

This Proposed Bylaw/Standing Rule Amendment (F-3C) was submitted direct from the Virginia Federation Board to NARFE Headquarters on Monday, January 28, 2008

Author: NARFE F-3C Form – Virginia Federation of Chapters – Board of Directors

Date: January 28, 2008

Title: Establish Chief Operations Officer & Non-Residency for National Officers

Article and section affected: Articles II & III Officers Duties and NEB

Change Proposed: Amend Bylaws to (1) reflect establishment of a COO position with compensation package, (2) reflect revised duties of the National President and NEB, and (3) establish a non-residency requirement for all current and future NEB Members.

Current Bylaws: to be changed if adopted:

Article II, Officers and Their Duties, Section 1,F,1

The President shall:

- a. Be the Chief Executive Officer of the Association.
- b. Be responsible for the efficient execution of its policies and programs under the general policy direction of the NEB.
- d. Have authority to hire, promote, and terminate Association employees, subject to the criteria and standards of policy guidance and general personnel policies established by the NEB.
- e. Have the authority to appoint, subject to the prior approval of the NEB, such special staff as set forth in Article III, Section 2,B,4. (See page 23) of these Bylaws, at rates of compensation fixed by the NEB.

Article III, The National Executive Board

Section 1. Composition. The NEB of the Association shall be composed of the National Officers and the Regional Vice Presidents.

(Their is no A,B,C)

Section 2. Duties

B,4. Approve the appointment and fix the compensation of special staff as may be required. Such special staff may include, but not be limited to, a General Counsel, a Legislative Representative and Legislative Assistants, an Editor and Managing Editor for Retirement Life, an Assistant to the Treasurer, an Assistant to the Secretary, a Professional Registered Parliamentarian, or any other position designated s Special Staff by the NEB.

If adopted: Article II, Officers and Their Duties, Section 1,F,1 The President shall:

a. Be the Chief Executive Officer (CEO) of the Association. As CEO, directs the affairs of the Association in keeping with the goals and objectives established in the Strategic Plan, implemented by the Chief Operations Officer (COO), and at the directive and oversight of the National Executive Board (NEB).

b. Be the spokesperson for the Association and motivational leader.

Delete current a,b,d,e, and renumber f-i to be d-g.

Article III, The National Executive Board

Section 1. Composition

- A. The NEB of the Association shall be composed of the National Officers and the Regional Vice Presidents.
- B. All current and future NEB members shall hold non-resident positions.
- C. The Chief Operations Officer shall be an ex-officio member of the NEB without vote.

Section 2. Duties

4. Authorize the establishment of a Chief Operations Officer (COO) position and compensation package for a competitive hiring process with final approval by the NEB. The incumbent may be either a new hire or internal promotion. The NEB shall have immediate hire and fire authority for this position. Among other duties and responsibilities assigned by the NEB, the COO will:

- a. Have the professional education and experience commensurate with the position.
- b. Be responsible for managing the day-to-day operations of the NARFE National Office staff while implementing the policies developed by the NEB.
- c. Have direct oversight by the National President (Chief Executive Officer).
- d. Have hire and fire authority for the NARFE National Office staff with final approval by the NEB.
- e. Attend NEB meetings as an ex-officio member with no vote.

5. Approve the appointment and fix the compensation of special staff as may be required, based on recommendations by the COO or NEB members.

Renumber current sections 4-11 to be 5-12

Reason: There is no reference to a Chief Operations Officer (COO) as an organizational position within NARFE in the Bylaws, the NARFE Rules, or NARFE Organizational Chart. Although the current NARFE organizational chart reflects a position entitled "Director of Operations," that position has a very limited span of control. Expanding that current position to a COO for a competitive hiring process, to include internal promotion, may be all that is necessary. The latter would have the additional advantage of preserving some of the organization's historical knowledge in that position. Establishing a COO provides these advantages:

- a. More time for the National President and other elected officers to promote NARFE nationwide (build the NARFE brand name) without the stress of dealing with the challenges of running the day-to-day operations at the NARFE National Office.
- b. No need for any of the four National Officers to be resident officers; this could attract more members to serve on the NEB, including active federal employees.
- c. Assurance to all NARFE members that the incumbent COO has the professional education and experience commensurate with the position through a competitive hiring process (rather than by an election of a volunteer member).
- d. Continuity of day-to-day management of operations at National, which is generally perceived to be more effective and efficient.
- e. No learning curve for entire NARFE staff after every convention election.
- f. Networking with local contacts generally already in place.
- g. Ability of COO to hire and fire staff, as necessary, in accordance with NEB guidelines.
- h. NEB has authority to immediately hire or fire the COO.

Residency - There is no reference in the Bylaws or the NARFE Rules to a residency requirement for any of the NEB members. However, the residency requirement must have been implied at some point, as for some time, the four national officers (President, Vice President, Secretary and Treasurer) have been relocating to the Washington, DC metro area to be resident officers at the NARFE National Office. Allowing all NEB members (including the 4 national officers) to be non-resident positions provides these advantages:

- a. More members would be attracted to serve on the NEB, even AFEs.
- b. More time available for the 4 non-resident national officers to concentrate on promoting NARFE nationwide without challenges of being a resident officer.
- c. Reduction in annual recurring costs generated from salary and associated benefits for the current 4 resident national officers (approximately \$400,000 annually).
- d. Reduction in annual recurring costs for the individual direct support and assistance provided by the National Office staffers to the current 4 resident national officers.
- e. No relocation expenses for the 4 national officers (generally every two years).
- f. Savings generated from the reduction in operating costs reflected in paragraphs c,d and e above, could be applied toward the compensation package for the COO position, thus staying close to or within the current budget limitations.
- g. Non-resident officer incumbents could maintain their present residence and family lifestyles, thus eliminating the personal burden often faced by so many that consider serving as a member of the NEB.
- h. High technology communications now available should encourage members to utilize these methods as much as possible in order to be non-resident members of the NEB.

Estimated Annual Cost: Savings \$400,000 ROs less COO salary package

Method of Proposal: VA Federation Board direct to NARFE HQ – Date Adopted Jan. 21, 2008