

## BOARD OF DIRECTORS - MINUTES

California Association of DECA  
Board of Directors Meeting  
October 16, 2012  
Conference Call

### Board Members in Attendance

- Kay Ferrier, State Advisor, California Department of Education
- Mary Whited, Board Chair
- Maureen Todd, Board Treasurer
- Tami Raaker, Board Secretary
- Carl Schmidt
- Dennis Mifflin
- Laurie Andrews
- JoAna Sydow
- Mariam Shafiey

### Staff in Attendance

- Brycen Woodley, State Director
- Ryan Underwood, Executive Director

### Call to Order

The meeting was called to order by Board Chair by Mary Whited at 4:05 PM.

### Approval of the Minutes

It was noted that Carl Schmidt needed to be added as an attendee at the previous meeting.

It was moved by Carl and seconded to approve the February 2012 minutes as amended. Dennis abstained as he was not at the meeting. The motion was adopted.

### Reports

#### State Advisor Report from the California Department of Education

#### Funding/Legislation

Need to think about contingencies Lost AB8 funding & only one more year of SB70 funding and possibility to the loss of ability to collect dues AB1575 (30 days for word from legal counsel on how to handle this). SB1070 passed, which continues the funding for SB70 but it substantially less and not designated for CTSOs as it had been. Drops it down to 28 million per year. Used to have a 32% split. Only get \$8 million out of the split. Will be getting notification that after 2012-13 year will be reviewed.

**Contracts**

SB70 draft of that contract is due to CDE in December. Current contract funding for SB70 runs June 15, 2012 through June 14, 2013. CDE Contracts Internal Meeting tomorrow, 10/17, so Kay will provide details to follow.

**Program**

CTE Standards were sent to about 30,000 people for review/edit and are now being submitted to the CDE board for approval. There is a crosswalk to Common Core Standards and Foundation Standards but the CTE standards are highlighted. Goes to the State School Board in January. In the end there was a change to marketing sales and service. There were four pathways initially including personal services. Dr. Ainsworth made an executive decision and moved it fashion design. Business and Finance and Marketing, Sales and Services are very integrated and do not look like separate worlds. Entrepreneurship remains Marketing, Sales, and Services. Standards will go into effect following school year. In a perfect world tailoring of leadership, competitions, events would be great to show connection, but has not been made a mandate.

**Invoices**

Some invoices may need immediate attention because we are down to the wire. DECA Staff will need to be quickly responsive to provide documentation and responses back on items. Board questioned who CDE is working with. Kay will contact Ryan and "cc" Brycen on immediate needs. Ryan is wrapping up the SB70 for 2011-12. Brycen is taking the AB8 and SB70 for 2012-13. Business office wants everything by November 15 so it has to go through all the processes by that time or funding. Kay's manager has asked the analyst to make things a priority to rush these through.

Ryan asked Kay to walk us through the process for documentation review. Process is that it's submitted to State Advisor. Kay gives first pass. Then it goes to the analyst who compares the budget detail, narrative, project review for review. Kay works back and forth with the analyst with information to reconcile or explain any items. Once Kay and Darlene signs off it goes to Bob the Contract Monitor then to Patrick Ainsworth and then goes to fiscal review and then into accounting. Materials get sent off to Perkins for review as well.

Travel now means only air, mileage, parking, gas, etc. Meals and lodging don't count now. This requires explaining items in terms of how things existed at the time the contract was written. Main thing that happened on this contract is that it was invoiced late and standards tightened, so many items that were approved in the past are no longer being accepted.

Ryan walked us through the CDE Expense Tracking Spreadsheet. Carl asked for clarification on how much (approximately) we owe and to whom we owe it to. Kay estimated that approximately \$40,000 in funds were still in question because of the documentation verification process. Ryan assured that in the worst case scenario, we are still fiscally solvent and healthy.

### **State Officer Team Report**

Ryan shared the Officer Goals and State Officer 10<sup>th</sup> of the Month Report for our information. The Board shared its appreciation for the effort and progress of the state officer team.

### **Treasurer's Report**

Board acknowledged receiving the proforma financial statements:

- Income Statement for 2011-12 is showing a \$48,000 net income, but, that includes billing to CDE which may not be fully allowed and is pending approval.
- Balance Sheet shows \$215,000 in cash on hand with \$65,000 in accounts receivable. Total liabilities show \$133,000 reflecting a majority of grants due for distribution to local chapters.

#### Discussion

Final financial statements for 2011-12 will be presented at the next Board meeting for approval.

Carl inquired about the total prepaid expenses of \$16,714.50. Brycen shared these line items were related to Sheraton prepaid hotel and Giants game for DECA University. They show as prepaid due to when the event fell in the fiscal timeline. They will be moved over to expenses once it is wrapped up.

- 990 Filing with DECA, Inc.  
The California DECA IRS 990 roll up filing has been submitted to DECA, Inc. Ryan discussed the tightening restrictions with the IRS in reporting including: Reclassified by IRS of “who the corporate officers are (under the IRS guidelines).” DECA specified that Ryan Underwood, Brycen Woodley & Rhonda Bohall must be on the 990 filing as corporate officers even though we know according to the DECA Corporate Bylaws that these individuals are not noted as corporate officers.

Further, the IRS is clamping down on sources of revenue related to the nonprofit mission. They must be very specifically “related.” So, we may no longer be able to receive rent fees tax free for sharing our AV equipment for example.

### **Audit Committee Report**

Mary updated us on the audit process. There will be three days of field work that will be taking place in November or December. Mary, Maureen & the TRI Staff will need to be available for questioning from the auditor. Draft of the final report should be available in January. Carl inquired on who is the “customer” that would be reviewing it. It was stated that CDE & CA DECA is the “customer”. It was noted that our minutes and the engagement letter referenced two different audit years (2010-11 v 2011-12).

Carl moved and it was seconded to clarify the audit dates from 2010-11 (shown in the original minutes) to 2011-12 as the engagement letter states. The motion was adopted.

**Management Team Report**

- **Conferences Update**  
110 Students and advisors attended the Nor Cal DECA University on Saturday, September 8, 2012. The training was held on the FIDM San Francisco Campus. 61 students and advisors attended the So Cal DECA University on Saturday, September 22, 2012. The training was held in the LA Galaxy media room at The Home Depot Center.
- Laurie and Brycen attended the DECA “Train the Trainer Event in June at DECA Headquarters in Reston. Received training materials to bring back to coach, mentor and provide technical support for local chapter a
- DECA Emerging Leader Summit State & Chapter Officer Training in July (Over 180 in attendance). California DECA partnered with National DECA to offer this first ever event in Los Angeles at LA Live. Next summer’s event will be held in Washington, DC and then will rotate to another Western State to host.
- Advisor Conference in October (attendance was a little lower) 20 advisors participated in the second annual DECA Advisor Conference at the San Ramon Marriott for this two day experience learning about competitive events, DECA campaigns, programs, and opportunities for the year.
- So Cal LDC was held last weekend with attendance down at 45 participants.
- Nor Cal LDC this weekend with attendance at 215.
- SVLDC in November and planning is in full swing for the event.
- WRLC will be held in Seattle this year.
- DECA, Inc. Board Meeting will be held in November where Brycen will be participating as a member of the National Board.
- **Update on ICDC Footprint Program**  
California DECA’s delegation shared that our #1 priority is chapter growth and development. Interested in advocacy, awareness, and increasing the DECA brand. Business partnership opportunities final priority. DECA’s priority is to get the 1,000 judges they need. Group of CA DECA Advisors joined for meeting Carl Schmidt, Debbie Nelson, Laurie Andrews, and Dennis Mifflin. Promising new program growth statewide in all three Districts. Working with Chris, Ed, Shirlee to rally support. DECA is currently updating promotional materials specifically with California in mind. Direct marketing campaign is underway.
- **Marketing and Outreach:** Continuing direct marketing campaign. First mailing to 600+ schools with marketing, sales, service. Next one goes out in November.

**Discussion:**

Carl asked to discuss a specific strategy to recruit in So Cal and discuss on the next agenda. It may be necessary to make budget allocations for that, as well. Carl noted and Laurie agreed that SoCal Growth Strategy is needed. Need to get boots on the ground and highlighted someone like Danielle Tuason who was an FBLA Section Director, knows the area, and could be right in the market. Make it a priority and make sure budget reflects it. Mariam has a list of high schools that are interested if we can get someone over to present. Will call on CA DECA to prepare materials. Maureen has prepared two presentation teams to promote DECA that are ready to roll. She also recommended Josh Grossman. Brycen shared the demands on time that are involved in the new program recruitment process. We are receiving 2-3 inquiries per week about starting DECA programs. Hit 5<sup>th</sup> consecutive year of membership growth.

**Franchise Tax Board Advisory**

California DECA received a second and final notice from the Franchise Tax Board alerting us to five years of tax returns missing from 2000-2005 (prior to anyone serving on this Board or our current managers). Management immediately alerted Board Chair and began follow up process to investigate and get documents. Rhonda Bohall working with National DECA prepared five years of backed returns and got them submitted. California DECA's corporate status was temporarily suspended during this time of review. DECA paid penalties and interests due to non-filing fee but as of now, everything has been handled and we received confirmation that suspension has been released and that we are in full compliance and current.

Carl suggested that we have tax records available so that this is not missed again. Ryan will make them available in the CA DECA Dropbox folder so they are accessible for the Board.

**SB70 Update**

All invoices have been submitted for the current contract. As soon as the CA DECA receives the funds, chapters will be required to complete documentation and checks will be cut to the chapter. No credits with CA DECA will be available this year. The SB70 funding request documentation is on [www.cadeca.org](http://www.cadeca.org) under resources. SB70 for 2012-13 has had \$90,000 (almost half) of this year's contract. This amount was for the chapter grants.

**Financial Procedures Review**

A powerpoint is available in the Dropbox folder to explain the complexities of the process so that every board member can understand it. Laurie would like to add a Nor Cal financial process discussion to the next meeting.

**Action Items****1. 2012-13 Calendar Approval**

Carl asked to add the CBEA conference to the calendar. DECA will have a presence at this conference. This calendar was previously distributed to CDE in the summer and posted as tentative to the California DECA website.

Carl moved and it was seconded to approve the 2012-13 calendar with the amendment mentioned, adding the CBEA conference. The motion was adopted.

The calendar will be submitted to the insurance company.

2. Organizational Chart Update

No motion made at this time as further discussion is needed with respect to how the districts operate within CA DECA. Carl requested that perhaps we adopt a long term plan with consistent accounting practices, etc. This will be discussed at the next meeting.

3. Budget 2012-13

Board would like to take more time to examine. Overall direction looks right but would like to take a closer look. Address the budget and submit for approval at the next meeting.

4. Contract Extension through December

Email sent on 9/24 to extend TRI management contract to coincide with the end of the AB8 contract with California DECA. Board acknowledges this extension.

5. Next Meeting: Winter Board Meeting

Nov 30 – Dec 1<sup>st</sup>

Santa Clara Marriott

**Agenda Items for Winter Meeting**

- Strategy for Southern California
- Budget 2012-13
- Organizational Chart

**Information/ Discussion Item**

Laurie asked about where we stand with hotel contract for state conference. Brycen reported we are entering our 5<sup>th</sup> year and that one more year remains beyond that. Brycen has requested from Marriott to see if we can move within the Marriott system to another property. After this year it will be time to begin search process for facilities.

NorCal Financial clarified Rex will continue service for at least one more year.

**Adjournment**

The Board Meeting was adjourned by Board Chair Mary Whited at 7:01 PM

Respectfully Submitted,

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Tami Raaker, Board Secretary

November 29, 2012