

ASSOCIATION ADVISOR

Spring 2008



Greater Cleveland
Society of
Association
Executives
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President's Message

GCSAE President Bill Lavezzi
North Eastern Ohio Education Association

Associations Are Our Business, But Which Ones?

Not all of our members are members of the American Society of Association Executives, and yet ASAE's leadership in the association field is influential and their actions affect the climate in which allied societies like ours operate.

In November, members of ASAE approved a new set of ASAE Bylaws. ASAE Board Chairman Tom Dolan is happy. He stated that "These governance changes will improve ASAE's responsiveness to members' expectations and needs moving forward." Clearly ASAE's members agreed. The changes were approved overwhelmingly, as 84% of the voters approved the new Bylaws.

The main purposes of the rewrite were to streamline the ASAE Board and to clarify the Board's role. Since this isn't the place to cover all the changes, I'll provide some URLs later for more information.

Although it isn't regarded as one of the major changes in the Bylaws, one area of change which may have some impact on allied societies such as ours is the implications for membership. Our own GCSAE Bylaws refer simply to "associations," but what does that mean? Do we exist to serve executives in any groups that use the term "association" (or a similar term) in their title? Most of our

members come from professional or trade associations, but should we seek members from charitable, artistic, or labor organizations?

The new ASAE bylaws seem to suggest that we should. Here are parallel passages involving the purposes of ASAE:

Old ASAE Bylaws:

The objectives of this Society shall be:

. . . to develop and encourage the practice of high standards of personal and professional conduct among executives serving trade, technical, business, professional, and philanthropic associations. . . .

New ASAE Bylaws:

The purposes are:

. . . to advance, improve, promote and protect the profession of association management and those professionals who manage business, trade, professional, philanthropic, scientific, educational, technical, social welfare, agricultural, and other nonprofit organizations The differences are subtle, but it appears to me that the new ASAE Bylaws aim at a broader definition of the association world. And this could affect the practice of allied societies like ours, whose documents don't attempt to define our constituency.

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GCSAE Schedule of Events

- March 13 Unique Meeting Locations
 John A. Spitzer Conference
 Center, LCCC
 11:00 AM - 1:30 PM
- April 2 Working Across the Generations
 Location TBA
 11:30 AM - 1:30 PM
- May 13 Speaker Dennis Roche
 Hermit Club
 11:30 AM - 1:30 PM

Remember that you can view the members-only section of the GCSAE website for Membership Rosters, GCSAE Bylaws, a Speakers Database, the GCSAE Lending Library and information about your Best Benefits Club discounts.

If you are in need of your password, please call the office at (330) 273-5756.

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Have a Job Opening?

Remember that there is no cost to post job openings on the GCSAE website's Job Bank. If you have any positions that you would like to have posted, e-mail them to gcsae@core.com.

President's Message

Continued from Front Page

The new ASAE Bylaws may serve to remind us of the importance of our own organizations' constitutions and bylaws, and the need to pay careful attention to what they say.

For ASAE's press release on the new bylaws, go to www.asaecenter.org/AboutUs/newsreldetail.cfm?itemnumber=29379.

For a copy of the new ASAE Bylaws, go to www.asaecenter.org/AboutUs/content.cfm?ItemNumber=16005.

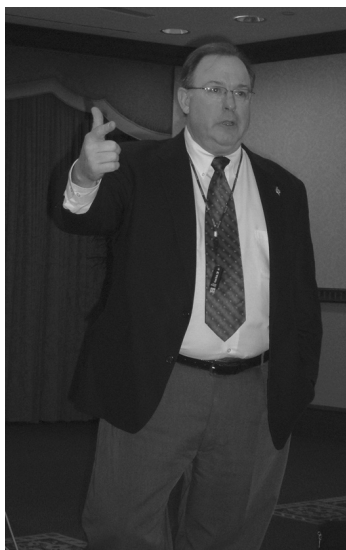
American Associations Day 2008 is ASAE's free annual legislative fly-in where association executives, staff, and volunteer leaders (including philanthropic and charitable organizations) educate their members of Congress on those issues that impact the nonprofit community.

There is no registration cost to the individual; the only cost is your travel expenses. Even then, ASAE offers a travel scholarship to participants of up to \$300 to reimburse those costs, and offers discounted rooms at the Hyatt Regency on Capitol Hill.

For more information on the event, visit <http://capwiz.com/asaeadvocacyweek/home> or contact Robert Hay Jr. at (202) 626-2788 or rhay@asaenet.org.



January Meeting Photo Gallery



Presenter: Jeffrey L. Dean, JD, CAE, Exec. Director & General Counsel, International Society of Explosives Engineers.



The January meeting - An Insight into Terrorist Activities: An Association Executive's View of the War on Terror

2008 - The Year of the Policy Manual

by Bob Harris, CAE and Eric West Over.

2008 will be the year that policy manuals are taken from association and chamber shelves to undergo considerable updates. The catalyst is the IRS's redesigned Form 990.

The form asks several questions about policy. You'll want to answer the questions affirmatively.

For example, does the organization have a document retention and destruction policy in existence? And has a whistleblower policy been adopted? Upon adoption, the place to store new policies is the organization's policy manual.

Refresher on Policies

Remember that the purpose of policy is to interpret the broader governing documents, including the bylaws, articles of incorporation and purpose statement. The board adopts policy as reflected in the meeting minutes. Policies are transcribed from the minutes into the organization's policy manual.

Revised IRS 990

Because of increasing scrutiny on nonprofit boards and their operations, the new IRS Form 990 added several questions about policies.

Discuss these issues with your board. Through awareness of the issues and adoption of policies, the questions can be answered affirmatively in your next federal tax filing.

Policy Topic: Record Retention

Actual Question: Does the organization have a written document retention and destruction policy

Recommendation: Contact a CPA and attorney to ask for suggested record retention schedules. Carefully review it and add documents particular to your organization, such as continuing education records or grievance records. Be sure to consider your state's laws.

Policy Topic: Whistleblower

Actual Question: Does the organization have a written whistleblower policy?

Recommendation: Adopt a policy statement that encourages both staff and volunteers to come forward with credible information on illegal practices, without retribution. The statement can also be included in a personnel manual.

Policy Topic: Conflicts of Interest

Actual Question: Does the organization have a written conflict of interest policy?

Recommendation: Adopt a policy that asks individuals with a potential or real conflict to disclose it to the board prior to discussion and voting.

Policy Topic: Audit and Audit Committee

Actual Question: Does the organization have an audit committee?

Recommendation: A subgroup of the board can serve as the audit committee to work with the external audit and discuss processes with the board. The policy might indicate that the "finance committee also serves as the audit committee."

IRS Releases Final Form 990 for Tax-Exempt Organizations

The Internal Revenue Service (IRS) issued its final draft of the Form 990 on December 20. The new form, which will need to be used beginning with the 2008 tax year (returns filed in 2009), includes a number of changes recommended by ASAE and many other tax-exempt organizations last summer.

The final form retains the redesigned draft's format of a core form with summary page and a series of schedules, but includes the following changes in content:

- Eliminating the ratios, percentages and other metrics included in the discussion draft as well as all compensation information from the summary page (moved to Part VII in the core form), and replacing it with a summary of financial information comparing the current and prior years.
- Moving the organization's program service accomplishments to page 2 of the core form, immediately after the summary.
- Addressing transition concerns for smaller organizations by phasing in the requirement to file the new form over a three-year period.
- Addressing privacy and security concerns expressed by ASAE and others regarding reporting of officer and director contact information.
- Providing more opportunity throughout the form, and particularly on a new Schedule O, to provide explanations and supplemental information.
- Including a new checklist to help filing organizations identify the schedules that must be completed.

Some suggested changes were rejected by the IRS, including the requirement to disclose the five highest compensated employees (making more than \$100,000) for 501 (c) (6) organizations and the requirement to list all current officers, directors, trustees and key employees and their reportable compensation. ASAE is continuing to review the form and assess its implications for the association sector.

New Travel Documents Required Beginning January 31

As of January 31, 2008, all adult travelers will be required to present proof of citizenship, such as a passport or birth certificate, and proof of identity, such as a driver's license, when entering the U.S. at a land or sea point of entry.

This change is to prepare travelers and ease the transition to the future requirements of the Western Hemisphere Travel Initiative (WHTI), which requires passports for travelers entering the U.S. who were previously exempt, including citizens of the U.S., Canada, and Bermuda. WHTI will result in enhanced security and increased facilitation across the border once implemented. While U.S. Customs officers may currently accept oral declaration of citizenship from U.S. and Canadian citizens seeking entry into the U.S. through a land or sea border, these declarations will not be accepted as of January 31. The current turnaround time for a U.S. passport is four to six weeks.

IRS Announces 2008 Mileage Rates

The 2008 optional standard mileage rates used to calculate the deductible costs of driving for business, charitable, medical or moving purposes which were effective as of January 1, 2008 are as follows:

The standard mileage rates will be 50.5 cents per mile for business travel, up from 48.5 cents per mile in 2007. The new rate for driving for charitable purposes is 14 cents per mile.

2008 - The Year of the Policy Manual

Continued from page 4

Policy Topic: Meeting Minutes

Actual Question: Does the organization contemporaneously document the meetings of the governing body and related committees through the preparation of minutes or other similar documentation?

Recommendation: While most organizations are careful to take good board meeting minutes, this IRS question may encourage a policy that all committees must keep meeting minutes.

Policy Topic: Public Records

Actual Question: How do you make the following available to the public?

- Organization/Governing Docs
- Conflict of Interest Policy
- Form 990
- Form 990-T
- Financial Statements
- Audit Report

Recommendation: The new IRS Form promotes transparency. The board should consider what is legally required to be public and how it wants to promote transparency and disclosure to various audience, i.e. members, non-members, unrelated parties, etc.

Summary

Policies are the wisdom of the board in setting best-practices for the future of the organization. The increased scrutiny on exempt organizations is a catalyst for updating the policy manual. Be sure to rely on legal and accounting counsel when adopting policy.

About the Authors: Bob Harris, CAE, is chairman of the NonProfitCenter.com (bob@rch-cae.com) and offers a \$39 manual on How to Write a Policy Manual, including 25 samples. Eric Westover is chairman of Not4profit Planning.com (Eric@not4profitplanning.com) and founder of UpperEx National Outreach Coalition.

2008 Compensation and Benefits

The ASAE 2008 Compensation and Benefits Survey is now available. Deadline for submitting the survey has been changed to February 29, 2008. Anyone who is not part of an AMC is encouraged to participate in the study.

No matter how you choose to respond, all study results will be kept strictly confidential and will be tabulated by Industry Insights, an independent survey research firm

Why is this survey beneficial to you and your organization?

- Online access to an easy-to-use tool that will enable to you to define key demographic criteria and metrics to build user-defined salaries for positions with sufficient data. There will be a button on this online tool just for [your SAE] region. If you respond, this tool is provided to you free of charge and if there is sufficient response, a printed publication for [your SAE region] will be available for purchase.

- A 25 % discount on any publication you purchase.

For more information, visit www.asaecenter.org.

Support your Association - Advertise in the *Association Advisor* or on *GCSAE's Home Page*

Advertising Rate Card

Ad Size	Members	Non-Members
Business Card	\$15	\$20
1/4 Page 4" x 5 1/4"	\$25	\$40
1/2 Page 4 1/8" x 9"	\$45	\$60
1/2 Page 5 3/8" x 7"	\$45	\$60

For an additional \$60, you can also have a 1-month banner ad on the Home page of the GCSAE Web site.

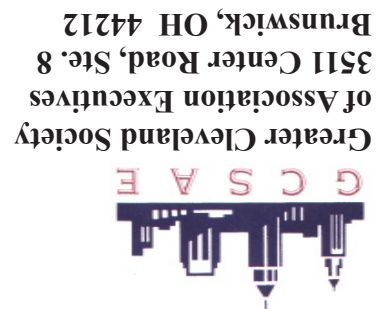
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Call the GCSAE office at 330-273-5756 for Submission Deadline.



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Enriching Career, Life and Community

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Upcoming GCSAE Meetings

March 13 - Unique Meeting Locations

Luncheon Meeting

Location: John A. Spitzer Conference Center,
Lorain County Community College

April 2 - Working Across the Generations

Luncheon Meeting

Location: To be announced

May 13 - Speaker Dennis Roche

Luncheon Meeting

Location: Hermit Club

Cost: \$35.00 for members, \$45.00 for non-member association executives

Call 330-273-5756 to make your reservation.