



American Society of Appraisers
Minutes - Board of Governors Annual Meeting
Orlando, Florida
July 11, 2009

International President Ronald M. Seaman called the meeting to order at 8:35 a.m. EDT.

International Secretary/Treasurer Robert C. Schlegel called the roll.

International President	Ronald M. Seaman, FASA
International Senior Vice President	Michael H. Evans, FASA
International Secretary/Treasurer	Robert C. Schlegel, ASA
International Past President	John D. Willey, FASA
Governor, Region 1	Timothy A. Griffith, ASA
Governor, Region 2	James R. Tisch, ASA
Governor, Region 3	Bradford James Southern, ASA
Governor, Region 4	Edward G. Detwiler, ASA
Governor, Region 5	James O. Brown, ASA - absent
Business Valuation Governor	J. Michael Hill Jr., ASA
Business Valuation Governor	Daniel R. Van Vleet, ASA
Gems & Jewelry Governor	Jennifer J. Thornton-Davis, ASA*
Gems & Jewelry Governor	Gary L. Smith, ASA*
Machinery & Technical Specialties Governor	Jack Washbourn, ASA
Machinery & Technical Specialties Governor	Alan C. Iannacito, ASA - absent
Personal Property Governor	Nelson O. Clayton, ASA
Personal Property Governor	Edith (Edie) M. Yeomans, ASA
Real Property Governor	Richard W. Gilmore, FASA
Real Property Governor	William P. Wilson III, ASA
Executive Vice President	Laurie M. Saunders
Legal Counsel	Jerome C. Schaefer, Esq.
Parliamentarian	Larry D. Phillips, FASA
Chief Finance and Operations Officer	Harriet S. Cutshall, CPA
Recorder	Susan R. Fischer
Guests:	
College of Fellows Representative	Lee P. Hackett, FASA
Chair, RICS Exploratory Unification Committee	Donna J. Walker, FASA
Region 2 Governor-Elect	Sharon Moore Bettius, ASA
Region 4 Governor-Elect	Mary A. O'Connor, ASA
Region 5 Governor-Elect	Gregory S. Ansel, ASA
Bruce B. Bingham, FASA	International Education Committee Chair
Chancellor, College of Fellows	Richard C. Amoling, FASA
Vice Chancellor, College of Fellows	Ernest A. Demba, FASA
Chair, Real Property Committee	W. David Snook, FASA

Treasurer, Real Property Committee
Chair-Elect, Real Property Committee
BV Committee Treasurer
Chair, MTS Committee
Vice Chair, MTS Committee
Treasurer-Elect, MTS Committee
Chair, ARM Committee
Chair, ASA Educational Foundation
Member, Gems & Jewelry Committee
ASA Director of Education and Accreditation
ASA Director of Membership and Reaccreditation
ASA Director of Communications
Immediate Past President, NAIFA
Jeanine Brooks, MBA, FCGA
Carl Merton, CA, CBV
Iseo Pasquali, CA, CBV, CFE
RICS Americas Managing Director
RICS Professional Valuation Council

Lorrie Beaumont, ASA
Samuel F. Luceno, ASA
J. Mark Penny, ASA
Victor N. Thompson, ASA
Peter J. Campbell, ASA
Douglas R. Krieser, ASA
Steven N. Siegler, ASA
Gerald L. Huether, FASA
Nancy Stacy, ASA*
Jane S. Grimm
Bonny F. Price
Betty N. Snyder
Michael T. Orman, ASA, IFAS
CICBV President and CEO
CICBV Chair
CICBV Past Chair
Matthew Bruck
Brian Glanville

*Master Gemologist Appraiser®

A quorum was established and President Seaman asked the board members for any changes or additions to the minutes from the June 16, 2009 teleconference. Governor Yeomans asked that the second sentence of the fourth paragraph on page four be changed to read: "She said that she thinks that RICS is going around the back door and that she was asked to help them plan events." The minutes were approved as submitted with this one modification.

President Seaman asked if anyone had any comments on the reports that were submitted. No comments were given and the reports were accepted as submitted.

Financial Reports

Secretary/Treasurer Schlegel said that the year-end financial projections look good and that the overall margin is positive due to a high degree of attention paid to expense control. He said that his July 29 memo to the board gives an estimated positive contribution to the net asset balance at year end, a summary of activity and a projected statement of operating expenses for Headquarters only. The primary contribution was from BV and some contribution from MTS. Even though education revenue dropped, education expenses dropped as well and the net results were better than some expected.

Secretary/Treasurer Schlegel said that, on an accrual basis, we will end the year with approximately a \$200,000 contribution to net assets and that these results will reflect capitalization of IT expenses. He added that, on a cash basis, we will end up with a positive contribution of approximately \$100,000.

Secretary/Treasurer Schlegel commented that a slow economic recovery is expected to begin by the second half of 2009 and that we need to exit the recession with tomorrow's solutions, not yesterday's tools. He added that we have a new software system with better data integrity and rules to access that data.

Chief Finance and Operations Officer Cutshall said that after updating the year end projections from two to three weeks ago she found that things are looking even better but that she needs to wait for final figures from the disciplines to have firm results. She said that she is sending reporting forms to the chapters and said that all chapters must now file the 990N form. Headquarters completes and submits the form but the information

comes from the chapters. Chief Finance and Operations Officer Cutshall said that she may need help from the region governors in obtaining this information and thanked them in advance for their assistance.

Chief Finance and Operations Officer Cutshall said that this will be the first year we have to file the “new 990” due to provision in the PPA. We will continue to file a 990T each year to report unrelated business income, which is comprised mainly of advertising income.

Secretary/Treasurer Schlegel brought everyone up to date on the status of the audit and said that a little over \$50,000 was paid for the 2007-08 audit, less than the \$65,000 the auditor was charging. He said that the inexperience of the new audit manager contributed to the additional charges along with other delays. Secretary/Treasurer Schlegel said that although the cost for next year’s audit is budgeted for \$40,000, he hopes that the cost will be held to \$35,000. The audit selection committee, authorized by the board last year, has met several times. Kevin Vannucci will be heading the development of an RFP to be issued in November. Secretary/Treasurer Schlegel said that it is wise to periodically go out and see what other audit firms have to offer.

Governor Southern asked if there were any anticipated adjustments from the audit (AJEs) and Chief Finance and Operations Officer Cutshall said that there are some unclaimed travel expenses but that everything major is accounted for. She said she makes all the AJEs herself each year with the exception of an adjustment to book inventory value when the auditors suggested we write down the value for outdated inventory two years ago. She said that in June of 2008, the book inventory was at \$80,000 and it is now less than \$27,000 because only those items related to education classes are being kept in stock. She said that some people like to buy a book at the same time they are registering for a class rather than purchasing the book from Amazon.

Governor Hill asked if the discipline results were reflected in the projection of unrestricted net activity and Chief Finance and Operations Officer Cutshall said that she has discipline based activity as of March 31st. She said that she has good numbers and detail from BV through May and expects to have final numbers from all the disciplines by the end of August. She added that she has year end figures from three of the disciplines. Secretary/Treasurer Schlegel commented that he did not think that the discipline results will be radically different from what is projected.

Chief Finance and Operations Officer Cutshall said that once she has everything from the disciplines that she will do an allocation report. Governor Van Vleet said that it would be helpful to have some trends when discussing discipline centric issues and Chief Finance and Operations Officer Cutshall said that she will have four years of figures and will have the final reports by the end of August/early September.

Governor Yeomans asked if the allocations include both hard and soft costs and Chief Finance and Operations Officer Cutshall said that yes, overhead and everything else is included. Governor Van Vleet asked if there is a written description for the allocation of Headquarters cost and Chief Finance and Operations Officer Cutshall said that she will send a copy of the prior year’s report in which the descriptions and trending information was provided for the prior three years.

President Seaman commented that our financial reports are now light years ahead from what they were in the past and that we now have a much better handle on these matters.

Old Business

Update on JaSIA (Japan Society of Independent Appraisers)

Senior Vice President Evans said that we have been working with this Japanese group for several years and are in the process of negotiating an agreement to license MTS courses. He explained that MTS courses will be the first ones offered in that area and added that the intellectual property will be retained by ASA. Senior Vice President Evans said that there are mostly Real Property appraisers in Japan, whose economy has also been hit hard and they seem ready to sign an agreement.

Executive Vice President Saunders said that we have a relationship with this Japanese Society, which is not only interested in education, but they also want to build membership in ASA. She said that two Japanese members have been designated and have been added to the Board of Examiners and will be able to review reports in Japanese. Thus far, twenty people have sent in applications for new membership. Executive Vice President Saunders said that the Japanese have given us aggressive membership numbers and that we are helping to fund their recruitment through the dues they are collecting. MTS education is the first area where the Japanese want to grow; instructors will be trained over there and courses will be offered onsite. She said that one of our concerns was to make sure that ASA maintained control over our intellectual property and that she has been working with Richard Berkemeier to ensure this. She said that the agreement protects ASA and our intellectual property, it provides an income stream and the opportunity to grow internationally and added that the goal is to finalize the agreement next month.

Governor Van Vleet asked if the JaSIA is a separate legal entity and asked if this is an acquisition. Executive Vice President Saunders said that yes, JaSIA is a separate legal entity and that this is an affiliation, not an acquisition. She said that JaSIA will be acting as a chapter; a separate legal entity and if the relationship should end, the members would still be members of ASA; they will recruit members and provide education just like a chapter.

Neil Thompson, MTS Committee Chair, said that the MTS Committee would like to review the agreement. Executive Vice President Saunders agreed.

Governor Gilmore said that the Japanese coming in are Real Property appraisers, all are very qualified engineers, and that the growth will be in all the disciplines.

Governor Thornton-Davis asked if there are any current agreements with China and Executive Vice President Saunders said that there is a chapter in China with no support from ASA. Executive Vice President Saunders explained that we are supporting the Japanese for a limited time but that there is no money coming directly out of our pockets. They are keeping a portion of the dues and we will be retaining control by reviewing their financial statements and recruiting plans.

Governor Thornton-Davis asked if the agreement with the Japanese is the same as the agreement with Mexico. Executive Vice President Saunders said that this is a very different agreement from the contract we have with Mexico. She also clarified that there is no actual agreement with Mexico for education and that ASA does not reap much benefit from the Mexico chapter, either in membership numbers or financially. She said that the contract with Mexico was recently reviewed and that now members in Mexico must be reaccredited and pay reaccreditation fees. President Seaman added that ASA had given the Mexico chapter complete authority in Mexico but that has been changed and now the Mexico chapter has limited authority.

Governor Griffith asked what the dues split is with the Japanese and Executive Vice President Saunders said that initially the split is 50%; the money is sent to a company in Japan and our share is wired to us. It is proposed that at the end of three years, the split is 90%-10%.

Bruce Bingham, Chair of the International Education Committee, said that he would like to clarify ASA's relationship with China. He said that China consists of (1) Hong Kong and (2) Mainland China. He added

that there is an accredited ASA in mainland China and that ASA is currently considering a contractor relationship with him and has requested that he submit a budget and a plan for consideration.

Governor Clayton asked if we should have a coordinated focus on international education to prevent the possibility of fragmenting our organization. President Seaman said that the new president will deal with this issue, which is a daunting task. He said that perhaps one individual could handle a particular group and added that it is a difficult task with so many different cultures.

Ernest Demba, Vice Chancellor of the College of Fellows, said that during the 1990's, an education effort existed in Eastern Europe and asked if anything was going on in this area at the present time. Jane Grimm, Director of Education and Accreditation said that education initiatives currently exist in Germany and Paris. President Seaman commented that a major effort in this area is not planned at this time and that we have to set our priorities for international education.

Mr. Bingham said that we have to think about where the requests for education are coming from; the companies that want training for their employees. He said that we can make more money by responding to a demand by countries and companies for our courses and added that there is also a demand by discipline and that there may be a stronger demand for BV and MTS courses.

Senior Vice President Evans said that we will be looking at all of these issues in the year ahead. He said that we have not been able to bring the international membership in and that this typically starts with one discipline. Mr. Bingham said that, for example, John Wood has brought hundreds of students to POV courses offered in Australia and has been successful in getting people interested in becoming members of ASA and a chapter has been formed in Australia. He said that ASA has not been as successful elsewhere because of the lack of funds to put someone on the ground in a country and pay them.

Governor Gilmore said that we have been very involved with Japan, which is an RP issue, for quite some time. He said that the board needs to realize that no one individual has the time to work with international education and that Bruce Bingham's concept of having one contact to focus in one particular area does work and added that we are not as fragmented as you might think.

Governor Clayton said that he agrees with Mr. Bingham that capital expenditures and consistent support are needed to expand internationally but that we as a board have not talked about a big international expansion in a recession.

Senior Vice President Evans said that education has been extremely profitable internationally and that this has been the result of opportunities that have come to us requesting our education. He said that the agreement with Japan is a good model, that we are working on an agreement with China and that all of this is a work in progress. Senior Vice President Evans said that since we don't have the funds to invest we are looking at partnering where we can and we have to pick and choose the opportunities we want to pursue. He said that we need to figure out where, when, and how we are going to do it as we only have a certain amount of money and a certain amount of personnel.

Governor Yeomans agreed and said that there is a tremendous amount of opportunity here and in Canada too and that all of this is done within an atmosphere where changes are taking place with international accounting standards and USPAP standards and opportunities with CICBV and RICS, etc. President Seaman agreed and said that even though we can't do them all, we will be figuring this out within the next year.

Update on RP/NAIFA Unification Proposal

Real Property Committee Chair David Snook said that he and Michael Orman, Immediate Past President of NAIFA, have worked together for the past two years serving equal roles in the negotiations for unification of the ASA Real Property Committee and NAIFA. Mr. Snook said that there is more work to do and that there is a list of things that still need to be resolved and that ultimately both organizations have to operate as one. He added that NAIFA operates as one discipline and are a different culture than ASA. He said that the biggest challenge is the financial one and said that Hatsy Cutshall and John Barton did a great job helping with the financials. Mr. Snook said that, most importantly, an education delivery system needs to be established and a financial system needs to be resolved. He said that the education delivery system for RP needs to be delivered to people in their zip code and that this model needs to be economically sound. Mr. Snook asked the board members for their thoughts and comments on how to meld these two cultures together and commented that this situation is not peculiar to the RPC and that this will happen with the other disciplines.

Michael Orman said that he had taken the proposal to the NAIFA board who requested that the education model be worked out. He added that the two groups will work this out and will hopefully come out at a positive end.

Past President Willey reminded everyone that in New Orleans, ASA made a commitment to the profession, which means that there can be cooperation even if there is no unification, and added that this board is committed to the unification efforts that the RPC and NAIFA have started. He said that the first attempt at unification with NAIFA fell through but that we have grown as a society and we can now work together and put the past behind us.

Governor Van Vleet agreed with Past President Willey and said that if we are somehow going to unify our profession, we need to know how to get there. He said that it seems that a general concern of NAIFA is related to the governance structure of ASA and that they are concerned about coming into a multi-discipline Board of Governors.

Mr. Snook said that governance is a big issue. He said that NAIFA is concerned about the operational effectiveness of the ASA governance model and wants to know if the people making decisions at the board level will act in the best interests of the members of our discipline. Mr. Snook said that Real Property Committee is a community in ASA but within the ASA as a whole, it is not a dominant group. He said that this should not make a difference when we step aside from the discipline level to the professional level and use valuation as the basis for unification. He added that, as members of the board, governors cannot make parochial decisions.

Mr. Orman said that Real Property is only a small part of a very large profession and that we, everybody, in the valuation profession, need to set aside the discipline differences and step toward the big picture of a unified profession. We need to ask how we achieve this big picture.

Governor Van Vleet commented that he looks at himself as a representative of ASA and that we need to create an organization that is attractive to others and will cooperate with others.

Mr. Orman said that NAIFA is concerned with their loss of heritage; if we come together with ASA we become a part of the Real Property Committee which means losing our heritage and we don't want to lose that. We want to be a voice in the whole profession.

Mr. Snook said that the meaning of discipline centric has been shared with the NAIFA team; disciplines are responsible for their own operations, subsidiaries, business plans, and budgets which all have to meld with

the ASA Board of Governors, which provides oversight and policy. The board is not an operational, administrative body and ultimately what all of us do must complement each other.

President Seaman asked a question to clarify Mr. Snook's request for the board's input. Mr. Snook said that RP needs an education program with a flexible type of design because RP education needs to be delivered in diverse ways; some done internationally and some done in local zip codes. He stressed that the RPC cannot make money on the present education model that we have and that it needs to change. He said that he welcomes input from both the board and staff.

Both Mr. Snook and Mr. Orman thanked the unification teams from both ASA (John Willey, Richard Gilmore, Sam Luceno, John Barton) and NAIFA (Ann Susko, Dale Bonham, Monica Trotter, John Marrazzo) and commented on how well the teams are working together.

IT Presentation

Secretary/Treasurer Schlegel began by saying that much correspondence regarding the new association management system has been distributed to the board in the last year and a half and that even though implementation of the system has not been the easiest he has seen, it has not been the hardest and that the Aptify system gives us the ability to implement best practices into our business processes. He said that the board approved both the initial \$300,000 expense and an additional expenditure of up to \$40,000 to pay for more assistance from RAMSys, Inc. in order to be able to meet the 'go live' date of July 1, 2009.

Chief Finance and Operations Officer Cutshall said that the implementation process took quite some time to get to this point because even though we are a small society, we are essentially six separate organizations that are similar in some ways but each has different rules. She said that all of the decisions could not be made at Headquarters and it took time to get feedback from the members and the disciplines and added that we are still looking for feedback on certain things. Chief Finance and Operations Officer Cutshall said that Robert Magrogan, Project Manager, and Sharon Freas, Web Developer, will be speaking to the board and that Database Manager Fran Tucker is back at Headquarters.

Robert Magrogan said that he has been working as Project Manager for the last two years and thanked the board for their faith and trust. He said that outdated, nonfunctioning technology was replaced and the new technology that was purchased will be good for the next five years. He said that there were twenty-four separate databases and that there are now only two databases, the Core Aptify database and the Sage MIP Accounting System. He said that the software applications were replaced with Microsoft SQL Server, Sitefinity, Aptify and Microsoft Office. He commented that less is more.

Mr. Magrogan said that the ASA Website had 15,000 pages which Sharon Freas whittled down to 5,000 pages and has now been replaced with Sitefinity, which is a database so there are no pages. He said that we no longer need to write "HTML" code and we now have one database, one Sitefinity website, all in a real time system.

Mr. Magrogan said that Aptify is a good company and that other than "one bad apple" in the beginning, their support has been very good. He said that ASA's migration was very difficult because ASA is a complicated company, not one company but six 'companies', and that once the whole migration is done we will start looking like one company and the cost of IT will go down. He said that the core functionality will be rolled out according to the following schedule: (1) targeted marketing at the end of the summer, (2) discussion forums in September, (3) committee management at the end of October and (4) surveys at the end of November.

Mr. Magrogan further explained that the functionality of the content management system is Sitefinity and that Sitefinity is the website's database with Aptify underneath. He said that Sharon Freas received this in mid May and was able to get the website portion of Aptify operational in just two months, a process that normally takes twelve months.

ASA Web Developer Sharon Freas showed a view of the website as it looks today and said that the Aptify product is very good for what we want it to do. She said that the new 'Find An Appraiser' feature is not live yet but that more options will be available. Members will be able to enter zip codes of where they are and how far they want to travel and that the system will be able to accommodate two offices and can specify locations all over the world. Each discipline will come up with an approved list of specialties and areas of expertise and people will be able to see what type of experience a member has, i.e., divorce cases, experience with the IRS, etc. and will be able to enter in key words for the type of appraisal experience they are looking for; i.e. Cuban Folk Art. Ms. Freas said that there will be links to bring up Google maps and information for both member and non-member appraisers and added that the ability to sell journals online to non-members will also be available. Ms. Freas said that she is working with the disciplines to lay out a navigation tree in order to agree on the direction in which each discipline wants to go.

Secretary/Treasurer Schlegel told everyone to anticipate a series of Webinars with instructions on how to use these new tools.

Governor Wilson asked if the communication exchanged in the discussion forums is still secure and Ms. Freas said that she has the ability to control the access and that all forums are open to members only.

Governor Southern asked what the ramifications are of having a particular topic discussed in these forums. Counsel Schaefer said that the *Communications Decency Act* protects us from liability for statements made by individuals but that individuals could be subject to liability. Counsel Schaefer said that we should be clear on the "rules of the road" and the institution should be protected. Governor Southern asked if comments could be admissible in litigation and Counsel Schaefer answered "yes".

Governor Yeomans said that this goes beyond personal opinion; the rules of the road should include professional courtesy and use of proper language, etc.

Governor Clayton said that the questions on how the disciplines can use the new system and what they cannot do seem premature at this time and can be discussed in the fall. He said that it seems that there are things that we can do now that we will still be able to do.

Executive Vice President Saunders thanked the board for their support and all the people behind the scenes, the disciplines, and the IT staff.

New Business

President Seaman gave his closing remarks to the 2008-2009 Board of Governors thanking them for all of their work during the past year. He presented certificates of appreciation and plaques to outgoing board members James Tisch, Edward Detwiler and Jack Washbourn.

Past President Willey administered the oath of office to the incoming board members; incoming Secretary/Treasurer Jack Washbourn, Region 2 Governor Sharon Bettius, Region 4 Governor Mary O'Connor, and Region 5 Governor Gregory Ansel and MTS Discipline Governor Charles Dixon.

During lunch Matthew Bruck, Managing Director of RICS Americas and Brian Glanville of RICS Valuation Council gave an informative presentation about RICS to the members of the board.

2009-2010 Board of Governors

Secretary/Treasurer Jack Washbourn called the roll.

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Governor Smith made a motion to adopt the meeting rules for the 2009-10 fiscal year. Governor Wilson seconded the motion. Motion carried.

President Evans addressed the board and outlined his goals for the coming year. He said that (1) we need to deal with the issue of what to do with the disciplines that are not making a profit; (2) we need to capitalize on international opportunities that present themselves to us; where, when and how do we do this?; and (3) we need to answer the question of what to do with our chapter models and to determine the benefits of chapters and he has asked a chapter committee to come back with recommendations.

President Evans asked the board to do their homework and to come prepared to the conference calls and meetings in order to make logical decisions for our society as a whole.

RICS Exploratory Unification Task Force Update

Task Force Chair Donna Walker said that the report from the task force was submitted to the board for review a couple of weeks ago and a copy of the report was also given to RICS. She said that the task force recognized the fact that people have legitimate concerns with a merger with RICS and said that the task force recommends that at this time instead of a merger, that ASA continue to have dialog with RICS and to continue the sharing of professional education, government relations, joint meetings, reciprocity and other interests. Ms. Walker thanked the task force for their efforts.

Ms. Walker continued by saying that if we go ahead with a merger with RICS, we would be naïve to think that ASA will continue as it is now. She said that we have been told that we will be going into a structure like our structure that gives disciplines autonomy and we have to ask ourselves if we want to jump off this cliff. She said RICS appears to give disciplines autonomy in a greater organization but we have to clearly understand that ASA will have to change if we go forward.

Governor Van Vleet asked if a merger with RICS requires a vote of the membership and President Evans said that it would require a simple majority of the members who actually vote. Governor Van Vleet asked if anyone had conducted any kind of poll of how the board and the committee members feel about a merger. He said that he feels that a merger at this time is not possible; that the majority of the board and the majority of the disciplines would have a knee jerk reaction and would not vote to go ahead with the merger. Governor Van Vleet said that the first step is for the board to decide. Ms. Walker agreed and said that it is the board's job to sell it to the membership, that this is not the exploratory committee's task.

Ms. Walker said that there are unanswered questions about designations and names and that it is clear that we need to communicate on a smaller group level and that we will need this effort eventually. We say that we are discipline centric so we need to move through the discipline committees who need to inform their members. Everyone must get comfortable with this. Each discipline has their own concerns; BV is concerned about being dominated by RP; PP and GJ are concerned about becoming lost in a very large group; RP sees complications similar to those with NAIFA and MTS is concerned as well. Ms. Walker said that our task force clearly recognized that the concerns are there and asked for information to answer people's questions. She said that this is a big decision.

Governor Thornton-Davis asked what the features and benefits are of a merger with RICS. Ms. Walker said that the benefits could include that, as a sole practitioner in a small discipline, there is more cachet to your designation and also better marketing and brand capability. Governor Gilmore commented that financial wherewithal is also a benefit.

Ms. Walker said that size is both a positive and a negative and that she personally would like to get all the appraisers in the world together. Governor Van Vleet expressed concern that RICS is not necessarily dominated by valuers. She said that we may not like all the ancillary members that RICS has but that they are a big source of revenue for RICS. Ms. Walker said that the task force addressed concerns in a straightforward succinct way and that the disciplines need to ask questions and be comfortable with the answers.

Ms. Walker said that the task force thinks that we should continue to explore a merger with RICS for a period of time and to ask if there is interest in pursuing this. She said that there is no need for another task force, we have done that. It is important to continue to work with these people and to understand them as we are not comfortable enough yet to go ahead with the merger. Ms. Walker continued by saying that the memorandum of understanding outlines areas where we can work together on a cooperative basis.

A few additional comments were made. Governor Bettius asked Ms. Walker her opinion of the dues structure if ASA were to merge with RICS. Ms. Walker said that she did not specifically ask RICS that

question but that she assumed that it would be similar to RICS' dues structure. Governor Ansel said that the question he has is a philosophical one as to the definition of our professional organization since RICS is not all valuers and compared this to the American Bar Association that is inherently all attorneys.

CICBV Presentation

President Evans welcomed Jeannine Brooks, President and CEO of CICBV, Carl Merton, Chair of CICBV, and Iseo Pasquali, Past Chair of CICBV.

Jeanine Brooks began the presentation by giving some background information. She said that the CICBV is the only Business Valuation organization in Canada and that the CICBV has had a good relationship working closely with the ASA BV Committee since the 1980's on standards, joint conferences and seminars. She added that the CICBV is a member of the IVSC and has developed a code of ethics and mandatory accreditation and reaccreditation requirements.

Carl Merton said that the proposal for the IICBV will give the profession a greater voice internationally at the IVSC table. He said that we recognized that the IICBV umbrella organization would need more than just the CICBV and said that proposing that ASA be the first partner was an easy decision because of the long history of cooperation between our two organizations. The umbrella organization will be a unified voice designed to complement the IVSC that will gain international recognition of Business Valuation and establish an international BV credential.

Governor Van Vleet stressed the importance of moving forward with this worldwide opportunity that is critical for the financial valuation profession. He said that we have had a long, very friendly relationship with the Canadians and that culturally there is a lot of consistency there and added that there is much worldwide unmet demand for Business Valuation.

Mr. Merton said that there is tremendous opportunity and that the BV profession is growing the most in North America. He said that the CICBV views this as a global expansion professionally, not individually and an opportunity to help less experienced appraisers and valuers. Mr. Merton said that there are resources that we can each bring to the table, such as education, and that some money will need to be spent in terms of resources. He said that the CICBV is willing to offer their administrative processes until we expand.

In response to President Seaman's question, Mr. Merton said that they had spent time fleshing out questions but then decided to pull back and instead would like to appoint joint task forces to meet and flesh out the questions and concerns. Ms. Brooks said that if we are going to be co-founders of the umbrella organization then we should work on this together. She said that if we will be assisting business valuers in other countries, we need an accreditation and added that we already have special interest groups asking to become a part of this umbrella organization.

Senior Vice President Schlegel said that Past President Seaman had appointed him as Chair of the ASA task force, which included representatives from BV, MTS and RP, to ask if this proposal from CICBV makes any sense. The task force determined that the opportunity to partner with CICBV makes good sense and our report includes questions we felt were important in pulling it all together.

Senior Vice President Schlegel said that this proposal is a BV initiative but that fair value in financial reporting bleeds to other disciplines. He said that he looks toward the BV Committee to flesh this out; timelines, objectives, funding issues, and issues with the name of the umbrella organization and the credential. He said to view the report from his task force as a positive recommendation.

Nominations/Selection of Budget & Finance Committee representatives

Governor Yeomans nominated Governor Clayton to serve on the ASA Budget & Finance Committee as one of the two representatives from the Board of Governors. Governor Smith seconded the nomination. Governor Clayton was unanimously approved by the Board of Governors as a member of the Budget & Finance Committee.

Senior Vice President Schlegel nominated Governor Ansel to serve on the ASA Budget & Finance Committee as one of the two representatives from the Board of Governors. The nomination was seconded. Governor Ansel was unanimously approved by the Board of Governors as a member of the Budget & Finance Committee.

Nominations/Selection of Nominating & Awards Committee representative

Governor Wilson nominated Governor Griffith as a member of the ASA Nominating & Awards Committee. Governor Gilmore seconded the nomination. Governor Griffith was unanimously approved by the Board of Governors as a member of the Nominating & Awards Committee from the Real Property discipline.

Additional Discussion

Governor O'Connor asked when the CICBV report and the RICS report would be vetted. President Evans said that he would appoint a new task force to work on the CICBV proposal and Governor O'Connor said that the task force report needs to be endorsed by the board. Governor Van Vleet said that the CICBV task force report recommends that the BV Committee go ahead with the negotiations and said that this is a cooperative effort between the task force, the BV Committee and the CICBV to make sure that everything is in place. Governor Washbourn commented that the task force report recommends that the BV Committee work on this and bring a formal resolution to the board in August. Past President Seaman said that this proposal affects all of ASA and that there are still a lot of questions that have not been answered.

Governor O'Connor questioned if the RICS proposal needs a vote on whether or not to move forward. President Evans said that, as a point of order, the RICS Exploratory Unification Task Force report was delivered to the Board of Governors with no action requested at this time. President Evans said that he will make a formal request to the BV Committee tomorrow to present a report to the board with timelines and other information as requested by the CICBV Task Force.

Headquarters Task Force Report

Governor Hill said that ASA has contracted with Transwestern to assist with the search for the best option for a Headquarters location. Allen McBride, representative from Transwestern gave a presentation to the board outlining the following options of (1) renewing the lease at the current location early, (2) renewing at the current location upon expiration of the lease, (3) relocating to another building, (4) relocating to another state, and (5) purchasing a Headquarters building.

Mr. McBride said that the landlord chose not to respond to the offers to renew the current lease early at a reduced rate, including tenant improvements, so that option is no longer available. He said that subleasing the current space is not an option so he is presently exploring the possibility of a lease buyout of another building in the Washington, D.C. area.

Mr. McBride said that they can look at the option of relocating to another state or purchasing a building, however he felt that the greatest savings over time would be in a lease buyout in the current market.

Governor Hill said that since the lease expires in January, 2011, we need to make a decision no later than the second quarter of 2010. Past President Seaman asked if Transwestern could give a pro forma of five to ten years of moving the Headquarters office to Raleigh, NC. Governor Hill said that yes, this could be done.

ASA Educational Foundation

A motion was made and seconded to adjourn as the ASA Board of Governors and convene as the Board of the ASA Educational Foundation.

Chair of the ASA Educational Foundation Gerald Huether said that the Educational Foundation processed thirteen grants this year, an increase of nine from last year. He noted that the Educational Foundation is assisting an individual from Kenya to earn his ASA designation. Mr. Huether asked everyone to support the fundraiser auction to be held tomorrow night.

Mr. Huether said that the terms of the Educational Foundation Board members need to be re-aligned to provide a smooth transition and eliminate confusion. He made a motion to align the terms of the Educational Foundation board members according to his report. Secretary/Treasurer Washbourn seconded the motion. Motion passed unanimously.

Mr. Huether continued by saying that the Educational Foundation is doing well. Ten thousand to fifteen thousand dollars has been spent each year and ten thousand to twelve thousand dollars has been raised each year from the auction and silent auction. Past President Seaman asked the nature of the other twelve grants. Mr. Huether said that these grants were predominantly for PP/GJ courses and added that the foundation does not pay for travel unless a real hardship exists. He added that the board tries to push these individuals through the designation process but they have not been too successful with this effort.

Past President Seaman made a motion to adjourn as the Board of the ASA Educational Foundation and reconvene as the ASA Board of Governors. Senior Vice President Schlegel seconded the motion. Motion carried.

Resolutions

Resolution No. 07-09-01

Therefore be it resolved that Vern A. Blair, ASA, from Vancouver, British Columbia, designated in Business Valuation, be made a Fellow of the American Society of Appraisers.

Resolved by J. Michael Hill Jr. ASA and seconded by Daniel R. Van Vleet, ASA

Resolution passed unanimously.

Resolution No. 07-09-02

Therefore be it resolved that FRICS and MRICS designated RICS members within “personal property” who join ASA may qualify for the Accredited Senior Appraiser designation in the ASA Personal Property discipline as provided for hereinafter. RICS members must first join ASA as an applicant, pay the appropriate fees and meet the application requirements (~~pass the ASA ethics exam and a 15-hour AQB approved USPAP course/exam~~) within their first 10 months of membership. Once those requirements have been met they will move to Candidate and will be subject to the following:

1. FRICS and MRICS designated members in personal property may qualify for Accredited Senior Appraiser status only. There is no reciprocity for the Accredited Member (AM) designation.

2. FRICS and MRICS designated members in personal property must submit to ASA a complete accreditation package including application and appropriate fees. ASA will waive the college education requirement and the experience requirements as those are covered by their FRICS and MRICS designation (therefore no appraisal log is necessary).
3. Prior to submitting an accreditation application to ASA, FRICS and MRICS designated members in personal property must take and pass PP/GJ 203. Until this course is completed, any submitted accreditation applications will be put on hold.
4. FRICS and MRICS designated members in personal property may apply for an ASA designation in person property in the following specialties only: Fine Arts, Antiques and Decorative Arts or Residential Contents.
5. FRICS and MRICS designated members in personal property must submit two ~~self-contained~~ appraisal reports (one for fair market value and one for replacement value) performed in the last two years along with the completed PP checklist (one checklist per report) in the specialty for which the Candidate wants the designation for peer-review and acceptance in their specialty category.

The Personal Property Member of the Board of Examiners and the Personal Property Committee officers agreed to these recommendations on May 8, 2009.

Resolved by Nelson O. Clayton, ASA and seconded by: Edith M. Yeomans, ASA.

Governor Clayton and Governor Yeomans agreed to three revisions: (1) change the word “applicant requirements” in the resolve to “application requirements”, (2) to delete “(pass the ASA ethics exam and a 15-hour AQB approved USPAP course/exam)” in the resolve and (3) change #5. in the resolve to delete the words “self-contained” .

Resolution passed unanimously.

Resolution No. 07-09-03

Therefore be it resolved that the Austin Chapter (#68) be dissolved and the members be incorporated into the membership of the Houston Chapter and that their dues be adjusted to include the current Houston Chapter Special Assessment of \$50 annually; and

Be it further resolved that all Chapter funds be transferred to the Treasurer of the Houston Chapter.

Resolved by Bradford J. Southern, ASA and seconded by Timothy A. Griffith, ASA.

Resolution passed unanimously.

Resolution No. 07-09-04

Therefore be it resolved that ASA’s Bylaws and Administrative Rules be updated as follows:

ADMINISTRATIVE RULE X—Finances, Fees, and Dues

SECTION 1—Schedule of Dues, Fees, and Assessments

The following schedule pertaining to dues, fees, and assessments shall apply and remain in effect until changed by action of the Board of Governors of the Society. (All dollar numbers are in U.S. dollars.)

A. 1. **Payments**—All membership dues are payable annually on the anniversary date of the member’s approval or other selected date. New or advancing members will be invoiced annually, beginning with the month in which they are accepted or advanced.

2. **Schedule of Dues and Fees**—U.S. and International Members (Excluding Mexico)

Grade	Int’l Dues	Chapter Dues	Chapter Asmnt.	Amount Due Chapter
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Connoisseur Affiliate

First member of household	\$220	\$ 0	\$ 0	\$ 0
Each additional member of household	50	0	0	0
Student Affiliate	65	0	0	0
Affiliate	220 30	2 15(a)	(b)	2 15plus (b)
Applicant	40 15	2 15(a)	(b)	2 15plus (b)
Candidate	44 5 0	2 15(a)	(b)	2 15plus (b)
Accredited Member	52 3 5	2 15(a)	(b)	2 15plus (b)
Accredited Senior Appraiser	52 3 5 (c)	1 25(a)	(b)	2 15 plus (b)
Fellow	53 2 5 (c)	2 15(a)	(b)	2 15 plus (b)
Partial Retired	26 7 2.50 (c)	2 15(a)	(b)	2 15 plus (b)
Affiliate Firm				
2–25 Employees	\$250	\$ 0	\$ 0	\$ 0
26–50 Employees	500	0	0	0
51–100 Employees	750	0	0	0
101+ Employees	1,000	0	0	0

Resolved by Robert C. Schlegel, ASA and seconded by Jack Washbourn, ASA
Resolution passed with 14 “yes” votes and 4 “no” votes.

Resolution No. 07-09-05

Therefore be it resolved that the Mississippi Chapter (#91) be dissolved and the members be incorporated into the membership of the Alabama Chapter; and

Be it further resolved that all Chapter funds be transferred to the Treasurer of the Alabama Chapter.

Resolved by Bradford J. Southern, ASA and seconded by Timothy A. Griffith, ASA.
Resolution passed unanimously.

Resolution No. 07-09-06

Therefore, be it resolved that the current Pittsburgh chapter assessment of \$40 be reduced to \$15 effective immediately.

Resolved by Bradford J. Southern, ASA and seconded by Timothy A. Griffith, ASA.

Since the Pittsburgh chapter was not aware of the resolution reducing the amount of chapter dues, **the resolution was tabled until the August Board of Governors call.**

Resolution No. 07-09-09

Therefore be it resolved that the current Seattle chapter assessment of \$25 be abolished effective immediately.

Resolved by Gregory S. Ansel, ASA and seconded by Nelson O. Clayton, ASA

Governor Ansel asked that the resolution be tabled until the August Board of Governors call in order to inform the Seattle Chapter of the reduction in chapter dues.

Other Discussion

Governor Van Vleet asked about the progress of the revisions to the Constitution and Bylaws. President Seaman said that the Chair of the Constitution and Bylaws Committee resigned from that position and that

Larry Phillips has been appointed as Chair of the committee. Parliamentarian Phillips said that he will bring revisions of one section of all three documents to the next board meeting. Executive Vice President Saunders reminded everyone of the Leadership Meeting beginning at 5:30 p.m. and of the Town Hall Meeting on Monday at noon.

A motion was made and seconded to adjourn the meeting. The meeting was adjourned at approximately 4:05 p.m.

Respectfully submitted by:



Robert C. Schlegel, ASA
International Secretary/Treasurer
2008-2009 Board of Governors

and



Jack Washbourn, ASA
International Secretary/Treasurer
2009-2010 Board of Governors