

BOARD OF DIRECTORS - MINUTES

California Association of DECA, Inc.
Board of Directors Meeting
Town and Country Resort & Convention Center
December 4, 2015

WELCOME & ROLL CALL

Board Members in Attendance

- Michelle McIntosh, State Advisor [ex-officio]
- Carl Schmidt, Board Chair
- Mary Whited, Board Chair-Elect
- Maureen Rankin, Board Treasurer
- Tami Raaker, Board Secretary
- Luke Freeman
- Juston Glass
- Christina Charlton
- Dennis Mifflin

Staff Members and Guests in Attendance

- Ryan Underwood, Executive Director
- Brycen Woodley, State Director
- Charles Martin, California DECA Foundation Board Chair

CALL TO ORDER

The Board Meeting was called to order at 12:30 p.m. by Chair Carl Schmidt on Friday, December 4, 2015.

APPROVAL OF THE MINUTES FROM THE PREVIOUS MEETING(S)

Maureen moved to amend May 2015 minutes and it was seconded and approved unanimously.

Mary moved to amend September 2015 minutes and it was seconded and approved unanimously.

Amendment was to revise minutes language with respect to CTE program that it is not a change of policy but rather a reinforcement to the existing policy.

REPORTS

State Advisor Report [Update from CDE by Michelle McIntosh]

- Michelle shared that the first statewide department meeting was coming up next week to review Superintendent Tom Torlakson's proposal (which advocates strongly for CTE).
- Lupita is moving to a new position. Tom Adams has been named Deputy Superintendent to replace. Russ Weikle reports directly to Tom.
- Unless there is a surprise in the budget on January 10th, this will be the last cycle of the SB1070 funding. The DECA contract starting January 15, 2016 is the last one under this funding source. Renewal of CTE and Community College funding is not in the works at this time. It's uncertain if the Governor or Assembly will allocate additional support from Perkins to support CTSOs or if the previous funding will be re-authorized or authorized with no expiration date. Michelle will update us at the May meeting when more is known.
- \$25,000 came in for DECA as a special onetime additional contract to support Advisor Training at the DECA AMPED conference in Denver.
- New FAQ's released to address common questions about enforcement of CTE and CTSO policy. Michelle discussed state officer policy and whether a student should be allowed to run if they are not currently (or have been previously enrolled) in a CTE program (as previously motioned at the May 2015 meeting).

Management Team Report [Update by Brycen Woodley & Ryan Underwood, Management Team]

Membership / Conference Review & Stats

- Advisor Conference: Event was held at the San Jose Marriott for 67 advisors. New record and outstanding participation. New third gear social experience dinner was added to build connections and rapport between new, returning, and veteran advisors. Quality content, practical curriculum. Added a new advisor training component pre-session to assist the high number of new advisors we're excited to welcome to California DECA.
- District Conferences: The NorCal LDC attendance was held Oct 9-10th with attendance of 140 students and was unexpectedly very down this year in terms of attendance. SoCal LDC attendance was up slightly and was held in October for 62 attendees at the UC Irvine campus. DECA training + Ropes Course. Students loved it and enjoyed the model and mixture. Advisors

requested to go back last year. Silicon Valley LACE conference had 594 attendees at the November 13-15 event held at the Doubletree San Jose. While well attended, the event was slightly down over previous highs.

- Membership/Affiliation: Current membership is 5,230 for the year which is already 61 members over last year's final. It will continue to grow. We have another 230 students in rosters but not submitted yet. Projected affiliation for the year is 5,500. As a reminder, fees collected by National DECA on our behalf will not be processed until closer to the end of the year because of our unique approach to chapter subscription. We'll have an estimate of 20-30 new programs with required CTE element which is great news. It is a moving target at this time of year. Confirmed 15. Working through 15 others. CTE incentive grant could create even more as CTSOs are a requirement. LAUSD could explode at any moment with districtwide participation or could be school-by-school approach. Development here has been underway for three years and continues to look promising. New advisor support is several hours every day for the management team (estimate of 10 hours per new chapter after they charter). The Board requests the usual affiliation update in May with comparison stats to review.

- District Career Development Conference: NorCal attendance is at 1,569 and is 330 over last year's record numbers. SoCal is up to 292 attendees which is 77 over last year. Silicon Valley is at 1,153 which is a 257 increase over last year. Surging attendance is fantastic and unexpected by the conference planners and the management team is working in each location to assist with space and conference adjustments. Attendance overall is at a high from the last 7-8 years.

- State Career Development Conference:

For 2017 the Santa Clara Convention Center is unable to commit to anything at this time due to changes in management structure (both structure and the contact we've been working with for four years is now gone). Background: state granted funds to municipalities to purchase convention centers and meeting space. State now asking cities to buy out the state or state takes back into their control.

We went back to Hyatt and secured the largest block they would give. Marriott and Hilton will not grant more space. (Marriott would give 100 rooms for Friday/Saturday, but not Thursday). Looking at overflow hotels, but, held not knowing full impact of FAQs and clarification of CTE+CTSO policies. Hesitation and our safe approach means a scramble closer to the conference. But, it's a lesser evil than contracting for rooms we can get now but end up facing possible attrition and thousands of dollars in penalties. San Jose will not contract February – March because of trade show business as prices are astronomical.

- Status of SB1070 Contracts

It was noted that a third of chapters are not completing the two simple forms to receive their chapter support grant funding. It takes 15 minutes to complete and can mean hundreds and even thousands for schools. Support and reinforcement by Board members is appreciated to help remind. Chapter grants will be received by December 31 to meet contractual requirements. Any funds not claimed by deadline of December 15 will be redistributed to chapters who have completed the required forms. A blanket check request for all chapters eligible to receive funds will be coming to Board Treasurer rather than processing a check request per school (time savings).

The new CDE/DECA contract will begin on January 15, 2016 as a reminder. No invoicing will take place against this contract until the 2016-17 DECA fiscal year to correspond with budgeting.

State Officer Team Report

The state officer report is available in Dropbox. California DECA's officer program has now grown in quality and service and officer caliber to be a premier program in the country. Officers have now transitioned to using Redbooth for productivity management and live HD meetings over Google Hangout and spreadsheets. California will also be one of less than five selected states whose officer program has been selected for advanced corporate style leadership development program. Currently exploring refinements to the SCDC schedule to maximize campaign time and begin orientation upon election rather than waiting 3-4 weeks for their first meeting.

California DECA Foundation

The Board received an update from Foundation Board Chair Charles Martin. Charles reported that new members to the Foundation were installed in conjunction with the at Advisor Conference in September. At the State conference they will be included in the conference program. A primary goal initially is to formalize and keep DECA alumni engaged after graduation. Additional goal is financial support. California DECA and the State DECA Foundation are separate entities but there will certainly be an area of transparency between both groups. It was suggested that the Foundation invite someone from the parent group to attend the next meeting. Charles hopes to roll out more info at the state conference on how people can get more involved. Any excess funds (beyond our operating expenses) will be rolled over to the foundation to hold in restricted reserve for California DECA purposes upon request from the California DECA Board.

ACTION ITEMS

Financial

- A. The Board reviewed the 2013-14 and 2014-15 fiscal year Income Statement and Balance Sheet.

Discussion: Financial Statements are as of last reconciliation date. They do not include Districts. DECA has 3 income sources primarily: CDE (portion is for administration), Chapter Affiliation, Conference. Some sponsorship but roll back out for travel scholarships.

Dennis moved and it was seconded to approve the 2014-15 year end financials. The motion was adopted unanimously.

- B. The Board reviewed the 2015-16 Income Statement and Balance Sheet as of last reconciliation period of as of October 31, 2015.

Maureen moved and it was seconded to approve the 2015-16 Income Statement and Balance Sheet as of the last reconciliation. The motion was adopted unanimously.

- C. 990 Group Filing Submitted

Discussion: California DECA is a named subordinate of Distributive Education Clubs of America (DECA) as IRS still knows us. Districts rolls up to California DECA, California DECA rolls to Group Return with DECA Inc. It was reported that the 2014-15 data has been completed and submitted to DECA Inc. IRS 990 will show District funds.

- D. General

Discussion: Concern for future funding constraints due to loss of SB1070 ending and anticipated loss of membership (due to CTE program requirement).

The board inquired as to the impact of SB1070 on staffing. In previous years it was the primary source of funding for staff and administration of California DECA. Last year was the first year conference margin was the chief contributor. The effect of SB1070 directly plays a partial directly to California DECA. The real effect of SB1070 is felt indirectly through chapter support because it's a trigger/leverage effect that gives the local DECA system a base of money to support healthy operations which translates into increased participation and attendance which creates margin and benefit, attracts partners, and engages more industry and private support. So, SB1070 is a critical component of the infrastructure and strategy of California DECA, but it's effect is felt indirectly through increased chapter participation rather than directly as a line item for staffing. The effect of SB170 funding coming to an end is a potential double impact. One is the loss of funding supporting to administer the state. The second is the funding that supports and encourages healthy chapter operations.

Moving forward in the coming years, the Board identified three areas of key support needed:

1. Engagement of CTE administrators through invitations to DECA Advisor Conference so they can experience the value and get to know the educational programmatic approaches and benefits directly.
2. Secure funding for Advisor Training Events and Support to continue healthy evolution and progress of advisor leadership through each season of growth and advancement.
3. Secure funding support and personnel to support regionalized Officer Training and District positions to localize support and outreach by DECA student leaders.

Connecting with CTE administrators allocating incentive funding is going to be a key constituency for us to communicate, court, and bring into connection.

California DECA no longer has membership fees. Only per student charge is assessed by DECA at \$8 flat not tiered that is paid by California DECA.

Finance Efficiencies

The Management Team alerted the Board that we're exploring finance efficiencies including allowance of original vs digital receipts, level of approval of budgeted items for direct payment rather than authorization for every single expenditure as we have traditionally practiced, etc.

Ryan Underwood and Rhonda Bohall (Financial Manager) will submit changes to the Board Chair (audit committee will do initial review and feedback) and Ryan and Maureen will present in May.

Advisor Conference 2016

The date of the DECA Advisor conference will be September 23-24, 2016.

Discussion: Need to have a location close to an airport. Two thirds of the participating advisors are from the north so that is a considering factor as we need to transport advisers from the south. The option of conducting two separate events in the north and south was discussed.

Options considered include holding in Sacramento (with CDE boardroom free and stay at Residence Inn) or using the Harker School and staying at the TownPlace Suites (walking distance). Juston mentioned that his school would offer complimentary lunch as the host school. Brycen will do some research and make the final decision with the Executive Team because the decision needs to be made before our next meeting.

Hands on training, practical, and technical content is appreciated by advisors. MBA Research element was not as valuable given the amount of training time available in

comparison to their time slot. Goal is to get to advisors early in the year so we can get incorporated into the program.

The Board also provided input on the agenda (for example, we still want social element on Friday evening, new advisor content, etc). The Board also discussed securing sponsors for the advisor conference. Justin will reach out to sponsors at Wharton & Keypoint Credit Union and Christina will approach Ever5 Financial. We want to be careful not to dominate content from sponsors but would allow 30 minutes (or so) for them to present and connect with our chapters.

SCDC 2016

The Board conducted a site tour of the Town and Country Resort where SCDC will be held.

Discussion: California DECA has significantly improved the tools being used to train judges. It really comes down to the advisor being informed on their specific event and ensuring the judges are briefed. California DECA Judge Expectations is a new document that will be required for all judges to be signed. It will be part of the registration process but will also be sent out in advance for chapters to use to inform judges. Video will also be distributed for clarification to judges as well.

ICDC 2016

Discussion: Brycen provided updates on the Nashville ICDC. Over 40 hotels will be used by DECA. Twenty states will be split between multiple hotels, however, California will not be split. Will feel more like Salt Lake City ICDC. We requested downtown location and we were denied. California received the best option from what we were given. We are at Opryland which has some advantages (huge, self-contained, food/shopping is close) but it is far from the new Music City Center. ICDC room blocks will be strict so we will not be able to add rooms. This means leadership academy spots may be limited. Dinner on Tuesday night will follow the closing awards program. As people arrive they will go through the buffet and then we will start the California closing program as soon as most people are there, to avoid us getting out late. Airfare is going to be very expensive. Least expensive ticket informally right now is \$450, averages \$700-800 should be expected. Special exclusive night at Grand Ole Opry. Overall, we will need to run more like we did in Atlanta.

DECA Amped

This advisor conference provided by DECA Inc will be held June 21-24, 2016 at Johnson & Wales University in Denver, Colorado. Amendment to current year fiscal budget for 2015-16 is needed to accommodate the new revenue and expense item made possible through additional CDE contract funds to California DECA.

It was moved by Dennis and seconded to amend the budget for 2015-16 to include new revenue and expense items in the amount of \$25,000 for advisor expenses. The motion was adopted unanimously.

Discussion of Application Process and Promotion Plan: The event is moving back to Denver (Johnson & Wales). Content has the DECA program at the core but they have guest speaker/business partners, etc. Open to all advisors (but particularly helpful for new advisors).

Michelle will check to see if CA DECA can book rooms & registration and submit for reimbursement (rather than the advisor themselves taking care of and having to pay up front).

There is \$25,000 (Perkins Funds from CDE) available to support funding. It is estimated that it will cost approximately \$1,000 per person (hotel, transportation, registration, etc.) so CA DECA can send 20-25 teachers.

It was discussed that priority should go to new advisors but is open to all. There will be an online application process. It must be a CTE credentialed teacher. While private schools are not eligible to receive Perkins funds, we can tap into California DECA funds for support.

Michelle said she may even be able to ask for more funding if there is a great response. Flyer will go out prior to districts and then the application will be do sometime mid-spring. Michelle will check on the contract to see about reimbursements and when the timing needs to be. The Board will request a grant from the Foundation to support private school advisors that wish to attend.

New CTE Requirements

2016-2017 Officer Candidate Eligibility based upon CDE Advisory Letter

Discussion: The Board revisited the motion made last year (from "I" on the minutes) as shown below:

It was determined to require CTE course proof of current or previous enrollment for all state officer candidates starting in 2016-17 year of service.

No changes will be made from the decision that was made. Enforcement in transition year will be a student is allowed to run, but, if elected and in the year of service is not in a class, they will have to step down

Clarification: Private School requirements for DECA chapter affiliation and student membership based upon CDE Advisory Letter

- Private schools do not need to have CTE credentialed instructors
- Private schools are expected to have appropriate Business, Entrepreneurship and/or Marketing courses which satisfy CTE course standards

Discussion: The Board suggested eliminating the first FAQ's and go with the revised one. CDE is trusting the district and school to assign appropriately qualified instructors to their CTE classes. CDE will defer to the district teaching assignment. CDE has no oversight over Private Schools or their credentialing. Desire is consistency. Key is that Private Schools are not eligible for public funding either. Expectation is a CTE course related to DECA mission area.

Contingency Planning for Implementation of and Compliance with CDE Advisor Letter and subsequent directions/instructions

- i. Best case
- ii. Worst case
- iii. Key concern is the potential loss of both chapters and members who do not meet the CTE program criteria.

Policy enforcement for this Board and CDE communication. Staff communicates policy. Reporting goes to Board...enforcement and bad news goes to Board. Staff are the agents of Board and Chapters and need to be facilitators of the dialogue and board/CDE will be regulators and enforcers.

Question came up about other CTSOs have to comply or will this be another case where it's just DECA and FFA out enforcing and everyone is looking the other way. The Board agreed that character and integrity important to this process and that we're not going to base what we do on whether or not other organizations step up to the integrity table. Our DECA values as well as what we share about leadership and especially business leadership is about character and we will stand with what is right and let the others experience the consequence of not adhering to strong integrity.

So Cal is contracted for next year only. Nor Cal is contracted for two more years. SV is contracted for next year. Potential loss for chapters was forecasted. NorCal may lose up to half of their existing chapters. So Cal will have a loss about half.

Silicon Valley DECA Hispanic Outreach Campaign

Discussion: 43% of the state is Hispanic which is under-represented in CA DECA so SV is starting some efforts to reach out to this population. The Board applauds and supports this effort.

Audit Committee Appointment

Maureen moved and it was seconded to appoint Juston Glass to the Board audit committee. The motion was adopted unanimously.

State Officer Program

Election of District VP's at District CDC's for 2016-2017

It was moved by Juston and seconded that we elect District VP's at the District CDC's beginning 2016-17 and it was seconded and approved unanimously.

Discussion: Elected candidates would be expected to participate in the State election process by having a booth for Q & A and plans for the year (not in a campaigning function but simply to inform).

Risk Management

Update on new insurance reporting requirements: Employment Practices, Judges/Volunteers and Background Checks

Discussion: Changes in insurance practices have presented some new challenges. One concern presented is that any volunteers may need to be certified that they do not have a criminal background. California DECA is seeking additional clarification. Clarification is being made to determine if there is a difference between a judge (who is only in a public place and leaves) and an alumni or chaperone that is staying overnight with direct contact to students. There is also some distinction needed on whether the responsibility lies with California DECA or with the local chapters. We may update the online registration with some statement regarding this, if the information becomes available.

Fall District Leadership Development Conferences

Review attendance and plans for Fall of 2016

Discussion:

So Cal is committed to the same conference as this year.

Nor Cal is exploring other options due to the low numbers. Nor Cal did not meet the hotel block but due to the relationship with San Ramon Marriott, they did not hold us responsible.

Options considered were:

- Day long with no overnight stay (in a Tri Valley and So Cal location).
- Stay with same format (but later, like November)
- Combining with SV/Nor Cal (2 night)

There is nothing preventing DECA from hosting events for youth everywhere if there is broad agenda (e.g. alumni, interested chapters, industry leaders, investors, DECA members as well). We've done that in the past with DECA Boot Camps, LA Experience, etc.

It was moved by Juston and seconded that California DECA would host all three events (and anyone could participate from any district) a day-long Leadership Development Conference (with no overnight stay would be held in a Tri Valley and So Cal location on two Saturdays in October) and the existing California DECA LACE (Leadership and Competitive Excellence Conference in SV) would be held in November 11th -13. The motion was adopted unanimously.

NEXT MEETING

May 12-14, 2016 in Sacramento.

ADJOURNMENT

It was moved by Luke and second to adjourn at 3:00 p.m. The motion was adopted unanimously.

Respectfully submitted,

Tami Raaker, Board Treasurer

December 4, 2015

Date