

**Report of the Administration and Finance Committee
The American Radio Relay League
2011 Second Meeting of the Board of Directors – July 2011**

Committee Members: Director Cliff Ahrens KØCA, Chairman; Director Dennis Bodson W4PWF; Director Greg Sarratt W4OZK; Director Jim Weaver K8JE; Director Greg Widin KØGW; Vice Director Marty Woll N6VI; and Treasurer Jim McCobb K1LU.

ARRL Officers also attending: Dave Sumner K1ZZ, CEO; Barry Shelley N1VXY, CFO; Mary Hobart K1MMH, CDO; and Harold Kramer, WJ1B, COO.

Committee Activities

The A&F Committee met on April 9, 2011 at ARRL HQ in Newington. In addition, the Pension Subcommittee met by telephone conference call and engaged in email discussions. The Pension Subcommittee members are: Treasurer Jim McCobb K1LU, Chairman; A&F Chairman, Director Cliff Ahrens KØCA; Vice Director Marty Woll N6VI; Dave Sumner K1ZZ, CEO and Barry Shelley N1VXY, CFO. The full A&F Committee will also meet on Thursday, July 14 at ARRL HQ.

For the five-months ending May, 2011, the ARRL's financial situation is sound. Gain from operations and net available income are ahead of projections for the period. Year-to-date contributions for the five-month period are slightly less than planned, but are ahead of the same period of the prior year. Both revenues and spending on a year-to-date basis are running slightly behind the plan. The organization had a net positive cash flow from operations for the five-month period.

The Committee approved an additional position in the Membership & Volunteer Programs Department to help manage the Awards workload.

Pursuant to the Board's directive at the January, 2011 annual meeting, staff gave a detailed presentation to the Committee at its April meeting concerning the digital QST project. A number of policy issues were discussed. The Committee authorized conducting a research study of member wants and needs. Staff will furnish a report and recommendations to the Committee at its July meeting.

The Committee reviewed the CEO's quarterly Project Status Report which contains an overview of various projects, together with projected start and completion dates, estimated costs, and other information.

Ms. Hobart, CDO, presented a report on the status of the Second Century Campaign. The Mission Statement has been approved, and Mr. David Brandenburg K5RQ was selected Campaign Chairman.

After discussing activity based accounting, the Committee agreed that a detailed cost accounting system was not required at this time and staff agreed to continue to refine the estimation process for projects in the future, especially in regard to time required to complete certain projects.

The Committee agreed to pursue a web site usability evaluation using volunteer professionals in Web site design and usability.

At both the April meeting, and in subsequent email communications, the Committee discussed strategic planning generally and the 2012 Strategic Planning process specifically. Suggestions by individual Committee members have been compiled by the chairman, and will be further reviewed at the July Committee meeting.

The Committee discussed Life memberships, and factors involved with pricing them. The Committee agreed to engage an outside actuarial firm to assess the adequacy of the Life member reserve in the financial statements.

The Committee approved a recommendation by the CEO that the Member Loyalty Program policy be changed to include that ARRL will provide plaques for members reaching the 70-year membership milestone, free of charge to the member.

The Committee also reviewed certain ARRL benefits including insurance, retirement and paid time off.

The chair will supplement this report with oral remarks at the Board meeting concerning important highlights from the upcoming July 14th Committee meeting.

Respectfully submitted,

Cliff Ahrens, KØCA
Chairman

July 7, 2011