

ATOS ANNUAL COMMITTEE/OFFICER ACTIVITY REPORT FORM (2013)

Name of Activity: **CONTRACT ADMINISTRATION**
(Please fill out separate form for each activity.)

Committee Chair/Officer Name: **R. Jelani Eddington (Contract Administrator)**

Date of Report: **June 14, 2013**

1. Actions completed since the mid-year meeting: (Please bullet actions completed.)

- Prepared, revised, and reviewed paid staff contracts for positions of President/CE, Membership Secretary, Journal Editor, IT Manager, and Graphic Designer. (See discussion items below under #5)

2. Actions begun but incomplete since the mid-year meeting: (Please bullet actions begun.)

- Ongoing process of providing legal advice to the Board regarding contract issues affecting ATOS.

3. Goals to be reached by the 2013 Annual Meeting: (Please bullet goals.)

- Finalization of contracts for 2013 Summer Youth Adventure.

4. Amount budgeted for your committee: \$0.00. Amount expended by your committee: \$0.00

5. Comments: (Any bulleted special notations, problems, or suggestions should be included here.)

Important Discussion Item:

I would like to bring to the board's attention for discussion an important structural change in the drafting of each of the staff contracts. In the past, the contracts for paid staff other than the President/CE indicated that the staff member would report **both** to the President/CE **and** the board (through the Chairman). Staff contracts further provided previously that the staff members would be responsible directly to the Board of Directors.

In keeping with our efforts to differentiate between governance (board functions) and operations (staff functions), each of the contracts has been restructured to confirm that staff positions report either directly or indirectly to the President/CE, and **not** the board. The President/CE is the operational position that has direct, day-to-day supervisory authority over all other staff positions (both paid and unpaid). The President/CE is in turn responsible to the board and will regularly conduct staff meetings with all staff and report on those meetings to the board.

This structure is consistent with practice in the vast majority of corporations, wherein the board does not directly manage the operations of the corporation. Rather, operational oversight is vested in a CEO who is charged with implementing the policies and direction approved by the board. All of the Vice-Presidents and other staff positions report to the CEO who ensures that all staff implementing the directives of the board. The CEO is responsible directly to the board and regularly reports to it regarding staff operations.

Our previous contracts required staff to report **both** to the President/CE **and** the board, which as a practical matter blurred the reporting lines, and has at times led the board to assume too great a role in operations. Such a blurred structure also encourages board members to delve into the day-to-day operations of staff, which not only eviscerates the very distinction between governance and operations that we are trying to reinforce, but also leads to micro-management and greatly decreased efficiency within ATOS.

It is therefore the Contract Administrator's proposal in the attached contracts that no staff positions report directly to the board, but either directly to the President/CE (e.g., Membership Secretary & IT Manager) or indirectly through another staff person (e.g., Editor & Graphic Designer reporting through the Publisher, who in turn reports to the President/CE).

Specific Contract Items

A copy of each of the draft contracts will be provided to the board under separate cover for review. A brief summary of the contracts follows:

President/CE (Double) – 1 year (September 1, 2013 – August 31, 2014). Reports to the board. \$80,000 (\$6,666.67 per month). This contract proposal adds Paragraph 2.3 requiring the President/CE to hold regular staff meetings and make regular staff reports to the board.

Membership Secretary (Parker) – 1 year (September 1, 2013 – August 31, 2014). Reports to the President/CE.

IT Manager (Bellamy). 1 year (September 1, 2013 – August 31, 2014). Reports to the President/CE. \$12,000 (\$1,000 per month).

Journal Editor (Bryant). 2 years (July 1, 2013 – June 30, 2015). Reports to the Publisher. \$12,000 (\$1,000 per month). Please note that the Editors have agreed that only Mike Bryant would be responsible for the advertising responsibilities and, as such, would receive the entire 10% commission from advertising revenues.

Journal Editor (Feely). 2 years (July 1, 2013 – June 30, 2015). Reports to the Publisher. \$12,000 (\$1,000 per month). Commission provisions have been eliminated from Mr. Feely's contract for the reasons discussed above.

Graphic Designer (Stark). 2 years (July 1, 2013 – June 30, 2015 / 12 issues from September/October 2013 through July/August 2015). Reports to the Publisher. \$3,800 per issue / \$22,800 per year. Please note that this contract is a **new** contract form. In previous years, ATOS signed the contract form prepared by the designer. For the sake of consistency with our other staff contracts, I recommend that the attached contract be adopted. This new form incorporates the most salient terms from Ms. Stark's draft, but keeps the language and general provisions consistent with our other staff contracts.

NOTE: Dannielle Stark has also offered an option for a one-year renewal (6 issues) at the rate of \$4,000 per issue for an annual total of \$24,000. Because Ms. Stark's previous contract was for two years, and because of the cost savings, I recommend the two-year renewal option.

6. Motions:

Following a review of the contract drafts, I will move that the staff contracts above be approved subject to any appropriate modifications.