

CJE Special Board Meeting

April 6th and 7th 2010

1425 K Street, Suite 350

Washington, DC 20036

Attendance:

Present at the meeting – Rick Farrag, Allen Henderson, Greg Smith and Charlie Bowers

On the phone – Bob Gair, Clint Owings, Carol Greb, and Rich Barrick

Industry Chairman Rick Farrag called the meeting to order for those present and those on the conference call-in at 8:35 AM EDT.

The group briefly discussed the main agenda topics for the board meeting which were:

1. Set forth guidelines for the creation of regional chapters within CJE through board action
2. Discuss current status of Greg Smith's committee that is formulating JOC "best practices" or "procurement guidelines"
3. Discuss the potential for CJE participation in a Texas PAC

Charlie Bowers updated the attendees on the progress and status of the Southwest Chapter, which is currently operating in Phoenix, AZ. Charlie shared that there were around 25 interested parties in attendance at the last meeting, and the group had scheduled bi-monthly meetings for the rest of the year, sent out a survey/questionnaire to those who attended to gather input on several issues, and they have decided to hold off on structure for the chapter until this board meeting was completed.

Carol Greb updated the attendees on the progress of the Texas Chapter, which is currently operating in Houston, TX. Carol shared that the group has gained a lot of interest and they had proposed some temporary committee leaders, pending guidance from the board at this meeting. She also indicated that the Texas group is made up mostly of contractor/providers rather than Owners.

A discussion was held by the group to determine the current make-up of the CJE National Board of Directors, and the current by laws name the Current Industry Chair, the Industry Chair-elect, the Immediate Past Chair, the Treasurer, the Secretary and 3 members at large all as board members. That is a total of 8 board members, with a minimum of 4 members to legally constitute a quorum of members.

Rick shared his thoughts on the major topics with agenda item 1 above and the group took up items per the following outline and information as suggested by Rick;

- A. After some group discussion, Greg Smith made a motion that the CJE National Board of Directors must "charter" regional chapters as a sanction for each chapter that is created in the future, and that a formal charter must be issued to the chapter as notification of the validity of the organization. Greg further moved that the Regional Chapter Board of Directors be made up of the following five (5) members:
 1. An Industry Chair

2. An incoming Industry Chair
3. An Immediate Past Chair (after the first charter year term is over for the Industry Chair)
4. Two (2) Members at Large

Allen Henderson seconded the motion and the motion carried.

B. A discussion was held about how to include regional chapters on the CJE National Board of Directors to make certain they have adequate representation at the national level. After the detailed discussion, Allen Henderson moved that the regional chapter Industry Chairs participate in an annual runoff election and a single winner (1 chapter Industry Chair) would fill the seat held by the annual expiring national at-large member. He further clarified that that process should be repeated each year as each of the 3 current at-large members' term expires until all three of the current at-large positions are filled by chapter Industry Chairs. That would be a 3-year process to put this into place completely. Allen further clarified that under that scenario, the National CJE Board of Directors would remain at current level of 8 members. Carol Greb seconded the motion and the motion carried.

C. A discussion was held about regional chapter dues and membership guidance. The group discussed several possible scenarios for the dues and membership structure for all regional chapters. After the discussion, Greg Smith moved that the regional chapter dues structure be set as follows:

- a. JOC Contractor/Provider be set at \$300 per year (member has 1 vote and 2 participants)
- b. JOC Owner be set at \$100 per year (member has 1 vote and 1 participant)
- c. Individual membership be set at \$50 per year (member has 1 vote)

Greg further clarified that 40% of the local dues would be set aside for the National CJE organization to offset the cost for chapter membership. He moved that remaining 60% would remain in a separate "draw account" within the national organization bank account for use by the regional chapter. There was further clarification from the floor of the meeting that any National CJE JOC Contractor/Provider Member has the right to have two (2) members participate in regional chapters, and if they wanted further participation in regional chapters, they must pay separate dues for any additional members. Likewise, it was clarified that any National Owner Member or individual member is entitled to one (1) membership in a regional chapter. Clint Owings seconded the motion and the motion carried.

D. The group held a discussion regarding how the funds from regional chapter dues should be handled. Bob Gair moved that the regional chapter dues be mailed to the National CJE Treasurer and be handled in the existing national bank account with a separate ledger for each regional chapter. It was further clarified from the floor that this scenario would avoid the need for additional tax reporting for the organization. Bob also clarified that each regional chapter chair would need to seek funds from the national treasurer, who would either grant the request (as long as there were funds available) or seek council and advice from the national CJE board. Allen Henderson seconded the motion and the motion carried.

E. After some discussion by the attendees, Greg Smith moved that the existing National CJE by laws be amended to allow the organization to create and manage regional chapters. Rich Barrick seconded the motion and the motion carried.

- F. The group discussed the issue of issuing formal charters to each regional chapter, and Greg Smith moved that the existing CJE National by laws be amended to allow the National CJE Board of Directors to issue a charter to each regional chapter and also issue an “identical, edited version” of the national by laws to guide the business affairs of the chapters. Carol Greb seconded the motion and the motion carried.
- G. A discussion was held about how the regional chapters should report their business affairs to the national organization. Charlie Bowers moved that the regional chapter chair be responsible to report their respective regional chapter meeting agendas and meeting notes to the national board on a timely basis. Greg Smith seconded the motion and the motion carried.
- H. A detailed discussion was held regarding how the standardization of CJE literature and training materials should be “sanctioned” by the national CJE organization. Greg Smith moved that any and all materials that are to be distributed or presented by CJE members should be approved by the CJE National Board of Directors. Rich Barrick seconded the motion, and motion carried
- I. The group discussed the date and time for the next quarterly National CJE Meeting, and it was agreed that it will be held at 2:00 PM EDT on May 5, 2010. Bob Gair informed the group that CJE is on the standby list for a booth space at the SAME Conference in Atlanta, but the quarterly meeting will be held by a call-in conference at the above date and time regardless of whether or not we get a booth space.
- J. The group agreed that there are several unresolved issues for creating regional chapters and they discussed how we should move forward with establishing further chapter guidelines. It was agreed that further clarification of issues should be contained in the individual regional charters to the extent possible.
- K. The group agreed to adjourn the meeting at 2:00 PM EDT and resume the meeting at 8:30 AM EDT on April 7, 2010 at the DC office. Bob Gair relayed the call-in code and leader pin so the meeting could proceed without him on the 7th. There were two agenda items left to cover on April 7th; CJE participation in a PAC in Texas, and Greg’s committee status report on the best practices/code of ethics discussion.

Resumption of the CJE National Board of Directors Meeting

April 7, 2010

8:30 AM EDT

1425 K Street, Suite 350

Washington, DC 20036

Attendance on April 7, 2010:

Present at the meeting – Rick Farrag, Allen Henderson, Greg Smith and Charlie Bowers

On the phone – Clint Owings, Carol Greb, and Rich Barrick

Industry Chairman Rick Farrag called the meeting to order for those present and those on the conference call-in at 8:35 AM EDT.

Rick reminded the group that there were two (2) remaining agenda items carried over from the April 6th meeting, namely; a) Discussion on CJE participation in a PAC in Texas and b) Greg's committee status report on the best practices/code of ethics discussion, which is due for a draft presentation at the May 5th meeting.

Greg Smith began the meeting with an update on the status from the committee he currently chairs on the development of two documents that are being considered by the committee:

1. A CJE position paper stating CJE's official position with regard to JOC contractors being competed against each other on the same delivery order
2. A draft of "best practices" or "suggested best practices/procurement guidelines"

Greg informed the group that the committee members (Greg Smith, Rich Barrick, Allen Henderson and Charlie Bowers) have been working together to produce a draft of the document described in number 2 above and a draft will be ready to present at the May 5th CJE quarterly meeting. He also offered to have a draft of the position paper as outlined in item 1 above for review at the May 5th meeting.

A general discussion was held regarding CJE's position on competing JOC contractors against each other, and the attendees unanimously agreed that they do not support that kind of "bidding" under JOC contracts. Several on the call indicated that this practice exists in some areas, but all agreed it not an acceptable practice under the JOC delivery process.

A general discussion was held regarding review and update of information that is included on the current National CJE website. Pursuant to the discussion, Charlie Bowers moved that the Current Industry Chairman request that a review and update of all reference materials contained on the CJE website be conducted on an annual basis by the National CJE Educational Committee Chairman. Charlie also suggested this be a "standing report" given at the annual February National CJE business meeting each year in the interest of keeping our information up to date and accurate. Allen Henderson seconded the motion and the motion carried.

Greg Smith continued the meeting with discussion on whether or not those in attendance thought CJE, on a national basis, is properly organized to respond to legislative issues related to the JOC Delivery Process across the U.S. The group held a general discussion with the following key points being shared:

1. Laws in each state differ with regard to how the procurement rules treat JOC, and some states' laws are "neutral" on the issue (in other words JOC is not specifically mentioned).
2. The group generally agreed that CJE cannot afford to fund the effort required, on a national level, to keep track and respond to pending JOC legislative issues throughout the U.S.
3. It was mentioned that it is unfair for a few contractor members to be the sole source of funding to promote "pro-JOC" legislation in a given area.
4. The group agreed there is a question whether or not CJE could legally, directly participate in a PAC of any sort without violating our status of a 501C-6 organization.
5. It was estimated that it would cost approximately \$6,000 to set up a PAC in Texas plus more funds to support any activities they might undertake.
6. The group was reminded that CJE must support the interests of all our membership (owners, contractors and service providers) in any efforts to influence JOC legislation on a local and national level.

7. It was suggested that CJE look into forming an alliance with the National Association of Purchasing Managers (NAPM) for mutual support and pursuit of common interests as a way of promoting the JOC delivery method. The National Institute of Governmental Purchasing (NIGP) was also mentioned as another resource for common JOC interests.

Based on the general discussion, Greg Smith agreed to talk to David Carrithers and see if he might be able to get a free legal opinion from the law firm that drafted our incorporation documents as to whether or not it would be legal for CJE to participate in a PAC.

Charlie Bowers agreed to contact Mike Ladino, the Phoenix Attorney who was a past chairman of the National CJE Legislative Committee and seek the same legal advice from him.

Rick Farrag informed the group that the next CJE monthly conference call is scheduled for April 13th at 1:00 PM EDT and it will be held despite this special board meeting being held so close to that date.

Charlie informed the group that he will be unable to participate in the April 13th conference call, so someone will need to take the formal notes for publication.

Greg Smith moved that the special board meeting be adjourned. Allen Henderson seconded the motion and motion carried. The meeting was adjourned at 10:00 AM EDT.

Respectfully submitted:



Charlie Bowers
Secretary