



**NATIONAL EXECUTIVE COMMITTEE
MEETING HELD ELECTRONICALLY
VIA ZOOM**

February 25, 2023

**American Legion Auxiliary National Headquarters
3450 Founders Road
Indianapolis, Indiana**

**American Legion Auxiliary
Virtual Mid-Year National Executive Committee Meeting
February 25, 2023
2:00pm E.T.**

Attendees

National Officers

National President	Vickie Koutz
National Vice President	Lisa Williamson
Central Division National Vice President	Ann Rehbein
Eastern Division National Vice President	Veronica Gurney
Southern Division National Vice President	Linda Smiley
Western Division National Vice President	Eva Wallace
National Chaplain	Karen Peel
National Historian	Laura Clyde
National Secretary	Coral May Grout
National Treasurer	Marybeth Revoir

Past National Presidents

Past National President	Virginia Hobbs
Past National President	Linda Newsome
Past National President	Rita Navarrete
Past National President	Desi Stoy
Past National President	Janet Jefford
Past National President	Linda Boone
Past National President	Carlene Ashworth
Past National President	Peggy Thomas
Past National President	Diane Duscheck
Past National President	Jan Pulvermacher-Ryan
Past National President	Sharon Conatser
Past National President	Nicole Clapp
Past National President	Mary Davis
Past National President	Nancy Brown-Park
Past National President	Kathy Daudistel

National Executive Committee

Alabama	Kathy Phillips
Alaska	Penelope Mazonna
Arkansas	Ada Heath
California	Joan Cannon
Colorado	Laurie Kuntz
Delaware	Deborah Guenther
District of Columbia	Lauren Lloyd
Florida	Wanda Brandt
Georgia	Susan Hall

Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Puerto Rico
South Carolina
South Dakota
Tennessee
Utah
Vermont
Virginia
Washington
West Virginia
Wisconsin
Wyoming

Patti Williamson
Rose Ann Dziegłowicz
Kelly Elliot
Paula Sellens
Bonita Robey
Marie Monroe
Joan Caron
Alta Glotfelty
Donna Blattenberger
Jean Walker
Elizabeth Belue
Victoria Ornelas
Christine Nelson
Beverly Neel
Glynis Morris
Donna Bryant
Margaret McMahon
Dorothy Hazen
Marie Mock
Julie Smith
Tammy Ryberg
Colleen Phillips
Tracy Smith
Krisann Owens
Patricia Carnes
Amanda Torres
Pearl Sanders-Mills
Mary Jo Stier
Charlotte Connors
Judy Daybell
Corrinna Colson
Lisa Chaplin
Laura Bondurant
Paulette Anderson
Bonnie Jakubczyk
Vicki Paddock

National Chairmen

Americanism Chairman
Auxiliary Emergency Fund Chairman
Children & Youth Chairman
Community Service Chairman
Education Chairman
Leadership Chairman
Legislative Chairman
National Security Chairman

Michele DeGennaro
Kelly Elliott
Pam Ray
Melanie Taylor
Sallie Rossman
Nancy Magginnis
Pam Bates
Barb Washburn

Public Relations Chairman
Risk and Compliance Chairman
Veterans Affairs & Rehabilitation Chairman

Norma Tramm
Carol Westergren
Trish Ward

Guests

Guest
Guest
Guest
Guest
Guest
Guest
Guest
Guest
Guest
Guest
Guest
Guest
Parliamentarian
Guest Speaker
Guest Speaker

Nancy Babis
Debra Lyons
Cindy Masowick
Ann Moore
Anarene Robinson
Pamela Shook
Anna Toomey
Andrea Anderson
Janice Gravely
Vicky Buck
Becca Martin
Leila Newell
Chris Dickey
Mike Staton
Justin Schwartz

National Headquarter Staff

Executive Director
Deputy Executive Director
Executive Administrative Assistant
Director of Programs & Events
Senior Events Coordinator
Director of Finance
Director of Development

Sara Riegel
Tamara Shumate
Sommer Prim
Stephanie Abisi
Samantha Caudill
Gary Ward
Carley Schutz

Meeting Materials

2023 Mid-Year NEC Materials sent on February 22, 2023, at 4:14pm E.T.: Cover Letter Open NEC Meeting, ALAF FS Draft, ALA Management Letter Draft, ALA Consolidated FS Draft, and 2023 Mid-Year NEC Packet. The 2023 Mid-Year NEC Packet included the Agenda, The Consent Agenda: A Tool for Improvising Non-Profit Governance, Report of Charters, National Appointment Changes, AEF Grants Draft, ALA Business Credit Card Policy, Investment Policy Statement. Executive Summary, ALA Purchasing Policy, ALA Disbursement of Fund Policy, ALA Endorsement Policy, ALA National President's Special Project Funds, ALA Travel Reimbursement Policy, ALA National Headquarters Organizational Chart, Comparative Statement of Financial Position, Actual to Budget Report, Comparative Statement of Activities, Constitutional Authority Statement, Parliamentary Procedure Frequently Used Motions.

Call to Oeder

Vickie Koutz, National President

Invocation

Karen Peel, National Chaplain

Welcome & Instructions

Vickie Koutz, National President

Consent Agenda

Consent agenda was circulated in advance. There are two points of clarification. First on the appointment spreadsheet. The current Western Division chairman for the National Education Committee is Theresa Montoya. Second, regarding the Ethical Conduct Committee appointees. Ultimately, appointments to this committee will be staggered 3-year terms, however, this first year, in order to get set up for standard terms, two appointees are receiving a one-year term, and two appointees are receiving a two-year term remain. Two members will be on the three-year term.

MOTION

NEC Department of Pennsylvania makes a motion to adopt the consent agenda. The consent agenda has been adopted.

Executive Committee Report, National President Vickie Koutz

The Executive Committee met twice since the 2022 post-convention in NEC Meeting held in September. Minutes for this meeting were taken by the National Secretary and filed confidentially at National Headquarters. On December 1, 2022, the executive committee to the NEC met to hear a report by Past National President, Kathy Daudistel, the chair of the Executive Director Search Committee. This report included the committee's recommendation to hire Sara Riegel as the Executive Director of the National Headquarters office on January 3, 2023. The Executive Committee to the NEC met and voted to hire Sara Riegel as Executive Director of the National Headquarters Office, and to finalize the terms of her employment contract.

National President's Report, National President Vickie Koutz

Vickie Koutz has visited 21 departments and has 19 more department visits to go. The executive team is working closely with The Legion to plan the upcoming European Tour that takes place in June. President Koutz shares that the ALA membership is over 5,000 members ahead of where the membership was last year and that 600 of the ALA unit members have completed virtual training. Membership technology has also been updated to allow members the option of paying their dues online in the IMIS system.

National Secretary's Report, National Secretary Coral May Grout

The National Secretary reports that the restated Articles of Incorporation, as passed at the 2022 National Convention, have been filed and are in process with the office of the Secretary of State. The annual Letter of Compliance was completed and submitted. Corporate reports, as required, have also been signed and submitted.

She reports the NHQ Employee Handbook has come to fruition after 18 months of work by the HR Director. The final draft will be sent to ADP and our external attorney for final approval prior to publication. Every employee will have a copy, and every new employee will be onboard using the new handbook.

The National Secretary reports that she has collaborated with NHQ staff to better define the national Secretary's responsibilities to provide the greatest support to the organization and its

members. The goals were to capture a job description for the National Secretary. She anticipates the project will be completed within the next 45 to 60 days.

The National Secretary has taken and prepared minutes for the Executive Sessions of the NEC. As well as for the Executive Committee Meetings to the NEC. Which one members of our staff has typed up for us. Minutes approvals have been completed for pre- and post-convention meetings by the minutes Approval Committee. NEC approved. All minutes are securely housed at National Headquarters.

She reminds that ALA emblem/wordmarks/logos are owned by the American Legion, and therefore, under the control of the TAL Judge Advocate. She along with NHQ staff is participating in upcoming wordmark training hosted by TAL's Marketing Division.

National Secretary reports that productive meetings between herself, the Executive Director, National Treasurer and Deputy Executive Director continue to take place in an effort to bridge the gap between volunteers and NHQ staff.

Executive Director Report, NHQ Executive Director Sara Riegel

An updated NHQ staff organizational chart was sent out in the meeting material packet. Programs and events team is fully staffed. The Governance Specialist position is now vacant and will be posted to the public soon. Filling staff positions has been a challenge for Executive Director, Deputy Executive Director, and HR Director due to increasingly competitive opportunities in the employment market.

The Executive Director shares that the communications and Membership divisions have been brainstorming new ideas for the annual membership renewal notification process. With The Legion's announcement of the new ALA wordmarks, the Communications Division will be working on a new ALA branding guide.

Development Director Report, Development Director Carley Shutz

Shutz has been focused on diversifying revenue for ALA programs and is currently applying for a special group recognition license plate for the state of Indiana. The goal of obtaining the special group recognition license plate is to not only increase brand awareness but diversify revenue for the Auxiliary Emergency Fund. Each license plate will be \$40 to the consumer and the ALA will receive \$10 of that. To move forward with this opportunity, the Indiana BMV requires documentation of a board vote to approve issuance of the plate for the 2024 registration year.

MOTION

National Treasurer, Marybeth Revoir moves that the board request a special group recognition license plate be issued by the Indiana BMV and that the annual fees collected by the Indiana BMV be designated to the AEF Fund. The board unanimously approves the ALA group license plate. It has been moved that the Board request a special group recognition license plate be issued by the Indiana BMV. The annual fees collected by the Indiana BMV be designated to the AEF Fund.

National Treasurer's Report, National Treasurer Marybeth Revoir

She reports that financial procedures and best practices continue to be updated to allow for the National Treasurer's input and oversight. An update to the credit card expense approvals has been instituted. All organization credit cards go through a thorough reconciliation each month by the Department Directors and the Executive Director with each being responsible for oversight over their direct reports' expenditures. This process had been followed for many years to ensure fiscal responsibility in this expense area. The National Treasurer is responsible for the review of the Executive Team accounts.

Concerns over data security and proper sharing of documents were addressed. A smooth and unencumbered process that doesn't require additional work by staff is now in place, using electronic drop box like software. All information is digitally stored and secured along with ensuring archival access if needed in the future.

ALA's overall Assets as of December 31st are down due to the underperforming investment market, we continue the course of prudent investments in line with our approved policy and like all of us are doing.

Risk & Compliance Committee Report, Chairman Carol Westergren

In early March of 2022, the National Risk and Assessment Committee interviewed firms to conduct an IT Risk Assessment of the ALA including Cybersecurity tests, General Controls overview and an external penetration assessment. The committee selected Crowe LLP to conduct the assessment which officially kicked-off in October of 2022. The overall objective of this assessment was to get a better understanding of what types of controls are in place to ensure the ALA information is safe and secure.

Crowe LLP worked closely with the NHQ IT Team for over two months and in December they delivered an extensive 60 pages of in-depth findings. During the January R&C Committee Meeting The auditors presented their findings and reported that their assessment did not expose any "high" risk items. In fact, out of a total of 35 risk assessment areas the Audit team found only 14 moderate risk issues -- moderate risk issues are things that should be resolved in 6 months or the organization MAY (not will) but may be exposed to risk.

The ALA Team has created a timeline and plan to address areas of potential concern and the plan has been shared with the R&C Committee. Updates will occur quarterly from staff with all potential issues being addressed by the end of this administrative year. An IT Risk Assessment of this caliber has never been done at the National Headquarters office. The process was lengthy and very detailed... but very necessary. Regular participation in these types of assessments shows not only competent stewardship of our members confidential information but also a proactive willingness to conduct business with the highest level of integrity and professionalism.

External Auditor Report, Mike Staton & Justin Schwartz of Blue & Company, LLC

ALA Audit was conducted a financial statement Audit of the American Legion National Headquarters and the American Legion Auxiliary Foundation on September 13, 2022. Mike reviews the audit materials that were sent out on February 22, 2023, in preparation for the NEC Meeting.

MOTION

Carol Westergren makes a motion that the Risk and Compliance Committee has approved the FY 2022 Audit for both the ALA and the ALA Foundation. Westergren moves the adoption of the external auditors Report. The affirmative has it, and the motion is carried.

Finance Committee Report, Chairman Sharon Conatser

The Committee Chair reports that the Finance Committee has been monitoring financial statements, engaging in investment planning, reviewing fundraising campaigns, and participating in member benefits and policy review. The Finance committee receives monthly statements from NHQ's Finance Division to keep track of budget projections.

There are three ALA and two ALA Foundation direct mail solicitation (DMS) campaigns per fiscal year by the end of year, we had a net total of \$467,169 in DMS revenue. \$380,076 for the ALA and \$87,093 for the ALA Foundation. ALA gifts for the year were from 28,445 individuals who wanted to contribute back to our organization. And of those 10,441 came from outside our organization.

Adjournment

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Summary of Motions

- M/C Chair assumed a motion without objection to adopt consent agenda.
Yes: 49; No: 0
- M/C Motion to adopt an ALA specialty license plate.
Yes: 47; No: 0
- M/C Motion to adopt external auditors report FY22 ALA and ALA Foundation
Yes: 54; No: 0