



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

2014-2015 Annual Report

of the

**Association of Federal Communications
Consulting Engineers (AFCCE)**

Annual Meeting held June 25-28, 2015 at the

**Historic Inns of Annapolis
Annapolis, Maryland**

AFCCE ANNUAL REPORT 2014-2015

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ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

AFCCCE BOARD OF DIRECTORS MEETING AGENDA

AFCCCE ANNUAL MEETING

MARYLAND INN

ANNAPOLIS, MARYLAND

JUNE 26-27, 2015

CALL TO ORDER AT 9:00 a.m. ET

1. Call to Order
2. Quorum Determination
3. Approval of Agenda
4. Approval of Minutes from June 2014 Annual Meeting
5. President's Report
6. Vice-President's Report
7. Secretary's Report
8. Treasurer's Report
9. Committee Reports
10. Old Business
 - a. Proposed changes to membership grade requirements
 - b. Review membership for Emeritus status
 - c. Membership application of James McDonald
11. New Business
12. Adjournment

Note: The meeting will recess at 11:30 a.m. June 26 to accommodate lunch at the Federal House and the tour of the United States Naval Academy. The meeting will reconvene 9 a.m. June 27.



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

AFCE SCHOLARSHIP FUND, INC. MEETING AGENDA

AFCE ANNUAL MEETING

MARYLAND INN

ANNAPOLIS, MARYLAND

JUNE 27, 2015

CALL TO ORDER FOLLOWING AFCE BOARD MEETING

ADJOURNMENT AT 12:30 p.m. ET

1. Call to Order
2. Approval of Agenda
3. Approval of Minutes from June 2014 Annual Meeting
4. Treasurer's Report
5. Scholarship Committee Report
6. Old Business
7. New Business
8. Adjournment

2013-2014 AFCCE Annual Meeting Minutes

Halifax, Nova Scotia, Canada

AFCCE Meeting: Friday, June 20, 2014

The 2013-2014 AFCCE Annual Meeting was called to order at 9:15 a.m. by President David Snavely.

Introduction of Officers and Board Members, quorum established. Introduction of meeting attendees. Ben Evans reviewed the policies for the tour of Nautel taking place on Friday afternoon.

Review agenda:

John Lyons made a motion to accept the agenda, seconded by John George.

Review minutes of 2012-2013 Annual Meeting:

Mike Rhodes made a motion to approve the minutes, seconded by Joe Davis.

Presidents Report, David Snavely

- Enhance AFCCE leadership position as an important technical organization.
- Encourage younger members such as student members.
- Highlight strategic session and object of AFCCE.
- Noted that AFCCE filed comments on FCC web shutdown, MB Docket 13-249
- The new AFCCE website includes a blog feature to encourage participation by members, supports membership contributing to comments.
- Regarding last year's annual meeting in French Lick, Indiana, and the tour of Electronics Research, Inc., thanks very much to Tom Silliman.
- Highlights desire to establish endowed scholarships. This will be proposed in more detail during the scholarship business meeting on Saturday.
- Highlight he will present a proposal on elevated membership status for Associates.

A motion to approve the President's report was made by Byron St. Clair, seconded by Tim Warner.

Vice President's Report, Ben Evans

- Highlighted goal setting session in September
- Develop goals for AFCCE and Scholarship
 - Streamline scholarship award process. This has been accomplished. Thanks to Rich Biby and his committee.
- Definitions between member and Associate
 - Highlight changes in By-laws that resulted.
- Thanked outgoing board members, Sid Khanna, Mark Neumann, Anne Goodwin Crump.

Motion to accept by John George, seconded by John Lyons.

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Halifax, Nova Scotia, Canada

Treasurer's Report, Ron Chase

- Described that AFCCE holds two accounts, both are tax exempt, but different. Provided details on interactions with bank, Wells Fargo.
- Has been in possession of four boxes of treasurer's material that has been provided to AFCCE Historian Jerry Manarchuck for review. AFCCE needs to develop a policy for data management (paper, electronic).
- Update on budgeting process:
 - Ron and others will form a committee to establish a budget. Ron Chase and Anne Goodwin Crump will be a part of this committee.
 - Notes that there has been a trend of increase in funds over the past few years.
- Recent move of the post office where the AFCCE PO Box is located, eight long block away from where it was, now not as convenient to be checked regularly. We are decided that we want to maintain the DC address for AFCCE.

Joe Davis suggests labeling the September dinner as a "Strategic Planning Dinner" to be more descriptive for the casual reader to better understand. Also asked when the last audit conducted? Action taken to do an internal audit in line with Article VIII. David will contact Larry Nass to see if he will lead an audit committee.

Motion to approve Treasurer's report by Tom Jones, seconded by Tom Cox.

Secretary Report, Eric Wandel

Discussion of membership renewals, especially late renewals and non-renewals.

Stephen Lockwood suggested reviewing older membership listing for possible action to move to Emeritus status.

Request by attendees to see the list of non-renewals so that they might make contact. Eric to bring this list in during Saturday meeting.

Motion to approve Secretary's report by Marshall Cross, seconded by John Garziglia.

Admissions Committee

To encourage student membership, the fee for application was suspended in the past year (though renewal will still have a fee).

Motion to approve by Eric Wandel, seconded by Stephen Lockwood.

Rules and Standards

Presented by David Snavelly.

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- Considers it very important to file comments in Docket 13-249.
- Wants AFCCE to continue the increase activity in FCC rule making. Invites all members to make suggestions and comments.

FCC Liaison Committee Report

David Snavely comments:

- Don Everist has stepped in for Jack Mullaney, but no formal activities this year.
- Steve Crowley – What is the process for providing comments, such as the new AFCCE Website? David would like the website to be a central point for collecting member comments. Asks Crowley opinion on web. Crowley sees a benefit to AFCCE making thoughtful comments in both broadcast and non-broadcast will tend to grow membership.

Motion to approve by Ben Dawson, seconded by Mike Rhodes.

Nominations Committee Report

- Announce winners of current election.
- Passed out table showing Board Terms, asking meeting attendees to consider nominating good candidates for next year with four board members' terms expiring.

Joe Davis motion to approve, seconded by Tim Warner.

Permanent Agreements Report

Ben Evans reviewed activities for the past year and contract renewals for next year.

- 2013 Mini-Symposium was well received. Planning another mini-symposium October 2014; which also the date of the Fall Social.

Motion to approve by Ben Dawson with a second by John George.

Professional Ethics & Agreements

Motion to approve by Eric Wandel and second by Tim Warner.

Program Coordinator – Ron Chase

- Ron plans to move on from this role and thinks someone more tied to FCC activities in their day-to-day work would be an appropriate chair.

Motion to approve by John Lyons and second by Tom Jones.

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Halifax, Nova Scotia, Canada

RF Exposure Guidelines Compliance - Ben Dawson

- Ben Dawson commented that IEEE has just approved a revised recommended practices for RF Safety Programs.

Website – Mike Rhodes

- Highlights – We have a new website, thanks to David Snavely and Chris Ruggia.
- Looking forward to making full use of the new website.
- Website updates: By-Laws; Constitution; Member List

Motion to approve by Ron Chase and seconded by John Collinson.

At end of business meeting scheduled time for the day. Will continue with "old business" on Saturday morning.

Joe Davis moves to adjourn, seconded by Byron St. Clair.

Meeting adjourned at 12:10 p.m.

2013-2014 AFCCE Annual Meeting Minutes

Halifax, Nova Scotia, Canada

AFCCE Meeting, continued: Saturday, June 21, 2014

David Snavely calls the meeting to order at 9:20 a.m. Continue with and conclude "old business" before moving to AFCCE Scholarship Fund Meeting.

Reauthorization of Special Committees

- FCC Liaison – Don Everest
- Luncheon Coordinator – Jon Reiser
- Program Coordinator – Martin Doczkat
- RF Exposure – Jim Hatfield
- Historian – Jerry Manarchuck
- Website – Mike Rhodes

David commends Ron Chase for the fabulous job he has done program coordinator.

Ben Dawson notes that Jim Hatfield is delighted to serve as the chair of the RF Exposure committee, as it is one of his primary intellectual interests.

Tom Silliman has put forth the idea of BTS funding a scholarship administered by AFCCE. Tom to work with Bob Weller to prepare for an October BTS meeting.

Motion to approve reauthorization of these committees was made by John George, seconded by John Lyons.

Discussion on Non-Renewing Members

Stephen Lockwood reviewed the list and suggests, for example, that Jim Riley, Howard McClure, and William Garrison might be considered for Emeritus status.

Discussion of new website and Updating

David Snavely will send a message to all members asking that they login to the new website. Login is: last name, first name, Initial Password: afcce123.

No more old business. AFCCE meeting adjourned at 9:49 a.m. Move on to AFCCE Scholarship Fund Annual Meeting.

2013-2014 AFCCE Annual Meeting Minutes

Halifax, Nova Scotia, Canada

AFCCE Scholarship Fund Meeting: Saturday, June 21, 2014

Meeting called to order by President David Snavely at 9:50 a.m.

Review Agenda

Motion to approve by Mike Rhodes, seconded by John George.

Review minutes from 2014 Annual AFCCE Scholarship Meeting

- Of note: Noel Luddy scholarship appreciates support of Dielectric and Sinclair. Andre Skalina of Dielectric states that they will gladly continue to provide funding for the scholarship.

Motion to approve by Tom Jones, seconded by John Lyons.

Treasurers Report

- Ron notes that two separate accounts exist, to a check made out to AFCCE, even if intended for scholarship, must be deposited to AFCCE, and then moved to the Scholarship Fund.
- Fall Social on October 30 is a fundraiser for the Scholarship Fund. Past President Mark Neumann initiated sponsorships at dinner. David invites everyone to sponsor.

Motion to approve by Stephen Lockwood, seconded by Joe Davis.

Scholarship Fund Committee Report

David Snavely thanked outgoing board member Anne Goodwin Crump for her service to the AFCCE Scholarship Committee.

- David – Looking forward to establishing the deadline for applications, at the same time as a conference call over the summer to establish officers.
- Thanks to Rich Biby and committee, we now have a good system for evaluating candidates. Now, as Anne mentioned in her report, we are providing fewer but larger scholarships; more selective.
- Tom Cox did a good job of combining an internship program with scholarship activity, in getting good candidates.

Motion to approve Marshall Cross, seconded by Mike Rhodes

New Business

Joe Davis asks that the governance documents of the AFCCE Scholarship Fund be made available, perhaps included in annual report material.

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Motion to adjourn AFCCE Scholarship Fund Annual Meeting made by John Lyons, seconded by John George.

Meeting adjourned at 10:23 a.m.

2013-2014 AFCCE Annual Meeting Minutes

Halifax, Nova Scotia, Canada

AFCCE Meeting, continued: Saturday, June 21, 2014

David Snavelly reconvenes the AFCCE Annual Meeting at 10:42 a.m.

Suggestions for 2015 Annual Meeting Location

- Byron – Volunteer services of his daughter if in the Denver area
- Silliman – Have been to the Broadmoor in Colorado Springs, Byron include the offer
- Ben – Stone Mountain park near Atlanta, Mark Fehlig suggested and would help organize
- John Warner - Annapolis, on the water, between seasons in June so quiet.
- Byron – 3-day Miami to Bahamas Cruise and back; Ft. Lauderdale convenient
- David – New Orleans; Galveston
- Tim Warner – Look at a hub airport city
- Ben & Stephen would support a NW meeting – Portland, Seattle; Boeing factory near; Bachman Mountain

Luncheon Program Suggestions

- Ron Chase - Broadcast Auction, ATSC-3
- Ben Dawson – Requests avoiding mid-week, prefer Friday due to long travel time
- John Lyons offers a presentation on WTC, if it moves ahead
- Ron also consider topics for mini-symposium
 - Chris Horne has suggested a paper on AM Noise
 - Perhaps make the entire mini-symposium about noise
- Andre – Can do a paper on what can be reused in a repack
- Dawson – Ongoing investigation of incidental IM
- Byron St. Clair – Have someone present actual use at OET69 use in repacking

New Business

- Tom Cox – What is status of Presidents serving two consecutive terms?
 - This has always been an option, allowable by current governance documents, implemented as two separate one-year terms.
- David – Believes we need to reform the rules that do not allow associate members to serve in President/VP positions.
- Lockwood – What is the process to enact the suggestion of adding a “lawyer” only associate board position? David – this will be taken up by the board in the upcoming year.

David Snavelly presented a proposal to convert all current “members” to Senior member and Associates to Members.

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Halifax, Nova Scotia, Canada

- Silliman – Discussions have gone on for years; consider how “consulting engineers” changes if not PE anymore at top/President.
- Dawson – State of California does not allow “consulting Engineers” unless licensed. Oregon – “Engineer” by court decision.
- Garziglia – Suggests – would elevation of non-PE’s harm the organization in some way?
 - Lawyer dealing w/ethical matters, professional organizations
 - What would the effect on AFCCE be if the new membership policy is adopted?
- Dawson – Two items
 - Criteria for being President/VP
 - Membership grades can be considered separately. Thinks it is easier to split these up.

This topic will be taken into further consideration by the board in the upcoming year.

Byron St. Clair moved to adjourn, seconded by Stephen Lockwood. Meeting adjourned at 12:32 p.m. local time.

2014-2015 AFCCE Annual Meeting Minutes

Annapolis, Maryland

AFCCE Meeting: Friday, June 26, 2015

President David Snavelly called the 2014-2015 AFCCE Annual Meeting to order at 9:08 a.m.

Attendees introduced themselves. Eric Wandel reviewed social plans for the meeting.

A quorum of the board was present.

Review Agenda

Don Everist moved to approve the agenda as modified, seconded by John George, no objection.

Presidents Report, David Snavelly

David Snavelly reflected on his growing up with the radio industry, from youth to engineering degree to station owner and, most recently, AFCCE President. He reviewed four things he felt AFCCE must change in order for the group to continue to prosper:

- AFCCE must be active in FCC and governmental affairs as they relate to broadcasting.
- AFCCE's scholarship fund is in need of reform.
- The full-member peculiarity needs to be reformed.
- AFCCE needs a designated administrator.

In discussion, Tom Silliman said Peggy Hunt might be available on a part-time basis to help with AFCCE administrative work.

A motion to approve the report was made by John Lyons, seconded by Joe Davis, no objection.

Vice President's Report, Eric Wandel

The Vice-President also serves as Chairman of the Permanent Arrangements Committee. Mr. Wandel thanked his predecessors, Ben Evans and David Snavelly. He reviewed the following permanent arrangement activities:

- Monthly luncheon meetings, September through May of each year
- Fall social dinner in support of the AFCCE Scholarship Fund
- Annual FCC Reception
- AFCCE Annual Meeting

Motion to approve the report by Don Everist, seconded by Larry Will, no objection.

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Annapolis, Maryland

Secretary's Report, Steve Crowley

Steve Crowley reviewed the Secretary's duties. He thanked Eric Wandel, the previous Secretary, for helping in the transition, and for ongoing assistance in maintaining membership records.

He reviewed the current AFCCE board makeup, noted the board had seven regular meetings, and noted that there were 213 active AFCCE members as of June 20, 2015. He suggested that the AFCCE Annual Report for 2014-2015 be published in electronic form, and that it include minutes from the 2015 Annual Meeting as well as from the 2014 Annual Meeting. Generally, he'd like members to see the minutes from the Annual Meeting sooner than one year following the event, as is now the practice.

He expressed the appreciation of the board for the hospitality of Fletcher Heald & Hildreth in hosting the board meetings.

A motion to approve the report was made by John Lyons, seconded by Marshall Cross, no objection.

Treasurer's Report, Ron Chase

Ron Chase presented two reports: a review of AFCCE finances from the last year, and a longer-term view covering 2004-2014.

AFCCE Treasurers Annual Report – 2014-2015

As of April 30, 2015 cash in the AFCCE checking and savings accounts totals \$139,351.71. The group had a net loss from May 2014 to April 2015 of \$1280.40.

Mr. Chase reviewed issues concerning Anne Neel's retirement, the new bookkeeper search, the AFCCE credit card, a federal tax problem that has been resolved, the yearly financial audit, and directors and officers insurance.

Review of AFCCE Finances from 2004-2014

At the direction of the President, Mr. Chase prepared a report looking back at AFCCE finances from 2004 to 2014. He discussed and presented several slides from the report. Based on the report and its conclusions, Mr. Chase makes several recommendations:

- Treasurer reports be made on a monthly basis instead of only on board meeting dates.
- The bookkeeper have software that can easily accommodate providing presentation of financial data on an annual or fiscal year basis.
- A comprehensive analysis such as the one he is presenting here occurs every three years.
- Look for greater uncoupling between dues and total income trend lines in any future analysis of dues and total income amounts.
- Further examine income trends for the Annual Meeting, the Fall Social, and the luncheons.

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Annapolis, Maryland

[Note: Following the Annual Meeting Mr. Chase made a few updates to his document, *Review of AFCCE Finances from 2004-2014*. There are minor wording changes, and a graph that had percentages totaling more than 100% has been corrected. The updated version is included in this Annual Report. Mr. Chase asks that members discard the document version received at the Annual Meeting.]

There was discussion on whether to use a fiscal year versus a calendar year, AFCCE signature authority, bonding of those who handle AFCCE funds, and the merits of paying for a professional audit.

Motion to approve the Treasurer's report by Don Everist, seconded by Bob Weller, no objection.

Meeting recessed at 11:28 a.m.

2014-2015 AFCCE Annual Meeting Minutes

Annapolis, Maryland

AFCCE Meeting: Saturday, June 27, 2015

Meeting reconvened at 9:07 a.m.

A quorum of the board was established.

Review of minutes of 2013-2014 Annual Meeting

Motion to approve the 2013-2014 Annual Meeting minutes by Don Everist, seconded by John Lyons, no objection.

Admissions Committee Report

The Admissions Committee reported on individuals added to the membership. Motion to approve the report by Joe Davis, seconded by John George, no objection.

Nominations Committee Report

The Nominations Committee reported on members placed on the ballot for elections to the upcoming vacant seats of the AFCCE board for the term beginning July 1, 2015. Motion to approve the report by Don Everist, seconded by Bob Weller, no objection.

FCC Liaison Committee Report

Don Everist reported on his committee's activities in AM improvement and noise concerns. He also mentioned a concern of the Federal Communication Bar Association's regarding attorney's handling multiple situations in the incentive auction and not violating the anti-collusion rule, and asked if Professional Engineers in AFCCE have a similar concern.

There was discussion of the FCC's proposal to reduce the number of field offices.

There was concern that while there were a number of matters that merit AFCCE participation, AFCCE members have diverse interests, and AFCCE forging ahead may conflict with some of those interests.

It was suggested that AFCCE might serve as a clearinghouse for information on AM interference.

Motion to approve the FCC Liaison Committee report by John Lyons, seconded by John George, no objections.

Professional Ethics and Grievances Committee Report

David Snively summarized the report that covered a professional complaint against an AFCCE member. The board agreed to actions items related to responding to this complaint.

Motion to approve the report by Don Everist, seconded by Tom Jones, no objections.

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Annapolis, Maryland

RF Exposure Guideline Compliance Committee Report

The committee reported no activity in the past year. David Snavely and others expressed appreciation of the committee's work over the years. Motion to approve the report by Bob Weller, seconded by Don Everist, no objections.

Engineering Rules and Standards Committee Report

Steve Crowley reported the committee brought several FCC regulatory items to the attention of the membership for possible comment. No input from members was received and so no further action was taken.

To help balance the desire for increased AFCCE participation in FCC proceedings with possibly conflicting member interest, the board has adopted FCC filing guidelines. A copy of the guidelines is included with the report.

There was discussion on how AFCCE members might be alerted to new web site posts on regulatory matters.

Motion to approve the report by John Lyons, seconded by Larry Will, no objections.

Website Committee Report

Mike Rhodes reported on website maintenance activities. He reported on the transition to a new online meeting reservation and payment system. He provided statistics of online reservations.

Several members expressed appreciation for ongoing improvements to the web site.

Motion to approve the report by John George, seconded by John Lyons, no objections.

Special Committee Reauthorizations

AFCCE bylaws require annual reauthorization of the following special committees:

- FCC Liaison
- Luncheon Coordinator
- Program Coordinator
- RF Exposure Guideline Compliance
- Historian
- Website

There was discussion on the need for an RF Exposure Committee. It was suggested and agreed to add a Social Media Committee.

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Motion to reauthorize all current special committees and add a Social Media Committee made by Steve Crowley, seconded by John Lyons, no objections.

Old Business

Proposed changes to membership grade requirements

AFCCE Associate Members are precluded by the AFCCE Constitution from serving as President or Vice-President. There is support for letting them do so, but it is not clear how this should be done. A related issue is the desirability of keeping a Professional Engineer (PE) requirement for Full Membership, and whether the PE requirement works against AFCCE membership and growth goals. In a straw poll of 13 Full Members present, two opposed dropping the PE requirement and seven were not opposed. This issue remains open for the board to consider.

Review membership for Emeritus status consideration

Eric Wandel asked if the board should be looking at bestowing Emeritus status on AFCCE's 21 current Life Members. He asked members to let him know if they think others should be elevated to Emeritus status.

Membership application of James McDonald

Motion to approve the application for Associate Membership of James McDonald by Steve Crowley, seconded by Eric Wandel, no objections.

FAA information inquiries

Don Everist mentioned a case where the FAA requested more-detailed tower information than usual, such as how many legs a tower had, and how a tower tapered with height. He asks any members receiving similar unusual requests to send copies of those requests to him.

New Business

Input on 2015-2016 events

For the next Annual Meeting location, Byron St. Clair suggests Denver; he can offer local support. Other Annual Meeting location suggestions include Havana, Boston, and a cruise.

Channel 6 interference

Jack Mullaney is concerned with how FCC staff is handling analysis of noncommercial educational FM interference to TV channel 6. He said he will send details to Steve Crowley for the board's consideration.

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Annapolis, Maryland

Election results

Steve Crowley reported the results of the AFCCE board election. Filling the Full Member director positions are Mark Fehlig and Bob Weller. Filling the Associate Member director positions are Ron Chase and John Lyons.

Adjournment

Motion to adjourn by John Lyons, seconded by John George, no objection. Adjourned at 12:04 p.m.

2014-2015 AFCCE Annual Meeting Minutes

Annapolis, Maryland

AFCCE Scholarship Fund Meeting: Saturday, June 27, 2015

Meeting called to order by President David Snavelly at 12:11 p.m. A quorum of board members was established.

Review Agenda

Motion to approve the agenda by John Lyons, seconded by Don Everist, no objections.

Review minutes from 2014 Annual AFCCE Scholarship Meeting

Motion to approve the minutes by Marshall Cross, seconded by John Lyons, no objections.

Treasurers Report

As of April 30, 2015 the AFCCE Scholarship Fund has \$2,921.91 cash. From May 1, 2014 to April 30, 2015 it had a net loss of \$7,322.00. All expenditures for the period went toward 11 awards.

Motion to approve the report by Steve Crowley, seconded by John Lyons, no objections.

Scholarship Fund Committee Report

Marshall Cross reported on the Scholarship Committee's awards and other work, including the proposed IEEE/BTS Jules Cohen Memorial Scholarship. David Snavelly noted a letter of appreciation received from scholarship recipient Irene Khuu.

Old Business

There was no old business.

New Business

The status of the proposed IEEE/BTS Jules Cohen Memorial Scholarship was discussed. Bob Weller said details are being negotiated. IEEE has a number of requirements on scholarships. Regarding sources of funding, Mr. Weller said some comes from the portion of IBC that IEEE BTS owns.

Adjournment

Motion to adjourn by Jack Mullaney, seconded by Don Everist, no objections. Adjourned at 12:50 p.m.



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

AFCCCE PRESIDENT'S REPORT—2015 ANNUAL MEETING

Written by David Snavely, PE

Forty-four years ago, in the summer of 1971, station KLIF, 1190 kHz, Dallas, staged a “summer radio seminar” at the aging downtown building that served as the “campus” of El Centro College. It was a public service outreach on the broadcasting biz for anyone interested in radio, and many, many people in Dallas were interested in KLIF. Gordon McLendon’s famous top-40 station dominated the local ratings in that hot era when AM was king. *Everyone*, it seemed, listened to KLIF. It blared from the open windows of cars stopped at traffic lights; its music screamed from the old tulip PA speaker under the eave of our best public pool over in Arlington. KLIF’s grave newscasters sternly raced through the headlines twice an hour and “The Old Scotsman” himself, McLendon, delivered social commentary that sandwiched a sense of conservative good judgment between the increasingly revolutionary messages of the music. These were magic years for me.



I was not driving yet. Dallas and Ft. Worth were not the one giant “Metroplex” they are today, and a trip to Dallas from Arlington was, in our family, *planned for*, as seriously as one to San Antonio. My good father, sensing that my interest in radio might be something to nurture and support, patiently took time out on those several Saturday mornings of the seminar to drive me to El Centro for the sessions.

I was not disappointed. We met and listened to KLIF’s famous “jocks”—Jim Taber, Mike Selden, Cousin Linnie. They shared stories of how they got into radio, how they had worked for many stations in tiny markets before making the big time at KLIF, and they told us if we wanted to be on the radio, we’d likely need to follow a similar path. The newscasters were there as were the station managers. So were the engineers. Hyman Childs, purveyor of a new sound we’d later euphemistically know as “urban,” appeared, spoke to us, and brought a DJ from his tiny little whistle of a Grand Prairie station called KKDA. Taber held up a radio “Pulse” ratings book and found an encouraging little rise for Child’s KKDA



following its radical departure from “easy listening” music. Taber chuckled at how far down they still were.

Fifteen years old, geeky, skinny as a rail and with black glasses that constantly slipped down my oily nose, I panicked when the seminar “students” were called on to introduce themselves. “I’m David Snavelly, from Arlington,” I whispered, hoping it wouldn’t be one of those times when my voice would crack. “And I’m interested in the technical side of radio.”

Taber looked at me for a minute, and then nodded toward his engineer. “There’s a budding engineer for you,” Taber deadpanned. “Looks kinda dense.” Ouch.

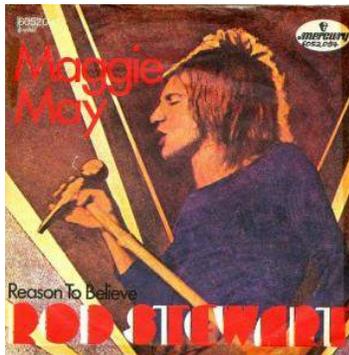
Taber’s instant assessment hurt, but it didn’t dampen my enthusiasm, and the highlight of the seminar came with a visit to the KLIF studios. I loved the dank feel of the control rooms, the custom fit of the professional turntables in the desks, the racks of carts and stacks of records, the carpet on the walls. I spent the rest of the summer dashing off letters of inquiry to any radio station whose address I could find, hoping beyond reason that somehow my ham license and my enthusiasm for radio could make me an asset to a struggling station manager somewhere in Texas. If I had gotten the call, practicalities like, How would I get there? Where would I live? What would I do when I did get there? didn’t cross my mind. I just wanted to be around a radio station and those radio people.

Gordon McLendon did not achieve his success by doing what everyone else did. He did not cling to the past but read the pulse of society, tried to understand and predict its changes, and sought to lead, not to follow. There was a hint of that during the seminar. One of the presenters noted that his favorite competition to listen to was an upstart FM with the calls KNUS. In fact McLendon had just sold KLIF for a record single-station sale price of \$10 million, and his non-compete agreement said nothing about his reappearance on the FM dial. So McLendon set about rebuilding the KLIF formula on the previously stodgy domain of classical music and educational programming, the FM band, with its greater fidelity and its stereo. He had read the trend and abandoned the AM dial at its peak and threw his energy into a new medium, using technical innovation and great marketing to lure the audience over to a new way of thinking. Top 40 on FM? Most people couldn’t fathom it. People like McLendon couldn’t fathom, why not?



Jim Taber’s “dense” (and probably accurate) assessment of me notwithstanding, I somehow managed to struggle through the University of Texas and earn an engineering degree. After many visits to radio stations, careful observation of and patient tutelage by profession giants like Ron Rackley and Bob duTreil, and tag-along trips with professionals like Steve Crowley, my love of our radio engineering profession grew. Elbow-rubbing at professional gatherings put on by the IEEE-BTS, NAB, SBE, and membership in AFCCE were indispensable to my formation.

What began with a crystal set and “Maggie May” blaring through a tinny swimming pool speaker culminated in my way-past middle-age years when “bucket lists” become important to a man. I purchased and ran station WIXI, Jasper, AL for five years and finally scratched that radio



bug. With my own station I got to do everything there is to do at a small town AM (and admittedly, not very *well*, many of them, but still). A phone call just this morning from two beloved members of my staff (small-market award-winners, those, BTW), reminded me how much I enjoyed those difficult years in Jasper.

But I never expect to enjoy a greater career honor than being chosen to serve for two years as your AFCCE President.

In reflection over these last two treasured years, feeling an obligation to share some thoughts, however sophomoric they may be, on AFCCE’s needs for its future, I hope the context above may be helpful. I am no super-engineer like Ben Dawson, not a futurist in the tradition of Bruce Franca, not an erudite insider like Don Everist nor a researcher of the stripe of a John Kean. I may be of some value as a persuader and I do like to apply what I’ve observed from those who have been far more successful than I. Here goes.

I believe that AFCCE finds itself doing its traditional educational and social functions in support of its members and our profession very well. Our luncheon meetings present the finest speakers as a result of the hard work of Martin Doczkat and his predecessor Ron Chase, aided by John Reiser and Don Everist. Our FCC reception this past year was the finest I can recall—a Ben Evans/Eric Wandel production. Our annual meetings have been much anticipated and very rewarding, due to the hard work of Mark Neumann, Ben and Eric, and Bob Weller. The AFCCE Fall Symposium, another innovation of Mark Neumann, is now a fixture of our yearly calendar. The Fall Social achieved record monetary support for our scholarship fund.

We have a powerful, interactive website created largely through the hard work of Mike Rhodes, providing the framework for a forum to allow members to weigh in on important issues and to easily register and pay for dues, functions and meetings.

All of these things we do very well, and they do not just happen; they happen because of volunteer support and hard work of our directors, committee chairmen and regular members.



What have constituted more of a struggle are those things that require thinking out of the box; those that require that we turn loose of old ways and attitudes and things we are familiar with, for the promise of reward and our posterity’s best interests. I would gently suggest that the past be valued for what it is: a teacher of what works well and what doesn’t; of familiar capabilities and appreciation for our colleagues; and for its contribution to our overall world of ideas.

But like last season’s fallen leaves, the past is not something to cling to; rather it must be put away so as to make room for the new growth to come.

As Gordon McLendon realized when he sold his AM stations and his drive-in movie theaters, change is inevitable and to survive, an organization has to identify the trends and make changes,

no matter how uncomfortable this may be. Having mentioned the things AFCCE does very well, I will now list those things within our beloved organization that must change in order for AFCCE to continue to prosper. Please note these are my own observations and do not necessarily reflect the opinions of my devoted fellow AFCCE directors.

1. AFCCE must be active in FCC and governmental affairs as they relate to broadcasting.

Early in the AFCCE year of 2013, your directors met with an organizational consultant to try to clarify the association's basis and purpose. It was determined that AFCCE remains a professional society of technicians, engineers and other professionals with primary interest in the broadcast and related industries. We are here to advise and consult the FCC on matters related to matters it regulates, and to provide for our mutual support in doing so. However enticing it may be to consider a change in clothes to attract cellular engineers, enterprise networking professionals, computing enthusiasts, etc., what with those industries' explosive growth and importance, they are outside our primary audience. Their issues are not our issues. To change the association's name to downplay the FCC relationship or to spend a lot of time convincing other regulated radio services professionals that AFCCE is for them has been considered in the past, but is not practical. It's easier to recruit from a big population than from a smaller one. But we have built careers doing not what is easy, but what is difficult.

One of the problems I've had with getting us more active in Commission affairs and producing appropriate support for industry trends stems from a lack of communication and input. We have professional members who are very involved in the AM rejuvenation effort, in digital broadcasting, in advanced television standards, in the coming TV incentive auction, etc. AFCCE needs as an organization to get behind these efforts, support work and initiatives and make substantive comments to the FCC, on positions that are in the best interests of its members and the broadcast industry. The website was designed so that members may posit and vigorously discuss the issues necessary to crystallize advice and consent to the FCC. This resource has not been utilized to its potential yet remains available for that purpose.



An activist AFCCE would provide many benefits to its members and increase its visibility and numbers. The whole cycle, consisting of informing members of current rulemaking proceedings, soliciting comments, discussing those comments, and crafting a response, and then following up, requires time and effort and isn't fully practical under the current monthly board meeting structure. This process should be thought out and implemented with the highest degree of urgency, as our AFCCE constitution requires it.

2. AFCCE's Scholarship Fund is in need of reform.

A vibrant, visible scholarship program is one of the top ways to insure AFCCE's growth and contribution to our profession. We have a good basis from years of fine scholarship program leadership, most recently through the efforts of David Layer, Rich Biby and

Marshall Cross. These past two years we implemented several innovations that have strengthened our scholarship program. We developed standard documentation to assist the award process. We increased the number of schools and sought new contacts from whom we solicit applications. We considered grades more closely, as a predictor of academic and professional success, and we made personal contact with our applicants and winners. We revived AFCCE Student Membership and encouraged our scholars to join. All of these are great steps.



The fact remains, however, that we continue to scramble to make our application materials available prior to the upcoming semesters. We find ourselves “kicking the can down the road” when it’s time to evaluate the students and award the scholarships, due to the late start we get, and those awards are made well after the school year has started. The process is dependent on the time and personal initiative of a very few people, and any interruption in that cycle derails the train.

Our scholarships are not endowed. Like the family living paycheck to paycheck, we spend what we take in every year, leaving the program exposed to industry downturn and the time-available aspect mentioned above.

All this needs attention. AFCCE should solicit and invest funds in an endowed scholarship program whose assets are managed by the board of directors. The semester awards need to be paid from the revenue generated by these investments, not from the principal itself. A way needs to be developed to identify and fund extremely promising students who demonstrate a high amount of interest in broadcasting technology. Those students once identified and awarded should then be assured that AFCCE support of their education will continue through the completion of their degrees. This will provide AFCCE with an opportunity to truly sponsor outstanding students who will enter the profession, bringing enthusiasm and vigor with them.

The status quo is easier... raise some money, give it away. But it’s not sustainable, and one day, something is going to happen and no awards will be made. That will be an unforgivable breach in the confidence we have with our scholarship donors, and it must not happen.

3. The “full member” peculiarity needs to be reformed.

The professional engineering registration requirement for full membership is an unnecessary albatross in today’s industry reality. AFCCE has and does number within its rolls not a few professionals who happen to not be registered. Those associate members are not eligible to be president or vice-president of the organization nor can they vote for full-member directors. This is an unnecessary distinction that ties a hand behind us insofar as choices and beneficial opportunities for organizational leadership go.

AFCCE needs to have a way to elevate those associate members to full membership, and an ongoing program to evaluate the credentials of new members who might happen to not be registered and to bring them into full membership. Eric Wandel has thought this process through and will be presenting his ideas at the annual meeting. A constitutional

and bylaw change modeled after Eric's recommendations should be implemented as soon as possible.

4. AFCCE needs a designated administrator.

During my term we bade goodbye to Peggy Hunt, who competently served as a reliable front-office voice for AFCCE for years, with support of her employer ERI. Her absence



has underscored our need for someone to maintain an office, pick up the mail, answer the phone, maintain the website, send out the renewals, and provide a consistent base for the organization. It's too demanding for volunteer work. The choice should be made from candidates who have an interest in our business and are paid for the hours they put into the job. The consistency that person would lend to our efforts would pay great dividends and allow the directors, and especially the secretary, to participate in the advice and consult functions of the association beyond the routine, yet

important, day-to-day tasks.

These things I see as AFCCE's most pressing needs.

Thank you for your support during my time as President. For those I disappointed, please know I realize that, and I'm sorry. I apologize. For all those who helped, all the members and officers and presenters and workers, everyone who updated their web profile, or came to a lunch or function, thank you.



And now, as you apply yourself to AFCCE and guide its future in the years ahead, remember what A.A. Milne is reputed to have said:

"You're braver than you believe, and stronger than you seem, and smarter than you think."

So long,

David Brandy



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Annual Report of the Vice President / Permanent Arrangements Committee

The role of the AFCCE Vice-President is to discharge the duties of the President in his or her absence. During the 2014–2015 term, President David Snavelly presided over all of the Board meetings. The Vice-President also serves as the Chairman of the Permanent Arrangements Committee. The details of that Committee's activities during the 2014-2015 term are also described herein.

I would like to thank my predecessors in this role, both Ben Evans and before him David Snavelly, for their great examples in the primary undertaking of the Vice President, which is the permanent arrangements.

Permanent arrangement activities include planning:

- Monthly technical luncheon meetings, September through May of each year
- Fall social dinner in support of the AFCCE Scholarship Fund
- Annual FCC Reception
- AFCCE Annual Meeting

All contracts for regular meetings, the Fall social and the FCC reception were in place prior to the start of my term, with only the final details of attendance numbers and menu selections to be coordinated with the venues. This planning by Ben Evans before the end of his term as Vice President in the prior year made the task relatively simple.

Monthly Technical Luncheons

Luncheon meetings were held on September 24, October 30, and November 20, 2014, as well as January 23, February 20, March 20 and May 22, 2015. The October meeting was held in conjunction with our afternoon Symposium. All of the luncheons were held at the Key Bridge Holiday Inn in Rosslyn, VA.

The cost for members and their guests to attend the luncheon meetings was again held at \$45. The Rosslyn Holiday Inn has been very easy to work with, the prices are reasonable, and they are happy to make special meal accommodations for religious or dietary reasons. The free parking and the short walk from the Rosslyn Metro Station make this venue especially appealing.

I would like to thank John Reiser for his help in facilitating the luncheon meetings. In practice, John will typically keep track of the registrations for lunch and interact with the venue staff on meal counts. John also ensures that the audio/visual equipment is ready to go for each presenter, brings name badges for all attendees

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including guests, and keeps track of actual attendance on the day of the luncheon. With John paying attention to all of these details, the luncheons seem to run themselves! Thank you, John.

Special thanks also to Martin Doczkat and others who help identify and arrange for the speakers for the luncheons. The topics this year have been excellent. Thanks also to Don Everist for video-recording the luncheon presentations and helping reach out to the right contacts when needed.

Board meetings were held on the same days as the AFCCE luncheons. We greatly appreciate the support of the law offices of Fletcher Heald & Hildreth in providing the room and refreshments for the Board Members.

The Holiday Inn has already been reserved for the 2015-2016 luncheon dates. These dates along with the other 2015-2016 regular events are shown in the table below. Contracts are in place with the Holiday Inn Roslyn and with the National Press Club for all events.

AFCCE 2015-2016 Event Schedule

<u>Friday, September 25, 2015</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Dogwood Room
<u>Friday, October 30, 2015</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Shenandoah AB Room• Afternoon AFCCE Fall Symposium in Ball Room• Evening AFCCE Fall Social Dinner at the Vantage Point Restaurant
<u>Thursday, November 19, 2015</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Shenandoah AB Room
<u>Thursday, November 19, 2015</u> - National Press Club <ul style="list-style-type: none">• AFCCE FCC Reception, Holeman & First Amendment Lounges, 4pm-7pm
<u>Friday, January 22, 2016</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Dogwood Room
<u>Friday, February 19, 2016</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Dogwood Room
<u>Friday, March 18, 2016</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Dogwood Room
<u>Friday, May 20, 2016</u> - Holiday Inn Rosslyn <ul style="list-style-type: none">• Monthly luncheon in Dogwood Room

Note that the Shenandoah AB room is the room to the left off of the elevator, the room we used for the first AFCCE Fall Symposium in 2013. This is a bigger space than the Dogwood Room, which is not available on Oct 30 or Nov 19.

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Symposium

Due to the move of the IEEE-BTS Broadcast Symposium out of the DC area, the Board decided in 2013 to have an expanded luncheon for our October luncheons, followed by the Fall Social that evening, both at the Holiday Inn in Rosslyn.

The Symposium ran from 1 p.m. until 4:30 p.m. ET on October 30, 2014. The program presenters for the mini-symposium were:

- “Improving the AM band – Why noise quality is more important today than ever before”, Chris Horne, Co-founder and CTO of Spectrum Velocity, LLC, Raleigh, NC
- “NAB labs all-digital AM test project”, David Layer, Senior Director, Advanced Engineering in NAB’s Technology Department, Washington, DC
- “Status update on the AM Revitalization Proceeding”, Tom Nessinger, Senior Counsel in the Audio Division, Media Bureau of the Federal Communications Commission
- “AM radio station transmitting antenna evolution from Marconi-inspired wire arrangements to multi-tower arrays”, Ron Rackley, Principal and Senior Engineer at du Treil, Lundin & Rackley, Inc., Sarasota, Florida

Fall Social - October 30, 2014

The Fall Social was held on the evening of October 30th following the mini-Symposium. There were 39 people in attendance at the fall social.

Sponsorship contributions for the AFCCE Scholarship Fund totaled \$8775. This includes nine (7) Gold Sponsors at \$500 each, nineteen (19) Silver Sponsors at \$250 each, and four (4) additional individual sponsors (two contributed after the event). All donations are applied 100% to the AFCCE Scholarship Fund. No contributions are used for other expenses related to the Fall Social.

FCC Reception - November 20, 2014

The FCC Reception was held on Thursday, November 20, 2014 at the National Press Club. There were approximately 57 reception reservations from AFCCE members and their guests plus 82 names from the FCC for a total registered attendance of 139 people.

The Holeman & First Amendment Lounges were reserved for the reception at a combined rental fee of \$2300 from 4pm-7pm.

The FCC legal office refused allowing AFCCE to provide bus transportation for FCC staff, so the bus arrangements were cancelled with a loss of 75% of the cost.

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Following the success of the AFCCE FCC Reception on November 20, 2015, AFCCE requested the same day (Thursday prior to Thanksgiving, November 19, 2015) be reserved for our event again next year, and a contract is already in place.

It should be noted that several FCC staff attendees praised the 2014 event and venue and commented that traveling to the event was easy to do and that they had looked forward to attending. Approximately 140 people had registered for this very successful event. In combination with the troubles we encountered trying to provide transportation (the FCC legal office refused allowing AFCCE to provide bus transportation for FCC staff, so the bus arrangements were cancelled with a loss of 75% of the cost), no plans will be made to provide transportation for the year's event.

AFCCE Annual Meeting 2015

The 2014-2015 AFCCE Annual Meeting is being held in Annapolis, Maryland, from June 25-28, 2015. AFCCE has contracted with the Historic Inns of Annapolis to hold our meetings there from Thursday, June 25th through Sunday, June 28th.

AFCCE negotiated a block of 30 rooms at the rate of \$150/night with 70% attrition, meaning that we are responsible for filling 21 rooms. As of May 21, 2015, 25 of the 30 rooms have been reserved. An estimated 31 AFCCE members will be present for the business meetings. The meeting registration fee remains the same as it has been in past years and is \$350 for AFCCE members, or \$600 to also include a guest.

The agenda for the meeting is shown on the following page.

2015 AFCCE Annual Meeting

June 25-28, 2015

Annapolis, Maryland

2015 Annual Meeting AGENDA

Thursday, June 25th

5:30 pm – 8:30 pm	Opening Reception	Governor Calvert House, Atrium and Patio
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Friday, June 26th

7:00 am – 9:00 am	Breakfast	Maryland Inn, Crown & Crab (downstairs)
9:00 am – 11:30 am	AFCCE Business Meeting	Maryland Inn, Duke of Gloucester Room
Noon - 1:30 pm	Lunch with Speaker	Federal House, 22 Market Space (waterfront)
2 pm – 4 pm	Tour of United States Naval Academy	Starting at US Naval Academy Visitor Center
Evening	Free time	

Saturday, June 27th

7:00 am – 9:00 am	Breakfast	Maryland Inn, Crown & Crab (downstairs)
9:00 am – 11:30 am	AFCCE Business Meeting	Maryland Inn, Duke of Gloucester Room
Afternoon	Free time	
6:00 pm – 9:30 pm	AFCCE Annual Reception and Banquet	Naval Academy Club, US Naval Academy
	6:00 pm – 7:00 pm, Cocktail Reception 7:00 pm – 9:30 pm, Dinner	

Sunday, June 28th

8:00 am – 11:00 am	Breakfast	Governor Calvert House, Jonas Room and Patio
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SPECIAL NOTE:

The AFCCE Ham Station for ARRL Field Day will be setup on the terrace patio (side patio) off of the Jonas room of the Governor Calvert House from Saturday afternoon through noon on Sunday. This location is also where the Sunday farewell breakfast will be served so that we can all gather to observe and participate in this first ever AFCCE Field Day activity. Check with David Snively to see how you can assist and participate in the AFCCE Ham station setup and operation.

2015 AFCCE Annual Meeting

June 25-28, 2015

Annapolis, Maryland

AFCCE Printed Directory

The 2014 AFCCE membership directory was printed and mailed to all AFCCE members in April. Garrett Printing in Evansville, Indiana, printed the directories and took care of the mailing, postage, 1065 color copies, 213 b/w copies, over night shipping of the initial prints sent for the March 20th meeting, and the freight of left over directories. The printed color copies were copies of the annual meeting announcement which were included in each mailing. The b/w copies were for a cover letter included with each directory.

The 2015 AFCCE Membership Directory is being prepared to enter production now pending information review.

I would like to thank my fellow AFCCE Board Members and those that serve on the various AFCCE Committees. It has been an honor to serve as Vice-President of AFCCE for the 2014-2015 term.

Respectfully submitted,



Eric Wandel
AFCCE Vice President



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

Annual Report of the Secretary Term 2014-2015

Introduction and Duties

As specified in the AFCCE Constitution, the Secretary is responsible for preparing records of AFCCE meetings (the minutes), sending notices on behalf of the Association, and keeping the official documents of the Association, except financial ones. In the absence of both the President and the Vice-President, the Secretary performs the duties of President.

Practically, Secretarial duties are a group effort and I receive significant help from other Board members. The previous Secretary, Eric Wandel, helped my transition into this office. I appreciate his assistance in several areas throughout the year, including maintaining membership records.

Board of Directors and Officers

For 2014-2015, the Association's Board of Directors and Officers consisted of:

David Snavely	President
Eric Wandel	Vice-President
Steven Crowley	Secretary
Ronald Chase	Treasurer
B. Benjamin Evans	Director (Past Vice-President)
Richard P. Biby	Director
Garrison C. Cavell	Director
Marshall Cross	Director
David Layer	Director



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WASHINGTON, D.C.

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Regular Meetings of the Board of Directors

The AFCCE Board of Directors had seven regular meetings during the period between July 1, 2014 and June 30, 2015. They were held on the following dates: September 24, October 30, and November 20, 2014, and on January 23, February 20, March 20, and May 22, 2015.

The Board is grateful to Fletcher Heald & Hildreth for their hospitality in hosting the Board meetings.

Membership

As of June 20, 2015, there are 213 active AFCCE members. The Admissions Committee report details membership actions during the year.

Annual Report

The AFCCE Annual Report for 2014-2015 is to be published in electronic form following the Annual Meeting. Individual reports presented during the Annual Meeting maybe corrected or updated for the Annual Report. It is planned to include the minutes from the 2014-2015 Annual Meeting in the 2014-2015 AFCCE Annual Report.

Respectfully submitted,

Steve Crowley
AFCCE Secretary

June 24, 2015

AFCCE Treasurer's Annual Report **2014-2015**

This report covers the financial status and transactions of the Association from May 1, 2014 through April 30, 2015. The commencement date follows the ending date of the 2013-2014 Treasurer's Annual Report.

The attached AFCCE Treasurer's Annual Report dated 5/1/14 – 4/30/15 shows a balance of \$61,933.34 in the Association checking account and \$77,418.40 in a Wachovia Bank Money Market Account opened on 5/27/2010. The Association operates on a cash basis. The total income for the reported period was \$46,552.91. This **does not** include an amount of \$2570.00 received and earmarked by members for the AFCCE Scholarship Fund. \$5140.00 which includes the earmarks and matching funds has been transferred to the Scholarship Account as of May 14, 2015 (beyond the reporting date here). The attached Gain and Loss and Balance Sheets provide current as well as historical detailed information.

The following events occurred during this period that departed from the usual year-to-year procedures that the Treasurer normally encounters.

Anne Neel's Retirement: Our bookkeeper informed us in January that she will retire sometime mid-year (exact date not determined). She stated she would be willing to stay on past her retirement date to help AFCCE transition to a replacement service, but if we were not able to complete that before the end of the year, she would have to turn over the books to the Treasurer.

New Bookkeeper Search: Details on the Treasurer's search for a new bookkeeper are presented in an Attachment. At this point in time, our bookkeeper has begun coordinating and working with Ms. Denise A. Branson, a paralegal with the FHH law firm, to train her in the requirements for the bookkeeping position. The board will make a decision on a selection for this service/position after Denise's training is completed. Along with our other options, she will be evaluated for the position.

Report: Review of AFCCE Finances from 2004 – 2014: At the 2014 Annual Meeting the Treasurer was request to "look at and report on the state of AFCCE finances". This overlapped and complimented the work to develop a budget, so both endeavors are included in a separate report to fulfill that requirement.

Credit card: Our account with USAepay was closed (maybe?) in Feb, and an account with Authorize.net was opened. Some minor issues in the transition have occurred, but tracking and recording credit card (cc) charges are straightforward. The new credit card site automatically sends an email to an individual confirming receipt of a refund for an event.

One problem remaining with cc charges is identifying the member when a cc charge is made by a non-member (on the members behalf), and identifying the specific event associated with the charge. It's expected that information from the AFCCE registration sheets (still in development) on the new web site will resolve these issues. The credit company has recently announced they will accept e-checks which would

accommodate fixed date bank payments. Also at least one member has asked about making multiple year payments at one time. These options will be considered at the next board.

Federal Tax Problem: AFCCE was notified in a letter from the IRS that they received our 2013 tax return late, and they would assess a late filing penalty (\$2,588.00). Our tax agency representative indicated the return was e-filed on time, and engaged the Taxpayer Advocate Service (TAS) to advocate on our behalf. Treasurer, working with the TAS, provided a letter explicitly stating that the signature and date on the return were accurate and that the return was filed in a timely manner. IRS removed the penalty and suggested that in the future we consider methods that will provide proof of a timely filing. Our tax agent will provide an electronic receipt (received this year) for all future filings.

This incident has led me to use the “signature required” form for mailing the bookkeeper’s tax information to the IRS. I received a receipt for this year’s mailing.

AFCCE Bank Credit Card: The need for an AFCCE card arose from the realization that future Treasurers may not want to use their personal card for AFCCE business. It can affect the user’s credit rating negatively, and problems can and do occur. As an example:

In July 2014 the Treasurer’s credit card account showed two, exact duplicate listings for the bus service hired for the FCC reception. The charge was disputed and settled in my favor in late August.

Some board members stated they would not be comfortable using their card. Also, my personal card accrues “points” based on purchase amounts, so it is unsettling to personally benefit from AFCCE use.

Treasurer recommended and board has agreed that AFCCE should have its own credit card. Several types of cards are available from our Bank (Wells Fargo), and the description of these types is available on the business side of the bank’s web site. The card would be issued to the person the board designates to use it and it would be linked to the AFCCE bank account if we chose that option. The Bank stated it would not be a problem with changing the card owner every couple years. A selection for the type of card will be presented to the next board for approval.

Yearly Financial Audit: The requirement for a committee to audit the organization’s financial information presented at the Annual Meeting has been implemented by requesting a previous Treasurer to review the information and to provide a letter with his findings. Treasurer has raised a concern about calling this an audit (i.e. an official examination of the organization’s books).

D&O Insurance Broker change: In early March, AFCCE was assigned a new broker for our D&O Insurance policy. Previous rep. (Dan Hudson) was “promoted”; new rep. is Ms. Suzie Dodds, CIC, with A.J. Wayne & Associates, Inc., Chicago, Ill. Dan recommended the present policy (1 million, incident coverage, and lower cost), when the old policy (½ million, incident coverage) was increasing cost – presumably because of insurance claims against them.

Attachments herein include:

AFCCE Treasurer's Annual Report 5/1/14 - 4/30/15

AFCCE Gain and Loss Sheet as of 4/30/15

AFCCE 4 year Gain and Loss Balance Sheet 5/1/11 - 4/30/15

AFCCE 4 year Balance Sheet 4/12 - 4/15

Issues Related to the Replacement of AFCCE's Bookkeeper

Respectfully submitted,

A handwritten signature in cursive script that reads "Ronald J Chase". The signature is written in black ink on a light-colored background.

Ronald J Chase
AFCCE Treasurer

**Association of Federal Communications Consulting Engineers
Treasurer's Annual Report
05/01/14 – 04/30/15**

	Opening Balance, Checking				\$63,258.35
	Opening Balance, Wells Fargo Bus. Savings				\$77,373.79
	<i>Income for the period from all sources:</i>				\$46,552.91
1	Annual Meeting 2014			7,625.00	
2	Dues Income (2014, 2015)			22,320.00	
3	Fall Social Income (2014)			400.00	
4	FCC Reception Income (2014)			2,040.00	
	Interest on Bus. Savings			61.91	
	Luncheon Income			8,720.00	
	Other Income (unidentified dues payment)			140.00	
	Scholarship Income			3,130.00	
	Symposium Income			2,116.00	
	<i>Expenditures for the period totaled:</i>				\$47,833.31
	Accounting			250.00	
1	Annual Meeting 2014			12,128.82	
	Awards Supplies			168.51	
	Bank Fee			3.00	
	Bookkeeping April 2014 through March 2015			3,265.15	
	Credit card processing fees			1,203.00	
	DC Registered Agent service			97.00	
3	Fall Social 2014			3,385.85	
4	FCC Reception 2014			10,628.48	
	Insurance (D&O, Liability)			1,274.00	
	Luncheons			9,380.97	
	Postage			26.87	
	Post Office Box			154.00	
	Printing (directories and hand-outs)			290.72	
	Scholarship Fund disbursement			420.00	
	Scholarship Fund matching disbursement			420.00	
	Noel Luddy Schl. Donation to Scholarship Fund			2,400.00	
	Scholarship Fund general donation			90.00	
	Supplies			26.49	
	Tax - DC Domestic Nonprofit			130.00	
	Tax - Federal Withholding			17.30	
	Web site			2,073.15	
	Cash in Bank Checking Savings 4/30/15:				\$139,351.74
	(Checking \$61,933.34; Savings \$77,418.40)				
	Respectfully submitted: Ron Chase, Treasurer, 6/12/2015				
1	2014 Annual Meeting summary: income \$11,175; expenses \$12,128.82; net (\$953.82)				
2	Dues income in reporting period: 2014 \$3,870; 2015 \$18,450				
	2015 to date: \$22,330				
3	2014 Fall Social summary: income \$11,350; expenses \$3,385.85; net \$7,964.15				
	\$6,650 transferred to Scholarship Fund, expenses paid from Operating Account				
4	2014 FCC Reception summary: income \$2,040; expenses \$10,654.97; net (\$8,614.97)				

Association of Federal Communications Consulting Engineers
Gain and Loss
As of April 30, 2015

			May '14 - Apr 15
	Income		
		Symposium Income	2,116.00
		4000 Annual Meeting Income	7,625.00
		4001 FCC Reception Income	2,040.00
		4002 Luncheon Income	8,720.00
		Dues Income	22,320.00
		Fall Social Income	
		F.S. Sponsorship	400.00
		Fall Social Income - Other	0.00
		Total Fall Social Income	400.00
		Income Scholarship	3,130.00
		Interest Income	61.91
		Other Inc	140.00
		Total Income	46,552.91
	Gross Profit		46,552.91
	Expense		
		Accounting	3,515.15
		Annual Meeting	
		Insurance	332.59
		Entertainment	632.50
		Food	3,533.44
		Miscellaneous	495.13
		Annual Meeting - Other	7,135.16
		Total Annual Meeting	12,128.82
		Awards supplies	168.51
		Bank Charges	3.00
		Credit Card processing fees	1,203.00
		Fall Social	
		Bar	1,016.35
		Food	2,369.50
		Total Fall Social	3,385.85
		FCC Reception	10,628.48
		Fees	97.00
		Insurance	1,274.00
		Luncheon	
		Audio Visual	159.60
		Bar	360.00
		Food	8,861.37
		Total Luncheon	9,380.97
		Postage	26.87
		Post Office Box Rental	154.00
		Print/Post	290.72
		Scholarship	
		Noel Luddy Scholarship Fund	2,400.00
		AFCCE Match	420.00
		Donations	420.00
		General	90.00
		Total Scholarship	3,330.00
		Supplies	26.49
		Tax Domestic Nonprofit	130.00
		Tax Federal Withholding	17.30
		Web site	2,073.15
		Total Expense	47,833.31
	Net Income		-1,280.40

Association of Federal Communications Consulting Engineers 4-Year Gain/Loss Balance Sheet

	May '11 - Apr 12	May '12 - Apr 13	May '13 - Apr 14	May '14 - Apr 15
Income				
4000 Annual Meeting Income	8,085.00	17,060.00	11,998.00	7,625.00
4001 FCC Reception Income	2,405.00	2,520.00	2,650.00	2,040.00
4002 Luncheon Income	7,649.00	8,135.00	9,185.00	8,720.00
4003 Annual Meeting Sponsorship	0.00	0.00	0.00	0.00
Dues Income	23,795.00	26,090.00	21,320.00	22,320.00
Income Scholarship	2,650.00	2,980.00	2,791.21	3,130.00
Fall Social Income	120.00	0.00	3,300.00	400.00
Symposium Income	0.00	0.00	1,934.00	2,116.00
Interest Income	179.56	127.02	77.14	61.91
Noel Luddy Scholarship	0.00	0.00	2,500.00	0.00
Other income	0.00	0.00	0.00	140.00
Total Income	44,883.56	56,912.02	55,755.35	46,552.91
Expense				
Accounting	1,385.30	2,125.65	2,733.95	3,515.15
Annual Meeting				
Banquet	15,164.19	6,544.42	8,341.18	3,533.44
Transportation	0.00	213.00	975.00	0.00
Other	3,410.86	3,109.83	1,142.80	8,595.38
Total Annual Meeting	18,575.05	9,867.25	10,458.98	12,128.82
Awards Supplies	0.00	0.00	707.44	168.51
Bank Charges	10.00	6.00	0.00	3.00
Board Meeting Dinner	0.00	0.00	2,294.38	0.00
Credit card processing fees	0.00	488.61	1,046.61	1,203.00
Fall Social	3,796.37	4,390.63	4,880.00	3,385.85
FCC Reception	6,276.05	6,163.00	8,866.26	10,628.48
Fee DC Registered Agent Service	0.00	0.00	97.00	97.00
Insurance	43.00	2,660.00	0.00	1,274.00
Luncheons				
Audio Visual	0.00	157.50	367.50	159.60
Food	7,372.77	7,317.94	8,288.05	9,221.37
Total Luncheon	7,372.77	7,475.44	8,655.55	9,380.97
Postage	59.92	237.93	265.05	26.87
Post Office Box Rental	116.00	144.00	148.00	154.00
Printing	471.60	980.60	875.44	290.72
Professional Services	0.00	0.00	500.00	0.00
Scholarship Fund				
AFCCE Match	2,650.00	2,980.00	2,691.21	420.00
Donations	2,650.00	2,980.00	2,791.21	420.00
Transfer to S.F.	0.00	0.00	0.00	90.00
Transfer to S.F. Noel Luddy Schl.	0.00	0.00	2,500.00	2,400.00
Transfer to S.F. Fall Social income	0.00	0.00	3,300.00	0.00
Total Scholarship	5,300.00	5,960.00	11,182.42	3,330.00
Supplies	163.61	0.00	358.06	26.49
Symposium expenses	0.00	0.00	5,999.72	0.00
Tax DC Domestic Nonprofit	0.00	0.00	0.00	130.00
Tax, Federal Withholding	22.89	35.50	21.51	17.30
Trademark renewal	0	600.00	0.00	0.00
Web site	83.88	1,326.78	1,419.99	2,073.15
Total Expense	43,676.44	42,461.69	60,610.36	47,833.31
Net Gain/Loss	1,207.12	14,450.33	(4,855.01)	(1280.40)

**Association of Federal Communications Consulting Engineers
4-Year Balance Sheet**

			Apr 30, 12	Apr 30, 13	Apr 30, 14	Apr 30, 15
ASSETS						
	Current Assets					
	Checking/Savings					
		CHECKING	53,810.18	68,168.99	63,258.35	61,933.34
		Business Savings (Wells Fargo)	77,226.64	77,318.16	77,373.79	77,418.40
		Total Checking/Savings	131,036.82	145,487.15	140,632.14	139,351.74
TOTAL ASSETS			131,036.82	145,487.15	140,632.14	139,351.74
LIABILITIES & EQUITY						
	Equity					
		Opening Balance Equity	0.00	0.00	0.00	0.00
		Retained Earnings	118,407.79	133,242.81	141,470.59	147,960.05
		Net Gain/Loss	12,629.03	12,244.34	-838.45	(8,608.31)
		Total Equity	131,036.82	145,487.15	140,632.14	139,351.74
TOTAL LIABILITIES & EQUITY			131,036.82	145,487.15	140,632.14	139,351.74

Issues Related to the Replacement of AFCCE's Bookkeeper

The AFCCE board was informed in Jan that Anne Neel will retire sometime this summer (date not yet set). Anne was asked to provide a recommendation for her replacement, but she just didn't know any one to recommend.

During the Jan luncheon, one of David's announcements to the luncheon group was that we would be looking for a replacement for Anne and he asked if members could recommend individuals we could consider for that position. At the end of that luncheon meeting Ms. Denise A. Branson, a paralegal with the FHH law firm told us she would be interested in that position. Denise did not have any experience with that financial area and she needed to get permission from her law firm to take on that position. Anne stated that it would be easy to train Denise and that she would do so, if she were selected by AFCCE for the position. Anne even stated that she would work with her (and with us) past her retirement date to do this, but she would not be available in any capacity after the end of this year. She asked that we make a decision quickly. By the March board meeting, Denise did not have permission to take the bookkeeper position but indicated that she expected it soon. I hoped that the board would approve Denise for the position so that when the approval from her employer arrived we could initiate contact with Anne. During that March board meeting, David Layer suggested that we consider additional candidates and he pointed out many ads for bookkeepers from a quick Google search he performed on the web. Denise did finally receive permission from FHH to take on the position of bookkeeper for AFCCE (i.e. it would not constitute a conflict of interest with her position at the firm).

Shortly after the March board, an email was received from Don Everist providing another possible candidate for Anne's position, a Mr. Robert E. Geier. Don stated that Mr. Geier "has a part-time job in Washington and is available to discuss what AFCCE's needs might entail". Don stated that he was trying to develop other leads, however no additional leads appeared. I did not contact Mr. Geier, since Denise stated her request much earlier and the survey below indicated a very large pool of potential applicants.

I did a web search on "independent bookkeeping services in the Washington area" and found that a huge numbers of service firms were listed. To prepare for talking to some of these firms, I generated a list of the most important requirements and activities relevant to our "organization's books". In summary:

We're a non-profit professional organization with a Scholarship fund incorporated in DC; we operate strictly on a cash basis; all of our officers are volunteers (i.e. no payroll needed); we use a tax filing service (i.e. don't expect the bookkeeper to do taxes – a CPA not required); we use Quickbooks software; our income derives from membership fees, event fees, and contributions; we provide funding for scholarships to schools twice a year; we have two bank accounts and one credit card service; and we require seven Excel income/expense reports and one 4-yr Excel summary annual report each year.

This is the type and level of support that any new bookkeeping service would have to provide.

I spoke with representatives from several different firms including, Accurate Solutions, Bench, Books-to-Taxes, and Arrow Bookkeeping. I learned that all of our above requirements could be met, but that going with a firm would provide constraints. We would have to sign-up for a contract, generally standard for a specific level of service, and that would spell out what services would be provided and when. We might get different representatives handling our “account”. In one case, Bench indicated that although they would monitor our bank and credit card accounts, we would have to send in copies of any materials we received from the bank or credit card company to them, to assure that they see everything. Some firms have their own software, but they assured me that it will work with Quickbooks, to transfer our history to them. Others have their own method to provide the reports we want and we may or may not be able to modify how the data is provided. As an example, when we asked, Anne simply added another line on our scholarship report indicating the amount in the Luddy fund, though it was not a formal separate category in the scholarship bank account. Bench indicated they provide a monthly report and charge by the month rather than by the representative’s time.

Accurate Solutions state their rate is at \$60.00/hr and we get a personal representative with “flexibility” on how our account is managed. Most of these firms **require** that they handle payments for our expenses. They would not be comfortable with an officer/member using their credit card to put a down payment on say, a meeting room, and then reimbursing the officer. They would insist on making the room down payment. All of these firms provide “budgeting” as part of their service. Here the term budget, refers to making sure one does not spend more than what’s available at the time.

My assessment from these discussions is that most of these firms are set up to handle larger and more complex financial situations than our small organization requires. In addition, we won’t have the high level of flexibility that we now enjoy from working with an independent individual as a bookkeeper. But we could adapt to this loss of flexibility. One of the firms (Bench) believes they could meet all our requirements at a cost of \$135/month, but as mentioned above it would be more work for the Treasurer to provide bank and credit card statements to them each month. An advantage with an established firm is the greater assurance of fiduciary responsibility and professional resources.

In an effort to look for independent bookkeepers I found a couple web sites that were perfect for my quest. On the site: www.gaebler.com/Hiring-a-Bookkeeper.htm was a discussion of important issues relating to hiring bookkeeping services for small businesses, such as indicating that since no formal training is required for individuals that do bookkeeping, one should always get references from their present clients. A link on this site took me to the “**American Institute of Professional Bookkeepers**” where I logged in as (username: ronchase; password: b1o2o3k9) and found bookkeepers – 29 in the DC area – with full resumes and contact information available. Of course, these individuals were looking for employment probably at businesses in the area.

Another link on gaebler took me to the Intuit (Quickbooks) site: proadvisor.intuit.com/quickbooks-pro. At this site, in a 30 mile radius of DC, I found over 400 individuals listed who were Quickbooks professional trainers (certified by Intuit) and many with the titles of CPA or “Certified Bookkeeper”. This appears to be where individuals like Anne would be found. Full contact information was available. Of course, the problem here would be how (i.e. what criteria) to use to make a selection.

Given this knowledge of what’s out there, I lean toward recommending Denise as a replacement for Anne’s position. I would describe it as the best way to “clone” our present bookkeeper, who has worked very well with AFCCE for many years. I’m also influenced by the fact that Denise offered to serve in this position for AFCCE, and since she’s already employed (essentially “vetted” by FHH) that would serve to show she has the required level of fiduciary responsibility. In addition, she works for FHH, the firm that provides space and light refreshment for our board meetings and several of their employees are AFCCE members. Employing Denise would only strengthen that relationship. I think this option provides less risk, in the sense of continuing the type of relationship and activities we have with the present bookkeeper, than going with a firm or another professional individual. If this is not acceptable, there will need to be some way to establish criteria for selecting another individual (or a firm), and we would need to proceed quickly if Anne is to provide an interface to the new firm or individual. Anne did point out to me that if AFCCE could not find a replacement, she would transfer all of her Quickbooks data to me, and she would provide help me to use it provided we act before the end of the year.

Note that at one of the firms (Accurate Solutions) the representative stated that they were “insured”. I don’t know, never asked, if Anne is insured related to her work but I don’t think that we would require it.

Anne’s transition is coming at a time when work on developing a budget for AFCCE can lead to some potentially advantageous changes. I recommended to our board earlier the consideration of AFCCE having its own credit card, keeping our financial data on a calendar basis, and having financial reports provided every month. The last two changes would provide for more clarity in tracking our financial data, but they would slightly increase our bookkeeping expenses.

In a recent email from the last Treasurer, Lanny opined that using Quickbooks, the Treasurer could take over the bookkeeping position. He mentioned that he has used Quickbooks for his wife’s home business for years, and sends the appropriate files/reports to the accountant for tax filings. In that regard, he suggested that our tax agency – Firestone should also be considered to provide the bookkeeping service.

Since the AFCCE Treasurer term is 3-years, and some may serve less, would future Treasurer’s want to take on that responsibility? Probably just push the issue into the future.

Review of AFCCE Finances from 2004 – 2014

Introduction: Discussion of the possible development of an AFCCE budget began at the Jan. 2014 board meeting with consideration of the expense tradeoffs for the AFCCE events of that year. Treasurer pointed out that the Treasurer’s report, containing the current reporting of income and expenses is generated by the bookkeeper for every board meeting, and that provides a basis for quick estimates of affordability for any projected events. One of the directors stated that he believed funds were building up in the AFCCE checking account, and the excess could be used to reduce the costs of the luncheons as a possibility. Treasurer was directed to put together a “budget” for the coming year. The treasurer then began discussions with the bookkeeper, the previous Treasurer and some of the officers to try and determine the purpose, form and structure that an AFCCE “budget” might take. Only some general ideas were identified. At the annual meeting in Halifax, the subject of an AFCCE budget was discussed, generating comments from the members that “AFCCE had a real crisis with its finances several years ago”, and “it’s a good idea for an organization to review its finances from time to time”. The Treasurer was then directed by the president to put together a committee to “look at and report back on AFCCE’s finances”. This report is submitted to satisfy that requirement.

The report includes major sections on budget characterization, previous work addressing that issue, a visual depiction of the previous eleven years of AFCCE financial data with graphs and tables, a quantitative statistical description of that data, a methodology for making estimates of future income from the historical data, implications for budget development, and conclusions and recommendations.

Budgeting Considerations: The term budget has the dictionary meaning of “a statement of the financial position of a body for a definite period of time based on estimates of expenditures during the period and proposals for financing them”. In that regard, the Treasurer’s reports generated for every board meeting would provide the basis for making any near term financial decisions. The direction to look at AFCCE finances suggest something more akin to longer term planning and the impact of decisions that affect our finances for extended periods. Because one activity by the bookkeeper could involve budgeting, she was asked to provide her perspective on an AFCCE budget. Her comments were:

In mid-1998 the association was running very low on funds. The lowest bank balance was recorded in November 1998 at \$3,390.72 and a special assessment was made for the membership to reverse the trend.

What does the board want to accomplish? Reduce amounts collected for events to save members money? Build up a cash reserve? Work down a cash reserve? Better assessment of project expenses for an event and match the membership fees for participation?

The former Treasurer’s summarized comments (his impressions) relating to development of a budget:

Board may want a better understanding of how much money is available for scholarships each year. Most other event expenses are generally covered with money from the

participants. The CD was planned as an emergency buffer to carry the Association over in times of need. The board could come up with a desired yearly goal of funding activities, programs, luncheons and events with proposed costs working from historical information and come up with a plan for meeting the expenses of the proposal. The budget should work out to help drive the future of AFCCE. An “official” budget is imperative and long overdue.

One officer’s perspective:

If we had a budget cycle, the president could work with each committee chair or officer on whatever they propose to do and have them estimate the cost of that proposal. Anything else the chairman needs would go into the budget. At the September or January board meeting all of this would be available for the board to review and we would know the costs would be covered. That could set the agenda for the whole year. It would eliminate a lot of debate by the board. Under a budget process, all the board member needs to know about any expenditure is “it’s in the budget – case closed”.

A former board member’s perspective:

If we are building up funds in our account, we could consider reducing the cost to our members for AFCCE events.

These views helped direct the type of financial analysis presented herein.

Strategy: By the September board meeting a committee had been formed with members: Bookkeeper (Anne Neel), Treasurer (Ron Chase), former Treasurer (Lanny Nass), and former board member (Sid Khanna). The committee developed two goals: Characterize the condition of AFCCE finances, and determine if costs could/should be reduced for some of our functions. It was soon clear that this was focusing on financial planning that would be part of a “budgeting process”. To accomplish those goals, the committee agreed to start with an analysis of the previous ten years of AFCCE financial data. The analysis would center on the operating account’s income and expenses, concentrating on our normal yearly events, and use statistical techniques to look for trends or conditions that would allow for future predictions based on this record.

Early Financial Analysis Work: The bookkeeper provided files showing AFCCE’s ten year financial data. The data was provided in Excel files, based on the Fiscal Year format similar to the reports provided in the Treasurer’s reports to the Annual Meeting. This is the normal format for the AFCCE financial books since that is needed to meet the requirements for IRS tax filings. Taxes are filed for the operating fund based on the fiscal year business cycle. The financial data were reformatted, focusing on AFCCE primary events (luncheons, meetings, etc) and examined using Excel Software. For all our events, columns were generated to show the maximum, minimum, average, standard deviation, percentage of variation, in the data, and plots were generated to allow visual representations that correspond with the analytics. Some results were provided at the September and November board meetings. However, this work proved inadequate, and in some instances very inaccurate. As an example, the Annual Meeting

income and expenses span two FY periods. Another similar problem occurs because the use of the credit card allowed for the prepayment of several events in advance, hence that is also affected by the FY period. Hence there was no way to present a coherent, understandable financial picture for each individual Fiscal Year. It was noticed this difficulty could be mitigated by using the Treasurer’s board meeting reports but those reports are only easily available for the last six year period (my tenure and Lanny’s). However, the major issue was that there didn’t appear to be anyway to get a representation of the “flow” of AFCCE finances from the FY data. AFCCE works on a calendar year schedule. While planning for the year begins in the late fall, all income and expenditures reflect a repeating annual program.

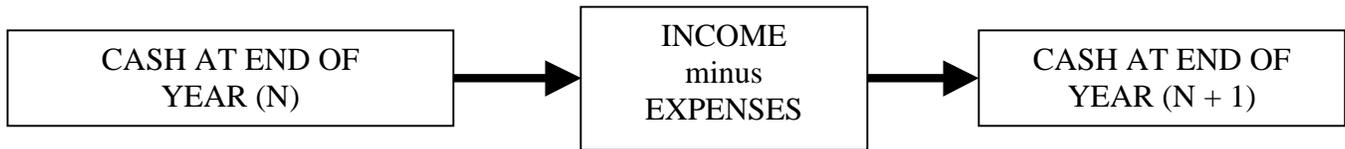
The bookkeeper was asked to provide all the historical financial data formatted on an annual year basis. The ten year full gain and loss table and balance sheet for both the operating and scholarship funds were received in early January. In addition, a large number of graphs and pie charts based on that data were generated by the bookkeeper. Some are presented in Appendix 2 for comparison with the work done here. As a check on the older FY data, and new calendar year data, information from the individual Treasurer’s reports over the available six year period were reviewed and all of the data found to be in excellent agreement.

Visual Presentations of the Calendar Year Financial data

AFCCE Cash flow: The cash in the AFCCE Checking Account at the end of the calendar year is the significant factor in determining the dollar amount that carries over to the next calendar year. *It represents the the maximum build up of excess cash up to that date available as carry over to the next year.*

BALANCE SHEET											
	Dec 31, 04	Dec 31, 05	Dec 31, 06	Dec 31, 07	Dec 31, 08	Dec 31, 09	Dec 31, 10	Dec 31, 11	Dec 31, 12	Dec 31, 13	Dec 31, 14
ASSETS											
Current Assets											
Checking/Savings											
CHECKING	49,556.76	70,876.72	95,339.12	30,252.26	30,875.51	31,416.76	29,567.70	33,200.61	50,184.50	50,419.02	46,954.60
Money Market Wells Fargo	0.00	0.00	0.00	0.00	0.00	76,824.05	77,011.76	77,189.77	77,295.79	77,355.59	77,403.73
Wachovia CD	0.00	0.00	0.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Checking/Savings	49,556.76	70,876.72	95,339.12	30,252.26	105,875.51	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61	124,358.33
Other Current Assets											
Bank of America CD	0.00	0.00	0.00	71,661.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Current Assets	0.00	0.00	0.00	71,661.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets	49,556.76	70,876.72	95,339.12	101,913.79	105,875.51	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61	124,358.33
TOTAL ASSETS	49,556.76	70,876.72	95,339.12	101,913.79	105,875.51	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61	124,358.33
LIABILITIES & EQUITY											
Equity											
Opening Balance Equity	9,663.74	9,663.74	9,663.74	9,663.74	9,663.74	9,663.74	0.00	0.00	0.00	0.00	0.00
Retained Earnings	27,865.50	39,893.02	61,212.98	85,675.38	92,250.05	96,211.77	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61
Net Income	12,027.52	21,319.96	24,462.40	6,574.67	3,961.72	2,365.30	-1,661.35	3,810.92	17,089.91	294.32	-3,416.28
Total Equity	49,556.76	70,876.72	95,339.12	101,913.79	105,875.51	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61	124,358.33
TOTAL LIABILITIES & EQUITY	49,556.76	70,876.72	95,339.12	101,913.79	105,875.51	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61	124,358.33

The chart below illustrates this cash flow concept and the table that follows takes data from the above Balance Sheet and reformats it to illustrate this idea.



Computation of Net Income from the cash in bank at year end (CHECKING)												
Year end date	Dec 31, 04	Dec 31, 05	Dec 31, 06	Dec 31, 07	Dec 31, 08	Dec 31, 09	Dec 31, 10	Dec 31, 11	Dec 31, 12	Dec 31, 13	Dec 31, 14	
CHECKING (cash at yr end)	49,556.76	70,876.72	95,339.12	30,252.26	30,875.51	31,416.76	29,567.70	33,200.61	50,184.50	50,419.02	46,954.60	
Get the Net Income by subtracting year(n+1)-year(n). Almost but a prob in certificate years												
A	Net Income ??		21,319.96	24,462.40	6,574.67	3,961.72	541.25	-1,849.06	3,632.91	16,983.89	234.52	-3,464.42
B	Interest on CD						1,824.05	192.29	191.16	147.18	82.94	66.78
C	Fed Tax Withholding						0.00	4.58	13.15	41.16	23.14	18.64
	True Net Income = A + B - C		21,319.96	24,462.40	6,574.67	3,961.72	2,365.30	-1,661.35	3,810.92	17,089.91	294.32	-3,416.28

This discussion shows how the data in the table illustrates the concept in the chart. The second line in the table above shows cash in bank at year end (e.g. \$46,954.60 on Dec 31, 2014). Line A is obtained by subtracting the amount in each subsequent year from the previous year. For example, Dec 31,2013 to Dec 31,2014 gives: \$46,954.60 – \$50,419.02 = -\$3,464.42, so our expenses increased over income for 2014. However, you will note that it does not exactly equal the true Net Income line shown in the Balance Sheet (yellow highlight). The numbers have to be adjusted for the interest on the CD (line B) and the Fed Tax withholding (line C)¹. That produces the true Net Income shown in yellow highlight on both tables. Summarizing: cash at year end 2013, added to the net income of 2014, produces the cash at year end 2014.

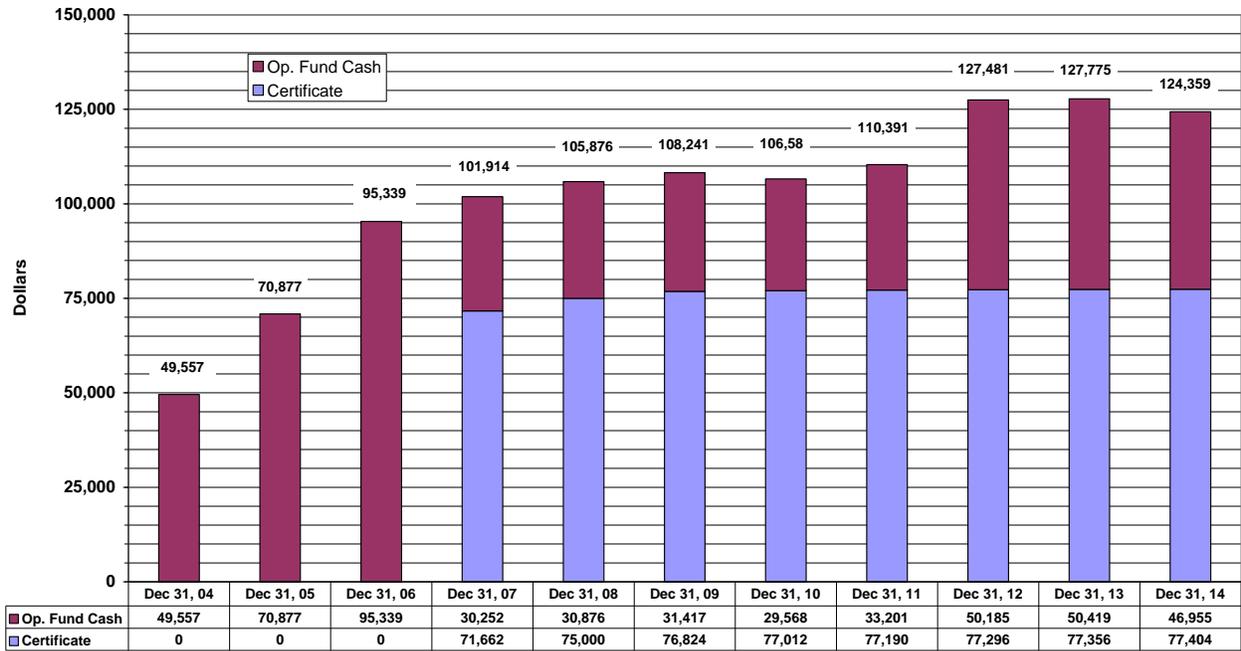
For those not familiar with the LIABILITIES AND EQUITY section of the Balance Sheet, the table below expands on that section slightly to show how the cash in bank at year end is obtained from the values in that sheet. The table is self explanatory.

Computation showing derivation of CHECKING amount from The LIABILITIES & EQUITY table												
A	Opening Balance Equity	9,663.74	9,663.74	9,663.74	9,663.74	9,663.74	9,663.74	0.00	0.00	0.00	0.00	0.00
B	Retained Earnings	27,865.50	39,893.02	61,212.98	85,675.38	92,250.05	96,211.77	108,240.81	106,579.46	110,390.38	127,480.29	127,774.61
C	Money Market Wells Fargo	0.00	0.00	0.00	71,661.53	75,000.00	76,824.05	77,011.76	77,189.77	77,295.79	77,355.59	77,403.73
	B - C	27,865.50	39,893.02	61,212.98	14,013.85	17,250.05	19,387.72	31,229.05	29,389.69	33,094.59	50,124.70	50,370.88
D	Net Income	12,027.52	21,319.96	24,462.40	6,574.67	3,961.72	2,365.30	-1,661.35	3,810.92	17,089.91	294.32	-3,416.28
	A + (B-C) + D = CHECKING	49,556.76	70,876.72	95,339.12	30,252.26	30,875.51	31,416.76	29,567.70	33,200.61	50,184.50	50,419.02	46,954.60

The graph “Operating Fund Bank Account Total Amount” on the next page summarizes the significant information on AFCCE’s cash flow and the buildup (mostly) of cash over the ten year period. It shows the cash in bank at the end of each calendar year and the value of the certificate (purchased in 2007). To make the point again, the cash in bank at the end of the calendar year is the amount of excess cash (all previous debts retired) that is available for AFCCE future functions in addition to the income collected in the next calendar year. Both it

¹ Taken from the ten year Gain and Loss Sheet. I note here that the Net Income amounts shown in the Balance Sheet are the same amounts shown in the last line of the ten year Gain and Loss sheet

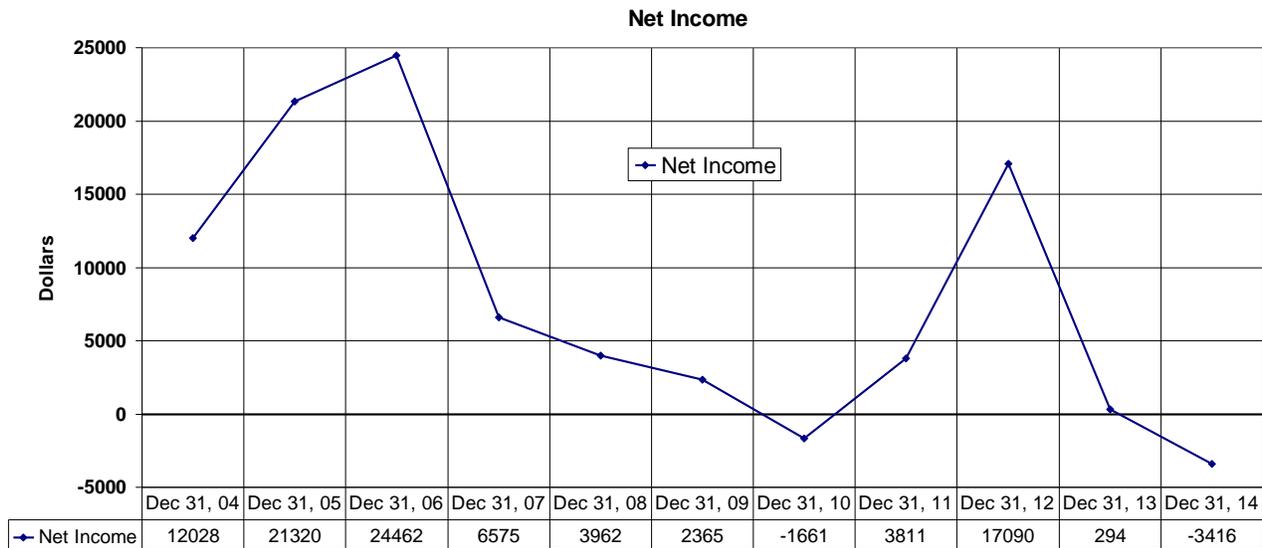
Operating Fund Bank Account Total Amount



and the certificate value are the “reserve” in the AFCCE account. Obviously, the values and the trend shown in the graph is an essential element in developing any budget information.

Now this and previous information is presented from data provided on a calendar year basis, but one could also perform the same type of analysis with data based on the FY. However, the FY year transition has a LARGE discontinuity reflected in both income and expense being split into two FY years. This is especially reflected in tracking/recording the income and expense for the Annual meeting, some credit card payments, and other adjustments. The credit card (so far only in 2013) allowed advance payments for several events, splitting that income and expense between two fiscal years. This is also expected to occur with the credit card in the future, though it was absent this past year due to the implementation of the new AFCCE web site. AFCCE plans its activities based on a calendar year schedule. Another significant advantage to using calendar year data is the MINIMAL income/expense variation at the end of the calendar year. Some dues may come in early, but that’s easily corrected. Tracking and reporting of the financial data on a calendar basis is strongly recommended for all future activities. It is not clear that AFCCE can file taxes on a calendar year period. That will probably still require the bookkeeper to prepare the data on an FY basis for submittal to the tax agent.

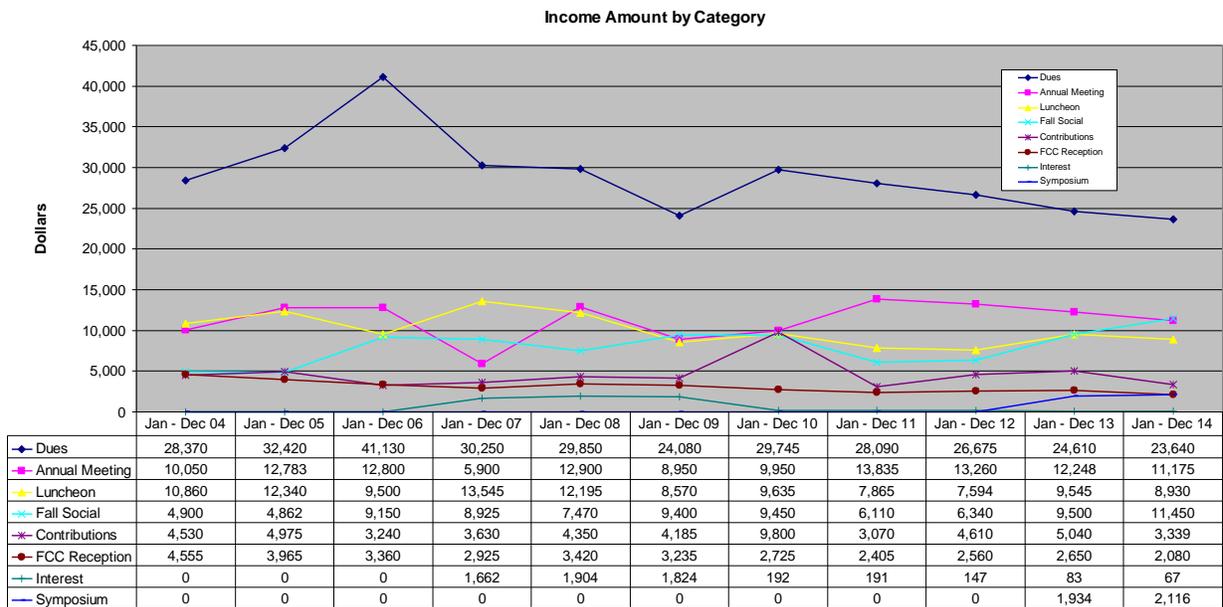
While the previous graph shows the operating fund cash amounts, the earlier chart shows that *income minus expense is equal to the change in those amounts*. That NET INCOME (income minus expense) from the Balance sheet is plotted on the next page, giving a visual display of the fluctuations in the operating fund cash flow. One interesting aspect of that graph is the large amount of fluctuation in the net income over the time frame. Since most AFCCE events are yearly recurring events, the income and expense numbers should show the main basis for this fluctuation. This will be apparent in the “AFCCE major event category income and expense graphs presented in that section below.



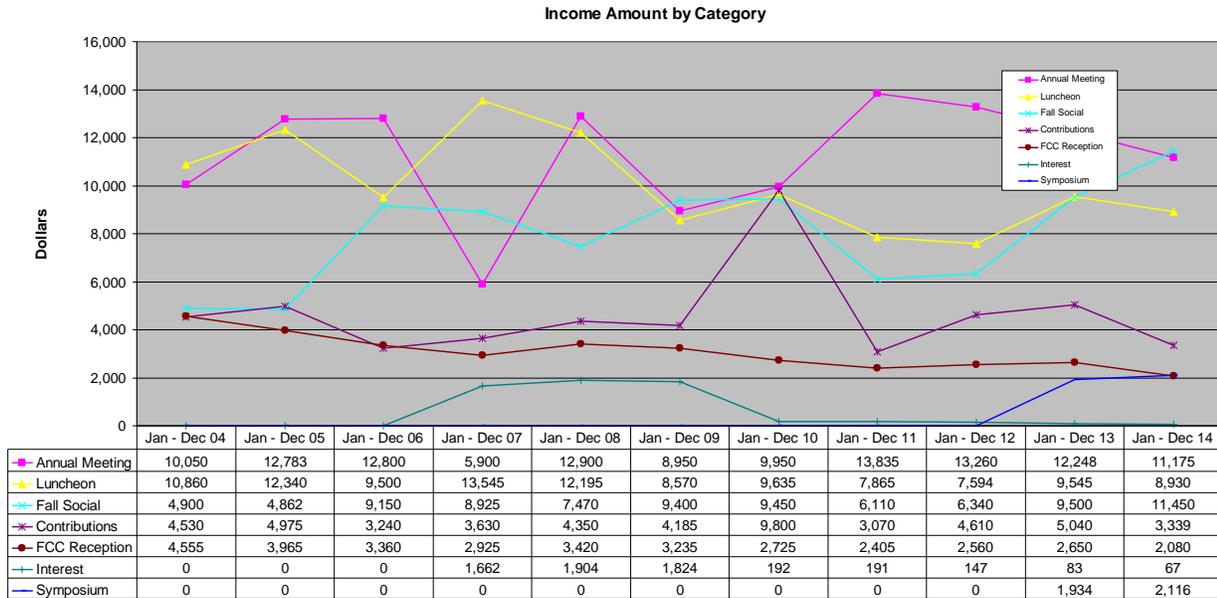
AFCCE Income Data: AFCCE income comes from different types/kinds shown in the table below. Note that this table presents all income, including the Fall Social and Scholarship contributions (general, memorial, and renewal). No separate analysis of the Scholarship fund is needed or provided.

	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14
AFCCE INCOME											
Dues	28,370	32,420	41,130	30,250	29,850	24,080	29,745	28,090	26,675	24,610	23,640
Annual Meeting	10,050	12,783	12,800	5,900	12,900	8,950	9,950	13,835	13,260	12,248	11,175
Luncheon	10,860	12,340	9,500	13,545	12,195	8,570	9,635	7,865	7,594	9,545	8,930
Fall Social	4,900	4,862	9,150	8,925	7,470	9,400	9,450	6,110	6,340	9,500	11,450
Contributions	4,530	4,975	3,240	3,630	4,350	4,185	9,800	3,070	4,610	5,040	3,339
FCC Reception	4,555	3,965	3,360	2,925	3,420	3,235	2,725	2,405	2,560	2,650	2,080
Interest	0	0	0	1,662	1,904	1,824	192	191	147	83	67
Symposium	0	0	0	0	0	0	0	0	0	1,934	2,116

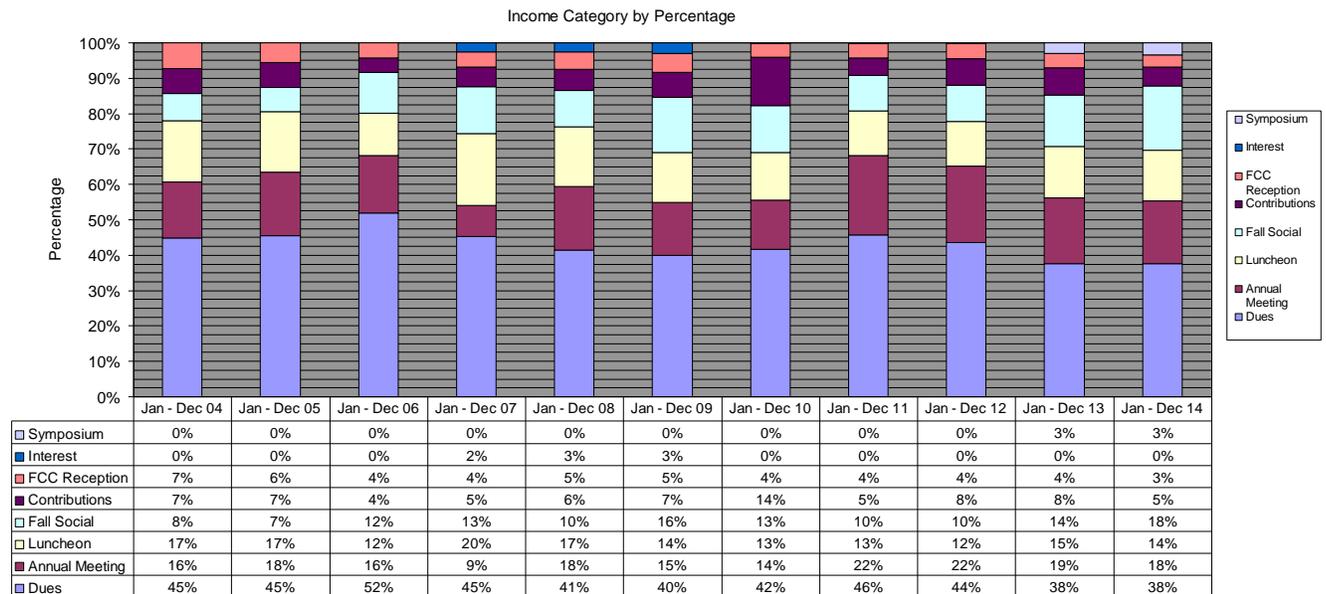
The graph below gives a visual representation of the Income data table directly above.



To show the incomes in the lower portion of the previous graph, the dues line was removed to enlarge that portion of the graph.

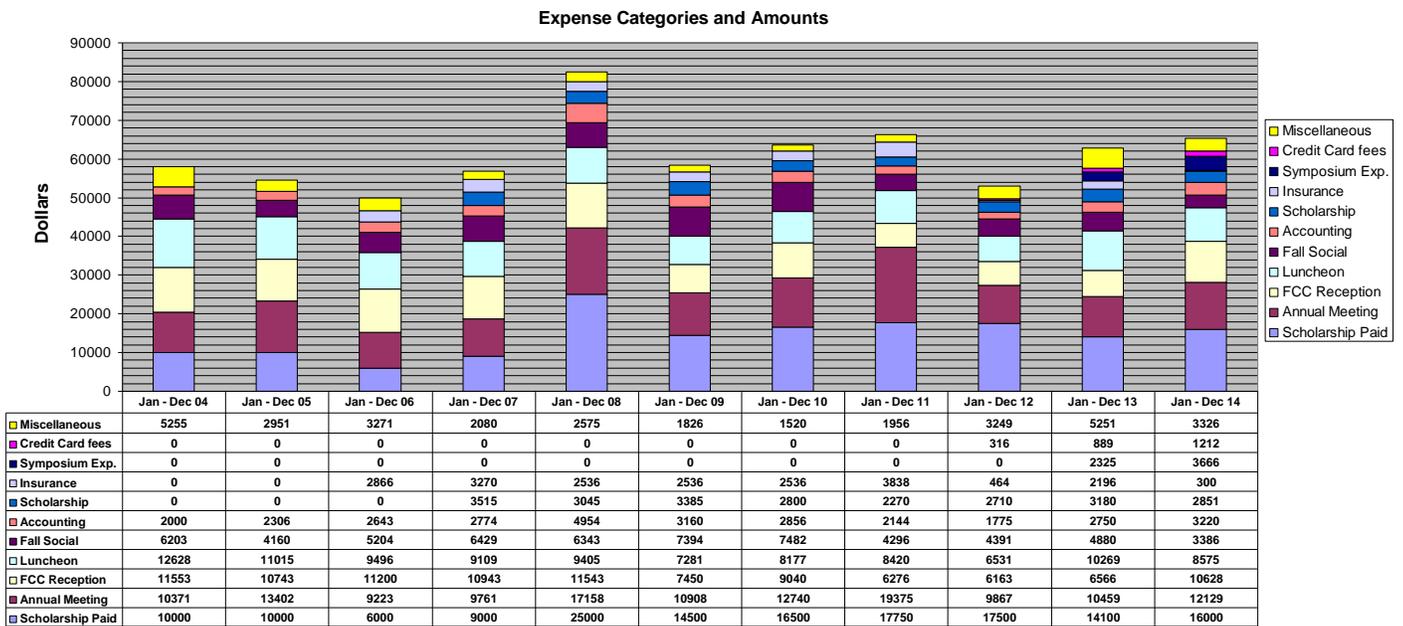


Although the above two graphs show the amounts in each category of income for comparison, a related comparison is provided below which shows the relative percentage each category of income contributes to the total amount.



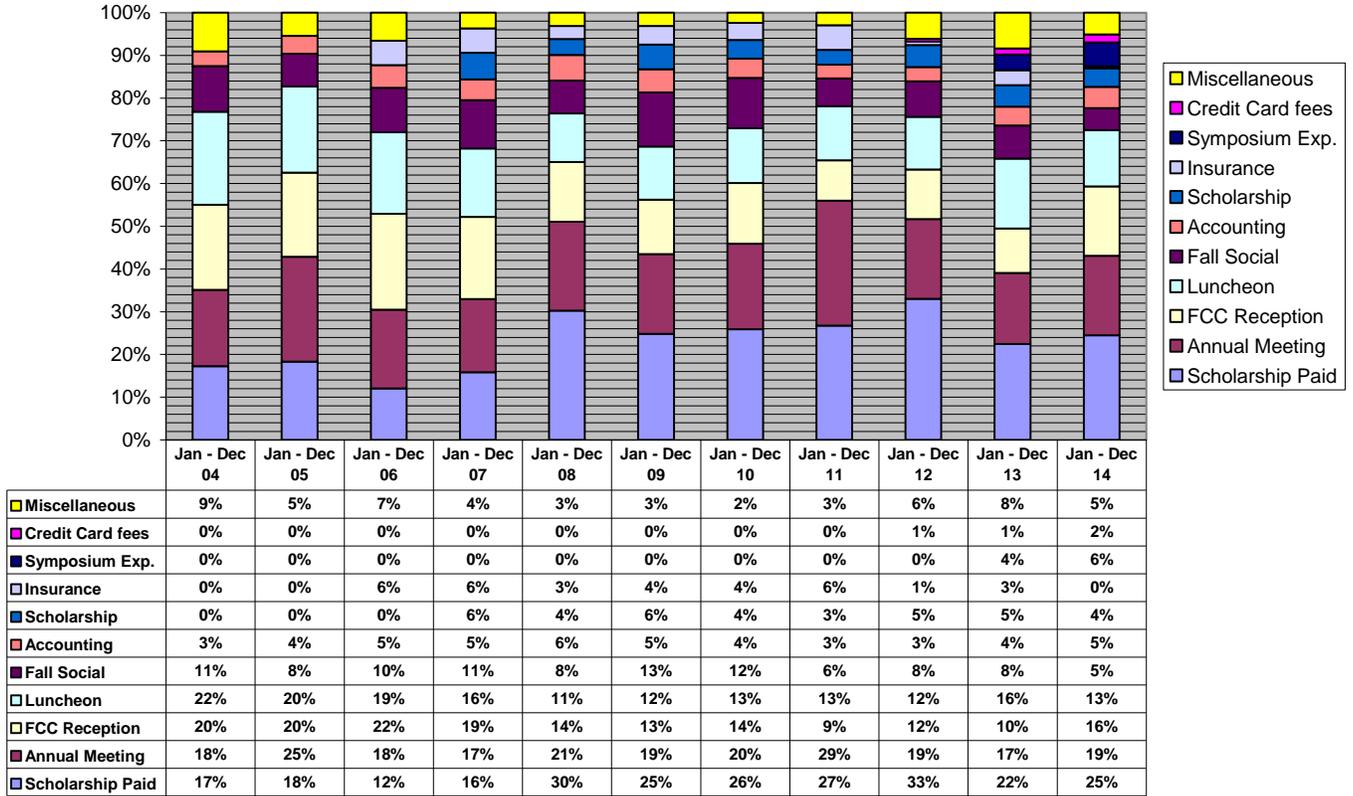
Note that dues, account for less than half (except in 2006) of our income.

AFCCE Expenses: AFCCE expenses were extracted and reformatted from the bookkeepers files to show major expenses. A category of Miscellaneous expense was developed by the Treasurer, containing small value items and mostly non-recurring expenses. Although the credit card expense and the symposium expense would look like non-recurring expenses, they were included here since they will continually re-occur in the future. The accounting expense category includes both the operating fund and the scholarship fund fees. The scholarship category is shown as two individual expenses; the first and largest (in the bottom row in the graph table) are the scholarship paid amounts to students each year, and the second scholarship expense is the matching funds provided with the member renewals each year from the operating fund (the three columns of zeros show this started in 2007).

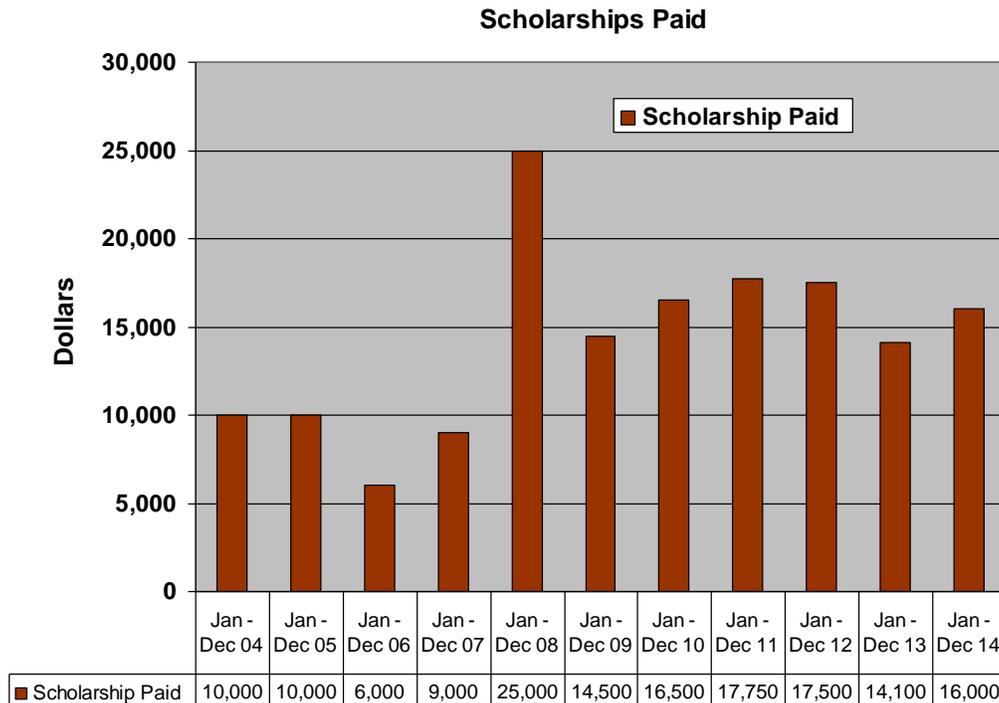


The graph on the next page shows the expense categories in the table above as a percentage of the total amount in each year.

Expense Categories in Percentage

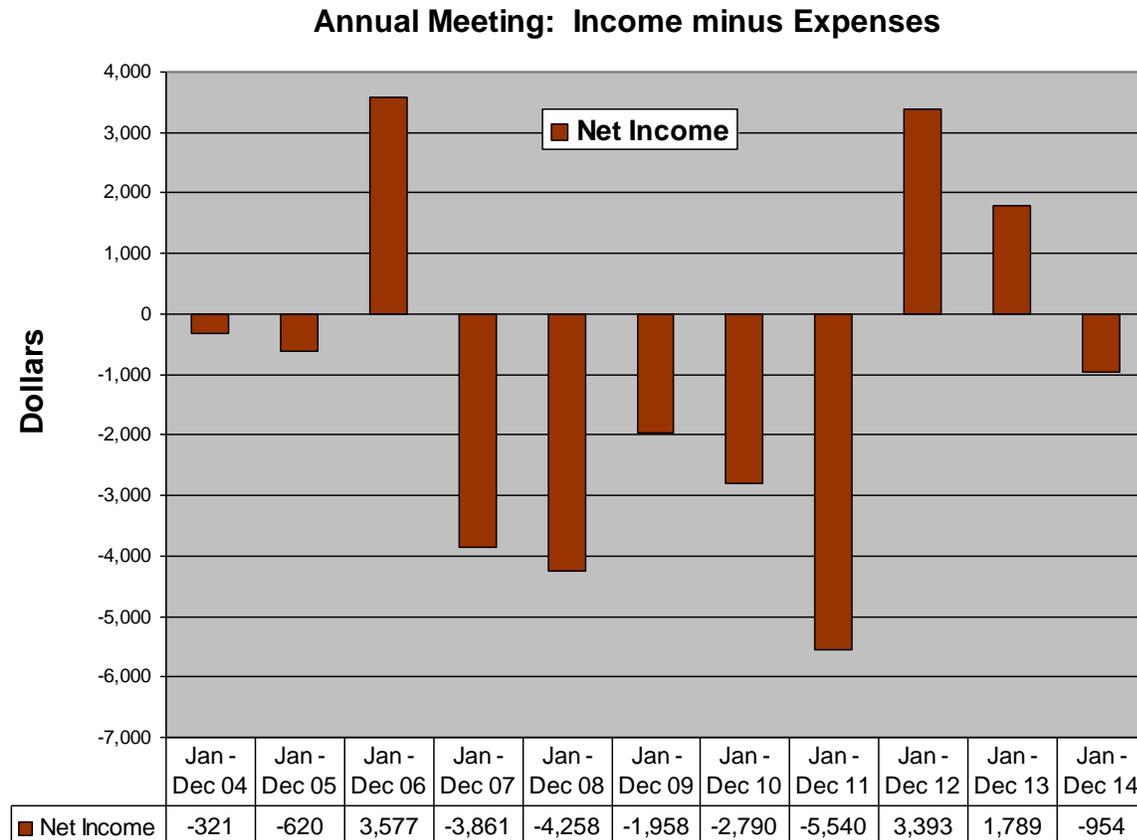


The graph Scholarships Paid displays the most critical “expense” in the data.



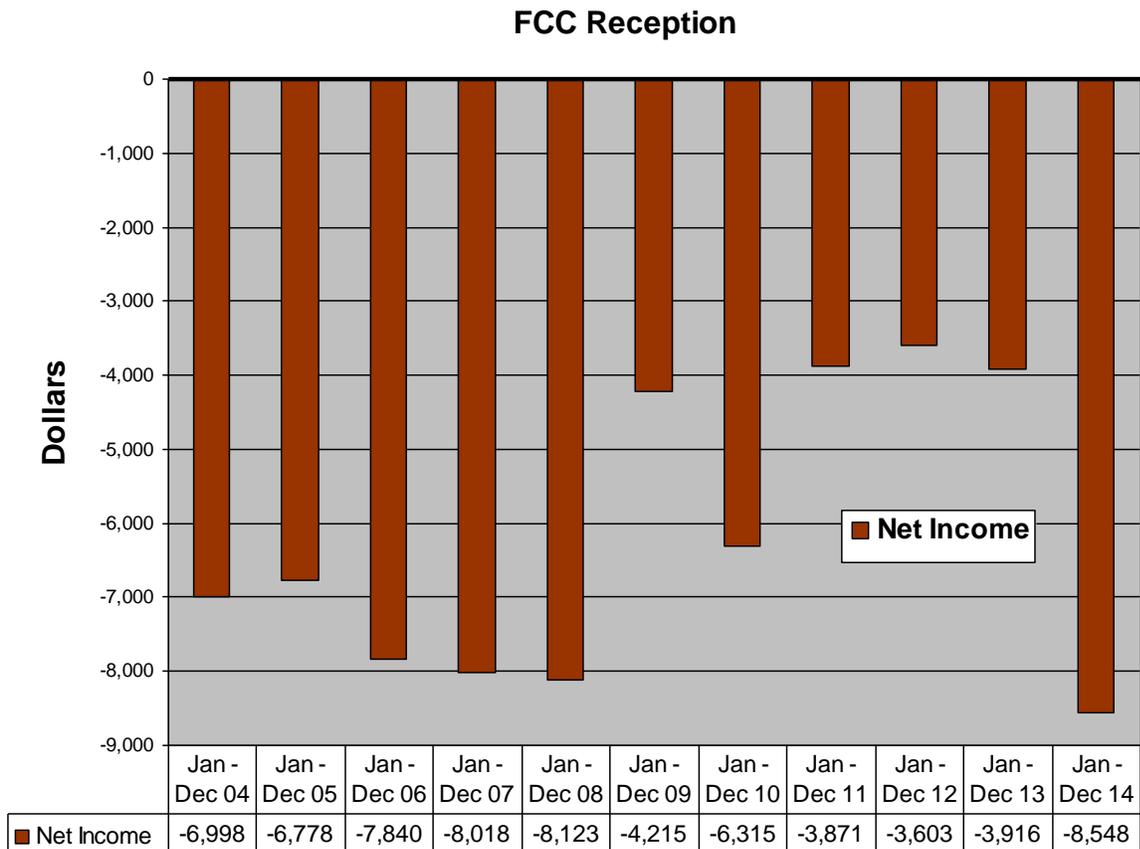
AFCCE major event category income and expense comparisons: Both the net income graph and the accompanying table showing the amounts for income, expense, and net income are provided for the “major” AFCCE Events.

Annual Meetings



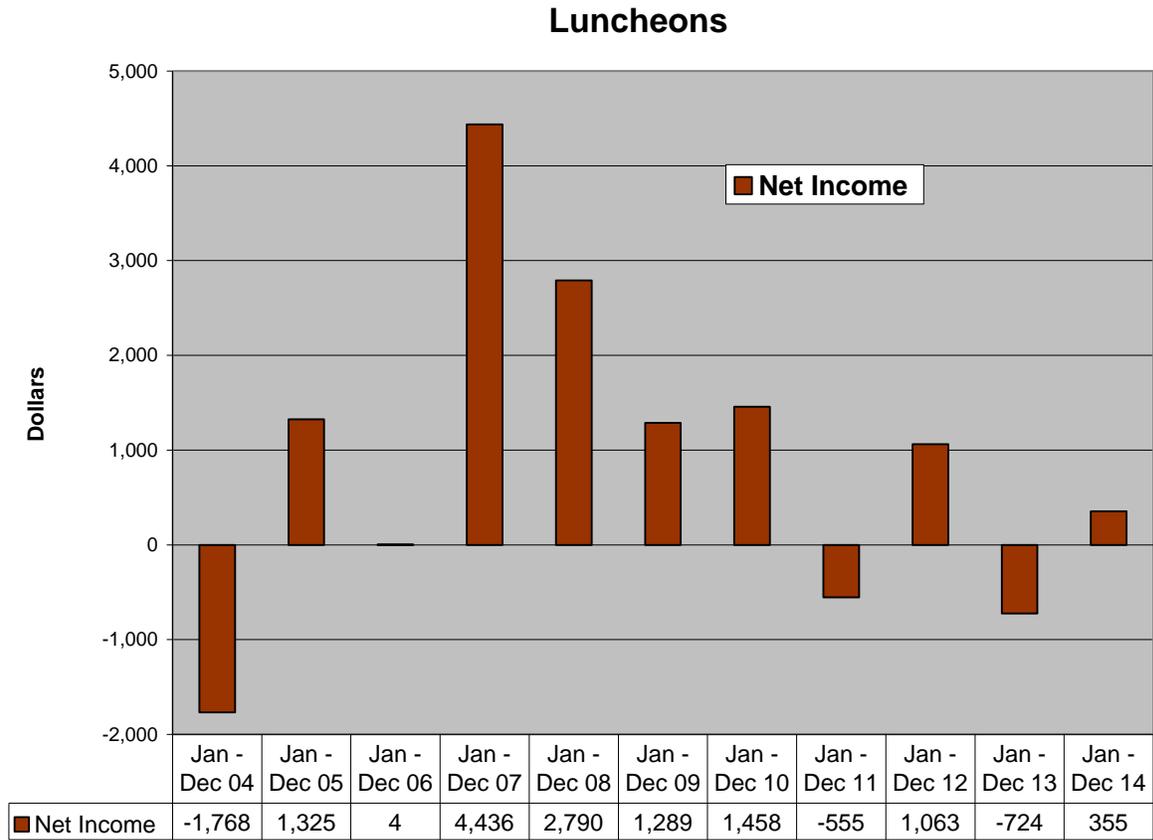
	Annual Meeting											
	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	
					Puerto Rico	San Deigo	Alaska	Sonoma	Lewisberg	French Lick	Halifax	
Annual Meeting Inc.	10,050	12,783	12,800	5,900	12,900	8,950	9,950	13,835	13,260	12,248	11,175	
Annual Meeting Exp.	10,371	13,402	9,223	9,761	17,158	10,908	12,740	19,375	9,867	10,459	12,129	
Net Income	-321	-620	3,577	-3,861	-4,258	-1,958	-2,790	-5,540	3,393	1,789	-954	

FCC Reception



FCC Reception												
	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	
FCC Reception Income	4,555	3,965	3,360	2,925	3,420	3,235	2,725	2,405	2,560	2,650	2,080	
FCC Reception	11,553	10,743	11,200	10,943	11,543	7,450	9,040	6,276	6,163	6,566	10,628	
Net Income	-6,998	-6,778	-7,840	-8,018	-8,123	-4,215	-6,315	-3,871	-3,603	-3,916	-8,548	

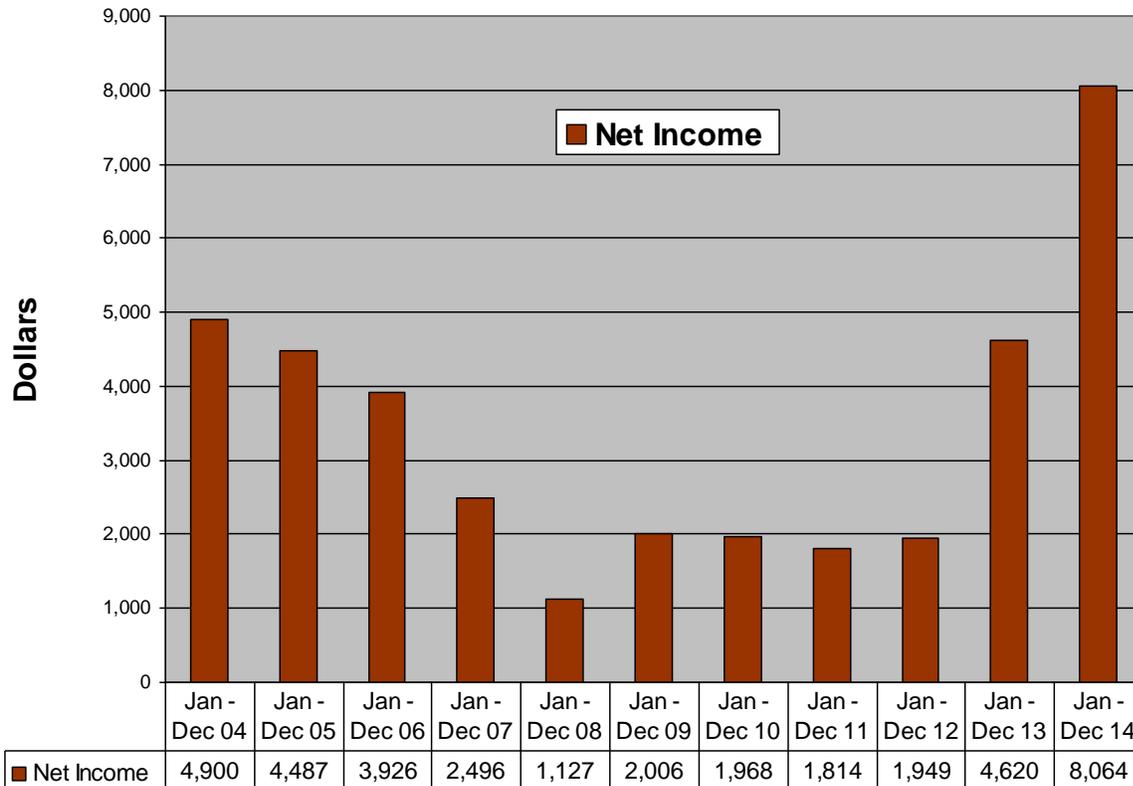
Luncheons



Luncheons												
	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	
Luncheon Income	10,860	12,340	9,500	13,545	12,195	8,570	9,635	7,865	7,594	9,545	8,930	
Luncheon	12,628	11,015	9,496	9,109	9,405	7,281	8,177	8,420	6,531	10,269	8,575	
Net Income	-1,768	1,325	4	4,436	2,790	1,289	1,458	-555	1,063	-724	355	

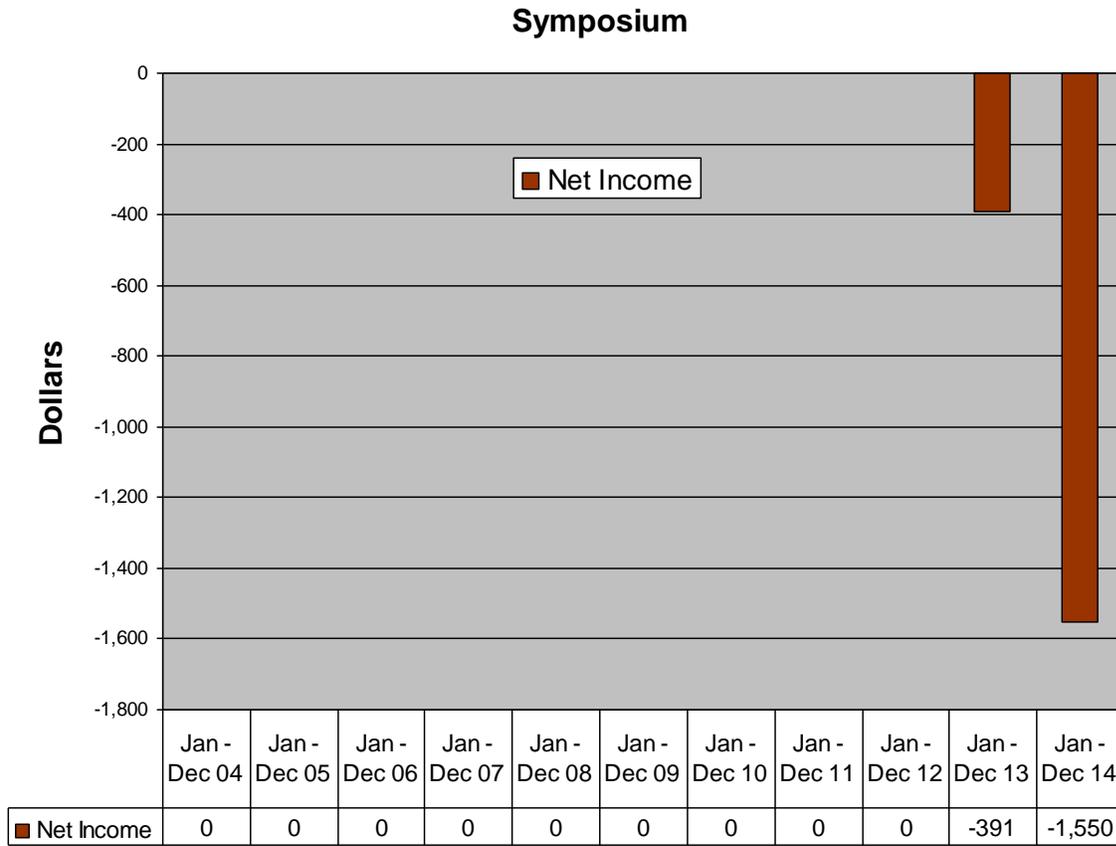
Fall Social

Fall Social



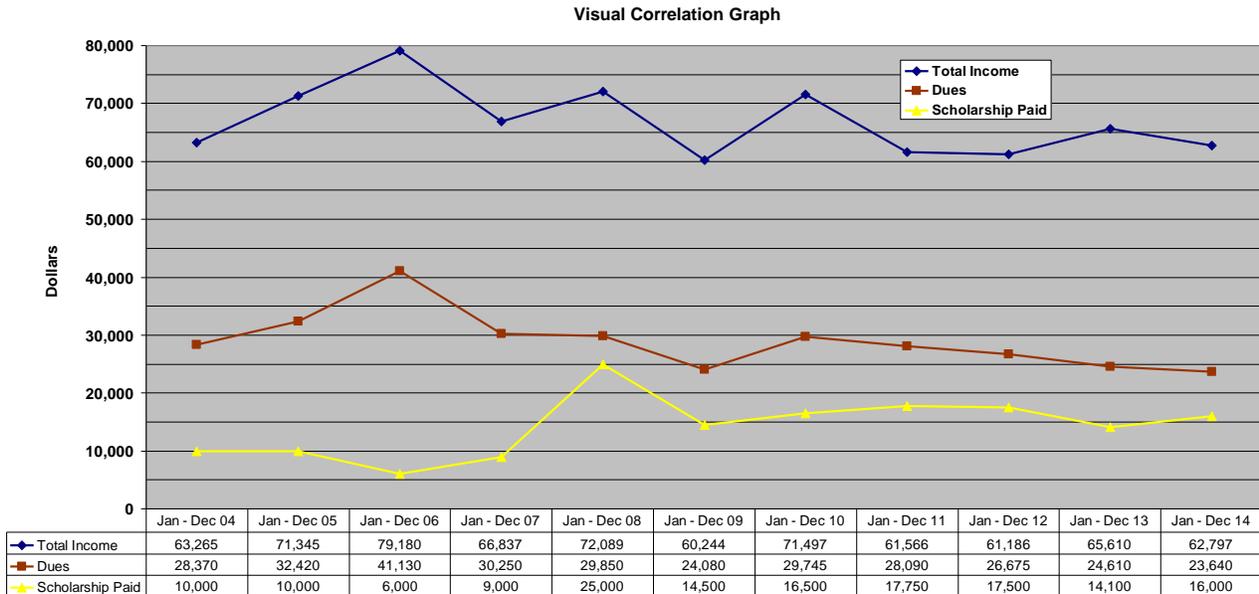
Fall Social												
	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	
Total Fall Social Income	4,900	4,862	9,150	8,925	7,470	9,400	9,450	6,110	6,340	9,500	11,450	
Fall Social	0	375	5,224	6,429	6,343	7,394	7,482	4,296	4,391	4,880	3,386	
Net Income	4,900	4,487	3,926	2,496	1,127	2,006	1,968	1,814	1,949	4,620	8,064	

Symposium



Symposium												
	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	
Symposium Income	0	0	0	0	0	0	0	0	0	1,934	2,116	
Symposium Expense	0	0	0	0	0	0	0	0	0	2,325	3,666	
Net Income	0	0	0	0	0	0	0	0	0	-391	-1,550	

Income, Dues, and Scholarships Awarded: Since one major goal of the organization is to provide scholarships to exceptional students, it seems reasonable to compare how this is working out, with respect to some financial measure. The graph below shows a visual correlation between the Total Income, Dues, and the dollar amount of Scholarships paid, for each year. Keep in mind that for years after 2007, total income in this graph (and in all previous graphs) does not include the certificate amount.

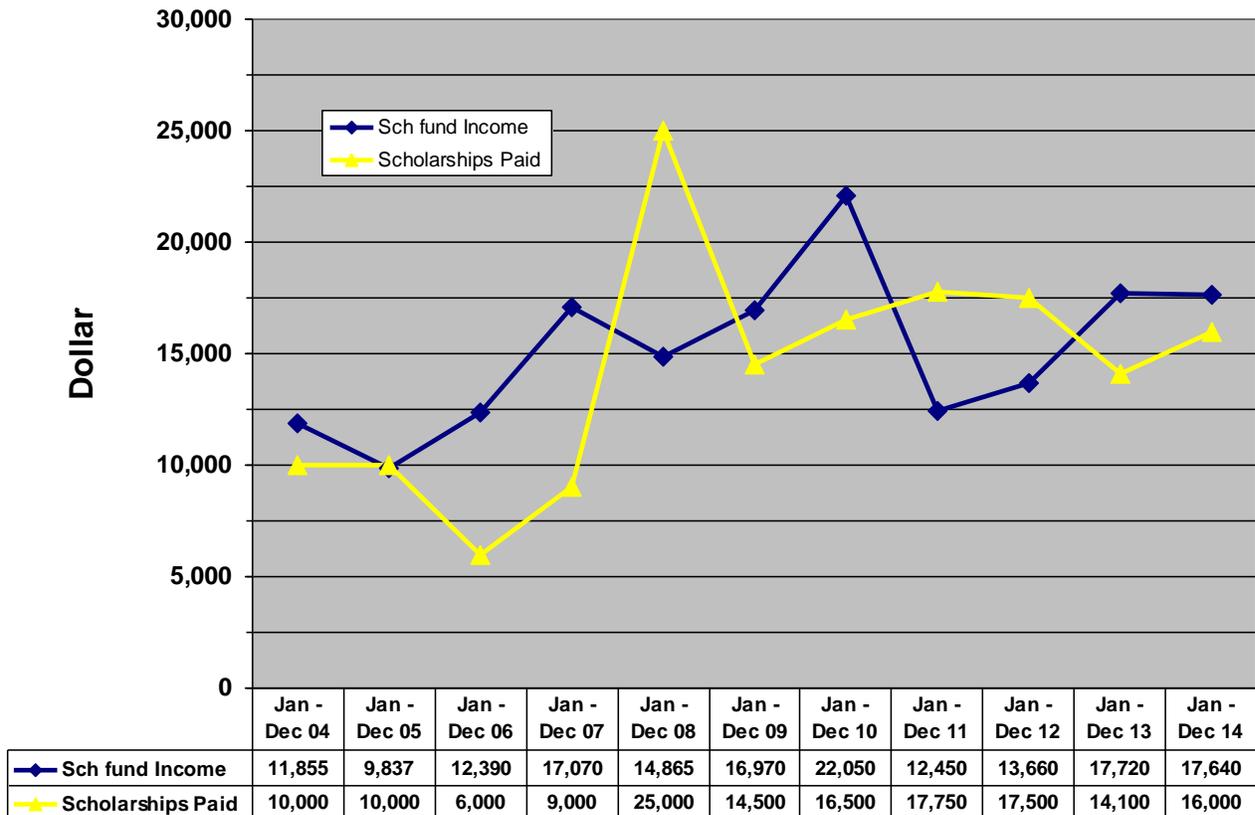


Also note that the financial level of scholarships paid shows an increasing trend over time. One further consideration would be to consider the number of students awarded scholarships in each year, and the amounts they received. That would provide a more complete view of this activity, but that information is not available in the financial data, although it is available on the Scholarship fund treasurer's reports.

A correlation comparison (statistical correlation coefficient) was computed between the scholarship data and the total income data giving a value of (-0.27). The same type of comparison between the scholarship data and the dues data give a correlation coefficient of (-0.50). Recall that a perfect correlation between any two data sets results in a correlation coefficient of plus or minus one. The values here show that the dues data "is closer" to "looking like" the scholarship data than the total income data. The visual comparison bears this out!

Scholarships Awarded and Scholarship Fund Income: The graph below shows the visual relationship between the dollar amount of Scholarships paid for each year and the Scholarship Fund Income amount. That income amount comes from the Fall Social, and contributions, including the matches from member renewal contributions, to the Scholarship Fund Account.

Scholarships Paid vs Scholarship Fund Income



Note that both the income and expense show a positive trend (increase over time), since the income data has a slope of 566, and the Scholarships Paid data a slope of 817 (meaning of slope provided on the next page). Now one would normally expect the Scholarships paid line to stay below the Income line, however transfers of funds from the operating account to the Scholarship account occur when the board wants to award more scholarships than the income in the fund would allow. This occurred in 08, 11, and 12 as the graph shows. The correlation coefficient between the two curves has a value of 0.28, indicating that there is “poor tracking” between them. That’s expected since just because the dollars are available doesn’t mean they will all be used, and as mentioned above more qualified candidates can expect to receive awards even if the funds aren’t immediately available. But it is clear from the graph that there is no build up of funds in this account, and one would expect that the average value of these curves would stay close in numerical value over time (average of the Income is 15,137, and the average of the Scholarships Paid is 14,214).

Quantitative Characterization of the Categories of Income Variation: A main focus for future planning involves trying to make the best estimates of income for the future year. The main income sources (excluding both interest – too small values, and the mini-symposium – only two data points) are shown in the table below. The next table shows some simple statistical information derived from the income table. Income data from the bookkeeper’s files was extracted to form this table and the quantitative statistical data is provided in the table below.

AFCCE INCOME													
	Jan - Dec 04	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	Total Row	
Dues	28,370	32,420	41,130	30,250	29,850	24,080	29,745	28,090	26,675	24,610	23,640	318,860	
Annual Meeting	10,050	12,783	12,800	5,900	12,900	8,950	9,950	13,835	13,260	12,248	11,175	123,851	
Luncheon	10,860	12,340	9,500	13,545	12,195	8,570	9,635	7,865	7,594	9,545	8,930	110,579	
Fall Social	4,900	4,862	9,150	8,925	7,470	9,400	9,450	6,110	6,340	9,500	11,450	87,557	
Contributions	4,530	4,975	3,240	3,630	4,350	4,185	9,800	3,070	4,610	5,040	3,339	50,769	
FCC Reception	4,555	3,965	3,360	2,925	3,420	3,235	2,725	2,405	2,560	2,650	2,080	33,880	

Statistical Parameters for Income Data

	MAX	MIN	AVG	Standard Deviation		Average Deviation		SLOPE
				STD	STD/AVG(%)	AVEDEV	AVEDEV/AVG(%)	
Dues	41,130	23,640	28,987	4,904	17	3,356	12	-933
Annual Meeting	13,835	5,900	11,259	2,371	21	1,867	17	162
Luncheon	13,545	7,594	10,053	1,942	19	1,587	16	-368
Fall Social	11,450	4,862	7,960	2,155	27	1,839	23	357
Contributions	9,800	3,070	4,615	1,853	40	1,085	24	25
FCC Reception	4,555	2,080	3,080	724	23	570	19	-198

The columns show:

The MAXIMUM (MAX) value for each income category.

The MINIMUM (MIN) value for each income category.

The AVERAGE (AVG) value for each income category

The STANDARD DEVIATION value for each income category.

The first column (STD) is the standard deviation, the square root of the sample variance.

The adjacent column shows the percentage of the average it represents. It’s the STD divided by the AVG, multiplied by 100

The AVERAGE DEVIATION value for each income category.

This is the average of the absolute value of the income data point differences from the average value (AVEDEV).

The adjacent column is the percentage of the average it represents.

It’s the AVEDEV divided by the AVG multiplied by 100

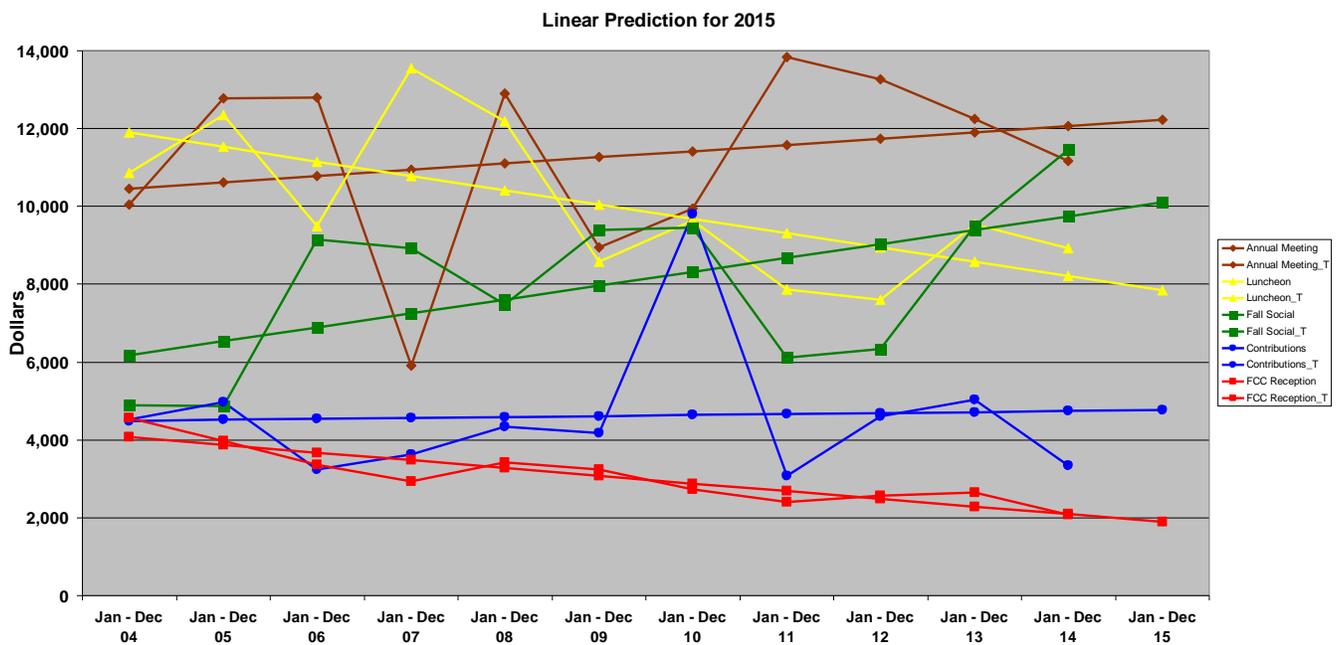
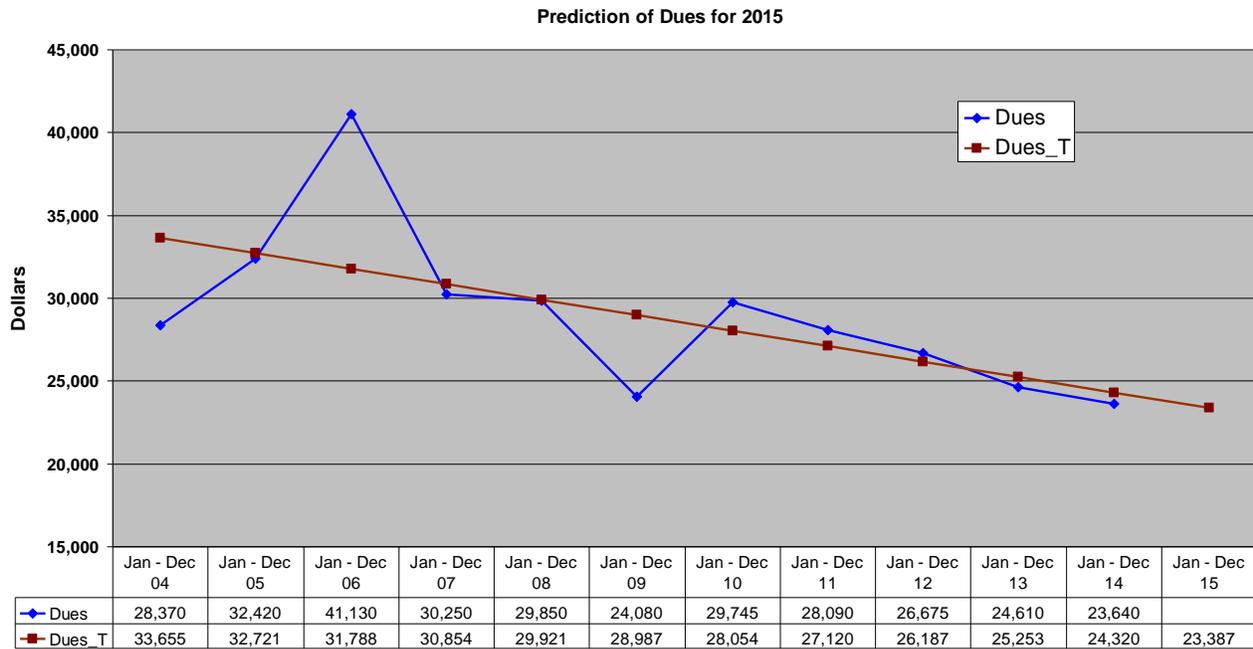
The SLOPE value for each income category.

It’s the slope of a regression line fitted to each category of the income data

The function of this table is to provide a numerical representation of the variability in the data. The maximum, minimum, average and standard deviation are the simplest statistics available to describe the variation in a data set. The average deviation is similar to the standard deviation but always produces a “tighter” value for the variation about the average. The Slope only indicates if the data is generally increasing over the time period (positive slope), or generally decreasing over the time period (negative slope). The statistical information can be

applied to “bound” the uncertainty for future income estimates. Nevertheless the table shows that the bounds are quite large (lots of variation in the data).

Statistical predictor (estimator) for future income: For each of the income categories one would like to make an estimate of the next year’s amount based on the historical data. The simplest predictor for a small data set is a linear predictor i.e. a regression line. These are shown in the graphs below for the different income categories.



The “Prediction of Dues for 2015” graph presents more details of how this works. The table at the bottom of the graph shows the values of the dues amounts for each year, labeled “Dues”, and below that are the values that define the regression line, labeled “Dues_T”. Those values are produced by Excel’s TREND function from the Dues data. Once the line is defined, it can be extended to estimate future values, in this case for the year 2015. It could be extended further but obviously with massively greater uncertainty associated with the “prediction”.

The Dues graph was shown separately from the other data to provide more information on the predictor process and because the dollar amounts of the data would swamp the smaller contributions if they were shown on the same graph. Those income categories and the corresponding regression lines are shown separately. The same color scheme is used for the income category data and the regression line for that category. A summary of the estimates generated by this procedure is shown in the table below.

Estimate for 2015 Income			
	Jan - Dec 2015	AVEDEV	AVEDEV/EST(%)
Dues	23,387	2,271	10
Annual Meeting	12,229	1,838	15
Luncheon	7,845	1,278	16
Fall Social	10,099	1,515	15
Contributions	4,765	1,088	23
FCC Reception	1,893	238	13

We have the amount of dues received this year (2015) and it is \$22,860. The difference between the estimate and the actual amount is \$527. This is about 2% of the predicted value, but one shouldn’t read too much into this since the table above shows the estimate has a variability of about 10%. So the uncertainty in the estimate is plus or minus 5%. The value would be expected to lie in the range between 24,556 and 22,218. Note that this ballpark estimate is still a large range.

Note that some of the regression lines on the graphs are increasing in value, ie Annual Meeting_T, Fall Social_T, and Contributions_T, indicating a positive slope (as shown in the Statistical Parameters for Income Data table) and representing an increasing value over the time period; some of the regression lines on the graph are decreasing in value, ie Luncheons_T, and FCC Reception_T, indicating a negative slope and representing a decreasing value over the time period.

BIG CAUTION: This section focuses ONLY on income. Though income is increasing for the annual meetings (trend line), the net income is negative – we generally lose funds on this event. On the other side, the luncheon income is decreasing over time (trend line), the net income is positive – we generally gain funds on this event. Since expenses are easier to control, change of venue, types of elements in the event, etc., it’s more reasonable to concentrate on what the income is doing, but not lose sight of the net income in interpreting results.

Budget Discussion: As discussed in the beginning of this report the term “budget” for AFCCE has different meanings for different individuals in the context they envision it. That context varies depending on the issue or goal for which the financial tools are applied. A couple examples may clarify this.

At the beginning of planning for the year’s activities it would be prudent for the board to have available the financial information from the last year’s functions, including the cash carry over from the last year. Since AFCCE events are reasonably standard, the last year’s data should pretty much define the next years planning. Perhaps the format in which the last year’s information is provided to the board should be called “the budget”. If that’s the case, a special Treasurer’s report can be generated by the bookkeeper, in the format the board desires, to provide that basic information.

Now consider that an unusual event arises during the year in conjunction with typical AFCCE functions. The board decides to invite a specific individual to participate in the mini-symposium and the incentive is that AFCCE will cover their expenses, or someone wants to invite a special guests to the luncheon and have AFCCE cover their expenses. Assuming the board doesn’t want to change the event cost to cover the additional expense, a quick look at the Treasurer’s report would show if that’s “affordable”. That seems to be the essential element of a budget process. – what can we afford to do in the near term. Again the Treasurer’s report is all that’s needed to make that decision.

Now consider that someone proposes something outside the previous year’s functions, suppose it’s “lets reduce the lunch fee for our members”. This involves long term planning and financial analysis. How much do you want to reduce the fee? Treasurer could be asked to come back with some proposals – but that leaves the issue open-ended – there are many, many potential proposals. The Treasurer would state to the board that if the lunch fee is reduced it is certain that income will be reduced, so what other fiscal constraints would they want the treasurer to consider. A possible answer could be, make sure the excess cash carry over doesn’t get reduced by more than say 25%. Now the financial tools shown here can be applied to produce a reasonable answer. This is more of a special project, but since it involves financial planning it could/should be considered part of a budget process at least in some sense. Note that this type of issue arose several times in the past; inviting FCC individuals to the luncheons without charge, or matching scholarship donations provided with member renewals from the operating account. It should be kept in mind that with a healthy financial status, adjustments that are made slowly enough, involving moderate changes in finances will not become a problem. The summary financial reports to the Annual Meeting would identify any concerns well in advance. That seems to be the way AFCCE has operated in the past.

Since budgeting is a task that bookkeepers often perform, Anne’s comments provided at the beginning of this report are particularly relevant. What objective/goal does the board want to accomplish with fiscal planning and what fiscal constraints should be considered? If the issue is yearly financial data for the next year’s activities, a special Treasurer’s report can be generated at the beginning of the year to provide that basic information. If the issue is long term and the bookkeeper’s software tools are not adequate to address it, then it becomes a “special project” for the Treasurer – *like this report on AFCCE finances.*

Conclusions:

1. The consistent build-up of cash reserves in the operating fund bank account, *over the previous eleven year period*, signifies a very healthy and stable financial state. This portends a bright financial future with continued conservative management.
2. It's extremely satisfying to recognize that the trend for Scholarships Paid is positive over the length of time of this analysis – *eleven years*. That trend would still be positive if the 2008 data point (an outlier – much bigger than nearby data) were deleted and the trend recomputed.
3. *The most important factor for AFCCE financial planning is the cash in bank at the end of the calendar year. That's the excess carry over into the next year, the "cushion" which allows quite a bit of leeway for future financial expenditures. The next most important factor is the Net Income at the end of the calendar year. A positive value indicates the cash in bank is increased by that amount, a negative value indicates the cash in bank is decreased by that amount.*
4. The FCC reception has a negative income trend line and ALL net income for this event is negative. This is not expected to change in the future. Financially this is a bad situation, but there must be significant reasons for this to continue (see comments in the Addendum below).
5. The Fall Social has a positive income trend line and ALL net income for this event is positive. This is not expected to change in the future. Financially this is as good as it gets. It is noted that this event directly and totally supports the Scholarship Fund.
6. The Annual Meeting has a positive income trend line, but most net income is negative for this event. Careful future planning on expenses can provide a lot of marginal income gain here.
7. The Luncheons show a negative trend line, but most net income is positive for this event. While financially this is an acceptable situation, it exposes a problem that should be looked into. From this perspective, the suggestion to reduce the luncheon fee may have merit, if it can be done without overly reducing the net income i.e. attracting enough members to the luncheon so the new income from the lower fee equals and hopefully surpasses the present income.
8. The total AFCCE income is decreasing (negative SLOPE), and the numerical value of the slope of the regression line is almost the same as the numerical value of the slope for the dues income. The correlation coefficient between the two curves is 0.86 which indicates a very high degree of "tracking" between the curves. However, looking at the two curves, one can detect a noticeable change in very recent years. One reason for this may be that the dues portion of the total income decreased to only 38% in the last two years.
9. For the newest additions to the AFCCE financial picture, the mini-symposium and the credit card, there is just too little information (only two data points – two years) to reach any conclusions. It's clear that the credit card fees will always be an "expense", but the symposium has the potential to add income. It will take more experience to properly set the charges/fees for symposium attendance to optimize income without discouraging attendance through large fees.

10. This Treasurer has strongly felt that since the AFCCE's financial position is very strong, i.e. carrying over almost \$47,000 excess cash into 2015, that almost all of the financial decisions can be made without detailed analysis. Simple common sense judgments by the board based on the Treasurer's reports will handle almost all foreseeable issues. If a budgeting process is still required by the board, more guidance is needed on what goals/objectives it will serve so it can be structured with the proper elements to attain those goals/objectives.

Recommendations:² The following recommendations are presented based on the information developed here to clarify critical elements in the financial presentations to the board and membership, and make it easier for the future Treasurer's to perform their functions.

AFCCE Treasurer's reports should be provided on a monthly basis, instead of only on board meeting dates. This would greatly simplify tracing income and expenses and provide more consistency by removing the odd gaps in the time between Treasurer's reports. If it's judged that the expense to do this outweighs the benefits then, at a minimum, one additional Treasurer's report should be provided at the beginning of the calendar year showing the finances from the beginning to the end of the previous calendar year i.e. a full summary of the year's income and expenses broken out in the format presently used.

The bookkeeper should have software that can easily accommodate providing the presentation of financial data on an annual or FY basis. The annual basis, like the data used for this report is best for financial analysis, but the FY basis would be needed for federal tax filings.

The type of analysis in this report should probably occur every three years. Since the Treasurer's term lasts 3-years, what better way for a new Treasurer to get intensely familiar with AFCCE finances than by performing this type of analysis.

. Any future analysis of dues and total income amounts should check to see if there is a greater "uncoupling" between dues and total income trend lines, based on the dues portion of total income dropping to 38% in the last two years. Also in that same vein, see footnote 2 below.

Some action should be taken to look at the issues identified here in Conclusions four, six, and seven. This would involve more than just financial analysis since some other unidentified issue is driving the financial data identified there.

² For those who follow up on this type of analysis.

Use of moving averages in the future could resolve issues like the one here on the length of time needed for this type of analysis. Older data can bias the results, since it is less relevant to current activities. But enough points (years) should be provided to keep the statistics meaningful. I think a redo of info provided here based on a 5-yr and 3-yr data set could be useful, just to see if the present results change significantly.

Minor consideration but some of our expenses are locked to a two year period, like the reporting to DC on the Scholarship Fund (fee) and the D&O insurance cost. These are minor cost wise but to be consistent in the analysis they, and any other that come up, should be divided into yearly expenses

References:

1. Identification of Bookkeeper's four financial files (containing the ten year calendar year data) used to produce this report. Available in electronic format from the Treasurer or Bookkeeper:

Operating fund data files:

AFCCE Bal. Sheets Cal. Year 2004 – 2014.xls

AFCCE P&L. Sheets Cal. Year 2004 – 2014.xls

Scholarship fund data files:

AFCCE SF Bal. Sheets Cal. Year 2004 – 2014.xls

AFCCE SF P&L. Sheets Cal. Year 2004 – 2014.xls

Appendix 1:

The Treasurer report for the last board meeting of the 2014 calendar year is provided to show how an estimate of cash-in-bank at the end of the calendar year can be estimated.

Appendix 2:

Bookkeeper's plots showing monthly income and expenses for calendar year 2014. This form of graph produced with the Quickbooks software could be provided for more general comparisons of different years. I like the clean display. Keep in mind for future reports like this one.

Addendum:

These comments were added after the end of the Annual Meeting:

Summarizing the previous Treasurer (Lanny Nass):

a. AFCCE is first and foremost a service organization, not an event-for-profit organization. As a service organization, giving something back to its members and to the industry is the overall goal.

b. AFCCE should set a fixed dollar amount on the reserve level. If funds in the account exceed that amount, they could be budgeted for projects or event cost reduction. If the reserved funds are at the set amount, it would trigger caution and the brakes could be applied as necessary to discretionary spending. Reserves are to assure the ongoing health of the organization when times are tough.

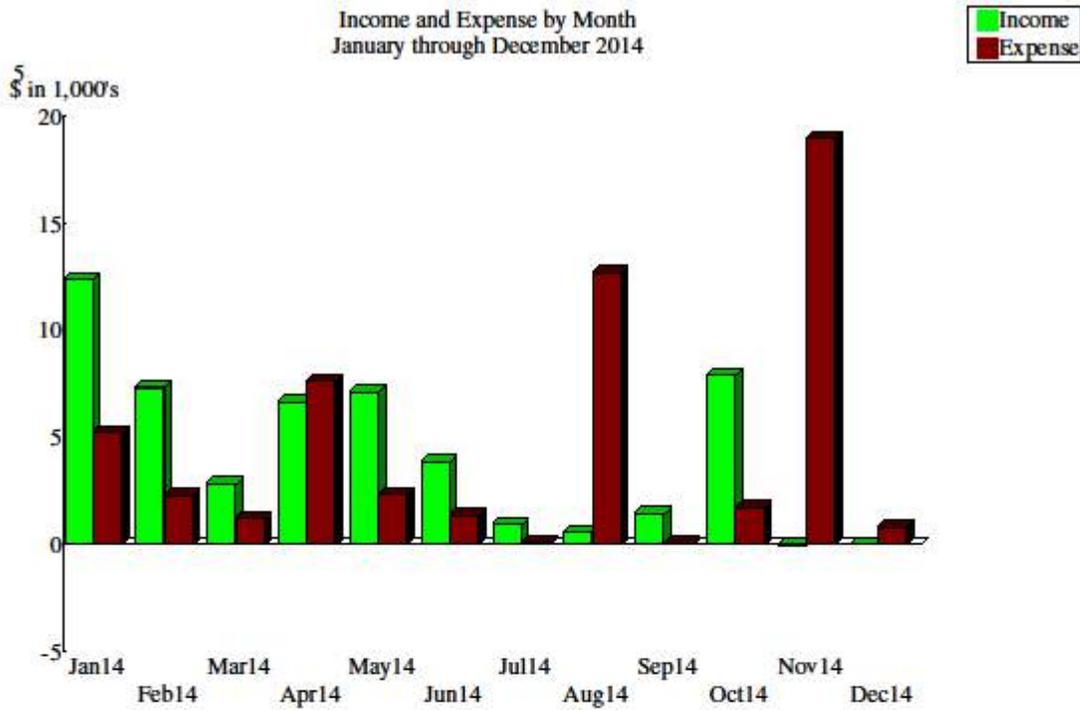
Appendix 1:

AFCCE Treasurer's Report 11/15/14 – 1/14/15, is shown below. It shows that the cash-in-bank does not represent the exact figure at the end of the calendar year because of the data overlap.

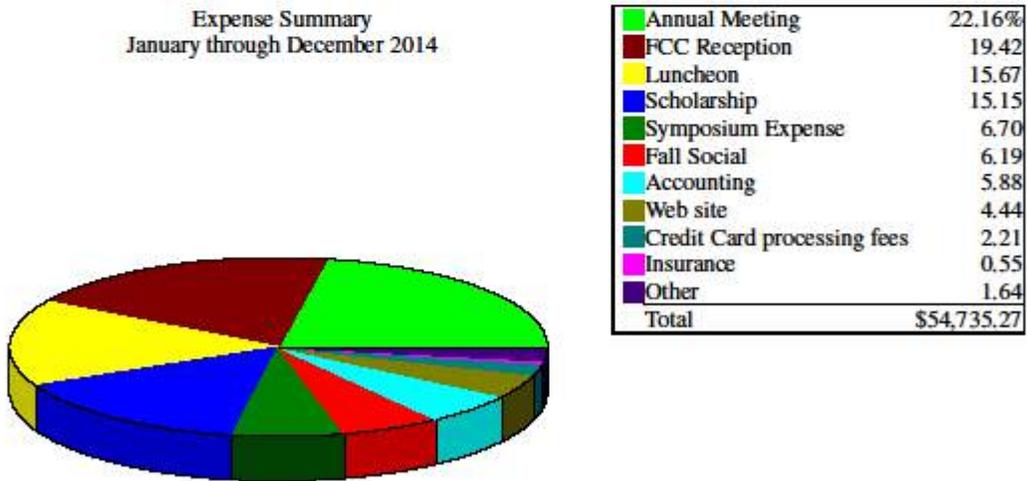
AFCCE TREASURER'S REPORT						
11/15/14 - 1/14/15						
	Opening Balance Checking					\$ 54,547.19
	Opening Balance Business Savings (Wells Fargo)					\$ 77,396.28
	<i>Income for the period from all sources:</i>					\$3,745.34
1	FCC Reception income			\$1,600.00		
2	Luncheon income (Oct., Nov., Jan.)			\$1,665.00		
	Dues income			70.00		
3	Fall Social income (sponsorship)			400.00		
	Interest income			\$10.34		
	<i>Expenditures for the period totaled:</i>					\$ 10,971.46
	Awards supplies			168.51		
	Bookkeeping (Nov. and Dec.)			738.15		
	Credit card processing			218.01		
	FCC Reception			8328.48		
	Luncheon audio-visual			31.80		
	Luncheon bar			90.00		
	Luncheon meals			1338.81		
	Postage			6.37		
	Supplies			26.49		
	Tax federal withholding			2.89		
	Web site			21.95		
	Cash in Bank 1/14/15					\$ 47,313.62
	Business Savings Wells Fargo 1/14/15					\$ 77,403.73
	Total 1/14/15					\$ 124,717.35
	Respectfully submitted:					
	Ronald Chase, Treasurer, 1/23/2015					
1	FCC Reception summary:					
	Income \$2,040; Expenses \$10,654.97; Net \$-8,614.97					
2	Luncheon summaries to date:					
	October: Income \$1,665; Expenses \$1,797.16; Net \$-132.16					
	November: Income \$1,620; Expenses \$1,460.61; Net \$159.39					
	January: Income \$450					
3	2014 Fall Social summary:					
	Income \$11,350.00 (directed to the Scholarship Fund)					
	Expenses (paid by Operating Account) \$3,385.85					
	Net \$7,964.15					

Appendix 2:

Bookkeeper's plot showing monthly income and expense comparisons, produced using Quickbooks software; file: *AFCCE 2014 Expense pie chart.pdf*

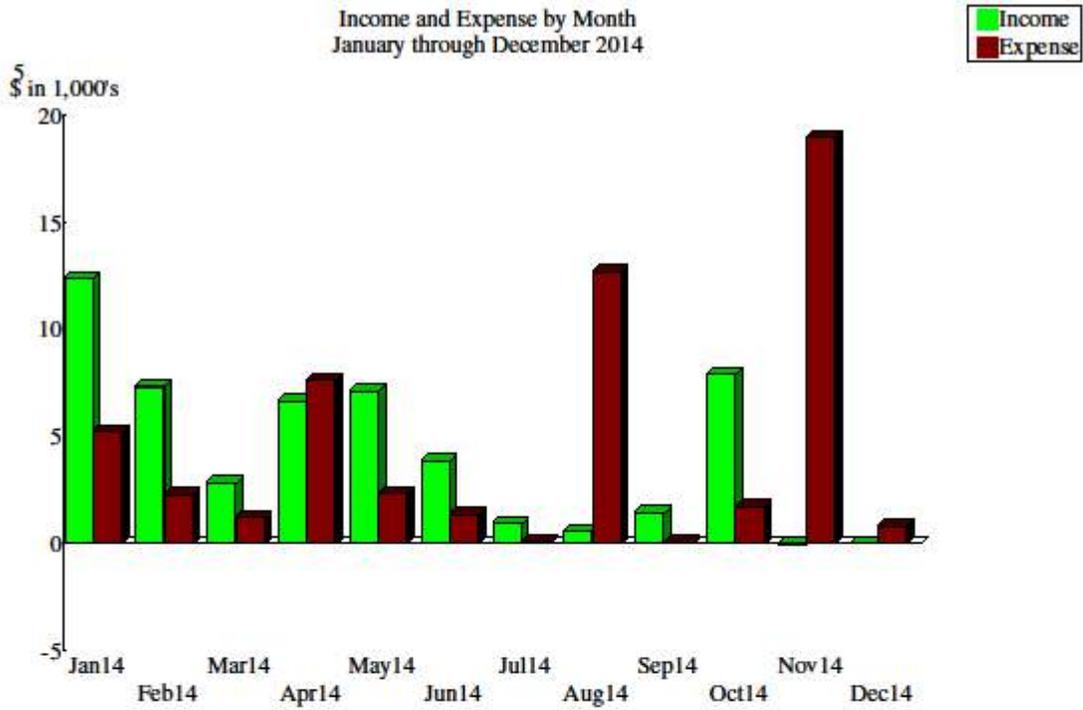


Expense Summary
January through December 2014



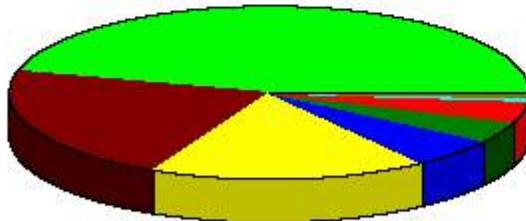
By Account

Bookkeeper's plot showing monthly income and expense comparisons, produced using Quickbooks software; file: *AFCCE 2014 Income pie chart.pdf*



Income Summary
January through December 2014

Dues Income	46.06%
4000 Annual Meeting Income	21.78
4002 Luncheon Income	17.40
Income Scholarship	5.67
Symposium Income	4.12
4001 FCC Reception Income	4.05
Fall Social Income	0.78
Interest Income	0.13
Total	\$51,318.99



By Account



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

AFCCE Scholarship Fund Treasurer's Annual Report 2014-2015

This report covers the financial status and transactions of the Association from May 1, 2014 through April 30, 2015. The commencement date follows the ending date of the 2013-2014 Treasurer's Annual Report.

The attached AFCCE Scholarship Fund Annual Report dated 5/1/14 – 4/30/15 shows a balance of \$2,921.91 in the Scholarship Fund checking account (see NOTE below).. The Fund operates on a cash basis.

As reflected on the attached Annual Report, the total income from all sources for the period was \$17,578. All expenditures for the period went toward 11 awards. The attached four-year Net Gain and Loss Balance Sheets provide historical detailed information from May 1, 2011 through April 30, 2015.

NOTE: Because of the implementation of the new AFCCE web site, and the changeover of the credit card site, the scholarship donations with the member renewals were not transferred to the scholarship fund until after 30 April. The amount of $2 \times \$2570 = \5140 would have been added to the renewal and matching amounts shown in income on the annual report (next page). I've attached the May's Treasurers report (last page) to show this income addition and present dollar amount in the Scholarship Fund as of 5/14/15.

Attachments herein include:

- AFCCE Scholarship Fund Treasurer's Annual Report 5/1/14 - 4/30/15
- AFCCE Scholarship Fund Gain and Loss Sheet as of 5/1/14 - 4/30/15
- AFCCE Scholarship Fund 4-year Balance Sheet 4/12 - 4/15
- AFCCE Scholarship Fund 4-year Gain and Loss Statement 5/11 - 4/15

Respectfully submitted,

Ronald J Chase, Treasurer
June 23, 2015

AFCCE Scholarship Fund Treasurer's Annual Report
5/1/14 – 4/30/15

	Opening Balance				\$9,343.91
	<i>Income for the period from all sources:</i>				\$17,578.00
	Contributions			488.00	
	Renewals			420.00	
	Memorials			0.00	
	Matching Scholarship Donations			420.00	
1	2014 Fall Social donations			3,850.00	
1	2014 Fall Social sponsorships			7,500.00	
2	Noel Luddy Scholarship			4,900.00	
	<i>Expenditures for the period totaled:</i>				\$24,000.00
	Scholarships paid: \$20,000.00, Noel Luddy Sch. \$4,000				
	Andrew C. Krew (fall 2014)			3,000.00	
2	Rafida Zaman (fall 2014)			1,500.00	
2	Dennis Yuan (fall 2014)			1,000.00	
	Irene C. Khuu (fall 2014)			3,000.00	
	Caroline Schram (fall 2014)			3,000.00	
	Maxwell S. Schweiner (fall 2014)			1,000.00	
2	Rafida Zaman (spring 2015)			1,500.00	
	Irene C. Khuu (spring 2015)			3,000.00	
	Caroline Schram (spring 2015)			3,000.00	
	Maxwell S. Schweiner (spring 2015)			2,000.00	
	Edward Novikov (spring 2015)			2,000.00	
3	Cash in Bank 4/30/15:				\$2,921.91
	Respectfully submitted:				
	Ronald Chase				
	Treasurer				
	6/12/2015				
1	2014 Fall Social: Income \$11,350; Expenses \$3,385.85 (paid by Op. Acct.); Net \$7,964.15				
2	E. Noel Luddy Scholarships balance \$1,000				
	Opening balance \$100, contribution \$4,900, paid \$4,000				
3	Cash in Bank \$2,921.91, plus Noel Luddy Schol. \$1,000 (a balance sheet account)				

AFCCE Scholarship Fund Treasurer's Annual Report
Gain and Loss
5/1/14 – 4/30/15

				May '14 - Apr 15
		Income		
		Contribution		
		General		488.00
		Renewal		420.00
		Total Contribution		908.00
		Fall Social		
		Donations		3,850.00
		Sponsorship		7,500.00
		Total Fall Social		11,350.00
		Matching Scholarship Donations		420.00
		Total Income		12,678.00
		Expense		
1		Scholarship Pd		20,000.00
		Total Expense		20,000.00
		Net Gain/Loss		(7,322.00)
1		An additional \$4,000 was paid from the Noel Luddy Scholarship. That amount does not appear on this report because this scholarship is a Balance Sheet account		

**AFCCE Scholarship Fund Treasurer's Annual Report
4-Year Balance Sheet**

			Apr 30, 12	Apr 30, 13	Apr 30, 14	Apr 30, 15
ASSETS						
	Current Assets					
	Checking/Savings					
		SCHOLARSHIP FUND	12,904.49	10,211.49	9,343.91	2,921.91
	Total Checking/Savings		12,904.49	10,211.49	9,343.91	2,921.91
	Total Current Assets		12,904.49	10,211.49	9,343.91	2,921.91
TOTAL ASSETS			12,904.49	10,211.49	9,343.91	2,921.91
LIABILITIES & EQUITY						
	Noel Luddy Scholarship Fund		2,500.00	600.00	100.00	1,000.00
	Equity					
	Retained Earnings		10,714.49	6,874.49	10,281.49	11,921.91
	Net Gain/Loss		-310.00	2,737.00	-1,037.58	-10,000.00
	Total Equity		10,404.49	9,611.49	9,243.91	1,921.91
TOTAL LIABILITIES & EQUITY			12,904.49	10,211.49	9,343.91	2,921.91

**AFCCE Scholarship Fund Treasurer's Annual Report
4-Year Gain/Loss Balance Sheet**

		May '11 - Apr '12	May '12 - Apr 13	May '13 - Apr 14	May '14 - Apr 15
	Income				
	Contribution				
	General	0.00	110.00	200.00	488.00
	Memorial	2,200.00	2000	50.00	0.00
	Renewal	2,650.00	2,980.00	2,691.21	420.00
	Total Contribution	4,850.00	5,140.00	2,941.21	908.00
	Fall Social				
	Sponsorship	1,750.00	3,500.00	3,000.00	7,500.00
	Fall Social - Other	3,960.00	800.00	0.00	0.00
	Donations	890.00	3,650.00	4,500.00	3,850.00
	Total Fall Social	6,600.00	7,950.00	7,500.00	11,350.00
	Matching Scholarship Donations	2,650.00	2,980.00	2,691.21	420.00
	Total Income	14,100.00	16,070.00	13,132.42	12,678.00
	Expense				
	Accounting	0.00	0.00	0.00	0.00
	Bank Fees	0.00	3.00	0.00	0.00
	DC Annual Report	0.00	130.00	0.00	0.00
	DC Reinstatement Fee	0.00	80.00	0.00	0.00
	Incorporation service to 3/2013	0.00	0.00	0.00	0.00
	Scholarships paid	14,750.00	16,600.00	13,500.00	20,000.00
	Total Expense	14,750.00	16,813.00	13,500.00	20,000.00
	Net Gain/Loss	(650.00)	(793.00)	(367.58)	(7,322.00)



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

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Ronald Chase
13522 Fitzhugh Lane
Woodbridge, VA 22191
Phone (703) 494-5657

Directors

Richard P. Biby
Garrison C. Cavell
Marshall Cross
B. Benjamin Evans
David Layer

2014-2015 Annual Admissions Committee Report

The following individuals were added to the membership as indicated:

For Membership:

Myron D. Fanton, assistant Professor, Engineering, Benedictine College

For Associate Membership:

Eileen Breslin, Partner, Jaspan Schlesinger LLP
Ms. Suzanne Lupia, General Manager, Western Pacific Broadcast, LLC
Michael Lasky, Widelity, Inc., Principal
Matthew Scott Cauthen, Vice President, SCMS, Inc.
Roswell Clark, Director of Tech Operations, Cox Media Group.
Paul Stanley Shulins, Greater Media. Director of Technical Operations.
Leslie Kutasi, Jr., Regional Sales Manager, Dialight Inc.

For Student Membership:

Brandon Stegall, student in Computer Engineering, The University of Texas at Austin

Pending Application: (Application processed, pending approval from The Board)

James Randall McDonald, CEO, Wind River Group, Inc.

Respectfully submitted,

Matthew A. Sanderford, Jr., P.E.
Committee Chairman, AFCCE Admissions Committee

Cc: Joseph M. Davis, P.E., William R. Meintel



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

Annual Report of the Engineering Rules and Standards Committee Term 2014-2015

The Engineering Rules and Standards Committee brought several FCC rulemaking proceedings to the attention of the membership via the enhanced AFCCE web site. These included items related to millimeter-wave spectrum, broadcast/wireless interference, and TV white space. Posts on these items are dated October 1 and 22, 2014. Comments on these items were solicited from members but none were received, and AFCCE did not file comments with the FCC in those proceedings.

At the January 23 and March 20, 2015 AFCCE Board meetings there was discussion on how to balance the desire for increased AFCCE participation in FCC proceedings with possibly conflicting member interests. FCC filing guidelines, shown on the next page, were developed and adopted by the Board at its May 22, 2015 meeting.

Respectfully submitted,

Steve Crowley
Chairman, Engineering Rules and Standards Committee

June 24, 2015



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

Page 2

AFCCE FCC Filing Guidelines

Adopted May 22, 2015

1. If there is little interest among AFCCE members in an FCC matter, or if an FCC matter is especially contentious among AFCCE members, AFCCE should not participate in that matter.
2. Members should be sent the text of proposed AFCCE filings a minimum of seven days in advance of filing.
3. AFCCE should strive for consensus, but unanimity of the members is not necessary to make an FCC filing.



ASSOCIATION OF

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WASHINGTON, D.C.

www.afcce.org

LIAISON COMMITTEE REPORT FOR YEAR 2014-2015

The Liaison Committee has been active and has performed what it considers routine inquiries from members and non-members. These inquiries generally fall into the category of assistance in filing comments before the FCC; assistance to Tom King's group on AM improvement and assisting the group to contact the appropriate members of the Hill or assistance in obtaining clarification of Federal Communications Commission ("FCC") Rules and Policies for individuals.

As identified in last year's Liaison Committee Report, "... it was evident in the review of the comments in MB Docket 13-249 that noise level was a primary concern." "Therefore, the undersigned has contacted various bureau chiefs and believe after some effort, a method will be devised in which to submit to the FCC where unusual sources of noise appears. This method is still being formulated and it is recommended AFCCE consider being the point of contact so that the FCC is not bombarded with noise level notices without some procedure to follow up on these noise level notices." Guidance is requested if AFCCE desires to proceed in this endeavor and, if so, under what guideline.

Based on an inquiry to the FCC Aural Media staff there are no immediate proceedings envisioned for FM or FM translators. The AM revitalization docket is still with the bureau and there is no immediate movement in the bureau regarding this item.

The TV Bureau¹ activities are on-going and numerous for the upcoming Incentive Auction. However, the Federal Communications Commission Bar Association Mass Media Practice Committee has written a letter to the FCC that during the Incentive Auction there may not be enough attorneys and therefore, the Committee has advanced a proposal how each attorney could be allowed to handle multiple situations and not violate the anti-collusion rule. The following is the closing paragraph from the May 14, 2015 committee's letter to the Secretary of the Federal Communications Commission.

“While the Committee believes that its understanding of the anti-collusion rule is correct, we also recognize that the potential consequences of a violation of the anti-collusion rule on our clients could be severe. Further, if clients will not be able to continue to obtain advice and counsel from their regular FCC counsel, the Committee believe that they should be made aware of that fact well in advance of the auction participation deadline so that they may make appropriate choices. Therefore, if the Commission believes that an attorney who advises more than one Covered Licensee during the reverse auction but does not communicate any client's bids or bidding strategies to any other client will *prima facie* violate the anti-collusion rule, we would appreciate being so advised promptly.”

On this issue, does the Professional Engineers within the AFCCE have a similar concern?

If so, how should it be addressed?

¹MB Docket No. 15-137, *Channel Sharing by Full Power and Class A Stations Outside the Broadcast Television Spectrum Incentive Auction Context* and MB Docket No. 15-146, *Amendment of Parts 15, 73 and 74 of the Commission's Rules to Provide for the Preservation of One Vacant Channel in the UHF Television Band for Use by White Space Devices and Wireless Microphones*, awaiting Federal Register action

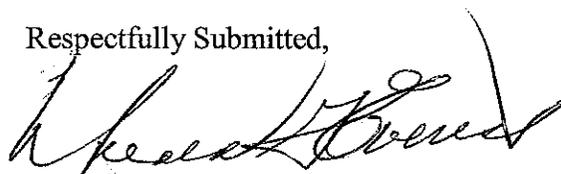
Liaison Committee Report

Page 3

June 19, 2015

The Committee expresses its gratitude and its appreciation for the support of leadership provided by President David Snavelly and the Board of Directors. The Committee appreciates all the efforts provided by AFCCE members to enlighten the committee regarding potential areas of interest.

Respectfully Submitted,



Donald G. Everist

Chairman

AFCCE Liaison Committee

Date: June 19, 2015



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

ANNUAL REPORT OF THE NOMINATIONS COMMITTEE

For the June 26-27, 2015 AFCCE Annual Meeting

At the March 20, 2015 AFCCE Board of Directors meeting, the Board placed on the ballot the following members for elections to the upcoming vacant seats of the Board for the terms beginning July 1, 2015.

For the two Full Member vacancies (four-year terms):

Joseph DiPietro
Christopher Horne
Mark Fehlig
Robert Weller

For the two Associate Member vacancies (three-year terms):

Ronald Chase
John Lyons
Harvey Arnold

The balloting opened on May 10, 2015, when electronic ballots were emailed to the Full and Associate Members. The balloting closed on May 31, 2015. The election results will be tallied and announced at the Annual Meeting in Annapolis, Maryland.

The Board wishes to express their thanks to the above members for running for the vacant Board positions and being willing to serve on the Board.

Respectfully submitted,

B. Benjamin Evans, P.E.
Nominations Committee Chairman

June 15, 2015



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

ANNUAL REPORT OF THE PROFESSIONAL ETHICS & GRIEVANCES COMMITTEE

JUNE 2015

AFCCE members are expected to adhere to the Code of Ethics for Engineers (which can be found at www.nspe.org/resources/ethics/code-ethics) in dealing with clients, the public, and other engineers. According to the AFCCE By-Laws, the Professional Ethics and Grievances Committee “shall be authorized to express an informal opinion concerning proper professional conduct [by any member of the AFCCE] when such matters are referred to it by the Board of Directors.”

In May 2015, the Board of Directors learned about a professional complaint against one of our members, Stephen Lockwood, P.E. of Hatfield & Dawson Consulting Engineers, concerning his conduct regarding an FCC Form 301 construction permit application he prepared on behalf of the owner of Radio Station KRPI(AM) in Washington State, to move the transmitter tower array from Ferndale, WA to Point Roberts, WA. The complaint was filed with the State Washington Board of Registration for Professional Engineers and Land Surveyors, where Mr. Lockwood is registered as a Professional Engineer. The complainants sent copies of their complaint (dated April 22, 2015) to the AFCCE post office box and to the IEEE headquarters. Mr. Lockwood timely sent a copy of the complaint to me, as well as his written response to same (addressed and sent to the Washington registration board), both of which I forwarded to the rest of the Board on May 20, 2015.

The proposed new KRPI transmitter site is about 400 meters south of the Canadian border with the US. The central complaint against Mr. Lockwood is that he allegedly concealed from the FCC and Industry Canada “critical information” concerning blanketing effects of the proposed AM array installation to a densely populated area on the Canadian side of the border.

It is relevant to point out that the complainants, James Ronback and Steve Wolff, are both members of an organization called the Cross-Border Coalition to Stop the Radio Towers, which not only has actively opposed the KRPI relocation project, but has also filed a Petition to Deny the license renewal of KRPI (through its associate group called the Point Roberts Taxpayers Association).

At its May 22, 2015 meeting, after a fair amount of debate, the Board, although unanimous in its opinion that the complaint was specious, initially decided not to respond to the Lockwood complaint until the Washington registration board issued a determination. However, a debate between Board Members as to whether the Board should respond with a letter of its own



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

2015 Annual Report of the Ethics & Grievances Committee
Page 2

continued in the days following the meeting. From the documents filed by KRPI with the FCC, including Mr. Lockwood's engineering statements and exhibits, and based on my own inquiries, there is no doubt that the complaint against Mr. Lockwood has absolutely no merit and that he followed all applicable FCC rules to the letter. The Board later learned that, on May 18, 2015, the same individuals who filed the complaint against Mr. Lockwood with the Washington registration board also filed the same complaint to the FCC as part of the Petition to Deny Renewal of License proceeding regarding KRPI.

On June 9, 2015, a special meeting of the Board by phone was convened for further discussion of the Lockwood matter. In that meeting, the Board agreed on three action items:

1. Appoint Ben Evans to draft a letter to the Washington State Department of Licensing, which will be circulated among the Board for review and comment.
2. Have an attorney review the letter before being sent to assure that that the content of the letter is defensible in case there is any legal challenge launched against the AFCCE as a result.
3. Ron Chase to investigate how the terms of the AFCCE's Directors Insurance policy might additionally protect the AFCCE.

In the June 9th meeting, the Board declined to refer the matter to the Ethics and Grievances Committee for review.

I have completed the draft letter and sent it to the other Board Members for their review and comment. It is expected that, by the time of the Annual Meeting, the review of the draft by the Board and the attorney will be either in process or completed.

Respectfully submitted,

B. Benjamin Evans, P.E.
Ethics & Grievances Committee Chairman

June 15, 2015



**ASSOCIATION OF
FEDERAL COMMUNICATIONS CONSULTING ENGINEERS
WASHINGTON, D.C.**

**RF EXPOSURE GUIDELINE COMPLIANCE COMMITTEE REPORT
JUNE 2015**

Members: James B. Hatfield, Chairman
Warren H. Happel
Robert Culver
Eric Wandel
Jules Cohen in memoriam

I am resigning from my somewhat vestigial post as chairman of the AFCCE RF Exposure Guideline Compliance Committee. I recommend Eric Wandel as a replacement as he is the AFCCE representative to the IEEE ICES C95.1 committee for electromagnetic field exposure standards.

There has been no activity by the committee during the past year.

James B. Hatfield, P.E.
RF Exposure Guideline Compliance Committee Chairman

AFCCE Scholarship Fund, Fall, 2014 Through Spring, 2015 Report

Anne Crump

Robert Weller

David Layer

Marshall Cross (Chair)

The following fall, 2014 semester awards were made (considering 13 undergraduate and 3 graduate applications):

Undergraduate:

- Irene Khuu, EE Senior, VA Tech. (Manarchuci) \$3,000
- Andrew Krew, EE Junior, U. Cincinnati (Mendenhall) \$3,000
- Caroline Schram, EE/RTF Senior, U. Tex. Austin (Warner) \$3,000
- Max Schweiner, EE Senior, U. Wisconsin (Evans) \$1,000

Graduate, E. Noel Luddy scholarships:

- Dennis Yuan, EE/CS, U. Ill. (Cross) \$1,000
- Rafida Zaman, EE, SDMT, (Heib) \$1,500

Since the Luddy account was empty at the beginning of the fall, 2014 semester, \$2,500 was transferred from AFCCE's general treasury into the Luddy account in order to fund the above graduate scholarships. In early 2015, the \$2,500 annual contribution to the Luddy account was received from Dielectric.

The following spring, 2015 semester awards were made (considering 9 undergraduate and 3 graduate applications):

Undergraduate:

- Caroline Schram, EE and Radio-TV-Film (dual major) Senior, Univ. of Texas, Austin \$3,000
- Irene Khuu, EE Senior, VA Tech. \$3,000
- Maxwell Schweiner, EE Senior, U. Wisconsin \$2,000

Edward Novikov, EE and Math (dual major) Junior, U. Conn \$2,000

Graduate, E. Noel Luddy Scholarship:

Rafida Zaman, MSEE candidate, May'15, SD School of Mines and Tech. Luddy, \$1,500

The above awards reflect the specific recommendations contained in last year's annual report: making fewer but more financially substantial awards and to make a more long term commitment to awardees.

As an example, our sponsorship of Ms. Khuu over multiple semesters at VA Tech. has, in some way, assisted her in obtaining a communication engineering staff position at the Naval Research Laboratory.

Over the past 12 months, there has been much frank but constructive discussion of the proposed IEEE/BTS Jules Cohen Scholarship and its ramifications to the AFCCE. I want to thank Messrs. Weller, Layer, Silliman and Snively in particular, and the officers and board members in general for their work with instituting this important program. The committee also wishes to thank David Snively for his insightful thoughts concerning the future of the scholarship program.

And again to the scholarship committee members, Anne, Rob and David thanks for your help and support during the past year.

Respectively Submitted,

Marshall Cross, P.E., Chair



ASSOCIATION OF

FEDERAL COMMUNICATIONS CONSULTING ENGINEERS

WASHINGTON, D.C.

REPORT OF THE WEBSITE COMMITTEE – 2015

The AFCCE Web Site Committee performed the necessary maintenance and upgrades of the association's website, www.afcce.org. The regular maintenance consisted of updating the meeting dates, luncheon speaker information, and the online membership listing. In 2014, a complete overhaul of the AFCCE website was performed by Chris Ruggia of Vast Graphics. Mr. Ruggia continues to assist in updates and changes to the website.

In January of this year a new Online Meeting Reservation and Payment System was implemented on the new website platform. This involved changing the Association's credit card processing company to Authorize.net. The transition was not without a few hiccups due to the number of people that needed to be involved to make a clean switch in the middle of a meeting reservation cycle. The bugs have been worked out and it is running smoothly.

The online reservation system was used by 122 different people to make 308 transactions, a 23% increase in the number of transactions over last year. A total of \$27,953 was collected using the online payment system for various AFCCE events. This includes \$2,500 in Fall Social Meeting Sponsorships and \$235 in matching Scholarship Fund donations with membership renewal.

Statistics of online reservations for 2014-2015 AFCCE Events:

<u>Event</u>	<u>Registered Online</u>	<u>Paid Online</u>
September 2014 Luncheon	13	13
October Symposium	45	38
Fall Social	33	33
Fall Social - Sponsorships	8	8
November 2014 Luncheon	33	28
Annual AFCCE FCC Reception	40	36
January 2015 Luncheon	24	24
February 2015 Luncheon	9	8
March 2015 Luncheon	30	22
May 2015 Luncheon	17	16
Annual Meeting	23	22
Membership Renewal	36	36



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GoDaddy.com continues to be the web hosting provider. In August 2014 we renewed our web hosting account through August 2015 at a cost of \$88.70. In May 2015 we renewed our security (SSL) certificate for another year at a cost of \$69.99. The SSL certificate is required for secure online payment transactions. The AFCCE.ORG domain name was renewed for 2 years in November 2014 at a cost of \$21.95. Total expenditures for GoDaddy website hosting were \$180.64, this excludes Vast Graphics support and credit card processing costs.

Like last year, special thanks go to David Snavely for being the driving force behind the new web platform with its expanded features and functionality.

The AFCCE Web Site Committee consisted of Michael Rhodes and David Snavely with the assistance of Eric Wandel and John Reiser in supplying updated membership and meeting information, and Ron Chase and Bob Weller in coordinating the credit card payments and processing companies.

Respectfully Submitted,

Michael D. Rhodes, Chair

June 24, 2015

Registered Meeting Attendees

Name (First)	Name (Last)	Email	Phone	Guest's Name
Harvey	Arnold	harnold@sbgvtv.com	(410) 382-6775	
Rich	Biby	rich@biby.net	(540) 338-4363	
George	Borsari	grb@baplaw.com	(202) 374-8521	
Ron	Chase	ronchase@verizon.net	703-494-5657	
Roz	Clark	roz.clark@coxinc.com	727-743-7144	Bobbie
John	Collinson	modulationlimited@gmail.com	(727) 808-6994	Jill
Tom	Cox	tomcox@iheartmedia.com	(760) 743-2937	Carrie
Marshall	Cross	mcross@megawave.com	(978) 615-7200	Peggy
Steve	Crowley	steve@stevencrowley.com	(202) 670-5040	
Anne Goodwin	Crump	crump@fhhlaw.com	(703) 812-0426	Claude H. Crump, III
Joseph	Davis	Joseph.Davis@RF-consultants.com	(703) 650-9600	
Sterling	Davis	sterling.davis@comcast.net	(404) 705-9644	
Donald	Everist	cdepc@comcast.net	(202) 898-0111	Sandra
Mark	Fehlig	Mfehlig@ieee.org	(770) 363-5974	
John	Garziglia	jgarziglia@wcsr.com	(202) 857-4455	Gale
John	George	broadtech.mail@gmail.com	(803) 951-7443	Eloise George
Chris	Horne	chris@comspeccorp.com	(336) 681-9986	
Tom	Jones	ctjones@ctjc.com	(703) 994-3032	
David	Layer	dlayer@nab.org	(202) 429-5339	
John	Lyons	jlyons@durst.org	(212) 218-1347	
Jack	Mullaney	Mullaney@mullengr.com	(301) 921-0115	Kathy
Anne	Paxson	atp@baplaw.com	(202) 812-4024	
Mike	Rhodes	mike.rhodes@cavellmertz.com	(703) 392-9090	
Thomas	Silliman	tom@eriinc.com	(812) 925-6000	
David	Snavely	david@davidssnavely.com	(954) 644-2953	Elsa
Byron	St. Clair	stcl@comcast.net	(303) 465-5742	
Eric	Wandel	eric@wavepointresearch.com	(812) 453-2544	
John	Warner	johnwarner@iheartmedia.com	(443) 255-5299	Jennifer (daughter)
Robert	Weller	rweller@nab.org	(707) 738-5745	
Larry	Will	lhwill@verizon.net	(610) 399-1826	
Joe	Zuba	joe.zuba@dielectric.com	(207) 240-5254	

Additional Guests Attending the Annual Meeting Banquet at the US Naval Academy Club Saturday, June 27, 2015

Name (First)	Name (Last)	Email	Phone	Guest's Name
Anne	Neel			
Bob	Hoover			
James	O'Neal			Pam
Julius	Knapp			Debi
Ralph	Strong			

In Memoriam

Here we honor the memory of AFCCE members who passed away in the last year, and extend our condolences to their families, colleagues, and friends. They will be greatly missed.

Jan David Jubon

John J. Keel

Elmo W. Reed

James M. Weitzman