

Twin Cities Society of Security Analysts
Board of Directors
Slocum Associates
September 25, 2003
Minneapolis, Minnesota

MINUTES

The presiding Officer was Jason B. Matz, CFA. Those in attendance were:

Jason B. Matz, CFA	Randal W. Harrison, CFA	Barbara Boden, Executive Director (phone)
Karen A. Dunifon, CFA	Marilyn R Kemme, CFA	Dori Valenta, Associate Director (phone)
Curtis G. Fee, CFA	Jason R. Ballsrud, CFA	Christine I. Koppel, CFA (phone)
John F. Holewa, CFA	John N. Griebenow, CFA (phone)	Patrick M. Coleman, CFA (phone)

President Matz welcomed everyone and thanked them for participating.

APPROVAL – MAY and AUGUST MINUTES

There was a brief discussion about the \$5000 Public Awareness funds and whether they would be used for Web site development. Ms. Boden stated the invoices had been submitted for the Web site, but they could be applied to other qualifying expenses.

- After further discussion, and upon motion duly made and seconded, the Minutes for the May 28 and August 13, 2003 Board meetings were approved as submitted.

TREASURER'S REPORT

Treasurer Harrison and Ms. Boden presented the June 30, 2003 draft of the Year End Financial Report. It was noted that the Wells Fargo statements between July 1, 2002 and June 30, 2003 were still needed in order to finalize the year-end financial report to be given to McGladrey. At year-end, there was cash in hand of approximately \$50,000 in the Scudder account. The Wells Fargo account showed around \$1952; however, there might have been more in the account at year-end, possibly \$5000. The merchant account had \$26,813.00, which was subsequently transferred to the Scudder account. The highlights of the Income and Expense statements were reviewed.

In discussion of the CFA® Review Program, it was noted that the Board was expecting a small loss due to the late start and it being the first time the Program was offered. Questions arose as to why the Program lost so much when there was an expectation at the beginning of the year breaking even. Ms. Koppel stated she would submit a detailed report and summary and why the large loss in revenue. She would also have recommendations for the 2004 Review Program that would minimize potential loss. In discussion, it was suggested post the Review Program brochure on the Web site to reduce printing costs. There was an extensive discussion about whether Koppel & Wiley should refund 50% of the management fee to offset a major portion of the \$19,000 loss. Ms. Koppel stated the firm would do so but a determination regarding this matter is still under discussion.

Programs lost about \$13,000 overall. American Express, to date, has not paid on their vouchers, which impacted the luncheon program by several thousand dollars. In discussion, it was the consensus not to accept vouchers. It was further noted that A/V rentals are impacting expense as well. More presenters are using LCD projectors, and the rentals on those units are high. It was suggested to look into purchasing an LCD projector and a laptop computer to reduce A/V expense. An analysis would be done to see if the luncheon meal expense is compatible the registration fee and to recommend to either increase the fee or have a \$10 spread between members and non-members.

Social events were discussed. An error was found in classifying one of the events. That event should have been classified under Programs. Ms. Boden will have the even reclassified and send out a revised report.

- After further discussion, and upon motion duly made and seconded, the June 30, 2003 financial report was received with the noted adjustment.

The Board commended Ms. Boden on a job well done on the financial reporting. With a good set of financials, Ms. Boden said she would develop an Annual Operating Budget for Mr. Harrison to review and present for approval.

COMMITTEE REPORTS

Advocacy

Chair Dunifon reported AIMR has proposed changes to the Profession Conduct and Standards. There is an open period into October to comment on these changes. It was suggested to make the membership aware of these proposed changes. Ms. Dunifon said she would monitor this and any other such activity.

Education

In addition to the previous discussion, Ms. Koppel further discussed several Review Program issues and indicated they would all be covered in her presentation at the next Board meeting.

Employment

Mr. Griebenow reported he is receiving some job postings and looked forward to having them posted on the new Web site.

Membership

Chair Ballsrud presented the applications for membership and stated there were no unusual situations.

- After discussion, and upon motion duly made and seconded, the Board approved the applications for membership as submitted.

Program

Chair Fee reported the presentations by Dr. Sohn and Mr. Richards went well. Attendance for each, approximately 50, was good. Mr. Fee stated he would review the fee issue and make a recommendation. He said there were two luncheons scheduled in October; one with Raphael Resendes, on October 8, who was selected from the AIMR speaker list; the second one is with Tom Welch on October 14, on the development of the CFA® Exam. There is a Bond Panel scheduled on November 6 that includes Karl Tourville as moderator; Rick Ballsrud, from the Clifton Group; Tom Murphy, from American Express; and there would be someone from PIMCO. He indicated the format would be changed to be more interactive. The session on Derivatives would be on November 24. The Equity Panel would probably be held in the spring.

Consideration was being given to having a Social Event in the early part of December. It was suggested to post Society events in the AIMR calendar as a marketing tool in addition to the new TCSSA Web site. A suggestion was made to invite Ron Ryan to present. Mr. Fee said he would be expanding the Program Committee and would begin working on the spring schedule.

Special Events

Chair Coleman said he needed direction on what types of events to offer. Mr. Holewa suggested having a Forecast Dinner to recognize the new charterholders and either have several great speakers or one high profile speaker. In discussion, it was noted that this would involve a lot of work setting up and marketing the dinner. It was suggested to select an alternate venue to the Grand Hotel and set up a Forecast Dinner Committee to plan the event and work on building attendance. Messrs. Matz, Holewa and Coleman agreed to serve on the Committee. It was the consensus that a good target date would be the month of January. There also was discussion about having other special events and developing some good ideas. It was suggested that the Forecast Dinner might be too late to recognize the new charterholders; perhaps they should be recognized at a November luncheon.

Staff Report

Responding to questions about the cost of maintaining the Web site, Ms. Boden explained the amount shown on June 30 Financial Report was a one-time start up fee; going forward, there would be a modest monthly hosting fee. Maintenance on the Web site would be performed by staff at no charge. Any structural changes would be completed by the new webmaster (the company hosting the Web site) for a nominal fee and with Board approval. Ms. Valenta explained how the maintenance would be completed discussed the development to date; she noted that the Leadership page had just been completed and the Placements page would be completed shortly. The Board asked to have all old job postings deleted as soon as possible. Ms. Valenta stated members are using the online credit card registration through PayPal and that the contact list has increased by 60 people wanting to receive Society announcements. Ms. Boden stated that as soon as the development of the new Web site has been completed, she would like to change credit card vendors for better service.

OTHER BUSINESS

AIMR Leadership Conference

Mr. Holewa and Ms. Koppel reported on their experience at the Leadership Conference and the new issues discussed. Four objectives were presented. The first is to protect and build the CFA® brand by possibly changing the name from AIMR to something else reflecting what they do. The CFA® logo might be changed and pricing the Candidate Program differently by bundling the various cost elements. Another objective is to protect the CFA® brand by ensuring there is a global standard for education. A few key issues mentioned with regard to this objective is to tighten the definition of qualified work experience, going towards a functional basis rather than job title and increasing the work experience requirement from three to four years. If these recommendations are approved by the Board of Governors, they would become effective in 2005. Another objective is to look at operational efficiencies by using technology to deliver products, and enhancing the AIMR Web site.

Date and location of next Board meeting

The next Board meeting is on Thursday, October 23, at the Slocum offices, from 7:30 to 9:00 a.m. The following Board meeting is scheduled for November 20 at the same time and place.

Best Prep Grant

Ms. Kemme reported receiving the annual request to sponsor the "Best Prep" Program. It was the consensus to keep the donation to \$2000 to support running the Stock Market games for materials and training in the school.

- After discussion, and upon motion duly made and seconded, the Board approved a \$2000 grant for the Best Prep Program.

Public Awareness

Public Awareness funding was deferred to the next Board meeting.

There being no further business, and upon motion duly made and seconded, the meeting was adjourned.

Respectfully submitted,

Barbara Boden
Executive Director