



**ASOR Executive Committee Meeting
James F. Strange Center
209 Commerce Street
Alexandria, VA
February 9, 2020
9:00am-5:00pm**

Present: Richard Coffman (Chair of the Board); Sharon Herbert (President); Chuck Jones (Vice President); Heather McKee (Treasurer); Ann-Marie Knoblauch (Secretary); Jane De Rose Evans; Eric Meyers; Joe Seger; Lynn Swartz Dodd; Andy Vaughn (Executive Director), Susan Ackerman

Discussion Items

1. Call to Order

- The meeting was called to order at 9:00 AM (Richard Coffman)

Agenda Items from Saturday's meeting

The morning began with a discussion of agenda items remaining from Saturday's meeting.

2. Financial Items

2c. Discuss ASOR Budget to Forecast spreadsheet for FY 2020 (see distributed handout)

- Andy reviewed the FY20 budget, noting that there is at present a forecasted budget deficit of \$52,000.
- Andy asked if he should prepare a balanced budget for FY21 for the Spring Board meeting, even if it means staff cuts?
- Andy notes that the next three to four years will be challenging for ASOR. He has some concerns about how we can break even moving

forward. In many cases, when we lower expenses we lower revenue, so it is important to find area where we can cut expenses without lowering revenues, or grow revenues. He offered some ideas for how the budget might be brought out of the deficit.

- Growing the annual meeting can help the budget, and some meeting locations (Boston, e.g.) tend to attract a high number of attendees so that can help.
- Additional grants can support ASOR's budget. It also can help when portions of salaries can be charged to grants.
- Andy noted that ASOR has a maintenance fund for the building that will produce a 5% draw when fully vested. Currently it has \$60,000. He asked if we should spend down that capital to offset the budget deficit on direct building expenses?
- Andy asked if we should withdraw a higher percentage from the endowment)? ASOR currently has a conservative 3.5% withdraw, and Andy asked if we should increase that to 4.5% or 5% (still acceptable amounts).
- Andy asked how we should view the use of our unrestricted net assets available for operations (aka, our rainy day fund).
- Andy raised the possibility of renting out the third floor of the Strange Center as a way to generate revenue, but he recommended against it so that the third floor can be used for grant work and other ASOR operations.
- Andy recommends three options:
 - 1) Increase revenues for next year (through grants and through FOA initiatives)
 - 2) Cut costs (this is difficult, as it's hard to make any significant cuts without significantly cutting staff. The staff cuts would mean cutting operations and reducing our impact).
 - 3) A combination of the two with the use of unrestricted net assets (aka rainy day fund) for a period of 3–5 years. In this scenario, ASOR use our unrestricted assets to avoid deficits. The Annual Operations would have deficits with the goal being of breaking even by Fiscal Year 2024.
- Andy suggests the way forward is to focus on smaller grants (such as those offered by embassies), and we will build capacity and recognition of our work as those grants are completed effectively.
- Discussion turned to grants for which ASOR is well suited. This includes stewardship and education about the importance of cultural heritage as opposed to conservation (bricks and mortar projects).
- Susan suggested that Andy might present a budget deficit for the current year, alongside a forecasted three-year budget to show how things can settle positively in the next few years and allay fears.
- Andy received the general guidance that using unrestricted net assets for a period of 3–5 years was acceptable as we stabilized operations in a new environment / setting.

- Richard urged Andy to investigate tax exemption for the building.

2d. Discuss Spending Policy (i.e., distribution rate) for ASOR Endowment for Operations

- Andy asked the EC if we wanted to go from 3.5 up to 4.5-5.0% on endowment spending as a way to revenues available for our operating budget.
- Richard asked if it would be possible for our withdrawals to fluctuate with the accounts.
- Andy replied that if we wanted to tap into the “home equity” line there might be a way to do it, but we might want to get advice from Clearview, Sheldon, etc.

With these items discussed, we returned to the agenda items assigned to Sunday morning

1. Financial Administrator Job Description (AV)

- Sharon began with a brief history of how ASOR’s financial duties have been dealt with since the move to Alexandria (very effectively but not always with an efficient use of staff time and resources). Andy and Sharon both agree it’s time to hire an in-house financial administrator.
- Given current budget constraints, that line item has been taken out of the budget, but it needs to be revisited.
- Several options were presented (such as hiring two part time employees with different skill sets)
- Another question is the timeline for such a hire, and the fact that Alexandria is a tight labor market for such positions.
- Sharon commented that she supports a full time in house financial manager.
- Andy indicated that he would speak with Clearview about this issue and ask their advice.
- Andy hopes that such a hire can include a 2-3 month overlap with Britta.

2. Uses for Strange Center (SCH)

- Sharon began this discussion asking what should be done with the third floor. Already it has been set aside for some archive storage, but that will not take up the whole space. Sharon noted that any project would likely require a grant.
- Suggestions were as follows:
- A computer lab that could help ASOR fieldwork projects, to be used as a resource for producing publication, etc.
- A space for educational programs, including intangible cultural heritage.

- a research and study center, GIS lab, recording studio for archive cultural heritage, classroom to explore.
- Lynn noted that the way the building is set up, it makes more sense for the ground floor to serve as the “public space.”
- This led to a discussion about office locations, ADA compliance and flexible space for meetings.

3. Strategic Plan Redux. What next? (SCH)

- Sharon invited further thoughts as to how we proceed in producing a strategic plan by April 2021
- Richard proposed a committee, Lynn suggested at least one member of the committee should be attuned to ASOR’s financial realities and can represent the mission of the organization.
- Andy suggested that at the Spring meeting we divide into table groups to discuss assigned topics, possibly chosen in advance in order to empower Board members.
- Sharon asked if the CCC might also get involved, and Chuck agreed it was important for them to be a part of this.
- Andy noted that it is important for multiple opportunities for feedback from ASOR membership, and proposed allocating staff support early on so that it can be part of the process, he suggested several multiple hour time blocks to invite people to stop by and offer their ideas.
- The process will be reported in News@ASOR
- Sharon proposed the Strategic Planning committee include three representatives from the EC, three from the Board, and three from the CCC.
- Chuck proposed that exploring the programmatic use of the Strange Center should be part of the aspirational goals of the Strategic Planning Committee.

Meeting adjourned at 12:04 PM.

Respectfully submitted,
Ann-Marie Knoblauch