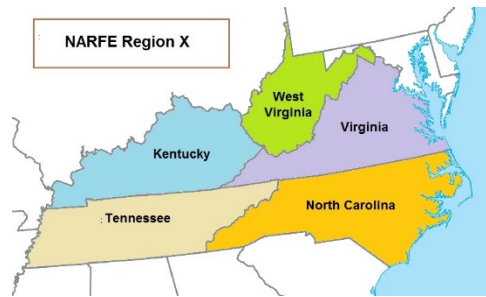


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**REGION X REPORT**  
**William “Bill” Shackelford**  
**Fall 2016**

Everyone is aware that a number of changes have occurred in NARFE as the result of our National Convention and should have received an e-mail or a letter from the National President Richard Thissen outlining the changes.

At the National Executive Board Meeting (NEB) which was held at NARFE HQ during the time period of November 15 – 18, 2016 numerous topics related to these changes and others will be discussed.

**TUESDAY – NOVEMBER 15**

**ORGANIZATION OF NEB** – The primary business conducted during the first session of the NEB meeting was the handling “housekeeping duties” associated with each two-year tenure of the Regional Vice Presidents (RVP).

Documentation (copies attached) provided to the NEB includes:

- Letter from the Internal Revenue Service dated June 17, 2005 confirming that NARFE is recognized as an organization which is exempt from Federal income tax under Section 501 (c)(5) of the Internal Revenue Code
- Organization chart of NARFE Headquarters operations
- NEB Committee Assignment Chart

Based on the advice of a lawyer, associated with FEEA & who specializes in non-profit governance documentation & Board of Director operations & the guidelines required by the corporation statutes of the District of Columbia, each RVP was required to read & confirm an understanding of the following documents:

- Conflict of Interest
- Code of Ethics
- Whistleblower Protection Policy

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Any allegations made by members with regards to these 3 policies will be referred to a member of Audit Committee for handling & disposition. A dedicated e-mail & telephone line for reporting illegal practices & violations has been established. RVP Marshall Richards (RVP-6), RVP Rodney Adelman (RVP-7) & myself will serve on the 2016-2018 Audit Committee. RVP Adelman will serve as Chair.

Dedicated E-Mail Address = [NARFEComplianceOfficer@cox.net](mailto:NARFEComplianceOfficer@cox.net)

Dedicated Telephone Line = [480-360-6601](tel:480-360-6601)

These non-profit governance documents are posted on the NARFE website at [www.narfe.org](http://www.narfe.org). In addition, the following documents are also posted on the website:

- Annual Form 990
- Audit Financial Statements (3 years)

Following a motion made by NS/T Dowie & seconded by myself the NEB adopted the following procedures & forms:

- Conflict of Interest Policy
- Code of Ethics
- Whistleblower Policy
- Annual Affirmation & Disclosure Statement
- Board Agreement
- Board Confidentiality Agreement

The new Executive Assistant to the NEB is Lynette Green. Her official job title is NARFE Governance Coordinator & she is assigned to the Office of the National Secretary/Treasurer & her primary duties will be to handle the review of newly submitted Chapter & Federation Bylaws & she will also handle Chapter closures. Accountant Supervisor Veronica Clemons introduced the new A/P Staff Accountant, Yonathan Nebiyat.

Additionally, we were provided with a detailed briefing of the 2017 NARFE National Budget by Finance Director Tayo Coker. Following a motion made by Marshall Richard (RVP-6) & seconded by myself, the 2017 NARFE Budget was approved by a vote of 11-0.

The NEB will continue to examine the 2017 NARFE National Budget which will be more difficult than normal due to the need to put funding for Executive Director in budget and finally there will be Strategic Planning discussion in order to determine the direction that NARFE should be headed based on the expressed desires of the delegates at the 2014 NARFE National Convention in Orlando, Florida.

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### **WEDNESDAY – NOVEMBER 16**

President Thissen provided clarification to Rule 1, Section 2. C. of the 2016 National Convention Bylaws:

"For new members, 10% of the new-member fee will be returned to the federations; there will be no distribution to the Chapters. EXCEPTION: For those new members who join a Chapter at the same time they join NARFE, one-third (1/3) of the membership fee shall be returned to the Chapter in lieu of the first year's Chapter dues. Subsequent billings for members not joining a Chapter shall be for NARFE national dues only. Subsequent billings for those who join a Chapter as they join NARFE shall be for a combination of the national dues & the dues of the appropriate Chapter."

President Thissen pointed out that if an individual joins a Chapter after joining NARFE than the Chapter does not receive one-third (1/3) of the membership fee.

Most of the discussion pertained to the effect of One Member One Vote & Optional Chapter (OMOV) Membership, i.e., support to members, chapter activities, & federation activities, etc.

**ONE MEMBER/ONE VOTE** – Another change by the delegates at the 2016 NARFE National Convention was the passage of One Member/One Vote (OM/OV). With this approval OM/OV is now the law of NARFE. With passage of a One Member, One Vote resolution, **every member** now has a vote and a say in NARFE governance. The process of OM/OV was discussed by NEB prior to the National Convention and thoroughly discussed/debated during the Convention. Discussion opened with an explanation of the timetable to be adhered to for the implementation of One Member/One Vote. Non-electronic ballots will be printed/distributed to members in the July issue of the *narfe* magazine. These magazines will reach households by USPS in approximately the second week of June. Completed ballots will need to be postmarked no later than July 31 in order to be tabulated. The deadline Resolutions & Bylaws change submissions to be considered by NARFE members will be January 1, which will allow for Resolutions & Bylaws Committees to be appointed by National President. Motion was approved by a vote of 11-0.

Subsequent discussions of the NEB centered on the effect of OM/OV on Chapters and Federations. Prior discussion of OM/OV during the Strategic Plan segment centered on saving money on the National NARFE elections and giving all members the ability to vote on National NARFE level and the only voting that has been discussed was at the National Level for voting that historically taken place at the National Convention, i.e., for Officers, By-Laws and Resolution proposals. All members are now eligible to run for National Officer and Regional Vice President (RVP) positions. It has never been mentioned that Chapters and Federations would also have to implement OM/OV. This fact could be major issue if Chapters and Federations do not permit all members the opportunity to vote and run for Chapter and Federation offices. This raises a major question - -

***Would it be a problem to allow Chapters and Federations the right to have elections as they see fit, mainly at meetings by members present, since***

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***historically at the Chapters and Federations level there has not been many times that there has been a contested election?***

There is the possibility that OM/OV, if managed in the same manner as NARFE HQ, could very well bankrupt Chapters and Federations. The 2016 NARFE National Bylaws will state that every member is eligible for National and RVP. It may be necessary for Chapters and Federations to review their bylaws to insure they comply NARFE Bylaws.

Further discussion addressed the voting period by ballot. Following a motion made by Rodney Adelman (RVP-7) & seconded by Richard Wilson (RVP-9) a one month voting period by ballot was approved by a vote of 11-0. This action will require a modification to the National Bylaws.

The NEB will be exploring additional methods of implementation for OM/OV. Other organizations similar to NARFE such as the National Association of Letter Carriers (NALC) and American Postal Workers Union (APWU), both of have OM/OV for voting for National Officers. It should be noted that neither of these organizations have a mandate for local branches and state associations to have OM/OV.

**OPTIONAL CHAPTER MEMBERSHIP** – With the approval of the delegates at the 2016 NARFE National Convention in Reno, Nevada, membership in a NARFE chapter is now optional. New members will simply be able to join NARFE. New members will be provided the option to also join a local chapter. Renewing members may choose to belong to NARFE as a national member or to enjoy the benefits of their local chapter as well. Will this increase our membership? Time will tell.

With the passage of optional chapter membership, the NEB incentive program that established E-NARFE Chapter 2363 has been rescinded. Members from this chapter are now National Division Members (Code NA). Will E-NARFE members seek out a chapter to join -- time will tell. As a possible incentive, Chapters should be encouraged to have great programs. All members will continue to receive all benefits provided by NARFE.

A major point of discussion will be an attempt to provide guidance relative to the responsibilities of the Federations for support to National Division members within their individual Federations, with an emphasis on approving all lines of communications between Federation Officers & National Division members. At the present time, most of the responsibilities to support National Division members is with the Regional Vice Presidents (RVPs) since each of us must support all members in our Region, including National Division members in Federations. National Division will be permitted to hold any Federation Officer positions & to vote on Federation issues. Additionally, questions to be addressed by the NEB included: 1) What is going to be the roles of NA members be within Federations? and 2) Should these members be permitted to serve in appointed positions? Since the Federations receive 10% funding based on the number of NA members within the Federation, the answer cannot be, NO SUPPORT. It must be remembered that currently members of Federations pay dues to Chapters and Chapters pay per capita and National Division members pay only National dues, so Federations are going to have to deal with how they support National members since they receive 10% and how they treat them as far as running for office, appointed positions, etc. Answers to these questions will be especially critical for those Federations that do not have per capita.

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Following a motion made by Evelyn Kirby (RVP-2) & seconded by Jim Crawford (RVP-1), to have National President send a letter to all Federations to provide guidance for the level of support to be provided to National Division members with recommendations/templates for suggested Federation Bylaws changes (TEXT FOLLOWS). Further discussion centered on national only members & construction of bylaws templates for federations & chapters. President Thissen agreed to send out a letter to the federations instructing them how to contact & support national only members.

#### **CONFORMANCE WITH NATIONAL BYLAWS BY FEDERATIONS**

*I move that* that the National President provide written guidance to Federation Presidents regarding information to be shared with & service provided to all members within their Federation area.

This should include guidance or templates in the near future regarding Federation & Chapter bylaws revisions necessary to be in agreement with National bylaws resulting from delegate decisions at the August 2016 National Convention.

The guidance will allow & encourage dissemination to all members of:

- Newsletters & other Federation & Chapter communications regarding Federation-wide events such as conventions, conferences, training events & advocacy events;
- Opportunities to serve in officer & other leadership positions;
- Access to Federation Service Officers;
- Information on matters where member votes & on the voting process for such;
- Opportunities to receive financial & other support extended to attendees of conventions, conferences, training events & advocacy events.

Dissemination can include posting information on the Federation and/or Chapter websites.

**CHAPTERS WITHOUT PRESIDENTS** – As of November 1, there are 1,151 NARFE Chapters. Of these Chapters, there are 42 without a Chapter President. The primary reason is the lack of leadership. Within Region X, there are 8 Chapters without Presidents.

- Kentucky = 1
- North Carolina = 0
- Tennessee = 3
- Virginia = 1
- West Virginia = 3

**HEALTH OF CHAPTERS AND FEDERATIONS** – The health of the Federations was discussed. Due to lack of leadership & lack of solid finances which are attributed to low levels of members, several Federations are struggling. There are guidelines in existence on what composes a Federation, but not how to close/merge one. President Thissen stated that it is necessary that NARFE develops procedures for closing/merging federations

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Discussion by the NEB also centered on the health of the Chapters (financial & leadership) since there is already a que for closures, which continues to grow. There will be discussion on health of Federations. It has been learned that at least three could be on the verge of closure. Nationally, there are many Chapters that have an extremely low numbers of members.

Less than 10 members = 5

Less than 25 members = 77

Less than 50 members = 240

As a result of low levels of membership, there are 19 Federations which receive financial supplemental funds of NARFE HQ. Federations with less than 1,625 members receive \$1,500 from NARFE HQ in an effort to provide financial stability.

**MARKETING DEPARTMENT** – Director of Marketing Bridget Boel provided an update & overview of the Marketing Department's 2016 major initiatives which included:

- 2016 Convention Planning
- Expansion of the NARFE Federal Benefits Institute
- Expansive Fundraising Tests
- Migration of Welcome & Reinstate Letters
- Implementation of Optional Chapter Members.

**2016 NARFE NATIONAL CONVENTION** – Deputy Director of Membership Marketing & Fundraising Jennifer Bialek presented an overview of the 2016 NARFE National Convention highlights. Due to the lack of historical planning information, the 2016 Convention was in effect a "blank canvas" for the development of the NARFE Sponsorship Program. Primarily, this was due to the fact that many of the NARFE staff members previously responsible for past National Conventions had left NARFE or retired.

Several new features were put into effect such as sponsored meals, refreshment breaks, speaker introductions, etc., which contributed to financial success of the 2016 NARFE National Convention. Some highlights included:

- New Registration Strategy a Success & Positions Us Well for 2018
- 91% of Attendees Were Satisfied / Very Satisfied
- Launched new registration software
- Reduced the registration area from 10 Regional booths to 4 Alphabetical booths
- Reduced registration workforce from 45 to 6
- Included banquet tickets in packet – eliminating additional booth
- Streamlined pre-convention in-house workload

Convention Neared Break-even Goal with Experiments/Additions

- Revenue budget of: \$355,000
- Projected revenue: \$354,735

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- Expense budget of: \$366,600
- Projected expenses: \$378,723
- Anticipate \$24,000 loss or 3% above budget
- Areas of concern: Banquet ticket sales, travel & Food & Beverage

**2018 CONFERENCE – JACKSONVILLE, FLORIDA**

**2020 CONFERENCE – SCOTTSDALE, ARIZONA**

- Conference Requirements will differ significantly from convention
- Reduced number of days by 1½
- 3 days of conference
- ½ day of business meeting
- Contracts being renegotiated to reflect fewer sleeping rooms/meetings space

**SPONSORSHIP PROGRAM** (Jennifer Bialek) 2017 Sponsorship Program Book has been distributed to all of NARFE key sponsors & is also available on the NARFE website at [www.narfe.org](http://www.narfe.org). In order to insure that all Federation Conventions gain through the Sponsorship Program, each Federation must insure that Jennifer Bialek and/or Dana Esposito at NARFE HQ has been provided a single point of contact for the upcoming 2017 Federation Conventions. A suggestion was made that a brainstorming session be conducted at the 2017 NEB/Federation Presidents' meeting in July in Jacksonville, Florida. The purpose of the session will be to develop uniformity among all Federations.

New Affinity Partners have joined the NARFE program:

- Purchasing Power
- Sunrise Senior Living
- Wyndham Vacations

Efforts will continue to grow existing Affinity Partner relationship

- Adding Enterprise to Alamo/National Rental Cars
- Beltone Hearing – Better publicity to increase awareness of discount available to NARFE members
- Other categories will be developed such as pre-paid cellular telephones
- Strategy to develop new Affinity Partners
- Growth of Existing Partners

Additionally, sponsorships for regional & federation events were discussed. Director of Marketing Bridget Boel suggested a template be developed for generating sponsorships at each level.

**MARKETING UPDATE** – A Marketing Review related to membership and new business by Bridget Boel and Monica Williams.

Deputy Director of Membership Marketing & Fundraising Monica Williams provided an overview of:

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- Membership Acquisition & Retention
- Benefits vs. Advocacy Letter
- NARFE Webinars Growing Membership & Loyalty
- NARFE Federal Benefits Institutes
- Fundraising - - Holiday Cards, Note Pads, Note Cards, & Calendar
- 2016 Holiday Card Mailing
- New NARFE Membership Packages
- Field Resources

**MEMBERSHIP RECRUITMENT/RETENTION** –Bridget Boel provided an update on revised membership application forms. Following discussion concerning the membership application process a motion was made by Helen Zajac (RVP-8) & seconded by Marshall Richards (RVP-6) that NEB establish incentive programs to benefit member recruitment & retention, such as recruiting rebates & finder's fees, which shall not extend beyond two years, unless extended by NEB after evaluating effectiveness. The incentives shall be:

- \$8.00 for AFE Recruitment
- \$39.95 for Webinar & mail acquisition
- \$10.00 for all member recruitment for September 1st – December 31st

These incentives will be in place for the next two years (2017-2018). Motion approved by a vote of 11-0.

#### **THURSDAY – NOVEMBER 17**

**NATIONAL LEGISLATION** – An updated Legislative Review from Director of Legislation Jessica Klement included a discussion on impact of small COLA, increase in FEHBP premiums and Medicare B premiums on top of FLTCP premium increases on Federal community;

Additionally, Jessica Klement provided a Legislative Update which included an overview of the following:

- 2017 Medicare Premiums
- U.S. Postal Service Reform
- WEP Reform
- FLTCIP Premiums
- 115th Congress
- Legislative Training Conference
- NARFE in the News
- NARFE-PAC
  - 2015-2016 Goals & Actual
  - Federation Conventions
- Protect America's Heartbeat
  - Grassroots Leader Survey
  - NARFE All Member Grassroots Survey



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**EXECUTIVE DIRECTOR HIRING PROCESS** – President/CEO of Development Resources Incorporated. (DRi) Jennifer Dunlap provided an overview and update on the Executive Director search and hiring process, which included:

- Search Timeline
- Advertisements
- Criteria Matrix
  - Experience
  - Competencies & Fit
- Additional Qualifications
- Candidate Packets

The NEB briefly discussed the duties & responsibilities of the Executive Director.

**DATABASE MIGRATION IN-HOUSE** – An update by the IT Department on the progress of the NARFE database migration and changes to the OAM system was provided by National Secretary Treasurer Jon Dowie who stated that the database migration will take place from December 15th through 18th. The OAM, NARFE website, & other systems will be down during this time.

**WORDING OF NARFE MISSION STATEMENT** – Following a motion made by made by Marshall Richards (RVP-6) and seconded by Helen Zajac (RVP-8) the wording in the first paragraph of NARFE Mission Statement will be changed. “**To sponsor and legislation, rules**” will be deleted from the first sentence in the mission statement, and replaced with “**To support legislation**”. With unanimous vote motion passed. Motion approved by a vote of 11-0. The new mission statement will read as follows:

***To support legislation and regulations beneficial to federal civilian employees and annuitants and potential annuitants under any federal civilian retirement system and to oppose those detrimental to their interests.***

#### **FRIDAY – NOVEMBER 18**

**FEDERAL BENEFITS DEPARTMENT** update was given by Director of Federal Benefits Service David Snell. The topics that were briefly covered: Healthcare Open Season; Medicare Open Enrollment Period; Contributions from Annuities to CFC; COLA; FLTCIP; and FEHB.

**STRATEGIC PLANNING PROCESS** – The NEB discussed the Future of NARFE recommendations from the 2015 Strategic Planning Team draft of Committee suggestions. President Thissen proposed that Secretary/Treasurer Dowie become a non-resident National Officer. Further discussion concerned the responsibilities and authorities of National Secretary/Treasurer in becoming non-resident.

Following the discussion concerning of the membership application process a motion was made by Rodney Adelman (RVP-7) and seconded by Ed Konys (RVP-4) that the residency of the National Secretary/Treasurer transition from the Washington, DC area to the home residency of the

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incumbent. Duties do not change. Salary adjustments will be made based on workload. Effective with the date of the motion. Motion approved by a vote of 11-0. Estimated cost of implementation: zero and projected savings: NOTE: President Thissen participated in this vote; Secretary/Treasurer Dowie abstained.

The NEB continued discussion of recommendations from the 2014-2016 Strategic Planning Team/Committee suggestions. After discussion, it was determined that some items be referred to the Strategic Planning Committee for further review. Items that will be referred to the Strategic Planning Committee for review:

- Unification of dues
- Leadership qualifications
- Leadership training
- Marketing perspective for attracting new leadership
- Merging of federations

The NEB suggested that the discussion concerning the financial structure and issues that are unique to NARFE also be referred to the Strategic Planning Committee for review.

President Thissen addressed a question concerning the number of members recruited through the incentive program. He stated that a 146 were recruited in September 2016, 190 were recruited in October 2016, and currently 182 in November 2016.

President Thissen asked that the board give nominations for Strategic Planning Committee by December 1, 2016. I have nominated Henry Brattlie from the North Carolina Federation to serve as the Region X representative.

Discussed the expectations of the Strategic Planning Committee.

Director of Marketing Bridget Boel discussed potential workshops, conference topics, and speakers for 2018 NARFE Convention.

The next scheduled NEB meeting will be held March 10-12, 2017 at the Hilton Mark Center in Alexandria, Virginia prior to the National Legislative Conference.