



BOARD OF DIRECTORS MEETING
Chicago, IL
July 30, 2011, 8 AM – 4 PM
MINUTES

1. Call to Order

The meeting was called to order by Chair Eric Schaudt on Saturday, July, 30, 2011 at 8:00 AM.

2. Roll Call

Stan Kramer, Secretary-Treasurer, called the roll of the Board. The following members, representing a quorum, were present:

Board of Directors:

Eric Schaudt, CPIM, CSCP
Marc Harris, CPIM, CSCP
Stanley Kramer
Preston Blevins, CFPIM, CIRM, CSCP
Rick Donahoue, CPIM, CSCP
Paul Howatt
Jerry Kilty, CFPIM, CIRM, CSCP
Richard Leach, CPIM, CSCP
Chris Moye
Peter Murray, CIRM (late arrival)
David Rivers, CFPIM, CIRM, CSCP
Joe Schriever, CIRM, CSCP
Robert Trent, Ph.D.
Tammy Williams, CPIM, CIRM, CSCP
Jason Wheeler, CPIM, CSCP

Chair
Chair-Elect
Secretary-Treasurer
Director, Southwest District
Director, Mid-Atlantic District
Director, Canadian District
Director, Southeast District
Director, Pacific Western District
Director-at-Large
Director-at-Large
Director, Northeast District
Director, Terra Grande District
Director-at-Large
Director, Heartland District
Director, Great Lakes District

Absent:

Mondher Ben-Hamida, CPIM, CSCP
William Lee, Ph.D., CFPIM

Director-at-Large
Director-at-Large

Staff:

Abe Eshkenazi, CSCP
Sharon Rice
Dean Martinez
Jeff Blumberg
Pamm Schroeder
Colleen Hays

Chief Executive Officer
Executive Vice President
Sr. Vice President / General Counsel
Chief Financial Officer
Vice President Member Services
Executive Administrator

Guests:

Karl Klaesius, CSCP
Tony Zampello, CFPIM, CIRM, CSCP
Vince Freese
Tim Wilson, CFPIM, CIRM, CSCP

Governance Committee Chair
CPA Taskforce Chair
Holmes Corp
Great Lakes District Manager

3. Approve Consent Agenda

The Board received the following reports as part of the consent agenda prior to the meeting:

- Minutes from the April 30, 2011 Board Meeting
- Committee Reports
 - Body of Knowledge (BOK) Committee
 - OMBOK Subcommittee
 - Instructor Subcommittee
 - Conference Content Subcommittee
 - Products & Services Subcommittee
 - Certification Committee
 - Voice of the Customer (VOC) Committee
 - Academic Subcommittee
 - Corporate Subcommittee
 - International Subcommittee
 - Market Research Subcommittee
 - Professional Subcommittee
 - District Manager Committee
 - District Director Nominating Committee
- Old Business
- Board Operating Procedures Update

Motion: Stan Kramer moved to accept the Consent Agenda documents excluding the Conference Content Subcommittee, District Manager Committee and International Subcommittee reports. Bob Trent seconded the motion. The motion was approved.

4. Leadership Team and Chair's Report

Eric Schaudt presented the Chair's Report and also reported on behalf of the Leadership Team, apprising the Board that the team met three times since the April 2011 Board meeting to discuss:

May 10

Fill vacancies in the 2011 Nominating Committee

June 13

Discuss July board agenda

July 12

Finalize July Board Agenda

Board discussion included the need for an international pricing structure and the SAPICS Annual Conference.

5. Board Discussion – The High Performance Board

Peter Murray presented The High Performance Board – Focusing the Discussion and Direction. Board discussion followed.

6. Executive Office Report

Balanced Scorecard

Abe Eshkenazi, CEO, presented the balanced scorecard to the board. All indicators are pointing up even from the last report; we are ahead of plan and anticipate this trend to continue. Board discussion on scorecard indicators included professional and E-member growth, social networking, Certification indicators, seasonality of courses and exams, exam windows, group testing, channel partner alignment with strategy, website update and development of a strategy map.

Affiliation Strategy

Pamm Schroeder, Vice President Member Services, presented a report on APICS Affiliation Strategy. Board discussion continued on the findings of the Chief Supply Chain Officer Report 2011 (<http://www.scmworld.com>), definition of the manager title, top level program/content gap and member retention. The **sense of the board** was that the staff is on the right path and should pursue the Affiliation Strategy next steps as presented at the July board meeting.

Channel Structure Review

Abe Eshkenazi presented the Channel Structure Review. Board discussion continued on colleges and universities who deliver our courses, end customers, exceptional and highly committed chapters and the increase in international market growth. The **sense of the board** was that the staff should continue to work in conjunction with the volunteer committees on the channel partner strategy and report back to the board in January 2012.

Brand / Intellectual Property Protection

Dean Martinez, Senior Vice President / General Counsel, presented a report on APICS Intellectual Property which included defining copyright, potential liabilities, current intellectual property trademarks and copyrights and current IP protection actions and initiatives. Board discussion continued on current copyright infringements and how violations are reported.

Market Research Report

Guests and staff were asked to leave the meeting prior to the presentation so that the Board could discuss confidential matters relating to the research. Following discussion, guests and staff returned to the meeting room.

7. Finance Report

2011 Results/Outlook

Jeff Blumberg, Chief Financial Officer, presented the financial dashboard, financial results and outlook for the remainder of the year. Board discussion followed on Best of the Best and courseware and certification sales. Jeff also apprised the board that staff is busy preparing the 2012-2014 budget, the Finance Committee will meet in September to review and the budget will be presented at the October board meeting.

8. Strategic Direction Committee

Marc Harris, Strategic Direction Committee Chair, apprised the board that the committee met in Chicago, June 6, 2011. The committee reviewed input from the VOC, BOK and Certification committees and developed the 2012-2014 Strategic Priorities and Objectives, which were presented at the July board meeting. Board discussion on the objectives followed.

Motion: Marc Harris moved to accept the Strategic Direction Committee's recommendations for the 2012-2014 strategic objectives as presented at the July board meeting. Tammy Williams seconded the motion. The motion was approved.

Board discussion continued on sustainability, the APICS vision statement, committee dashboards, risk management and 2012-2014 Financial KPIs. The **sense of the board** was that the functional committees should develop established dashboards, aligned with the objectives, and in a similar format as the current financial dashboard. The Board asked that the recommendation for a sustainability committee be clarified at the next board meeting.

Motion: Marc Harris moved to accept the Finance Committee’s recommendations for 2012-2014 Financial KPIs. Joe Schriever seconded the motion. The motion passed.

In addition to the SDC recommendations the board requested that staff:

- Make a recommendation regarding pursuing ANSI certification to the Certification Committee prior to year-end.
- Consider developing a strategy map – staff to work with Bob Trent.
- Work with the SDC to look at the Affiliation objective: “Increase enterprise corporate memberships by 5% each year” to separate out between North America and the Rest of the World.

9. Director-at-Large Selection Committee

Bob Trent, Director-at-Large Selection Committee Chair, reviewed the work of the committee including the 2012 Director-at-Large attributes, committee members and timeline. The committee recommended the following individuals to serve on the 2012 Board of Directors:

- William Bickert
- Bintong Chen, Ph.D.
- Vadim Kapustin
- Al Kuebler
- Dana Riess, CPIM

Board discussion followed on the background and qualifications of the individuals.

Motion: Bob Trent moved to accept the slate of 2012 Directors-at-Large as presented by the Director-at-Large Selection Committee. Peter Murray seconded the motion. The motion passed.

The board discussed the other recommendations made by the committee, which included continuing to solicit support from APICS Board members to nominate individuals and informing the board of key dates on the committee timeline. This discussion will take place again at the board orientation in October.

10. Nominating Committee

Rick Donahoue, Nominating Committee member, reported on behalf of Robert Vokurka, 2011 Nominating Committee Chair, and reviewed the committee team members, timeline for the process and the 2012 Officer and Functional Committee Chair nominations. The following individuals were nominated by the committee:

- Robert D. Boyle, CFPIM, CIRM, CSCP Chair-Elect
- Mondher Ben-Hamida, CPIM, CSCP Secretary-Treasurer
- Donald H. Sheldon, CFPIM, CIRM, CSCP Body of Knowledge Committee Chair
- Nicholas Testa, CFPIM, CIRM, CSCP Voice of the Customer Committee Chair

MOTION: Rick Donahoue moved to accept the slate as presented by the Nominating Committee at the July board meeting. Preston Blevins seconded the motion. The motion was approved.

11. Governance Committee

Karl Klaesius, Governance Committee Chair, apprised the board that the committee met July 11, 2011 to discuss governance changes. Based on input from the January and April board meetings as well as input from various committees, the committee recommended the governance changes with the goal of aligning APICS governance to the strategic direction of the organization. Board discussion followed on proposed changes and change management. Proposed Bylaws changes will be forwarded to all chapter leaders for review and submitted for board approval at the October board meeting.

Motion: Paul Howatt moved to accept the Governance Committee recommendations as presented at the July board meeting. Rick Donahou seconded the motion. The motion was approved.

12. Channel Partner Agreements Update

Tony Zampello, Channel Partner Agreements Taskforce Chair, presented an update on the work of the taskforce and reviewed the draft Channel Partner Agreement for board acceptance. Board discussion followed on jurisdiction, agreement metrics, agreement implementation, and next steps.

Motion: Joe Schriever moved to accept the report of the Channel Partner Agreements Taskforce as presented at the July board meeting. Bob Trent seconded the motion. The motion was approved.

Eric Schaudt thanked the taskforce for completing their charge and recognized that there is still more work to be done. The **sense of the board** was that the channel partner agreement will be reviewed by legal counsel and staff will present their review at the October board meeting.

13. New Business

Conference Content Subcommittee

Eric Schaudt introduced a discussion on board members presenting at future annual APICS International Conference & Expos. Bob Trent and Jerry Kilty recused themselves from discussion and voting on this topic. Board discussion followed which included the Conference Content Subcommittee recommendation and past practices.

Motion: Tammy Williams moved to restrict current board members from submitting educational session papers for future APICS International Conference & Expos. Jason Wheeler seconded the motion. The motion was approved.

14. Pulled Agenda Items

The reports pulled from the consent agenda were reviewed: Conference Content Subcommittee, District Manager Committee and International Subcommittee reports. Board discussion followed.

Motion: Jerry Kilty moved to approve the pulled reports: Conference Content Subcommittee, District Manager Committee and International Subcommittee reports. Tammy Williams seconded the motion. The motion was approved.

Due to time constraints, the QFD report will be presented as a webinar between now and October.

15. Adjourn

A motion to adjourn the meeting was made and seconded. The motion was approved and the meeting was adjourned.

16. Next Meeting

The next APICS Board meeting is scheduled for October 21, 2011, in Pittsburgh, PA at the 2011 APICS International Conference & Expo.

ACTION ITEMS:

- Peter Murray's High Performance Board presentation will be emailed to all board members.
- Sharon Rice will calculate the number of exams taken over exam vouchers purchased and report back to the board.
- An overview of progress or action taken to get back on track will be added to the yellow "caution" box on the Balanced Scorecard for any KPIs that are in the yellow.
- Staff will reach out to DMC to ensure they are attempting to align channel partner activities with strategy.
- Staff will consider developing a strategy map – staff to work with Bob Trent.
- Staff will make a recommendation regarding pursuing ANSI certification to the Certification Committee prior to year-end.
- Staff will work with the SDC to look at the Affiliation objective: "Increase enterprise corporate memberships by 5% each year" to separate out between North America and the Rest of the World.