



**American Society of Appraisers**  
Minutes  
Board of Governors Teleconference  
September 15, 2009

International President Michael H. Evans called the meeting to order at 1:03 p.m. EDT.

International Secretary/Treasurer Jack Washbourn called the roll.

International President	Michael H. Evans, FASA
International Senior Vice President	Robert C. Schlegel, ASA
International Secretary/Treasurer	Jack Washbourn, ASA
International Past President	Ronald M. Seaman, FASA
Governor, Region 1	Timothy A. Griffith, ASA
Governor, Region 2	Sharon Moore Bettius, ASA
Governor, Region 3	Bradford James Southern, ASA
Governor, Region 4	Mary A. O'Connor, ASA - absent
Governor, Region 5	Gregory S. Ansel, ASA
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	Alan C. Iannacito, ASA
Machinery & Technical Specialties Governor	Charles C. Dixon, ASA
Personal Property Governor	Nelson O. Clayton, ASA
Personal Property Governor	Edith (Edie) M. Yeomans, ASA
Real Property Governor	Richard W. Gilmore, FASA - absent
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* - absent
Chief Finance and Operations Officer	Harriet S. Cutshall, CPA
Recorder	Susan R. Fischer

\*Master Gemologist Appraiser®

Guests:

TAFAC Representative	Sandra J. Tropper, ASA
Alternate TAFAC Representative	R. Lee Robinette, ASA
BV Committee Chair	John J. Barton, ASA

A quorum was established and President Evans asked the board members for any changes or additions to the minutes from the August 18, 2009 teleconference. Governor Smith made a motion to accept the minutes as submitted. The motion was seconded. Motion carried.

President Evans said that he will entertain motions from the floor later during the call for the EVP Search Committee recommendation and the Budget and Finance Committee motions. He added that he asked the TAFAC representatives Sandra Tropper and Lee Robinette to be on the call to answer any questions on the Personal Property USPAP resolution and letter to The Appraisal Foundation.

## **Old Business**

### **Financial Report**

Secretary/Treasurer Washbourn said that during last week's Budget & Finance Committee meeting the committee discussed a number of issues that included (1) additional IT spending, (2) cash flow and (3) approval of budget adjustments for the Personal Property and Real Property Committees. He added that a draft of the minutes from this meeting were sent to the board members yesterday.

Governor Dixon commented that a large amount of information had been sent to the board members in the last few days and that it is difficult to read and review everything in such a short amount of time.

Secretary/Treasurer Washbourn said that he appreciated Governor Dixon's comments but that this information was put together as quickly as possible. He said that the Budget & Finance Committee had a lengthy discussion on the present cash flow situation and the funds needed to complete the IT implementation. The Budget & Finance Committee then approved a motion "to increase the budget on the IT line by \$175,000 to be taken from reserves, if necessary, and also, in the short term, to take \$100,000 from reserves, with this amount to be paid back as soon as possible".

Chief Finance and Operations Officer Cutshall provided some background information saying that the present cash flow position is partially a delayed reaction from the IT expenditures and the need to pay both the \$120,000 Orlando conference hotel bill and \$100,000 in chapter rebates. She said that in order to make these payments, she will need to borrow \$100,000 from cash reserves. She explained that more chapters are reporting on time than ever before resulting in rebates of \$50,000 more payable in September than in the past several years.

Chief Finance and Operations Officer Cutshall said that conference is expected to show a positive contribution of \$30,000 to \$40,000, that education income and dues income are at breakeven, so that the month of July is expected to show a positive contribution of \$30,000.

### **IT Progress Report**

Sr. Vice President Schlegel said that we are in the throes of the IT implementation and that a number of issues have arisen. He said that, as stated in the draft of the September 10<sup>th</sup> Budget & Finance Committee meeting minutes, he sees seven moving balls that need to be settled; (1) Executive Vice President Saunders' departure and the selection of a new EVP is a concern to all; (2) Aptify support; (3) an ASP.Net web programmer has been added to the staff and is primarily working on the website; (4) staffing issues; (5) ten separate processes for accreditation and reaccreditation have been identified; one works and the other nine have been referred to Aptify; (6) the flux in education income and (7) reassess the budget at the end of September and examine and reallocate functions; some expenses may not occur as expected.

Sr. Vice President Schlegel said that it has been suggested that up to \$175,000 will take us through the implementation phase through the end of the year. He said that this amount does not reflect staff realignment and budget adjustments so the amount of additional expense, in reality, is closer to \$90,000 instead of \$175,000. He added that things are still in a state of flux and that there are a lot of moving pieces and said

that it is most important to look at a reallocation of expenses and do a budget reassessment. Sr. Vice President Schlegel added that a full accounting will be done by the end of October.

Governor Ansel asked if the \$175,000 is the amount needed or if there is an additional amount on top of this. Sr. Vice President Schlegel said the \$175,000 is the approximate cost for things that were not anticipated in this year's budget.

Governor Clayton commented that this total of \$175,000 is not broken apart to show what is needed for IT completion and what is needed for ongoing support and asked if this \$175,000 is on top of the \$340,000 expenditure that was planned. Governor Van Vleet said that he was stunned when he saw the numbers, first \$300,000, second, \$40,000, and now an additional \$175,000 is needed.

Sr. Vice President Schlegel said that this estimate had been put together by Executive Vice President Saunders before last week's Budget & Finance Committee meeting. He said that allocations have been made for the existing ongoing maintenance but that additional skill sets need to be added.

Executive Vice President Saunders said that these additional expenses are not all about skill set issues, although we are looking at skill sets to be sure we have the right people in place. She said that we did launch the database on July 1 and did communicate that it would be done in phases. One complete module, accreditation and reaccreditation, a major part of our business, has not been launched yet. We pushed hard to make the July 1 deadline with a new version of the software that Aptify is not completely familiar with. We are still trying to launch a system and trying to de-bug a system and are trying to deal with everything all at once and we need additional money to get it all fixed quickly.

Governor Van Vleet said that, from our perspective, we put our trust in you to give us good information to be able to implement the system by July 1. He said that this is having an impact on our education revenue, our life blood, and we are losing confidence in what is going on.

Executive Vice President Saunders said that we sincerely believe that Aptify is the appropriate product and is the only one that will work with our processes. She said that Aptify is an excellent system but it was implemented before it should have been. She added that the issues are not a result of the system but we should have gotten our bells and whistles in place before implementation.

Secretary/Treasurer Washbourn said that the implementation proves to be more challenging than expected and that we were led to believe that we would have better support from Aptify. He said that we are making corrections to move forward but that this is a moving target that is tough to get our hands around.

Governor Van Vleet asked if we have paid Aptify the \$340,000. Chief Finance and Operations Officer Cutshall answered and said that yes, Aptify has been paid, but that some of the \$340,000 went to RamSys for implementation. Sr. Vice President Schlegel said that the Aptify cost for the software was \$150,000 and the implementation costs were \$150,000. He said that the board was asked for another \$40,000 in order to go live on July 1. The annual maintenance cost for Aptify is \$39,000.

President Evans said that we recognized that mistakes were made but that we are handling things and moving forward and that at this point we can stop the whole process or get the implementation done. He said that we are using outside vendors and are using the positive services from Aptify and said that at this point we are moving forward and things are working. Sr. Vice President Schlegel said that we will have a complete project accounting and project business plan by the end of October when all of the moving balls are settled.

Governor Van Vleet said that if we deal with non-experts, credibility starts to evaporate. He asked if we have the right people working on this and asked if we should bring in an independent analyst. President Evans said that he does not disagree but that we have identified the issue and that there is a project plan being worked on and that he is encouraged by things that were done in the last week. He said that we always plan for things to work smoothly with an IT implementation but that, usually, they don't.

Secretary/Treasurer Washbourn said that we are now in contact with Aptify on a daily basis and that they are, in reality, the consultant. They have identified the issues and have done everything an IT expert would do.

Governor Van Vleet said that yes, we have to go forward, but that he is not sure we should stay with the same cast of characters and that he will not vote for additional spending. Sr. Vice President Schlegel said that things do not always go as planned and suggested letting the new team, himself and others get a hand around the situation, then go to an outside person to assess the current situation.

Sr. Vice President Schlegel said that last month Executive Vice President Saunders was asked to take over the direct project management and she pulled together what would be needed to complete the implementation. He said that the \$175,000 presented to the Budget & Finance Committee is the potential net expense through the end of the fiscal year to complete implementation and that this figure does not reflect a budget adjustment. The document the board received outlines the tasks and the estimated expense for each task.

President Evans said that there have been changes to the IT management and because of these changes in personnel, progress has been made. Governor Dixon said that the implementation partner installing the program should make it work for us. President Evans said that, initially, Aptify had a project manager that did not work out for us.

President Evans said that the board is being asked to raise the IT line item in the budget in the worst case scenario. Executive Vice President Saunders said that she began with July 1 and started digging in to see where we are and where we are going. She said that some decisions made in the past were not good ones, but were the best decisions at the time and we did not realize the magnitude of transferring over from one database to another. She said that we were also launching a new website but that usually the database is implemented first and then the website and that it would have been best to have waited to launch the new website in November and December.

Executive Vice President Saunders said that since July 1 a lot has been done; all reports for education courses and reporting for the IPMVC have been put together along with many updates on the website for education and course registration and a many processes for membership have been put together. She said that she is meeting weekly with the Directors and the IT team to set processes for the week and determining the next priorities. She said they are focusing on the money makers (education) first and refocusing on membership and accounting as well. Executive Vice President Saunders said that this is working; we have a rolling plan and are getting things done.

Governor Iannacito commented that the Help Desk Log serves as a checklist because if you fix one thing, you may fix five other things in the process. He agreed with what Executive Vice President Saunders had said and added that we have no choice but to fix this with the people that we have.

Governor Bettius asked if we can go back to Aptify and have an understanding going forward that we have a right to hold their feet to the fire and ask them to be accountable and get things fixed and working.

Executive Vice President Saunders said that one of several things has happened. A person named David Frick was brought on as Aptify's customer liaison who reports directly to the CEO. Mr. Frick has been to ASA three times to meet with us, has not charged for his time, and he is clear on the problems with Aptify's first project manager. He was told that assistance is needed with the integration of our complex accounting processes and that we want to work with good resources. An Aptify employee worked with us for a half day at no charge and was very helpful. Mr. Frick has also talked to us about other resources that we are taking advantage of now.

Secretary/Treasurer Washbourn said that he met with the Aptify folks in August. He said that Aptify has a large stake in the success of this project and we made it clear that we are not happy with what took place in the beginning. Secretary/Treasurer Washbourn said that they are much more supportive now and that we have to be diligent going forward to get a full measure of what services are provided.

Governor Van Vleet commented "that those who fail to study their history are doomed to repeat it". President Evans said that, in his view, that history has been reviewed and changes have been made.

Governor Southern asked Counsel Schaefer if he was in the process of reviewing the contract to see if we have some legal recourse when the problems occurred. Counsel Schaefer said that he has not been involved within the last three or four months and said that there may be some options when the whole network is up and running. He added that there will be limitations in this type of contract. Governor Bettius said that we need to make sure that we fully pursue our legal options to ensure that we will be protected. President Evans said that we will pursue this when we get out of the woods with the implementation.

Governor Southern asked Counsel Schaefer how he would advise us to handle future expenditures to protect our rights. Counsel Schaefer said that he will follow up with President Evans and Secretary/Treasurer Washbourn on this matter.

Discussion again focused around the need to approve the adjustment to the IT line item in the budget and to borrow from cash reserves to take care of cash flow. Executive Vice President Saunders said that there are two parts to the resolution made and passed by the Budget & Finance Committee; (1) to take \$175,000 from reserves, if necessary, and put in this fiscal year's budget increasing the IT line item, and (2) to take an additional \$100,000 from reserves to take care of cash flow to be paid back to reserves. She said that we need the Board of Governors to support the increase in the IT line item and the withdrawal from cash reserves to cover cash flow.

Governor Dixon said that he agreed with some of Governor Van Vleet's comments and said that he is concerned that there needs to be some level at which we go back to Aptify and get this settled. They made recommendations to us and they have not come through. We are not IT experts.

Governor Van Vleet said that we need to exercise prudence and fiscal responsibility and not keep going back to the same people. We need someone fresh to look at the situation and make recommendations to the Board of Governors. Governor Southern asked Governor Van Vleet if he was proposing to allocate \$5,000 to \$10,000 for someone to come in and evaluate the project. Governor Van Vleet said that someone needs to take a fresh look and say 'this is what the story is' and bring someone in to fix this thing.

President Evans said that we are fixing it. We bought a program that wouldn't exactly fit our needs and initially had a project manager that was not good. We have hired an ASP.net person for the website, are using the Aptify people to do the Aptify stuff and are using our own internal staff. When we find bugs, we tell Aptify and they will fix them and they will also provide training.

Governor Hill asked why an independent consultant would be mutually exclusive with continuing the project. President Evans said that there are no more funds in the IT line item in this year's budget and we have put forth the worst case scenario in estimating the additional expenses. Governor Hill said that he understands this, but that we need make sense of the approval of additional funds.

Secretary/Treasurer Washbourn said that if we approve these funds it could be possible to do a third party review as a parallel effort.

Governor Ansel asked if we could approve a lesser amount of money while you are working on settling the issues that are still up in the air. Sr. Vice President Schlegel said that this may be the best answer right now to allow us to provide a complete accounting to the board in October and then decide if we need a third party to come in and assess the situation.

Executive Vice President Saunders said that she will be gone in six weeks and absolutely understands the board's concerns as she become concerned at the end of July. She said that she is also concerned about having a third party step in, that this has been a huge process and that staff has looked at this in every direction more than once and that if we are asked to go through this again for the third, fourth, and fifth time, staff will again be spending a huge amount of time which will take away the time we need to do our jobs. We need to figure out how we get our business up and running again. She said that we are in an emergency situation and we need to get the engines fixed because we cannot continue at this pace.

Chief Finance and Operations Officer Cutshall said that she has done several full accountings throughout this whole process and has sent them to the board and added that all of the information was put together and brought in binders to Orlando. She said that the selection process was extremely thorough but that Aptify oversold their product. Chief Finance and Operations Officer Cutshall said that she wants to make it clear that she has not withheld any information. Governor Southern said that both Aptify and RamSys have to account for all of their actions as well.

President Evans said that Chief Finance and Operations Officer Cutshall and the staff have made a yeoman's effort with this project and that there is a light at the end of the tunnel at this point. If we shove through now and get this done we will see culpability.

Governor Van Vleet and Governor Hill agreed that we need to continue to make progress but we should have someone provide a new look at the situation. They said that there are a lot of people involved in this project and they are losing perspective.

Secretary/Treasurer Washbourn said that we need to address the increase in the budget line for IT; this is a reality. Governor Griffith asked if we expect to spend \$175,000 in one month. President Evans said no, that amount will not be spent in one month.

Governor Yeomans said that she is concerned about the additional amount of money being requested but that she is also concerned about losing the momentum that has started. She does not want to hamstring the progress and appear to those who visit our website that we are an organization that does not know what we are doing. She said that she recognizes that some expenses occur that were not contemplated, and that she is concerned because the actions we do or do not take will have an impact on the whole organization.

Secretary/Treasurer Washburn suggested that the board review, on a biweekly basis, an update of the chart prepared by Executive Vice President Saunders that shows the functional areas, the percent to complete, and the cost to complete. The board will be able to see the money being spent on these line items and they can then decide if they want to hire an outside consultant.

It was decided to propose three separate motions under New Business to address the motions from the Budget & Finance Committee and to include motions to approve the budget adjustments for the Personal Property and Real Property Committees.

### **EVP Search Committee**

Past President Seaman said that the board had received a recommendation from the EVP Search Committee to hire Jane Grimm as Executive Vice President to replace Laurie Saunders. He said that the information provided to the board includes the data, the committee's search process and their reasoning in choosing Ms. Grimm.

A few concerns were voiced about the committee's process in choosing a candidate and the limited amount of time given the board to review the information. Past President Seaman explained that the committee agreed to initially offer the position internally, and if a suitable candidate was not found internally, then the committee would conduct an outside search. He said that each of the committee members interviewed Ms. Grimm and agreed that she has been a huge asset to ASA and is a strong candidate for the position who knows the ASA system and can step into the job with ease. Past President Seaman added that the committee felt that time was of the essence and if someone from the outside was hired, it would take over a year to get acclimated to ASA.

President Seaman said that Ms. Grimm was not the only candidate that the committee thought about and that they did receive an unsolicited resume from a qualified person out of the area. He said that he surveyed each committee member and they unanimously agreed to proceed with their recommendation of Ms. Grimm.

Sr. Vice President Schlegel, a member of the search committee, said he understood the concerns but said that the committee felt that no external candidate could overcome the attributes that Ms. Grimm would bring to the job. He said that Ms. Grimm will be offered a one year contract renewable after a year.

Sr. Vice President Schlegel made a motion to accept the EVP Search Committee's recommendation to hire Jane Grimm as Executive Vice President to replace Laurie Saunders. The motion was seconded. The motion passed with one abstention.

### **Constitution & Bylaws Committee Update**

Parliamentarian Phillips was not in attendance so no report was given.

### **New Business**

#### **Resolution No. 09-09-01**

**Therefore be it resolved** that the ASA Board of Governors recommends that TAF add the following to its current requirement that personal property appraisers have the option to take the 7 hours of USPAP instruction every two years rather than the 15 hours of USPAP instruction with exam every five years to meet TAF continuing education requirements.

**Therefore be it further resolved** that the ASA Board of Governors further recommend to TAF that until a personal property specific 7-hour USPAP course is developed that TAF will recognize the current 7-hour update course for all personal property disciplines and accept that course being taken every two years in lieu of a 15-hour USPAP course every five years; and

**Therefore be it further resolved** that the ASA Board of Governors forward a letter to TAF with these recommendations.

Resolved by Gary L. Smith, ASA and seconded by Charles C. Dixon, ASA

Executive Vice President Saunders explained that The Appraisal Foundation (TAF) sets certain requirements for its sponsors. ASA is a sponsor and its members in the Personal Property Discipline (MTS, PP and GJ) are required, by TAF, to take a 15 hour USPAP course and exam every five years for continuing education credit instead of the 7 hour USPAP update course that Real Property appraisers are required to take every two years. She said that the MTS Committee had passed a resolution that changes their reaccreditation requirements from taking a 15 hour USPAP course and exam every five years to taking a 7 hour USPAP update every two years. Executive Vice President Saunders said that the committee's resolution was not in compliance with TAF's requirements, resulting in discussions about it being more appropriate for Personal Property appraisers to take a 7 hour update course every other year rather than a 15 hour course every five years.

Sandra Tropper, TAFAC Representative from ASA, explained that TAFAC approved the development of a 7 hour USPAP update that not only contains real estate but will include Personal Property issues as well. She said that David Bunton is in favor of this. On the other hand, the AQB came back and said that they will not make any changes to accreditation requirements until the working group comes back with recommendations on qualifications. Ms. Tropper said that all groups must agree on what the qualifications are, which is likely to take two years, and that the AQB wants the whole thing at once. In the meantime, Personal Property is willing to accept the Real Property 7 hour USPAP course.

Lee Robinette, ASA's Alternate TAFAC Representative, said that Personal Property is now being recognized by and has a voice within TAF. He said that we would like to develop a Personal Property specific update but, right now, would like to water down our request and say that we will accept the Real Property course in the interim to get this criteria changed to taking a 7 hour USPAP course every two years. If we can get the criteria changed, we can develop a course.

Governor Dixon said he agrees with Mr. Robinette and said that MTS would like to see the requirement of the 7 hour USPAP update course and is in favor of moving to make this course Personal Property specific.

Ms. Tropper said that Personal Property wants to ask the AQB to reevaluate their reaccreditation requirements and added that we want to get this thing in front of the AQB during their meeting on October 9<sup>th</sup> with ASA behind us.

Executive Vice President Saunders said that with the passage of this resolution, ASA will be taking a position with TAF and making a recommendation to change their requirements to accept the 7 hour USPAP course for Personal Property as well.

President Evans called for a vote on Resolution 09-09-01 as written.

**Resolution passed unanimously.**

#### **Resolution 09-09-02**

**Therefore be it resolved** that the Board of Governors affirms its approval of the concept of the CICBV proposal (as summarized in the letter dated April 30, 2009 from the CICBV and addressed to President Ron Seaman and a BVC memorandum dated August 24, 2009 and addressed to the Board of Governors) and recognizes that initial BVC commitments for planning funds are necessary and appropriate.

Resolved by Daniel R. Van Vleet, ASA and seconded by Robert C. Schlegel, ASA



Governor Van Vleet said that this resolution is substantially similar to Resolution 08-09-02 that was passed by the board last month. He said that the Business Valuation Committee (BVC) was uncomfortable with the wording in that resolution and that this resolution gives the BVC and the CICBV the comfort in knowing that ASA is behind this joint venture.

Sr. Vice President Schlegel said that the prior resolution, Resolution 08-09-02 did not go far enough in supporting the concept of the umbrella organization. He said that the question is about perspective, that we need to support our disciplines and said that although we did not put a cap on spending, the necessary planning funds are approximately \$15,000 to \$20,000 at the most.

President Evans asked if anyone had any questions.

Governor Wilson asked if the BVC had talked to the CICBV about a merger. Governor Van Vleet said that the CICBV is not interested in a merger. He said that we want to collaborate together to deliver education resources worldwide and added that this is a real positive development toward that goal.

Governor Wilson asked if the new organization will be developing a designation that is designed to compete with the ASA designation and said that the proposal from CICBV states that the umbrella organization will be starting a new designation. Past President Seaman asked about this new designation as well. John Barton, Chair of the BVC, said that there will eventually be a new credential, but not at the outset.

Past President Seaman said that he has very serious reservations about creating an umbrella organization and starting a new organization from scratch. He said if you are not sponsoring a new BV organization that will be competing with ASA, then the resolution does not mention this. Past President Seaman said that he would be more in favor of the resolution if a dollar amount is stipulated. He said that one could construe that \$200,000 is being spent to create education courses that we already have and spending \$100,000 to advertise in Europe. Past President Seaman said that ASA does not need to sponsor a new organization.

Mr. Barton said that the credential is not a done deal and said that the Canadians see this as an umbrella organization of associations. BV associations from overseas will be able to come under the umbrella organization; we will be helping them to do that. Mr. Barton said that he does not see any hope for bringing BV members from other countries into ASA. They take our courses but are not interested in joining ASA. Based on his discussions with Deloitte in Paris and China, they see no value added to joining ASA.

Mr. Barton said this joint venture is an avenue for growth which allows us to go overseas as an umbrella of BV associations and will help to unify the BV profession. CICBV is against the development of a new credential at the outset; they don't see the administration of the joint venture being able to handle this in the beginning.

Mr. Barton continued by saying that ASA does not have education that is viable overseas. The people overseas take our POV courses now because they are the best product on the market. The first task is to get the best course development people together to write courses for the international market. He said that ASA could not do what this joint venture purports to do on its own; ASA has failed to do this.

Mr. Barton said that the SEC is looking for one voice from the BV Community and the movement overseas is to try to get people to come into the umbrella organization.

Past President Seaman said that you are talking about developing six new courses and asked why our own courses can't be updated. Mr. Barton said that these courses will be written primarily by people who

practice in Europe. He said that ASA BV will be teaching overseas and that the cash flows will go to the umbrella organization. The courses will be owned by this joint venture and the joint venture will be owned by the member associations, initially ASA BV and CICBV. Past President Seaman asked if we are creating a competitor for ourselves overseas and Mr. Barton said that the POV courses we have are U.S. specific and in reality there is no demand for these courses overseas.

Mr. Barton said that ASA is an owner of this joint venture, therefore ASA is an owner of this growth. He said that we are in no position to grow overseas nor to make the financial commitment to go to Europe and China. President Seaman disagreed.

Past President Seaman asked Mr. Barton about a reference to a designation on page three of his memo. Mr. Barton said that a designation has not yet been planned out, that the CICBV is not in favor of a designation; it is a possibility in the future, but they are not interested initially.

President Seaman said that he is still reluctant to support the resolution without seeing a comprehensive business plan. Governor Van Vleet said that this is a joint venture between ASA and CICBV; it is an organization moving forward and it is the best opportunity to expand overseas and be a player in this market.

Sr. Vice President Schlegel said that by voting on the resolution we are voting to approve the concept and to trust the discipline to flesh it out.

Past President Seaman asked to amend the motion to “include a cap of \$15,000 to \$20,000 on the authorized expenditure”. Governor Van Vleet said that he was not sure if this was enough money. Mr. Barton said that the expenditures will come out of BVC specific funds.

Secretary/Treasurer Washbourn asked for a revision of the friendly made by Past President Seaman to “any expenditure of funds in excess of \$25,000 by the BVC in regards to this resolution are to be voted on and approved by the Board of Governors. The Board of Governors recognizes that initial BVC planning funds of up to \$25,000 are acceptable”.

Governor Van Vleet agreed that any expenses in excess of \$25,000 will need Board of Governors approval. Sr. Vice President Schlegel agreed as well.

A roll call was taken to confirm a quorum. President Evans asked for a vote on the amended resolution.

**Resolution passed with one abstention.**

#### **Resolution 09-09-03**

**Therefore be it resolved** that Alan C. Iannacito, ASA, from Littleton, Colorado, designated in Machinery and Equipment, be made a Fellow of the American Society of Appraisers.

Resolved by Charles C. Dixon, ASA and seconded by Jack Washbourn, ASA

**Resolution passed unanimously.**

#### **Motions from ASA Budget & Finance Committee for approval by the Board of Governors**

Secretary/Treasurer Washbourn said that a motion passed by the Budget & Finance Committee the prior week was “to increase the budget on the IT line by \$175,000 to be taken from reserves, if necessary, and also, in the short term, to take \$100,000 from reserves with this amount to be paid back as soon as possible”.

Secretary/Treasurer Washbourn revised this to one motion “to increase the IT line of the budget by \$175,000, to be taken from reserves, if necessary.

President Evans asked for a vote on this motion. A roll call vote was taken of those board members remaining on the call.

International President	Michael H. Evans, FASA - <i>yes</i>
International Senior Vice President	Robert C. Schlegel, ASA - <i>yes</i>
International Secretary/Treasurer	Jack Washbourn, ASA - <i>yes</i>
International Past President	Ronald M. Seaman, FASA - <i>yes</i>
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Governor, Region 3	Bradford James Southern, ASA - <i>no</i>
Governor, Region 4	Mary A. O’Connor, ASA
Governor, Region 5	Gregory S. Ansel, ASA - <i>no</i>
Business Valuation Governor	J. Michael Hill Jr., ASA - <i>no</i>
Business Valuation Governor	Daniel R. Van Vleet, ASA - <i>no</i>
Gems & Jewelry Governor	Jennifer J. Thornton-Davis, ASA*
Gems & Jewelry Governor	Gary L. Smith, ASA*
Machinery & Technical Specialties Governor	Alan C. Iannacito, ASA - <i>yes</i>
Machinery & Technical Specialties Governor	Charles C. Dixon, ASA - <i>abstain</i>
Personal Property Governor	Nelson O. Clayton, ASA - <i>abstain</i>
Personal Property Governor	Edith (Edie) M. Yeomans, ASA
Real Property Governor	Richard W. Gilmore, FASA
Real Property Governor	William P. Wilson III, ASA - <i>yes</i>

The vote count was 6 “yes”, 5 “no” and 2 “abstentions”.

Sr. Vice President Schlegel made an amendment to the motion to approve a “bridge authority of \$60,000 in the IT line of the budget to be taken from reserves, if necessary”. Sr. Vice President Schlegel asked that the new EVP be given the authority to create an IT Project plan. He said that this will allow Governor Van Vleet time to pull together outside experts, if necessary, after the plan is presented in October.

Sr. Vice President Schlegel asked if the modified motion was agreeable to the naysayers. Those who voted “no” agreed to the modified motion. The modified motion passed.

President Evans said that the board will be provided with details of where this money is spent and will be given a report during the next board call of what has been turned on and the cost necessary to turn it on.

Secretary/Treasurer Washbourn stated the second motion “for short term cash flow, to take \$100,000 from reserves, with this amount to be paid back as soon as possible. Motion passed.

Secretary/Treasurer Washbourn said that the Budget & Finance Committee reviewed changes to the budget resulting from the scheduling of additional Personal Property PP USPAP courses and additional Real Property classes to be offered by local chapters in November and December. Secretary/Treasurer Washbourn said that the Budget & Finance Committee unanimously approved the motion for these budget revisions and asked for approval from the Board of Governors. Motion passed.

Governor Wilson made a motion to adjourn. The motion was seconded.

The meeting adjourned 3:58 p.m. EDT

Respectfully submitted by Susan Fischer on behalf of

A handwritten signature in black ink, appearing to read 'Jack Washbourn', with a large loop at the start and a long horizontal tail.

Jack Washbourn, ASA  
International Secretary/Treasurer