

Monday March 8, 2010

Hello Council.

With a vote coming up to approve a fee increase in order to fund the proposed Executive Director position at National, the council for the Vancouver Centre has been discussing the issue again. When the idea was first proposed, we had some serious reservations about whether hiring an Executive Director was realistic, given the parameters outlined in the proposal, or even the best solution to the problems highlighted by the Executive Committee. We prepared a paper outlining our concerns and presented it to the Executive Committee, but with a decision on funding the position soon to come, I thought it would be worthwhile to outline our position to the council at large for further discussion.

The following is a summary of our concerns with the idea of hiring an Executive Director. I welcome your questions and comments.

Regards,
Cameron Widen
National Rep, Vancouver Centre

Executive Director Position for National Office

There is good evidence to support the hiring of a strong administrator at National Office. That person should be very conversant with the RASC activities and goals as well as the day to day operations of the organization and paid accordingly. A list of actual duties, rather than a wish list, needs to be clearly articulated.

Hiring an Executive Director (ED) seems beyond needs of the organization:

1. The IMIS system, installed at great expense, was supposed to handle the bulk of the daily routine. If it is capable of doing that then there should only be a limited amount of routine to be attended to. If it is not up to that task then we have made a serious mistake. Assuming it can do the task then administration is a part-time job as it pertains to membership duties. Most Centres could handle their membership requirements without any involvement from National at all.
2. Recruitment is the job of Centres. It is unlikely that new members will join National since that is not where the activities are. Goals for membership developed by an ED are pointless.
3. The publishing activities are currently handled by volunteers. The printing is outsourced. The shipping could be as well if it is not already. They prepare the calendar, the Beginning Observer's Guide, the Journal and the Observer's Handbook. Is it intended instead that an Executive Director take over the preparation of publications? That seems unlikely.
4. As to Charity issues, those centre that are now registered charities seem to function quite adequately without an ED. If there are questions or issues we can go to experts. Certainly that is what National did recently.
5. An ED is normally a person whose principle duties are public relations and fund raising. Our focus should be on managing what we have and doing it more responsibly. Based on the proposed costs for an ED and office staff, all the prospective revenue from our investments would be consumed by the extra costs. The prospect of another fee increase to pay for such a structure is unpalatable. Membership needs to be affordable not prohibitive. Adding another \$6.00 to fees will not help attract a further 2000 members, especially given the current economy. National should be looking at ways to cut cost not increase them.
6. An ED is potentially one more problem to be managed.

There does appear to be a problem with the current office staff. Let's start there, get one good person with a clear, succinct list of duties and work on getting those done well and cost effectively. Again in this economy there have to be qualified people looking for work that would be suitable for our purposes.

From: Mary Lou Whitehorne [mlwhitehorne@hfx.eastlink.ca]

Monday March 8, 2010

Hello Council;

As an organization we are facing some important challenges. Many of you are concerned about these issues. That's good thing! Big issues like this can benefit from the engagement of many. Constructive debate must also be informed debate. One of the challenges we face as an organization is that no council member can be completely informed about every reality of running the RASC. Nobody has that kind of time - not even the executive committee members. This is why we need a full time management position at national office.

So, in response to Vancouver Centre's recent posting, I offer the following few facts:

The ED's job description is currently under development. This task comes after the development of the description of the functions of the position.

1. The iMIS system is working. Please remember that we paid \$40K a number of years ago for the initial purchase of the previous MPA system, plus annual upkeep costs. iMIS costs are comparable to the now inadequate and outdated MPA system. Also please remember that iMIS performs a number of admin functions that used to be handled by volunteers at the centre level as well as at the national level. This is a direct benefit to the centres because it removes some of the volunteer workload at the centre level.

Administration at national office involves much more than membership admin. Yes, membership admin is part time. Don't forget all the rest of the admin that must be done to run the other two areas of our organization: charitable and publications. There is a lot that goes on behind the scenes to keep us running - Centres never see this level of work because they are not directly involved. No should they be. They are busy enough with their own affairs.

Centres still require a lot of assistance and frequently call the office to ask for help with numerous issues. Most seem to need frequent reminders of monthly and annual tasks that must be done. National office undertakes this responsibility for the benefit of the centres.

2. Recruitment at the local level is the job of the centres. Recruitment at the national level is another matter. The national organization that provides benefits to members and centres, still runs on volunteers. This is the level where we find new executive members, committee chairs, our all-important treasurer, the JRASC, Handbook and other authors & editors, upon whom we depend for the very life of the Society. Without an Observer's Handbook, and other volunteer editors, I suggest we all might as well pack up our tents and go home.
3. Publishing activities are more complicated than you imply. There is a great deal of coordinating of contributors, designers, printers and distributors. Somebody has to do the production budgets, work with the designers and editors/authors, get competitive prices, edit proofs, oversee production and distribution, pricing schemes, and so on. This is no small task, given that we produce the Journal 6 times a year, plus the OH and Calendar every year, and other irregularly. Somebody also has to prepare ads for SkyNews, and all the flyers that get mailed out across North America several times a year. The ED is going to assist with the coordination of this multitude of volunteer duties.
4. Charity issues: as the parent organization, the national RASC carries responsibility to the government for all aspects of our operations, plus for all 29 of its centres, whether or not those centres are themselves registered as charities. We have seen this truth in action, in spades, over the course of the last three years.
5. An Ed in the charity/not-for-profit sector does a lot more than PR and fund raising. An RASC ED will work at all three sectors of our business. Thus all three sectors of the RASC will benefit from that work, and must also share the costs of the work. We don't have to call this person an ED. We can call them Operations Manager. The job will remain the same.
6. It is unfair, irresponsible and incorrect to lay blame on our staff who work hard, and competently, to meet the needs of our members, centres, and customers.

Mary Lou
1st VP

Monday March 8, 2010

Hello Council

In the short space of time that the Sunshine Coast Centre has been a member of the RASC we have seen increases that will amount to around 24%. For a small club struggling to build our membership this will be a major blow. The Sunshine Coast Centre will therefore vote NO at the upcoming vote.

Regards
Bill Clark
National Rep
Sunshine Coast Centre

Monday Mar 8, 2010

I've talked to two members over the past while that are starting to think that the fees aren't worth the money as they sit. Another increase will just chase them away. Something to ponder.

Rick Saunders
London

Monday Mar 8, 2010

Hi Rick, et al.,

It's interesting that people tend to shrink away from annual fees of around \$73 (after the proposed increase), but think nothing of filling their SUV or pickup tank at about \$80 per fill, possibly a few times per month!

It's also interesting that the Observer's Handbook, the Journal, and such are almost totally produced by volunteers, and the rest of the Society is quite happy to just slide along on the accomplishments of those few, reaping the benefits of membership virtually for free!

It's all about attitudes and perspective...

Maybe it's time to change.

Regards,

James Edgar

Monday Mar 8, 2010

For me the annual fees aren't an issue as I get a lot from the Society that would be hard to put any price on. I'm just reporting what I hear.

Rick Saunders
London

Monday Mar 8, 2010

I agree. I've also heard from several members that the continued fee increases are putting their membership in jeopardy. Probably the same members that spoke to Rick. Regardless, I suppose what it comes down to in a mostly volunteer organization is that if a capable volunteer does not step forward to do something worthwhile, then it does not get done, and so be it.

Then when something that everyone believes strongly should get done is not done, we will all suffer, and either someone will step forward, or it will remain undone.

Dave McCarter
London

Tuesday Mar 9, 2010

Yes, Dave, that's very true. Let's consider the consequences:

If that something happens to be of a legal or tax nature, having just spent two years of my life walking through just such a swamp, I shudder to think of the consequences for the RASC. If nobody markets and sells our publications, the print runs will shrink and the price of membership will soar. If nobody writes, edits or produces our publications, we are dead and gone.

The RASC is a complex house of cards, utterly dependant on the good will and freely given gifts of generous volunteers. Your executive committee is, whilst trying to keep the Society running, also trying to build a more stable foundation for the house, one that will withstand more than just a zephyr of a breeze, before it falls down.

The exec is responsible for running this organization and keeping it alive. I hope we are being given some credit for knowing a little bit about what we are doing. Equally, the council is the RASC board of governors. Council also bears responsibility for the ongoing health and welfare of the RASC. It is incumbent upon council to be aware of the facts and to act responsibly.

The exec has been making its best effort to make sure council is informed of the facts. It is an uncomfortable truth that staying informed of the facts takes a significant investment of time and effort on the part of otherwise busy people.

It all boils down to this: we can choose to be proactive in building our Society, or we can choose to let it atrophy and wither.

Mary Lou

Tuesday Mar 9, 2010

Hi Mary Lou and Dave5 and everyone, fee increases have always been problematic, no surprise. I hope we don't get into the old Us versus Them dysfunction over it this time. Yes, ExecComm and all the leaders are sincere and hard-working and smart. It isn't a question of talent or dedication but rather what should be debated is the vision. Do we want a high-cost Society with lots of services, or a stripped-down club with low fees? If it's supposed to be a democratic decision, then it ought to be a simple matter of finding out how the members feel. However, the various indicators that we have aren't clear cut, so there's plenty of room for discussion and, unfortunately, argument. It's nice if the leadership reflects or even embodies the views and the wishes of the majority, but there's also plenty of times when the whole point of leadership is to go where no one has gone before. Please let's keep our perspective as we grapple with this.

My personal feeling has always been that we should offer only what volunteers are willing to provide. I've always used the Beginner's Observing Guide as a model of how I think the Society is most successful and now that Leo is no longer with us, it'll be an interesting case study: will a new volunteer step up? Will the Society feel obligated to continue to revise and update the BOG in future, possibly to the extent of hiring someone to do all the work that Leo did out of love? Or will the BOG fade away? The same questions could be asked of every function or service that is performed.

On the question of whether higher fees result in fewer members, I had a person tell me once about an organization that tripled its fees and membership boomed, apparently because the perception among potential members was that the organization must be good if it costs so much. So you just never know.

Another fact of life is that really big organizations have tremendous economies of scale. I guy I know here was a leader in one of the Ontario teacher's federations. 10s of thousands of members, and they have a whole office staff. But for astronomy, I wonder if it's unrealistic to think we could ever be that big.

On the other hand, there's the Astronomical Society of the Pacific. I looked closely at their budget a few years ago. They have about the same number of members as RASC has and membership fees are about the same, but they have an ED and a staff too. The secret there is that they get a huge chunk of their budget by applying for grants to do outreach, and the headquarters operations are paid for by the overhead contribution from those grants. I contemplated the idea of cooperating with them, even merging some operations.

Anyway, lots to think about.
Peter Jedicke

Tuesday Mar 9, 2010

Good Morning,

I may go down in flames for asking these questions, however, since we do have new people on council it might be worth asking and get clarification.

Correct me if I am wrong, but we currently have 1 full time employee and two part time employees?

Will the part time employee for the iMIS system be a long term employment, or will that be subsiding?

At this point, what has the RASC and its members paid for the iMIS system which would include updates and payment for services.?

How much will we be spending on the iMIS upkeep for the next year?

Yes, this system does more than its predecessor, however, it was also supposed to free up any employment we needed, since the members can now do their membership, purchase items, etc. Anything purchased and shipped is done by another company.

Basically we are taking our Amateur association and turning it into a business, which will be changing the entrenched historical RASC, if we get a ED. This basically puts someone in Toronto to do all the local work and overseeing of what the Executive, has done up until now, as it is stated in the bylaws do now.

Perhaps we should be looking at changing the portfolio's of the Executive and Chairs. Distribute some work to these areas that can get done engage the people we have. Make the portfolio's a bit more interesting, and you may end up with more volunteers.

Yes, we tried that twice before with two different sub-groups, but the issue there was delegation, it wasn't done, and the Executive did the work.

Will we be refining the bylaws then?

Will this new ED be put in the bylaws, with the duties to the Society?

Do we really need the current layout of our council from the Executive down to the Councilors, as it is with an ED? Will the roles not change then?

A fee increase at this time of financial tightening on all aspects of society, is not feasible, just because we have money in the bank, does not mean we go out and spend it right away.

We raised fees a few years ago, which was to hold us for awhile. Now an increase for another paid position?

We need to tidy up our own house first, before we get more paid staff. We are all volunteers from the Exec level to all levels at Council and Centres, and that is what we pride the RASC on.

Lets use our Council members to help do some of the work, engage the council, we might just have the answers, and be able to do the work.

Kim Hay

Tuesday Mar 9, 2010

Thank you Kim, for your input.

In response, we have:

1 full time employee

1 part time employee of indeterminate duration

iMIS costs are in the budget docs and always have been. They are available on the members-only section of the Web site. iMIS costs compare favourably to the MPA costs. iMIS is working as planned.

Staff still responds to 2500 non-automated transactions per year. Plus a whole lot of other stuff.

Our amateur association has been a publishing business for years now.

As we discovered two years ago, we are also locked in the charity box.

If we choose to de-register as a charity, we will lose all of our assets to CRA and the federal government. That means everything in our investments and bank accounts. We would have to start over with nothing. It does not seem to be an appetizing option.

We do have the option of discontinuing the Handbook, the Calendar and JRASC and every other product and publication. We would then be an umbrella organization existing for the sole purpose of providing cheap liability insurance to our centres. This would not go over very well with CRA from the charity standpoint.

There are unavoidable aspects of running a business that are never fun. These are where it is hardest to get volunteers, as we have experienced over recent years. We all joined RASC to have fun. Certain aspects of the necessary business end of it has been (understandably) somewhat neglected for a long time. We're all volunteers with limited time. The exec is trying to correct this. When this happens to an organization, it is never popular, no matter how necessary it may be.

Distributing work and engaging volunteers has been a difficult challenge. Doing astronomy outreach is fun, as we saw last year. Stick- handling publication projects, budgets, tax requirements, and business admin is much less so, but is far more demanding and more time consuming. It's also very necessary.

No, new staff will not be in the by-laws.

Believe it or not, this exercise is a serious effort to clean up our house. Volunteers - nay, not even super-volunteers! - have been able to provide the sustained time and effort required to keep the RASC going.

Mary Lou

Tuesday Mar 9, 2010

Mary Lou Whitehorne wrote:

iMIS costs are in the budget docs and always have been. They are available on the members-only section of the Web site. iMIS costs compare favourably to the MPA costs. iMIS is working as planned.

I wanted to chime in on this and a few other items...

The budget for 2010 shows a higher expenditure for iMIS than MPA cost us, but it does a lot more. The budgeting done when we proposed switching to iMIS was done in good faith and based on the best info we had then. There were some technical issues that caused us increased hosting cost and we are needing more consultant time than I would have hoped. Note that we have budgeted a fair bit of consultant time to resolve issues and fine tune reports - we hope that this will go down with time or not be needed much at all if we can develop some in-house report generation capability.

I don't want to re-sell the switch to iMIS - we cannot reverse that decision now. But, the switch was not done primarily to save money but to switch to a platform that had a future, is being actively developed, has a good support community in Toronto, that is in use by many membership-based organizations, and was on-line friendly. The old software was dependent on one consultant nearing retirement and came with significant risk of total failure and was not capable of moving on-line.

Denis recently ran a report of where our transactions were coming from and in the last 12 months about 60% of our renewals and new applications are coming through the internet. This will increase to about 65% when/if Toronto Centre goes with eBilling (a pilot is underway now). Of the 2000 publication orders that have been processed since September 09 the same 60% have been online. We expect these rates to increase over time as they have in the past. So now that both of these types of transactions are largely automated, there will be hours saved. It remains to be seen if that can result in lower labour costs. Perhaps we need to just redirect the time saved to something more productive.

There are unavoidable aspects of running a business that are never fun. These are where it is hardest to get volunteers, as we have experienced over recent years. We all joined RASC to have fun.

Some examples of this in the last week alone that have been "not fun" are trying to figure out how we are to respond to Ontario and BC decision to implement the HST tax (no, it is not that simple as some things are exempt and some are not) and detailed legal discussions about the Helm Fund. It is also not fun to have to write reports and respond to emails such as this :-)

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The RASC is this 3-headed monster (publications house, membership, and charity) and all the heads are attached and dependent on each other. We have to keep all three going in order to make things work.

The executive has had to take on the task of making sure things get done (and take on the worrying as well!) and in many cases due to the lack of other resources has had to do many things.

The present workload (10-20 hrs/week for me) on those that do this boring, but necessary work, is unsustainable. We have been saying this for years and have been asking for volunteers to contribute at many levels and with few exceptions, no one has come through. Most of the committees are not very active and many are understaffed. Thankfully our publications have excellent editors and volunteer production staff - from what I hear they have fun putting together our pubs.

What is usual in Boards is that most members should be active on committees of their interest or experience, but in our case most are not. I made a plea at the council table again last summer but few councilors were willing to commit to doing anything. The sad thing is that we are so consumed by day to day issues that no one has the time to think much about medium to long term issues or to engage the Council in these higher level issues that could grow our society.

Your president has wrecked his software business and stalled his career to keep this ship afloat and I don't want that happen to my successors, assuming there are any successors. At present, we do not have a nominated candidate for president or treasurer. The world has changed and few people have the time with increased workloads to commit the amount of time given by myself, Scott, Peter, Rajiv,

As such, it should come as no surprise that I support this initiative, one that is not without risk. Anything worth doing is generally not risk free. But, I have led or supported just about every initiative of change, many of which were risky, that has taken place since the old Journal was reformed a dozen years ago (with associated predictions of doom) and I think I have a pretty good track record of picking winners. Keep the faith!

--- Dave
President

Tuesday Mar 9, 2010

Hello,

The decision that Council is tasked to make will be difficult but we have had this debate before (fee increases, on-line publications, remote attendance at Council meetings, etc.). Decisions were made and we are still here.

I don't think it is productive to weigh the two futures: one of high fees and few members, or one of none existence. The RASC is far more than the National Office and the publications that it provides. We are a society of Centres that attract and "entertain" the public. They would still exist without the RASC - but the RASC promotes sharing and provides a national perspective.

I think it would be more productive to debate how more funds may be used. That discussion will both define the job description of an additional employee, and whether his or her efforts should be directed to increasing the present services to members (internally focused) or outward to the general public, or both.

I am sure the executive knows what they would like a new employee to do, since they have proposed hiring someone. I would like to see the detailed job description that has been created. It would help Council debate the perceived need for the position. If it is only a skeleton outline, then I think it is up to Council to flesh it out and debate the tasks. We may discover a new, more productive direction for the Society, or confirm the status quo.

I have a list of tasks for a new employee, and "deliverables" to track their performance. I hope others will bring their "wish-lists" to the March Council Meeting. Obviously, if we can't agree to such a list, then it will be difficult to convince our members at the GA to pay more for the status quo.

I have revealed preferences for the future of the RASC in an earlier email (preferring external effort). I feel that if we focus on internal services, our membership, and volunteers, will slowly evaporate (die off). If we direct our efforts externally, we have a reasonable chance of attracting new members (and fresh volunteers) and fulfilling our "mission".

However, I do not think we can take on both these efforts with the same old volunteers and one employee. Indeed, our limited volunteers are strained to provide present "internal" services so I doubt they can take on more effort in an "external" program.

Robert Dick
Ottawa

Tuesday Mar 9, 2010

Just about every time we've had a fee increase over the past two decades there have been people warning that doing so would be deleterious for our membership numbers. And yet when the fees have gone up, membership has not changed significantly.

The comparison has been made of having a full-service RASC, with publications, organization, etc, for a decent price, or just a hollowed out shell of an umbrella organization costing members next to nothing.

What some people seem to want is all the advantages of the former while only paying the cost of the latter. While it may be an attractive fantasy to get everything for nothing, it remains a fantasy.

We do have the examples offered by organizations such as the ASP, which has an Executive Director and staff with the time for pestering governmental and other potential donors for public outreach (for example) as well as for actually operating their Society. The RASC is today a fair sized business, with assets in excess of a million dollars and an annual cash flow approaching half a million.

And we ARE a business, even though vast amounts of the burden involved in running the organization is carried by volunteers. An Executive Director who can take the time that running the Society more and more needs is an opportunity to become much more than what we are without over-extending the people who put in their free time and effort.

Glenn Hawley

Tuesday Mar 9, 2010

The Council of the RASC Toronto Centre has considered the ED matter at length and would like to make comment and pose some related questions to the National Council.

We do appreciate the matter as described in the discussion paper circulated last November. Certainly there are some excellent goals outlined there. We did also make a deputation on the matter at NC094 and these comments are appended below.

At this point in time, we are greatly concerned with the financial aspects of the request to hire an ED. Although a great deal of discussion was presented as to why the RASC needs an ED and what the ED's duties might include, very little actual financial analysis was provided in how this position is to be funded or governed. It was not stated as to whether the ED would be a permanent employee, as is the current norm for NO staff, or a contract worker. This alone is an important point regarding future liabilities.

No business plan has been offered that discusses the costs expected in remuneration and benefits/bonus or the funding sources to support such costs. A \$6 fee increase was cited, but our feeling is that this amount was selected more from a member bearability aspect than from any financial analysis. No offering was made as to what dollar amount would be required from our reserves to subsidize the position, and over what period of time. This is of great concern given that we now depend on the significant capital from the sale of the Dupont Street property to fund our office rents going forward. (Especially since interest rates remain far below what was previously calculated (5%) to support steady rent outflows.) Annual salary for an ED may well represent more than one sixth of our current operating budget. We too are very sensitive to another \$6 fee increase so quickly after the last one, which was sold to our members on the basis that it alone would make up the shortfall in providing all member services (without subsidy from other sources). Our position is that a complete business plan is required in order for one to properly evaluate the financial feasibility of the ED position for the RASC and to then to consider other aspects of the proposal and vote accordingly. This is only fair and proper from a business point of view.

There are some troubling aspects in the discussion paper proposal which suggest that a second position, that of an Office Manager would be required to assume the duties of the existing Executive Secretary. Do we understand this to mean a proposal of two new employees, and the release of the existing ES? If so, what are the full cost implications there? Our estimation of the iMIS membership system thus far is favourable and we look forward to its full implementation thereby reducing the manual efforts required at the NO.

Providing that a favourable financial analysis becomes available, we do see some opportunity for assistance of some form, perhaps in a contracted Program Manager, at the NO. We may take advantage of the current economy to locate a suitable (e.g. early) retiree. As to the screening of any candidates, who might be charged with this duty? This would be a critical role and should not be left solely to a volunteer committee. There are several well experienced HR persons in our ranks who have agreed to work pro bono on whatever the hiring needs of the RASC.

A useful role for a PM/ED would be to create program resources that would be provided to Centres to utilize in carrying out RASC charitable and outreach activities. However, related to the matter of generating new resources for Centres to utilize, we are interested in what mechanisms may indeed be available to legally transfer ED generated value from the National organization to Centres, as incorporated bodies, charities or neither. We do feel that several of the functions cited for the ED including volunteer recruitment and retention, and charitable acts are better suited to be carried out at the Centre level. We are also interested in what might be the constraints on the activities, and deliverables on the results of the ED.

We do sincerely appreciate the excellent efforts of the National Executive these past several years as they have struggled with major issues such as the CRA charities matter, the eviction of an un-cooperative tenant and related landlord issues, as well as conducting the sale of the Dupont Street property. We hope that the next few years will not be as turbulent.

We hope that these comments and questions will serve to generate further objective discussion on the ED proposal.

Regards,
Tony Horvatin, NC Representative, RASC Toronto Centre

Toronto Centre Comments to Executive Director Discussion Paper
as reported at NC094

(Comments consolidated from analysis of individuals familiar with working of other major charities such as Variety Village.)

Higher level functions should be farmed out to outside specialized firms; esp.

- o Fundraising/grant app writing, example: Funding Matters Inc.
- o HR Policy and Practices, (potential 'volunteer' at charitable rate, as former Unisys International VP of HR could offer her services to prepare a P&P binder, or 'HR Bible')
- o Strategic promotion of publications/products (esp. because of tunnel vision of RASC insiders)

It's not realistic that an Exec Director can be found that possesses all skills/experience required to be effective in the tasks to be assigned the individual:

- o People skills will be paramount; willing to 'handhold'; volunteers must be made to feel genuinely needed and appreciated;
- o Must have a significant financial background;
- o Understands Fundraising and Membership building;
- o be bilingual
- o Strong yet conciliatory (like perhaps a Geoff Gaherty sort of person)
- o Ideally someone who is mature, experienced in such roles in the corporate environment
- o Expect to pay about \$150K per annum in the Toronto market

Other options:

-An Exec Director is actually not needed; should hire an Interim Project Manager to coordinate outside contracted services, with goal to set up needed and desired polices/systems under a fixed contract period. (It is also very likely that an Exec Director will need to farm out some tasks anyway.)

Some tasks like Volunteer recruitment/retention are much more effective at the Centre level.

- Other tasks like management of our investment portfolio should be contracted to a financial professional.

Cons of an Exec Director position:

- Entrenched expenses with future liability
- Many other charitable orgs have cycled through bulking up w/admin at top end then busting/shedding over
- Danger that Exec Director will become servant of National Council anyway.

Wednesday Mar 10, 2010

Hi Tony:

The financial assumptions underpinning the proposal (both the costs and the funding of the ED) are stated in the Treasurer's Report under "Post-2010 projection". The assumptions are also stated, the main ones being the \$6 fee increase, and investment returns of 4.5% per annum. The salary budgeted is \$30K for the second half of 2010 (as per the 2010 Budget proposal) and \$60K+ COLA for 2011 (i.e. \$32K more than 2010). This projection delivers a break-even before and after transfers, which means that the ED can run without a deficit, and no subsidy from our endowment funds. In addition, a 4.5% investment return would provide for an additional \$22,500 per year for education programs.

Our budgets are conservative: USD at parity, flat-to-small decreases in publication sales volumes, small reduction in membership levels, and a minimal amount of donations. In 2009 we have materially outperformed the budget in several categories. We are confident that the chance of achieving the stated projections is quite high.

Mayer

Wednesday Mar 10, 2010

Hi Mayer,

Thank you for your message. We are indeed aware of the ED related figures provided in the Report of the Treasurer. We do, however, require further information on how those figures were arrived at. We do contend that the ED position the proposal has requested will command well upwards of \$100K in the Toronto market on an annualized basis, significantly more than the figures cited in your report. Have your figures been researched by persons familiar with hiring in this field? Ours have. Or might there be physical cap on starting salary offered in the coming motion? Also, is there a detailed forecast budget on the costs of other personnel changes at NO, or are these to be left unspecified in the motion? What is our current rate of return on our interest bearing investments, and are you factoring in our mutual fund returns?

This proposal should not be exempt from proper business case planning, more so in fact given its potentially far reaching ramifications. This should be no different than any other financial proposal that came before National Council in the past. We do look forward to clarification on these and other matters queried in our proposal position.

Thank you in advance

Wednesday Mar 10, 2010

Hi Tony;

The ED will be a full time permanent employee. We need full time management of all aspects of the RASC, not just someone who comes and goes, project-by-project.

As Mayer stated, the figures are in the budget documents, already circulated. The executive committee consulted a number of statistics on salaries for executive directors and operations managers in the charitable and not-for-profit sectors in Canada in determining a proposed remuneration package.

The office manager is Jo Taylor. The nature of the job has changed, so the title has changed from executive secretary to national office manager - a better fit for the nature of the job.

You say:

Volunteer recruitment and retention, and charitable acts are better suited to be carried out at the Centre level.

Yes, as I stated in an earlier post, volunteer recruitment at the centre level works for the centre-level activities. Volunteer recruitment for executive positions, publication authors, producers & editors, and national committee chairs does not happen at the centre level. I submit that these positions are crucial to the entire RASC and are not accomplished at the centre level.

According to the by-laws, the executive committee is responsible for the day-to-day running of the RASC, and is also responsible for the hire and fire decisions. Council votes on many things, including budgets. Council does not vote on hire and fire issues.

Mary Lou

Wednesday Mar 10, 2010

Hello everyone,

I note that we have divergent opinions on the salary expectations for the proposed position. The budget is suggesting \$60K while others are suggesting numbers such as \$100K and \$150K.

Having worked for a year and a half at a professional association management firm I believe that it is fair to say that an ED earning in excess of \$100K would earn that money by:

- Having more than one person to directly supervise;
- Being responsible for organizing at least one and usually several major conferences each year;
- Controlling an operating budget in excess of \$1,000,000 a year; and
- Having a much larger fundraising goal / component to their work

In contrast to this, the RASC's vision for this position is a single experienced business leader, supervising one person and working to enhance member benefits, services and fundraising. Given what we are asking this person to do (which is a lot less than the ED for the Canadian Cancer Foundation or the United Way would be asked to do) I don't believe that hiring an ED means that we need to spend more than \$60K even in the Toronto market.

I believe that there are many competent business managers out there who are in late career who would enjoy the challenge of managing the Society's business operations and helping to grow / strengthen our volunteer base. I certainly would not be in favour of spending \$100K on such a position but I believe that \$60K is a reasonable amount that would attract appropriate candidates.

As a final point, I would like Council to consider our current risk situation. Right now we have one experienced person in the office who can manage our business operations and a temporary clerk with less than five weeks experience who is still learning how to use the photocopier. If Jo Taylor were to win the lottery tomorrow and move to Bermuda on five days notice we would be facing a serious crisis as she has absolutely no backup. In the proposed scenario we would have two more senior people working at the office (instead of one senior and one junior) who would be able to backup and cover one another during vacations or unexpected staffing changes. While the ED's position needs to stand on its own merits it is worthwhile to bear in mind that it is also a very cheap form of business continuity insurance for the Society.

Clear skies,

Denis.

Wednesday Mar 10, 2010

Exactly, so if an ED is brought in, then the bylaws would need to be changed, as the Executive Committee would not be running the day to day anymore, and thus their responsibilities will change.

Again, will our whole make up of Executive and council change.

Kim

Wednesday Mar 10, 2010

Hi Kim,

There's no need to change the By-Laws, if the Executive chooses to hire someone and delegate the operation of the Society to that person. No more than we need to have a By-Law change to hire a MemPub Clerk.

The Executive and Council may change, but, one step at a time...

James

Wednesday Mar 10, 2010

Hi Kim;

Exactly, so if an ED is brought in, then the bylaws would need to be > changed, as the Executive Committee would not be running the day to > day anymore, and thus their responsibilities will change.

Not really. The ED reports to the exec, who still carry the responsibility for the society. The ED acts as a delegate of the exec.

There will be a presentation about all of this at the council meeting.

Again, will our whole make up of Executive and council change.

No.

Mary Lou

Wednesday Mar 10, 2010

While the ED's position needs to stand on its own merits it is worthwhile to bear in mind that it is also a very cheap form of business continuity insurance for the Society.

An ED would also be able to ensure greater continuity in the running of the Society in the sense that he/she would probably be in office much longer than any President or other Executive member.

Every biannual change in the executive brings with it a learning curve for the new occupiers of those positions.

While the Council and the Executive would still be making decisions controlling the overall direction of the Society, the ED would be implementing those policy directions on a full-time, rather than a part-time volunteer, basis.

Initiatives that in the Society today tend to grind to a halt would be more readily accomplished with an ED able to dedicate more time to the tasks

We are also hoping to simplify our cumbersome bylaws so that we won't always be changing them every year or two.

Constant change is a sign that the bylaw is too complicated and too restrictive. If we're changing the thing as much as we have been, it represents a problem (or a symptom thereof).

Glenn Hawley

Wednesday Mar 10, 2010

Hello Council.

The discussion seems to have moved away somewhat from our original point, so maybe it's best that I give a little clarification on our concerns.

First of all, I think we are actually in agreement about most of the issues. I certainly don't want to make light of the work that National does, and we clearly recognize the urgent need for additional administrative support staff to support the tireless volunteer work done by national council. Our position is that the issue is not *whether* to hire, but what *kind* of hire needs to be made. The new position should be precisely targeted to ensure that the important administrative functions of the national organization, such as its publishing activities, be adequately supported. Our concern is that an ED charged with "high level" functions such as PR and fund raising will not assume the day-to-day office grind that is the major issue at hand. In the current environment, one ought to be able to hire the needed administrative support person at considerably less than \$60K/year.

The proposal for the ED that was circulated earlier this year was short on details about the precise, practical role that the position would take up. The concern and confusion shown in the discussion so far is evidence of this. I suspect that many people are talking about many different things when we use the term "Executive Director."

It may be the case that our ideas are in much closer alignment than we realize. However, given the fuzzy parameters that have been laid out for the job, we can't in good faith vote for a membership fee increase to fund a new major role within the RASC without knowing what, exactly, it is. Fee increases are a real, serious concern among our members. When I present a fee increase at our members meeting, I have to be ready to tell people what the increased cost of their membership will be getting them. We could justify to our membership the need to hire office staff who will handle the much needed administrative tasks. But we cannot justify an ill-defined, high-level executive position that would not provide services to membership, and hence would not alleviate the burden on the national council.

Short version: the Vancouver Centre is not against the changes in principle, but we need a much clearer direction and job description on the table before we can get behind any proposal that entails an increase in membership fees.

Regards,
Cameron Widen
National Rep, Vancouver Centre

Thursday March 11, 2010

Hi Mary Lou,

Thanks for your response to my queries. My comments are inserted below

Hi Tony;

The ED will be a full time permanent employee. We need full time management of all aspects of the RASC, not just someone who comes and goes, project-by-project.

As Mayer stated, the figures are in the budget documents, already circulated. The executive committee consulted a number of statistics on salaries for executive directors and operations managers in the charitable and not-for-profit sectors in Canada in determining a proposed remuneration package.

Your and Denis' replies have expanded on where your estimates may have come from. Thanks.

The office manager is Jo Taylor. The nature of the job has changed, so the title has changed from executive secretary to national office manager - a better fit for the nature of the job.

Thank you for this information. I don't recall seeing any notice to Council or any discussion of changes in Jo's role or title so that information is appreciated.

You say: volunteer recruitment and retention, and charitable acts are better suited to be carried out at the Centre level.

Yes, as I stated in an earlier post, volunteer recruitment at the centre level works for the centre-level activities. Volunteer recruitment for executive positions, publication authors, producers & editors, and national committee chairs does not happen at the centre level. I submit that these positions are crucial to the entire RASC and are not accomplished at the centre level.

Correct. I agree entirely with you on these points. Recruitment at the National level of governance has always occurred at the NC level among all participants and I would agree it is a much harder sell than at the local level. (I was very sorry to have to decline an invitation to sit on the Board Pilot Committee.)

According to the by-laws, the executive committee is responsible for the day-to-day running of the RASC, and is also responsible for the hire and fire decisions. Council votes on many things, including budgets. Council does not vote on hire and fire issues.

And this is actually part of the concern that several have voiced in the matter of hiring of an ED. The concern is that once NC has voted to approve the ED position, the Council will have little future recourse in the case that it may conclude that too much salary has been commanded or that expected results are not being achieved. Perhaps the motion coming at NC101 may include an employment probation period of say 18-24 months and offer some restriction on the total salary payable within this evaluation period.

We are still seek clarification as to how ED generated resources may be transferred to Centres. This will be an important consideration to Centres as their members will largely be funding the new position and Centres can only purchase current RASC resources at cost.

It certainly appears that there is broad support at NC for hiring professional help. The questions seem to be revolving around:

- what sort of position should be hired and what will be the foci of duties;
- how much expense should we expose ourselves to;
- how will some of the "ED" generated resources be transmitted to Centres without incurring cost.

I think the last paragraph of Cameron's e-mail of earlier this evening summed up very nicely the dilemma of many on NC. It is the best interests of the RASC for us to properly address these concerns before we vote on the proposal.

Regards,
Tony

Thursday March 11, 2010

Robert Dick wrote:

In the past when less information was to be digested with less strategic importance, the matter was tabled until Council could study the information. I realize that if this information was emailed out, few people would find the time to read it, but at least they would have had the chance to vet their views in this forum before the Meeting.

Hi Rob,

And that is just what happened. A substantive EC proposal was prepared and sent out prior to November's meeting. There was a substantive discussion at that meeting. Nothing material has changed since. So, as expected, it has been brought back now and has been enshrined into the 2010 budget and the fee increase motions. We also provided the required 30-days notice of the fee increase. None of this should have come as a surprise to anyone.

We also have to remember that this email list is not the meeting, but it is a useful medium to exchange information (but it is also very time consuming for the executive to read, research, and respond to the many messages when the usual workload continues). A power point presentation has been prepared that will be presented at the meeting where decisions are actually made.

We are also not professional managers and do not have unlimited time to prepared iron-clad (we have thought of everything) proposals and to research every possibility. As I mentioned previously, every major initiative comes with associated risk. In this case doing nothing, in our view, constitutes more risk.

--- Dave

Thursday March 11, 2010

Hello all again;

I recognize and appreciate the deep level of concern and commitment to the RASC being expressed on this list by members of council. It is good to know that we are all pulling in the same direction.

These are mighty challenging issues to discuss via email. Not everyone can read every word of every email. It's difficult - impossible - to fully communicate every aspect of every issue, and it's even harder to ensure that one's intentions are 100% correctly communicated to, and interpreted by, every reader. Email is fraught with the potential for misinterpretation. (I could complain here about the amount of time I am having to spend on this!) This is why this issue will be discussed at the council table, face to face, where we are far less likely to misunderstand one another.

We cannot conduct a council meeting by email. But, in an honest effort to answer as many of your questions as I can, to the best of my ability, before the council meeting, here is the basic ED proposal, in point form.

The Executive Director shall undertake oversight of the multiple management tasks of running our charitable, publishing, and membership functions. It is not a PR job. It is a management job with some PR components.

The ED will be a non-voting member of council and will replace the present national office manager's seat on council. Performance targets, timelines, and the measurement thereof, will be developed and evaluated in consultation with council.

Base Job Description

We need to be flexible in development of job description; elements of it will vary depending on the person we eventually hire to do the job, but the framework is:

- Maintain and improve relationships with, services to, members, Centres, customers
- Increase sales and membership base, expand into wider demographic
- Development of charitable programs and concomitant fund-raising duties (grant writing and administration)
- Daily oversight of programs and operations
- Management of charitable administrative chores
- Volunteer recruitment, retention, and recognition
- Development of human resources policies
- Assist with development of long-range, strategic planning
- Routine oversight, administration of internally restricted funds
- Routine management of investment portfolio
- Strategic promotion of publications and products with a view to long-term growth and health of RASC

Proposed reporting structure

- Office manager, committee chairs, editors will report to the ED
- ED will report to executive committee
- ED & executive committee will report to council
- Other volunteers work through committees, who in turn report to council
- Will require a year or two to develop smoothly working structure that meets our needs

Proposed Operating Structure

- ED and Exec will work closely day to day
- ED will monitor publication schedules & other time-critical events.
- ED to keep Exec fully informed on ED's actions until both parties are comfortable with how things are working
- ED cannot go off and do what he/she wants
- ED can investigate options, ex: new member benefits like astronomy trips or access to remote observatories and report to council
- ED must deliver proposals to Exec and NC for approval

Budget analysis shows ED can be funded through:

- Proceeds from publication sales
- Increased income from our long-term investments
- Modest membership fee increase of \$5-6

Note: expect Executive Director to take charge of grant writing that is to include some funding to support our other major staff position and/or charitable programs.

Why the fee increase?

- 50% of the ED's time will be spent on internal RASC and membership issues
- 50% of the ED's time will be spent on charitable issues
- Therefore the charity side and membership side should share in both the costs and benefits of having an ED

ED: What are the Benefits?

- Get out of chronic crisis management situation
- Consistent & full-time manager on the job
- Reduced workload and stress for executive members

- Hands-on oversight of multiple management tasks of running our charitable, publishing, and membership functions
- Continuity, consistency, stability and eventually institutional memory
- New capacity to work on long term strategy: mission, vision, programming!

The exec does not have an answer for every one of your questions.

Sorry about that. We are volunteers too, and our time and energy are not limitless. Nor is our expertise, no matter how much we might wish otherwise. And this brings us back full circle to why we need an ED in the first place. We don't have the time or expertise to manage the RASC to the extent that it requires and deserves.

Mary Lou

Thursday March 11, 2010

Tony Horvatin wrote:

We are still seek clarification as to how ED generated resources may be transferred to Centres. This will be an important consideration to Centres as their members will largely be funding the new position and Centres can only purchase current RASC resources at cost.

Only about 1/3 of the EDs salary/expenses would come from the fee increase (the assumption being that present fees roughly covers the direct and overhead costs of our membership operations) - the rest is from our other sources of income. Clearly we can't "transfer" money to Centres, but the budget does include about \$22,500 in proposed new educational programs - we have to be a charity (remember that 3-headed monster?). The decision about what those educational programs are undertaken would be the decision of Council, presumably as a result of education committee proposals or gosh, gee a strategic plan???

I would like to see us continue to provide educational resources, possibly new ones that can be used at the centre level for EPO activities as was the case in 2009 for IYA.

--- Dave

Thursday March 11, 2010

Hi MaryLou and everyone,
what really scares me about this list of tasks and duties for the proposed ED is not that it looks suspiciously like the list of tasks that Dave8 has been faithfully doing these past years. I'm sure we can find someone we can pay to do this work. What scares me is that anyone else who cares enough to become National President might be the kind of person who will either try to do most of the work anyway despite the efforts of the ED, or spend just as much effort looking over the ED's shoulder and double-checking everything. Not only that but National Council will always be second-guessing the ED anyway. The ED will have to a cast iron heart of gold. Has anyone looked into how ASP or other charitable organizations handle this?

Peter Jedicke

Thursday March 11, 2010

Hi PJ;

Has anyone looked into how ASP or other charitable organizations handle this?

Yes. You may notice in my 1VP report, my recent Bulletin article, and the Executive Perspectives column in the just-released electronic JRASC, that I have some comparisons between the RASC, ASP, AAVSO, and IDA.

They handle things with a (far bigger!) staff, and an executive director, who reports to the board of governors. We plan to attempt to do this too. It's the same sort of thing that many (every?) other charitable organizations do. We will encourage the president to make efforts to avoid micro-managing things and get on with the bigger mission and vision stuff that we have been ignoring of late.

Doing this is not scary. It is different. What scares me is NOT doing this.

Mary Lou

Thursday March 11, 2010

Hi Dave,

I have that document. I personally felt that an Executive "Director" would have a more strategic role than performing the tasks itemized in that document and in the email by Mary Lou.

Although this is not the intent that the ED would perform tasks, as we all know, tasks tend to fill the all the allowable time unless higher priorities are set.

Robert Dick
Ottawa

Friday March 12, 2010

Hello Council,

For many days I have been struggling with how much to say in this email, and how much to leave unsaid because of the harm it may cause to the RASC.

I very strongly support saving the executive from overwork by hiring an Executive Director, for all of the reasons so eloquently stated by those members of the executive who have to live with the current stressful situation.

However, I am very strongly opposed to yet another "modest increase in dues". *There have been far too many increases*. I voted for some of them, but I will fight this one if there is a motion to increase the dues by \$6 per annum, as has been proposed. The Okanagan Astronomical Society, based in Penticton, joined the RASC Okanagan Centre in December. The OAS dues were only \$20 per annum, but some of those *who could afford to do so* would purchase an Observer's Handbook and Calendar each year. I cannot in good faith tell these new members that I voted for a \$6 dues increase that I believe to be completely unnecessary. The Okanagan Centre has about 115 members. Only a few other centres have as many members from an area population base of 400,000. I would like the Okanagan Centre's membership to continue to grow, not plummet.

As Mary Lou has pointed out, the Executive Committee is solely responsible for hiring staff, and can exercise all of the authority needed to make decisions between National Council meetings. Thus the Executive Committee could have hired an executive director at any time, *if doing so did not require a dues increase*. Denis Gray wrote: "I believe that there are many competent business managers out there who are in late career who would enjoy the challenge of managing the Society's business operations and helping to grow / strengthen our volunteer base."

Having been a successful civil service manager, now retired with an adequate pension, and moved by reading yet again last November how stressed out the executive were and how they needed immediate relief, I made an offer to the executive shortly after the November National Council meeting. I offered to work as executive director immediately, at about one-third of the wage that they expected to have to pay for somebody without any knowledge of the RASC. My offer would have provided a competent manager, provided help in November, 2009 rather than having to wait until the fall of 2010, *and would mean that no dues increase would be needed*. If they only wanted somebody to fill the position temporarily, until they could select a permanent employee of their choice, I was available to serve for however many months or years might be helpful. My pension allowed me to offer to volunteer to help out for a small fraction of the cost that they expected.

"Civil service manager" may convey images of waste, but I never exceeded my budget (which was similar in amount to the RASC's annual budget although I had a staff of eight). When given a major capital budget of \$350,000, to build and equip a new weather office, I completed the project for \$99,000 which was 28 percent of budget. I accomplished this by finding and leasing the space myself, designing the office and choosing its equipment together with my staff to get exactly what we required, and supervising the contractor. Ottawa had expected me to waste the first \$50,000 on consultants who would have known nothing about our needs. Instead, we designed the office to meet our special needs, and hired somebody locally to draw the blueprints. By the time that Ottawa, who assumed that we were still just talking and wasting money on consultants, came looking for projects to cancel a year later, they were too late because the space was leased and our office was half-built.

When I offered my services in November, Mary Lou told me that the Executive Committee had not yet decided whether they wanted to establish an executive director position, and would not be hiring anybody for a long time, if ever. So I recently offered my services as an experienced manager volunteering to work for very little to a local

government here in the Okanagan that I had volunteered for previously, over a seven year period. So this 'gift horse' is no longer available to inexpensively assist the RASC.

However, the RASC is a greying Society with many retirees and a great number of babyboomers close to retirement. I urge the executive and Council to look for somebody else who has qualifications such as I offered, a retired experienced manager willing to volunteer most of the appropriate wage back to the RASC, rather than assuming that a youngster with no experience within the RASC must be hired at \$60,000 per year. For that salary, as Tony Horvatin's posts would suggest, we will very likely get somebody who sees the RASC Executive Director position as something to have on his or her resume, while she applies for a position paying much more per annum.

In November, 2007 I resigned as Treasurer over three serious financial matters that I learned the full extent of over the three days leading up to my resignation. A few months later Scott Young suddenly resigned as President. When the president and the treasurer both resigned suddenly within months of each other, this unprecedented occurrence should have caused alarm bells to ring all over National Council. National Council asked no questions, with the single exception of Kim Hay.

I realize now that I should not have rejoined National Council since it puts me in the position of having to discuss and vote on yet another fee increase, while knowing all that I know about the 2007 and 2008 RASC national budgets.

Alan Whitman

Okanagan Centre President and National Council Representative

Saturday March 13, 2010

Thank you, Alan, for expressing your personal point of view. I have responded to some of your remarks.

Thus the Executive Committee could have hired an executive director at any time,

Fee increase or no, the course of action you suggest would not have been an optimal process for hiring a management position. The executive chose to do more research and to inform and consult with council before taking action.

Mary Lou told me that the Executive Committee had not yet decided whether they wanted to establish an executive director position, and would not be hiring anybody for a long time, if ever.

This comment is a little out of context. At the time of that private conversation, no decisions had yet been made.

rather than assuming that a youngster with no experience within the RASC must be hired at \$60,000 per year. For that salary, as Tony Horvatin's posts would suggest, we will very likely get somebody who sees the RASC Executive Director position as something to have on his or her resume, while she applies for a position paying much more per annum.

These comments are entirely speculative.

Yes, you resigned as treasurer. We had, at the time, discovered some serious issues relating to how the Society had handled certain donations, and with the flow of funds within the RASC. The record shows that the present executive met those difficult challenges successfully and to the benefit of the RASC.

Scott resigned too. The reason was burnout.

Mary Lou

Saturday March 13, 2010

That is not a proper thing to say about Scott. And at the November Council meeting another member of the executive publicly attributed both Scott's resignation as president and Rajiv's decision not to serve the two years as past-president to burnout. If anybody writes either Scott or Rajiv a private email and asks, they will be given very different reasons for their departures.

Alan

Saturday March 13, 2010

Hi Alan,

I'll try and not to run too deep down a rat-hole here, as the real focus has to be on the issues of the creation of the ED role and the proposed fee increase. You said

"In November, 2007 I resigned as Treasurer over three serious financial matters that I learned the full extent of over the three days leading up to my resignation. A few months later Scott Young suddenly resigned as President. When the president and the treasurer both resigned suddenly within months of each other, this unprecedented occurrence should have caused alarm bells to ring all over National Council. National Council asked no questions, with the single exception of Kim Hay"

First, I don't recall seeing a detailed explanation from you regarding your resignation and the reasons for it at the time. You certainly didn't send one to the Council list underlining your concerns. Please correct me if my memory is faulty on this. Regardless, and to the point, the financial issues have been effectively dealt with over the past couple of years by the Executive.

Second, related to your original email (partly quoted above) as well as your follow-up to Mary Lou's response to your first email, what, exactly do your comments regarding past resignations and past presidents have to do with the issues at hand in the present? I've read and re-read your emails and other than the first three paragraphs of your first email, all I can see are vague allusions to matters that I don't see as being particularly germane to the present issues. I'm trying to stay focused on the motion before council as it is an important one. It's certainly one that the London Centre Executive is discussing. We're following the discussion and comments from the other centres with great interest.

Respectfully yours,
- Craig

Saturday March 13, 2010

Dear Alan,

Thank you for your email of Fri, March 12, 2010. It is enlightening in some respects, and confusing in others.

No one can question that advances in personnel structure, or salutary proposals for fee increases require careful consideration, which they are clearly getting on the Council list. I am, however, a little concerned about how you have couched some of your statements. It surely cannot have been your intent to portray yourself in such an unfavourable light.

Stating that *"In November, 2007 I resigned as Treasurer over three serious financial matters that I learned the full extent of over the three days leading up to my resignation"*, is tantamount to making a serious accusation without providing substantiated or substantial details, and is hardly fair to your friends and colleagues on Council, for you have not given us the means to dispassionately assess the case.

As it stands, reading your email, it is difficult to come to any other conclusion than in 2007 the RASC treasurer, a key executive player in the Society's structure, resigned right in the middle of a most difficult time in the Society's affairs, and in making plans for its future. In what way would such an action qualify someone to fulfil another key RASC position, that of the proposed ED?

I am virtually certain that this is not the impression you meant to convey with your email, and I am sure all your friends and colleagues on Council would agree.

Yours,
Randall

Sunday March 14, 2010

First of all, neither Mayer Tchelebon nor Glenn Hawley has any personal knowledge of these matters since they were not in office at the time. James Edgar knows very little about these matters because the Secretary is not involved in budget preparation.

Mary Lou has very circumspectly confirmed that there were significant matters. She wrote: "Yes, you resigned as treasurer. We had, at the time, discovered some serious issues relating to how the Society had handled certain donations, and with the flow of funds within the RASC."

If Dave Lane were to challenge me to state my concerns publicly, I would do so. Otherwise, I think that the RASC is best-served if these three matters remain buried.

Alan Whitman

Sunday March 14, 2010

Alan,

I'm almost at a loss for words. What exactly are you playing at? What relevance do your extremely vague insinuations have to do with anything relevant to the RASC today? If you have something to say, please say it. Plainly. Now.

What matters to me is that the finances of the RASC are now in order, largely due to the diligence of the current Executive and in particular to your successor, who did not shy away from the challenges that placed the RASC in a precarious situation. Those challenges have been met and we now can move forward secure in the knowledge that we are now in conformity with the laws governing charitable organizations and that our financial situation is much more stable than it was three years ago.

I cannot fathom what your motivations are, or what game that you think that you're playing, but I think it is incumbent upon you to speak plainly. If you cannot do so, I think it is obvious what you should do, if you are a man of honour.

- Craig

Sunday March 14, 2010

Hello again, council;

For everyone's information:

Mayer Tchelebon, as treasurer, is fully aware of all of the details of the problems we uncovered, and the steps taken to correct every practice and procedure that was discovered to be non-compliant with CRA's revised tax laws as they apply to charities. He was instrumental in ensuring every detail was attended to and every issue satisfied to the full extent of Canadian law.

James Edgar and Glenn Hawley are also fully aware of the details. They may have been less involved early on in the process, but have been very much a part of the actions taken to resolve the problems.

I feel obliged to also point out that members of council at the time, and ever since, were (and have been kept) fully informed of the matter in question. This has been an integral and necessary part of correcting the problem. Every step taken was voted on by council, and is now part of the recorded history of the RASC.

Mary Lou

Sunday March 14, 2010

On 14/03/2010 1:35 AM, alan whitman wrote:

Mary Lou has very circumspectly confirmed that there were significant matters. She wrote: "Yes, you resigned as treasurer. We had, at the time, discovered some serious issues relating to how the Society had handled certain donations, and with the flow of funds within the RASC."

Dear Council,

Alan acts as if items that he became aware of from his brief time as treasurer were not disclosed to the council, discussed and properly dealt with after his resignation nearly 2.5 years ago. This is not the case. He was no

longer present or privy to what discussions took place, what questions were asked or discussions that occurred about the resignations, charitable, or other issues.

Those left behind began immediately resolving the issues that we became aware of. We engaged our auditors, hired a charities lawyer, worked with the Vancouver Centre to keep an ongoing project going, recruited a new treasurer, and step by step over the following nearly two years we fixed all of the identified problems.

I want to remind everyone that the society has had two external audits since that time and our practices have been reviewed by a charities lawyer which resulted in a disclosure of our "off-side" (now corrected) activities to the Canada Revenue Agency. CRA has not yet closed their file - we have not had any formal response from them other than a few questions that confirmed that we did what we said we'd do.

He has made vague statements that suggest financial wrong-doing on behalf current or past members of the executive. I will not allow him to continue to make these vague statements on this list. Alan: Respectfully - please stop. If anyone wishes followup on this, they are free to move an amendment to the agenda at the meeting to be held later this month.

The difficulty when people resign is that they make a public and/or private statement that does often not provide the complete picture and those left behind, in respect to confidentiality or the wishes of those who resigned, are not able to engage in a free and open discussion about the matter. That puts us on the defensive without the means to properly defend ourselves.

Since I am not allowed to speak freely, I will not respond further on this matter.

Regards,
Dave Lane, President

Wednesday March 17, 2010

Hello Council,

In 2000 Motion AM2000004 increased the annual fee for ordinary members to \$40.

In 2010 it is proposed to increase the annual fee for ordinary members to \$73.

This is an increase of 82.5 percent in RASC annual fees over the past decade, a decade when inflation has been at historic lows. The inflation rate from October, 1999 through October, 2009 was only 23.5 percent [source: my pension which is indexed to the Statistics Canada inflation rate].

I think it goes without saying that every proposal for a fee increase is related to a proposed budget with a deficit. That seems straightforward, except that RASC national budgets are very conservative documents, and many years a forecast deficit becomes a surplus when the year is over and the books are audited. The most recent year, 2009, is an example of our typically conservative budgeting. On the report titled "RASC Year-by-Year Detail", the line on page 4 labelled "Net Profit/ (Loss)" shows a Variance of \$61,794. That is, the final books for the year look \$61,794 better than the budget had forecast. The same figure is given at the top of page 2 in the "Report of the Treasurer NC 101 2010 March 27", where it says: "we came out ahead by \$61,794 compared to the budget."

I participated in the preparation of the 2004, 2005, and 2006 budgets as a member of the Finance Committee, and in the 2008 budget as the Treasurer. **The treasurer does NOT make RASC budgets. RASC budgets are made by a group of people by consensus.** The four budgets that I participated in were joint efforts of the Treasurer, the Finance committee members, the First and Second Vice-Presidents, and the Executive Secretary. The advice of the First VP would be given the most weight when publication revenues and expenses were being discussed, for example, but everybody weighed in on every budget line that they wanted to express an opinion on. I don't recall ever having a vote on any line item. Rather, somebody's case was always accepted by the rest of the participants after discussion.

Having participated in so many budgets, I know that we were almost always pessimistic in our deliberations. A recent email from Treasurer Mayer Tchelebon says: "Our budgets are conservative: USD at parity, flat-to-small decreases in publication sales volumes, small reduction in membership levels, and a minimal amount of donations. In 2009 we have materially outperformed the budget in several categories. We are confident that the chance of achieving the stated projections is quite high."

Please refer to the figures on page 5 of the 2010 budget which has removed the proceeds of the sale of 136 Dupont from the 2009 totals, thus allowing meaningful comparisons between 2009 and 2010. The stated conservative approach resulted in the 2009 budget's forecast surplus of \$8682 turning into an actual surplus of \$70,549. The proposed budget for 2010 predicts that this significant surplus of \$70,549 will turn into a \$14,561 deficit in 2010, thus requiring yet another large fee increase!

If you accept this pessimistic scenario, please refer to the part of the "Report of the Treasurer NC 101 2010 March 27" that is labelled "Post-2010 Projection". That page assumes that an Executive Director has been hired and that the membership fee increase has also passed. Two figures jump off the page:

Impact from membership fee increase \$22,000 in additional revenue

New education programs \$22,500 in new discretionary expenses

It is obvious that, even with very pessimistic budget projections, the proposed fee increase of \$6 (another 9 percent increase) could be avoided if the nice to have, but discretionary, new education programs were not funded OR if the executive director was at all successful at her job of fund-raising, one of the selling points of this proposed position.

Now I want us to look at another budget year, 2007, as an example. As a member of Finance committee, I had been involved in the three previous year's budgets. Those were tough years, and I do not dispute that the fee increases made then were necessary. I was not involved in making the 2007 budget, but when it forecast yet another large deficit, 35 thousand, I became one of the fiscal hawks. I very well remember that any worthwhile proposal made before National Council during 2007, even inexpensive projects, was voted down if it required funding that was not already budgeted for. As a group, Council was disheartened by that big 35K deficit. When I was elected treasurer in July, 2007, I remained a fiscal hawk, as did almost everybody else on the executive and National Council. BUT take a look at the "Year end 2007 audited" figure. It is a small surplus of \$1675. **We called "Wolf" all year because the 2007 budget forecast another big deficit, and we ended up breaking even!**

How did that happen? On November 19th, 2007, just a few hours before the Board Pilot Committee was scheduled to discuss the 2008 budget, I discovered the huge error hidden in the 2007 budget, at the very end of that year's budget. The budget worksheet recommended "that monies from income generated from the Endowment Fund over the past several years be earmarked for this project" (the iMIS software, which was called MPA II software on the 2007 budget worksheet). **That transfer was not entered onto the 2007 budget worksheet, resulting in almost half of the forecast 35K deficit.** [The sum of 10K that was shown as transferred into our operating accounts was for MPA II consultant's fees, not for the MPA II (iMIS) software.] Subsequently, Council Motion 07202, passed on June 2, 2007, directed that this transfer from the Endowment Fund to pay for MPA II (iMIS) software be made, but it was not done. That transfer does appear on the 2007 audited year-end figures now, as part of the sum of \$29,424 that is called "Program Expense Transfers", found on the third-last line in the entire budget.

As Treasurer, I was delighted to learn on November 19th, 2007 that our 2007 finances were in much better shape than we had thought all year. [I had not had any role in making the 2007 budget, so had never checked any of the arithmetic.] Since we had been working with the actual year-to-date 2007 revenue and expense figures while preparing the 2008 budget, and since many items were looking much better than the 2007 budget had forecast, I knew then that with that transfer in from the Endowment Fund for iMIS, we would actually have a near balanced year-end for 2007. [As noted above, the 35K deficit actually turned into a small surplus, when the final accounts came in.] **With great pleasure I told the rest of the executive the good news.** Two members of National Council who attended the Council meeting held five days later, on November 24th, to pass a fee increase of \$4 and the 2008 budget, told me that evening, after the Council meeting, that **Council was**

unfortunately not informed of the huge error that I had found in the 2007 budget, that had turned it into a good news story.

I also want to discuss the 2008 budget. Like all budgets, it was prepared by consensus, with the greatest weight given to the opinion of the person responsible for the particular line item under discussion. Dave Lane, Bonnie Bird, Mary Lou Whitehorne, Bryan Kelso, and I spent many long days working on that budget, mainly by email. On Friday, November 16th, we were done, and all of us had agreed with every part of the budget that any participant had expressed an opinion on. **I had hoped for a balanced budget, but the final figure on Friday, agreed to by all participants in the budget-making process, was a 2008 budgetary deficit of \$10,705.25. That was a figure that I was comfortable presenting to the Board Pilot Committee and National Council.**

Then one member of the group called and chaired a teleconference on Sunday morning, saying that he had second thoughts on a few items. I expected a few suggestions for minor changes, some up, some down. It might seem strange that the Treasurer would not chair a budget discussion, but I was not about to get into a dispute about it since [when the call began] I felt extremely grateful to everybody who had worked so hard and cooperatively on the 2008 budget. Most of the proposals for changes were to either his cost areas or to Bonnie's cost areas. (We were told that she had not been invited to the teleconference because she deserved her Sunday off). All of the suggested changes were increases in expenses or decreases in anticipated revenue. I do not recall any of the rest of us suggesting changes in any of the figures that we had all agreed upon only two days earlier. It is difficult to dispute suggested changes in someone's own cost area, even though he had provided other figures a week or two earlier. Because my computer was not capable of preparing the budget spreadsheet and the running totals that Dave Clark's software provided, it was agreed that the revised budget would be sent out immediately after the phonecall by another participant (the budget had been promised to the Board Pilot Committee by Saturday). I had not expected major changes, and grew increasingly alarmed. The deficit sent to the Board Pilot Committee was \$30,325.68, drastically up from the deficit of \$10,705.25 that all participants had agreed upon only two days earlier. **The treasurer expressed his displeasure** [if that sounds like diplomat speak, it is intended to be].

The new deficit of \$30,325.68 for the 2008 budget was a figure very close to the 2007 deficit of 35K. (This Sunday teleconference was held on the day before I discovered the huge error in the 2007 budget.)

The Board Pilot Committee (BPC) was established by Council Motion 07206. It was always envisaged that the BPC would play a major role in budgetary matters. In fact, it was charged with "development of the 2008 operating budget for the Society for review and approval by Council". The BPC consisted of 12 people, the five members of the executive plus seven other persons who were elected by National Council. I had resisted the idea of a 12-person committee creating the budget from the beginning, as it seemed like a nightmare scenario for ever getting anything done. **However, I had always expected that the BPC would very thoroughly study the budget, ask probing questions, and make some changes before approving it. I envisaged the BPC spending hours at its budgetary meeting, just as National Council always had in the past.**

On Monday morning, November 19th, I learned the full extent of the CRA problems that David Lane briefly sketched in an email recently. That afternoon I discovered the mistake in the 2007 budget, that the funds had not been transferred in from the Endowment Fund to pay for the iMIS software.

I presented the proposed budget to the BPC on that Monday evening. As I say, I expected a lengthy grilling, and I fully expected that the bulging deficit would be slashed. Kim Hay had done her homework and asked good, probing questions. After only 20 to 30 minutes the architect of the BPC said that it was time for a vote on the budget because he wanted to discuss the new Observatory Park proposal that evening. **I protested that the BPC had not considered the budget in any depth at all.** The vote was called, and the 2008 budget, with its \$30,325.68 deficit, was passed. When it came before National Council in five days, they would know that it had supposedly earned the BPC's stamp of approval.

Because of the serious CRA matter, I had already decided that I would resign as treasurer a few days after I would present the budget to Council on the 24th. After the BPC did not reduce the deficit to a figure that I could believe in, I informed President Scott Young (who was on a month's leave from RASC business, related to his first child) that **I could not in conscience present the 2008 budget to National Council.** So I moved up my resignation as treasurer to Tuesday, November 20th.

On Saturday, November 24, 2007, National Council passed the 2008 budget with its large deficit, and also voted to increase the annual fees for ordinary members from \$55 to \$59 (Motion 07504). That evening I asked two members of Council whether they had been informed about the huge error that I had found in the 2007 budget on Monday (that nearly halved the 2007 deficit that had dominated all financial discussions throughout 2007), or that **I had refused to present the 2008 budget to Council as a matter of principle. Both members of Council that I asked said that they had not been told either of those things.**

In the end, 2008 proved to be an unpredictable year. While the final audited year-end deficit was only \$13,295, that was the result of higher fees on the onehand, countered by an unexpected legal bill of \$21,536 (related to the CRA problem) on the otherhand. But we do not budget for unforecast 21K legal bills. We had \$437,868 in our various funds available to pay for such disasters at the beginning of 2008, and they were so used.

On March 30, 2008, only four months after the the annual membership fee for ordinary members was increased from \$55 to \$59, the annual membership fee for ordinary members was increased once again, to \$66 by Motion 08121. A few months later, Motion AM0802 increased them to \$67, which is the current fee.

I would suggest that putting both the Executive Director and the proposed fee increases into the same motion may imperil getting the much-needed Executive Director. If they are split into two motions, Okanagan Centre will vote for the Executive Director, but vote against the fee increase.

I will not respond to any emails on these matters. I do not believe that it is in anyone's interest to go into greater detail.

Thank-you for your attention to this email. If it took a long time to read; it took four days to research and write.

Alan Whitman

Okanagan Centre National Council Representative

Wednesday March 17, 2010

Alan,

Thanks for clarifying what on the surface appeared to be covert stick-handling.
I support the suggestion to split the ED decision from fee increases – the two issues are separate.
The members of the Belleville Centre expressed their concern and displeasure with any fee increases, to the point of dropping out of RASC.

Don Town,
Belleville Center National Council Representative