families and community partners.

The GLR Campaign hopes to leverage its partnership with HUD, formalized in a separate MOU with the federal agency, and work to ensure that HUD plays a positive, supportive where appropriate, leadership role in facilitating the emergence and sustainability of policies, programs and practices to advance and accelerate the efforts of housing authorities to promote grade-level reading proficiency by the end of third grade.

III. FRAMEWORK AGREEMENTS

The Parties enter into the following agreements to establish a framework for collaboration in support of their mutual efforts to improve the educational outcomes of young residents living in public or assisted housing.

* Public Awareness. The Parties agree that they will act together to advance public awareness of the importance of grade-level reading proficiency by the end of third grade as a major predictor of high school graduation and success in life.

* Multi-Level Collaborations. The Parties will work to foster collaborations between their respective organizations and their members at the national, regional, state and local levels to advance the goals and purposes of this MOU, including, but not limited to, NAHRO's participation in the GLR Campaign's More Hopeful Futures initiative.

* Best Practices. The Parties will share and promulgate to their respective members a wide variety of information including model programs, best practices, techniques and strategies to improve readiness, attendance, summer learning and grade-level reading for low-income children, and to engage and support parents in this work.

* Joint Recognition of PHAs. The Parties agree that they will work together to publicly recognize PHAs and community development organizations that implement innovative and successful methods, strategies and techniques that improve the educational outcomes of young residents living in public or assisted housing.

* Conferences of the Parties. To advance the collaboration of the Parties evidenced by this MOU, each Party will permit the attendance on a complimentary basis, and program participation from time to time as mutually agreed upon, by one or more representatives of the other Party at such Party's national conferences and convenings.

* Governmental Initiatives. Recognizing that legislative and/or regulatory activity may be necessary at all levels of government if the improvement of the educational outcomes of children living in public or assisted housing are to be met, the Parties agree to work together to develop and carry out an agenda for legislative and regulatory action to further the mutual goals of the Parties described in this MOU.

* Research. The Parties agree to explore the potential for joint research on the best practices for improving educational outcomes in addition to the issues and barriers that PHAs and community development organizations encounter in assisting young learners to become grade-level readers in various marketplaces that benefit the partnership while supporting each organization's policies.

* Periodic Meetings. Appropriate staff and designated members of the respective Parties will meet periodically, not less frequently than quarterly, in Washington, D.C., or electronically. The purpose of these meetings shall be to discuss the development of specific activities and initiatives to carry out the spirit of this MOU and to formulate, where possible, mutual policy positions regarding the nation's affordable housing and education needs.

IV. ADDITIONAL AGREEMENTS

The Parties shall from time to time enter into such further, specific agreements to implement the subject matter of this MOU as they shall deem necessary or desirable to carry out their mutual intent as described herein.

V. TERM

NAHRO and the GLR Campaign enter into this MOU to work together on this Partnership, but will maintain their own separate and unique missions, mandates and accountabilities. The term of this MOU shall commence on July 16, 2016, and shall conclude December 31, 2020. Thereafter, this MOU could be renewed with mutual agreement by both Parties.

VI. CONTACT INFORMATION

Each Party will maintain a person to serve as the official contact and to coordinate the general activities of each organization in carrying out this MOU. The initial principal contacts of each organization are:

National Association of Housing and Redevelopment Officials
Georgi Banna, Director of Policy & Program Development gbanna@nahro.org
John Bohm, Acting Chief Executive Officer jbohm@nahro.org

The Campaign for Grade-Level Reading
Alicia Maldonado, Senior Consultant am@mockingbirdcommunications.com
Ralph Smith, Managing Director rsmith@gradelevelreading.net

VII. SIGNATURE OF ORGANIZATION OFFICIALS

The signing of this MOU does not represent a legally binding agreement. Rather, it implies that the signatories will strive to reach, to the best of their abilities, the objectives stated in this MOU.

On behalf of the organization I represent, I acknowledge acceptance of this MOU, agree to participate with the other Party and contribute to the further development of this MOU.

National Association of Housing and Redevelopment Officials

By: _____ Date: _____

Stephen W. Merritt, PHM, President

The Campaign for Grade Level Reading

By: _____ Date: _____

Ralph Smith, Managing Director

BUDGET AND ADMINISTRATION COMMITTEE REPORT

CURRENT WEBSITE DEFINITION: The Budget and Administration Committee (B&A) oversees the administration of the NAHRO budget. The committee recommends action to the Board of Governors on all budget revisions and budget proposals and also recommends appropriate administrative policies where needed.

HISTORY: NAHO has been organized since 1937 and became NAHRO in 1953. The Budget and Administration committee was created around 1977 due to financial distress which required leadership engagement and support. In 1987, and again in the early 2000's, the organization struggled with solvency resulting from poor operational costs controls, ineffective Professional Development product design, demand and performance, and inadequate Member Services management. In multiple years, NAHRO has funded operations utilizing Reserves, including as much as \$600,000 in one year. Audit reports provided management and fiscal control recommendations that were not implemented timely in multiple years, which required the ongoing pressure from the B&A upon senior NAHRO staff to rectify. The historical recurrence of insufficient operational and fiscal controls and inadequate performance and profitability of the Professional Development and Member Services divisions have created the need for the B&A Committee to re-establish priorities during and after financially distressful times, and maintain oversight and follow-up on performance improvement of NAHRO on behalf of the BOG and the membership. We see no indication that the role and value of the B&A oversight will or should diminish in the future.

MEMBERSHIP: The make-up of the committee has remained the same and works well in the current committee design. The President appoints one representative from each of the eight regions and a Chair. No BOG confirmation is required. The term runs from October to October for a two-year term during the odd years which coincides with the leadership's terms. The B&A Chair reports to the BOG as a voting member, reports to the Steering Committee as a non-voting member, meets with the CEO Evaluation Committee and is to participate in the Transpire annual meeting.

COMMITTEE CHARGE: In recent years the charge of the committee has been to monitor accounts of the NAHRO budget and provide advice to the President. The Committee thinks that the membership believes that our committee serves in a much larger capacity. The membership and leadership of NAHRO seem to be under the impression that the committee approves the budget, procures and reviews the annual audit, oversees all internal functions that have financial implications on the organization, reviews internal policies of the organization, and makes recommendations to the BOG for any committee spending requests as well as determines who is allowed to have access to financial information. The B&A Committee does not believe our current formal and informal charge has allowed that level of involvement.

While the current internal "definition" is limited, historically the B&A committee exercised more authority. The historical intent is defined as: a group chosen to be trusted with the responsibility to review (line by line if need be) the income and expenses of the organization to assure leadership and the membership that NAHRO can sustain itself. To provide critical, careful oversight of NAHRO's direction with a focus on review of fiscal and administrative policies.

There is a need for a formal clarification of the role of the B&A Committee. Policies are the purview of the Board of Governors. The B&A Committee should review and recommend fiscal and administrative policies to the BOG, while providing the necessary and careful oversight of NAHRO finances.

STRUGGLES: The committee has had internal struggles intermittently over the years with senior level staff of the Association. While the membership and leadership feel that the B&A Committee has oversight of all dealings that currently have or potentially could have implications on the health and longevity of the organization, the committee does not feel that they have free and clear access to information necessary to insure that. At times, committee members have believed that information has been presented in a manner that is skewed, has misrepresented some of the facts, or has left some information out. Since the Association relies on the belief that the B&A Committees oversight ensures that the membership has oversight of the organization, it is imperative that the committee and staff have a solid, trusting relationship. That relationship has not always been where it needed to be.

PROPOSED DUTIES AND PRIORITIES OF B&A COMMITTEE: To review the annual budget by participating in a conversation with each of the committee lead liaison staff members as well as the CEO and the CFO. Staff discussions should begin at summer conference prior to presentation of the budget in October. The B&A should review, comment and recommend on each of the major portions of the budget and present its comments to the BOG for discussion.

To have access to additional committee (PD, MS, etc.) information that was used to create their portions of the budget as well as updates on actual (monthly/quarterly) benchmark performances. To review trends and discuss parameters that will impact the coming year. To have dialogue with both the staff lead as well as the VP of each committee during reviews.

To receive and respond to staff reports on committee strengths, weaknesses and goals throughout the year.

To participate in conversations regarding what information should be accessible to all Steering Committee members as well as review financial information being requested from committee Vice Presidents.

To regularly review (monthly) the year to date income and expenses relative to the approved budget, make suggestions if programmatic or organizational changes need to be discussed, and to make the President and the BOG aware of any concerns. In particular, the Committee should directly communicate to the BOG its opinion regarding areas of operations where revenues need to increase or expenses need to be decreased to protect the financial sustainability of NAHRO.

To review and approve the procurement of the annual audit, receive and review the audit report, and report an accurate status update to the President and to the BOG.

To review personnel policies, accounting policies and procedures, as well as updates to any internal policies of the organization and make recommendations to the BOG.

To participate in discussions regarding NAHRO Headquarters at 630 Eye Street to maintain the capital asset and review proposed physical improvements.

To review any requests that come from committees that will have any potential financial impact on the budget and to provide input to the BOG on said potential changes.

To review and approve investment strategies of the organization and to recommend policy updates to the BOG.

To report to the BOG in a very transparent manner as to our activities and the organizational discussions that take place. Recognizing that we are appointed by the President with responsibilities to the BOG and membership of the organization.

To participate in CEO Evaluation Committee as well as provide input to the CEO on the review of the CFO's performance.

To be a partner with the President, Senior Vice President, the BOG, the CEO and the CFO to ensure the growth and health of the organization.