

# AMERICAN ASSOCIATION FOR RESPIRATORY CARE

## Board of Directors Meeting

July 19, 2013- Orlando, FL

### Minutes

#### Attendance

George Gaebler, MEd, RRT, FAARC, President  
Colleen Schabacker, BA, RRT, FAARC, VP External Affairs  
Brian Walsh, MBA, RRT-NPS, RPFT, FAARC, VP Internal Affairs  
Frank Salvatore, MBA, RRT, FAARC, Secretary/Treasurer  
Bill Cohagen, BA, RRT, RCP, FAARC  
Lynda Goodfellow, EdD, RRT, FAARC  
Fred Hill, Jr., MA, RRT-NPS  
Denise Johnson, MA, RRT  
Keith Lamb, RRT  
Doug McIntyre, MS, RRT, FAARC  
Camden McLaughlin, BS, RRT, FAARC  
Joe Sorbello, MEd, RRT  
Greg Spratt, BS, RRT, CPFT  
Sheri Tooley, RRT-NPS, CPFT, AE-C  
Cynthia White, BA, RRT-NPS, AE-C  
Gary Wickman, BA, RRT, FAARC

#### Consultants

John Hiser, MEd, RRT, FAARC, Past Parliamentarian  
Dianne Lewis, MS, RRT, FAARC, President's Council President  
Karen Schell, RRT-NPS, RPFT, RPSGT, Past Speaker

#### Absent (Excused)

Lori Conklin, MD, BOMA Chair  
Mike Runge, BS, RRT, FAARC, Parliamentarian  
Karen Stewart, MSc, RRT, FAARC, Past-President

#### Staff

Tom Kallstrom, MBA, RRT, FAARC, Executive Director  
Tim Myers, MBA, RRT-NPS, FAARC, Associate Executive Director  
Doug Laher, MBA, RRT, FAARC, Associate Executive Director  
Shawna Strickland, PhD, RRT-NPS, AE-C, FAARC, Associate Executive Director  
Steve Nelson, MS, RRT, FAARC, Associate Executive Director  
Cheryl West, MHA, Director of Government Affairs  
Anne Marie Hummel, Director of Regulatory Affairs  
Tony Lovio, CPA, Controller  
Kris Kuykendall, Executive Administrative Assistant

#### CALL TO ORDER

President George Gaebler called the meeting of the AARC Board of Directors to order at 8:30am EDT, Friday, July 19, 2013. Secretary-Treasurer Frank Salvatore called the roll and declared a quorum.

## **SPECIAL REPRESENTATIVES REPORTS**

### **American Society for Testing and Materials (ASTM)**

Colleen Schabacker moved to accept Recommendation 13-2-65.1 “That the AARC BOD direct the Executive Office to investigate the potential of hosting F29 should AAMI be voted down on July 1, and report back to the BOD their recommendations.”

Frank Salvatore moved to refer to Executive Office.

### **Motion carried**

Joe Sorbello moved to accept the Special Representatives reports as presented.

### **Motion carried**

## **ROUNDTABLE REPORTS**

### **Asthma Disease Management Roundtable**

Brian Walsh moved to accept Recommendation 13-2-42.2 “If not already available, consider developing formal AARC sponsored smoking cessation counselor training for RTs. If already available, consider a media blitz to raise awareness so interested RTs can enroll.”

Brian Walsh moved to refer to Executive Office for feasibility.

### **Motion carried**

Brian Walsh moved to accept Recommendation 13-2-42.3 “Develop tools that will help RTs gain the support of local Executive Leadership (e.g. CEOs, CMOs).”

Colleen Schabacker moved to accept for information only.

### **Motion carried**

Brian Walsh moved to accept Recommendation 13-2-42.4 “Provide an educational session (Webcast?) on motivational interviewing /behavioral change strategies.”

Frank Salvatore moved to accept for information only.

### **Motion carried**

Doug McIntyre moved to accept the Roundtable reports as presented.

### **Motion Carried**

## **AD HOC COMMITTEE REPORTS**

### **Ad Hoc Committee on Cultural Diversity**

Brian Walsh moved to accept Recommendation 13-2-29.1 “That the AARC promote the Cultural Diversity in Care Management Committee Mentoring Program in the AARC News.”

Frank Salvatore moved to refer to the Executive Office.

### **Motion carried**

Doug McIntyre moved to accept the Ad Hoc Committee reports as presented.

### **Motion Carried**

## **OTHER REPORTS (ARCF, CoARC, NBRC)**

Frank Salvatore moved to accept the ARCF, CoARC, and NBRC reports.

### **Motion carried**

**RECESS**

George Gaebler called a recess of the AARC Board of Directors at 9:45am EDT, Friday, July 19, 2013.

**RECONVENE**

President Gaebler reconvened the meeting of the AARC Board of Directors 10:05am EDT Friday, July 19, 2013.

**UNFINISHED BUSINESS**

There was no unfinished business.

**NEW BUSINESS**

**POLICY REVIEW**

Policy No. BOD.025 – *Conventions and Meetings*

**FM 13-2-84.1** Bill Cohagen moved to accept as amended.

**Motion carried**

Policy No. CT.007 – *Committees – Judicial Committee Procedures for Processing Complaints and Formal Charges*

**FM 13-2-84.2** Doug McIntyre moved to refer to the Chair of the Judicial Committee to work with Executive Office to make any changes and report back at the November 2013 meeting.

**Motion carried**

Policy No. FM.017 – *Fiscal Management – Presidential Stipend*

**FM 13-2-84.3** Frank Salvatore moved to refer to Executive Office for review of Presidential employer stipend amount and payment options related to the President’s employment status and report back at November 2013 meeting.

**Motion carried**

Policy No. FM.019 – *Fiscal Management – Fiscal Policies – Investments*

**FM 13-2-84.4** Frank Salvatore moved to accept as amended.

**Motion carried**

(See Attachment “A” for all amended policies above.)

**Referrals from last Board meeting**

Doug Laher began a discussion about Internet in hotel rooms/meeting rooms. President Gaebler says it is necessary to have it for Board of Directors and House of Delegates to be able to fulfill duties and responsibilities from their employers. Doug Laher will negotiate all future hotel contracts to have complimentary sleeping room Internet access.

Brian Walsh will contact Joe Huff regarding his Ad Hoc Committee on Cultural Diversity referral/recommendation from the April 2013 meeting to get more clarification

Treasurers Motion

Frank Salvatore moved “That expenses incurred at this meeting be reimbursed according to AARC policy.”

**Motion Carried**

MOTION TO ADJOURN

George Gaebler moved “To adjourn the meeting of the AARC Board of Directors.”

**Motion Carried**

ADJOURNMENT

President George Gaebler adjourned the meeting of the AARC Board of Directors at 10:00am EDT, Friday, July 19, 2013.

Meeting minutes approved by AARC Board of Directors as attested to by:

\_\_\_\_\_  
Frank Salvatore  
AARC Secretary/Treasurer

\_\_\_\_\_  
Date

# Attachment “A”

Policies:  
BOD.25 – Meetings and Conventions  
FM.019 – Fiscal Policies - Investments

# American Association for Respiratory Care Policy Statement

Page 1 of 4  
Policy No.: BOD.025

SECTION: Board of Directors  
SUBJECT: Meetings & Conventions  
EFFECTIVE DATE:  
DATE REVIEWED: September 2005  
DATE REVISED: July 2013  
REFERENCES: CM.000, CM.003 - 1997

## **EXHIBITORS**

1. The AARC reserves the right to reject exhibit applications for any reason.
2. Prizes, awards, drawings, raffles, lotteries, or contests conducted by exhibitors are expressly prohibited to take place in or around the exhibit hall, meeting room space and any public area of the convention center.
3. Exhibitors are only permitted to sell equipment, product or merchandise specific to their industry profile in or around the exhibit hall. Trinkets, souvenirs, T-shirts, gadgets etc. are not permitted for resale.
4. Priority Points will determine booth location. AARC reserves the right to alter booth location based on Association needs.
5. Exhibitors will be provided with 6 complimentary registrations for company employees for every 100 sq. ft. of exhibit space that they purchase. Registered exhibitors who are also respiratory therapists are eligible to earn CRCE at no cost as part of their booth registration.
6. Hospitality Suites/Meeting Rooms: Authorization and assignment of suites and meeting room space shall be handled on a first come, first served basis on the following criteria:
  - A. Availability of space
  - B. Area is not being used to host/entertain conference attendees during normally scheduled convention events (including AARC social functions). This includes, but is not limited to the following:
    - i. Welcome party, Sputum Bowl Finals etc.
  - C. Only companies with confirmed booth space in the exhibit hall are eligible for hospitality suites, meeting rooms etc.
  - D. Exhibitors must not allow attendees in hospitality areas who are under the legal drinking age if alcohol is served.

## American Association for Respiratory Care Policy Statement

- E. The AARC reserves the right to refuse hospitality space to any exhibitor for any reason.
- F. Those in violation of these stipulations are subject to immediate loss of booth space in current and/or future years.

### ATTENDANCE & REGISTRATION

- 7. All persons attending AARC Congress must register and pay applicable registrations fees.
- 8. There will be a separate and more expensive registration tier for non-AARC members
- 9. Only members who have paid their current annual dues or whose applications are in progress will be admitted at the member rate. All others will pay the non-member rate.
- 10. Refunds will not be given to any individuals for fees paid by employer check. Refunds will be made directly to the employer, provided a request for a refund is made prior to the meeting within established guidelines.
- 11. All cancellations are subject to applicable cancellation fees. The AARC reserves the right to waive these cancellation fees in lieu of extenuating circumstances.
- 12. AARC reserves the right to provide complimentary registration to appropriate VIPs, dignitaries or others whose complimentary registration would otherwise be of benefit to the business practices of the Association.
- 13. Smoking is prohibited in all indoor/outdoor-sanctioned events of the AARC Congress.
- 14. Admission to social functions at AARC Congress is complimentary to all registered attendees.
- 15. Members of the President's Council and their spouses may register for AARC Congress at no cost.
- 16. Spousal registration is permitted for AARC Congress. Registration includes access to all AARC sanctioned events, but is not eligible for CRCE.

## **American Association for Respiratory Care Policy Statement**

### **EMPLOYEES, APPOINTED & ELECTED OFFICIALS**

17. BOMA members will be granted free registration to AARC Congress
18. AARC will provide complimentary, full meeting registration for members of the Board of Directors and officers of the House of Delegates.
19. AARC employees and/or political representatives are prohibited from smoking on any property affiliated with AARC Congress (i.e. convention center, HQ hotel).

### **SPUTUM BOWL**

20. Individuals may compete in the Sputum Bowl competition and attend all Sputum Bowl functions without having to pay Congress registration; however they are not permitted to attend any other AARC sanctioned event, nor are they eligible to earn CRCE.

### **CHARTERED AFFILIATES**

21. Chartered affiliates exhibits at the annual meeting:
  - A. Upon written request, each AARC chartered affiliate may be granted, free of charge, one (1) 10x10 booth space in the exhibit hall at the annual meeting... space pending.
  - B. Affiliates requiring additional space may do so by applying and paying the commercial exhibit fees.
  - C. Location of the chartered affiliate booth to be determined by AARC. Chartered Affiliates serving as host state to the meeting will be permitted to secure a booth location outside of the Exhibit Hall (location at the discretion of the AARC... space pending).
  - D. Personnel manning the chartered affiliate booth must register for AARC Congress and pay all applicable registration fees.

## American Association for Respiratory Care Policy Statement

### SPEAKERS & HONORARIUM

#### 22. Speaker honorarium and reimbursable travel expenses:

*The American Association for Respiratory Care has an obligation to its membership to produce a superior program for AARC Congress and one that is inclusive of high quality presenters. In addition, it is also incumbent of the Association to be fiscally responsible with financial resources. As such, the following parameters should be used when determining honorarium and reimbursed travel expenses for AARC Congress presenters:*

- A. The Association will commit appropriate financial resources necessary to secure presenters as requested by the Program Committee (commensurate with established budget).
- B. If the presenter is available, able and willing to present at AARC Congress with no required honorarium or reimbursed travel expense, the Association should pursue such an arrangement.
- C. For presenters requiring airfare, the AARC is authorized to extend national/international round-trip, coach airfare when purchased no less than 3 weeks prior to the meeting.
- D. For presenters requiring mileage/railway reimbursement, the AARC is authorized to extend mileage/lump sum reimbursement at the prevailing federal rate, up to, but not exceeding the amount of the lowest available round-trip, coach airfare ticket.
- E. For presenters requiring lodging, the AARC is authorized to extend reimbursement up to, but not to exceed lodging costs of the highest priced authorized convention hotel.
- F. Should negotiated reimbursement include per diem, per diem compensation shall be determined based on AARC policy.
- G. All presenters will receive (at minimum) complimentary one-day registration for the day in which they are scheduled to present, up to and including full 4-day meeting registration.
- H. Bundled "lump sum" compensation for honorarium, travel and lodging may be offered in lieu of reimbursement for itemized expenses.
- I. Honoraria and expenses will not be paid to AARC officials presenting programs dealing with their area of involvement.
- J. Honoraria shall not be paid to AARC employees.

# American Association for Respiratory Care Policy Statement

Page 1 of 1  
Policy No.: FM.019

SECTION: Fiscal Management  
SUBJECT: **Fiscal Policies – Investments**  
EFFECTIVE DATE: July 2005  
DATE REVIEWED: **July 2013**  
DATE REVISED: **July 2013**  
REFERENCES: FI.0786

## *Policy Statement:*

The AARC shall continue to take a conservative approach to future investment policy based on current and projected economic trends.

## *Policy Amplification:*

1. ~~As of July 2005, the investment policy for the AARC is changed from an investment policy asset allocation of 60/40 a 40-60% asset allocation~~ **range to debt instruments and a 40-70% asset allocation range to equities with no investment related to the tobacco industry being allowed. A Return on Investment (ROI) of 2% over the Consumer Price Index (CPI) shall be the long-term goal.** ~~between debt instruments and equities to a 50/50 asset allocation between debt instruments and equities with no less than 25% of the equities being invested in stocks which yield dividends.~~

DEFINITIONS:

ATTACHMENTS:

**AARC**  
**INVESTMENT POLICY AND PROCEDURES**  
**(Revised JULY2013)**

The Executive Director has been delegated by the Board of Directors the authority for management of the AARC's cash funds. Such investments must be carried within the guidelines provided herein which have been reviewed and approved by the Board of Directors.

**Policy Statement**

Maximum utilization of Association assets is a primary objective of the Board of Directors. Cash balances represent an available asset that, when effectively managed can contribute to the overall goal of providing services at reasonable costs. Although the investment of cash on either a short or intermediate term basis is not AARC's principal activity, it is the nature of business operations that there will be excess funds available. The objective of the investment guidelines contained herein is to allow the AARC to maximize its return on cash balances while operating within established limitations that will minimize the risk of financial loss.

A matter of primary importance in determining the application of excess cash is ensuring that funds will be available to meet upcoming cash requirements. This can be achieved through the anticipation of cash needs by preparing projections of cash flow. The Executive Office is responsible for the preparation of such projections. However, their accuracy depends on the cooperation and awareness of all directors, officers, committee chairs, etc. All departments should, on a timely basis, provide the Executive Director with any information regarding contractual obligations or other types of arrangements that will significantly affect cash flow.

An additional consideration in the management of cash balances is alternative uses of cash, such as early debt retirement and early payment on accounts in order to receive cash discounts. It is the AARC's position that decisions involving alternative uses of funds will be based on an evaluation and comparison of economic benefits to the Association. After an evaluation, it may dictate that these alternative uses may be more attractive investment alternatives. Generally, in such cases, these alternatives should be pursued. However, should early debt retirement become economically attractive, implementation would require the prior approval of the Board of Directors.

**Investment Guidelines**

In order to minimize the risk of loss to cash balances, it is necessary to determine levels of risk that are compatible with overall management philosophy. Based on this determination, guidelines can be established for use in the investment of funds. The guidelines set out below establish not only the types of investments that are acceptable, but also limitations on the amount of any one of those investments that may be held at any point in time.

All investments of Association cash shall fall within the following guidelines:

- Fixed income-type investments
  - **Range \*\*** : 40-60% of entire portfolio; Optimum allocation: 45%
  - In addition, within the fixed income range above, the following investment sub-categories will be consider acceptable:
    - Corporate Fixed Income Securities

- Government Fixed Income Securities
  - Foreign Fixed Income Securities
  - Short term
  - Intermediate
  - Long term
- Acceptable investments (in no order of importance / use):
  - Bank CD's (FDIC insured ONLY), maximum in any one institution: \$100,000
  - Repurchase agreements collateralized by government securities
  - Bankers Acceptances
  - Federal government or government agency securities
  - Corporate commercial paper with an S & P rating of A-1 or Moody's rating of P-1
  - Money market accounts trading at \$1.00 / unit and comprised of the above type securities
  - Corporate bonds with a rating of no lower than "BBB" by S&P or "Baa" by Moody's.
    - Bond maturities may be staggered over a 10 year period with the average maturity not to exceed 5 years.
    - No one bond may comprise more than 7% of the total fixed income portfolio
  - Bond mutual funds
    - Must be primarily comprised of the above type of investments and
    - Must be judged to be of high quality by considering:
      - S&P or Moody's ratings
      - Past earnings records
  - May include so-called high yield or "junk bonds" (rated below "BBB" by S&P or "Baa" by Moody's) but they may not comprise more than 7% of the total BOND PORTFOLIO.
- Equity investments
  - **Range\*\***: 40-70% of entire portfolio; Optimum allocation: 55%
  - In addition, within the Equity range above, the following investment sub-categories will be considered acceptable:
    - Small Cap--growth
    - Small Cap--value
    - Mid Cap--growth
    - Mid Cap--value
    - Large Cap--growth
    - Large Cap--value
    - Foreign (ALL)
  - Single issues---Any stock EXCEPT those that are:
    - A Penny Stock (i.e. trading for less than \$1 via OTC (pink sheets))
    - Highly speculative, for example:
      - Be trading with unusually high P/E ratios...50-75++ or
      - Have little or no history of any earnings
  - Stock Mutual funds must be:
    - Primarily comprised of the stock issues allowed for above and
    - Judged to be of high quality by considering:

- S&P or Moody's ratings
- Past earnings records / future growth
- Fund manager experience and track record

**\*\* - From time-to-time, due to market conditions, operating cash needs or other circumstances, cash may be held in the investment portfolio that is not invested in securities. Compliance with the Fixed Income or Equity Investment percentages above is to be calculated WITHOUT considering such cash held in money market or other similar very short-term accounts.**

- No investment in any security that is related to the tobacco industry is permitted. **However, it is acknowledged that mutual funds, by their very nature, may have amounts invested in tobacco-related securities that may be very difficult or virtually impossible to easily determine. Nonetheless, such funds will still be reviewed periodically (1-2 times a year) and if it is seen that they have invested in tobacco-related securities, they will be divested.**
- No one equity security issue shall comprise more than 5% of the total equity portfolio and no one sector shall comprise more than 15% of the total equity portfolio.
- Alternative investments
  - No more than 5% of portfolio
    - Options, derivatives, future contracts, REITs
      - Range: no more than 2.5% of entire portfolio
      - Each trade must be approved by AARC CEO
    - Real Estate
      - Range: no more than 2.5% of entire portfolio
      - Each purchase must be approved by AARC CEO

### **Implementation.**

In implementing the cash management program, the following minimum objective must be retained:

1. Achieve maximum yields on invested funds while insuring reasonable protection of principal.
2. A return on investment / benchmark goal of 2% over the annual Consumer Price Index shall be the long-term (3-5 years) goal

The employment of outside investment counsel may be considered when implementing a part or all of this cash management program. Such professional service must be bound by these same guidelines while undertaking their investment management role

Adequate accounting procedures must be developed, implemented and continually exercised. These procedures will insure adequate forward cash planning, proper controls over transfers of cash, establishment of maturity dates, recording and receipt of interest income and maintenance of individual accounting records for each investment.

All Association held negotiable instruments must be controlled using external safekeeping facilities. Access will be limited and must require a minimum of two appropriately designated representatives.

**A Quarterly Investment report will be sent to the AARC's Executive Committee and show:**

- **Investment balances at cost and market**
- **Investments at market segmented by investment type (stocks, bonds, etc.)**
- **Investment performance (ROI, dividends, gains and losses)**
- **Compliance with Range percentage guidelines, above**

Any material deviation from these guidelines and their implementation procedures must be submitted to and approved by the Board's Finance Committee.