

REGION VIII REPORT OF NATIONAL EXECUTIVE BOARD MEETING
NOVEMBER 11-13, 2014 AT NARFE HEADQUARTERS, ALEXANDRIA, VA
HELEN L. ZAJAC, REGION VIII VICE PRESIDENT

**PLEASE SHARE THIS REPORT WITH YOUR CHAPTER OFFICERS/MEMBERS
WHO DO NOT HAVE EMAIL!**

NOTE: All 7,994 Region VIII members of the Global Electronic Messaging System (GEMS) network have received this report via GEMS distribution; therefore it is not necessary to forward this report to your members on GEMS.

**If you have email and do not receive GEMS, please provide your email to me, HLZ17@aol.com
Or – register on the National Web Site, www.narfe.org, “Update My Record”.**

NEB Meeting: The National Executive Board (NEB) Meeting was held at National Headquarters on November 11-13, 2014. This was the first meeting of the newly elected board which includes seven new members and no longer has a Vice President or a Secretary.

Need for Change: President Thissen addressed the need for change, but that it will not happen overnight, as some members would prefer, nor can it be put off, as we need to change to attract new, younger members to continue the rich history of NARFE’s accomplishments while enhancing our legislative advocacy mission, promoting the general welfare of current and potential federal annuitants and cooperating with other organizations. Basically he stated there are two associations of NARFE; one being members of the traditional chapters, the other being those members who are members of the electronic chapter who comprise about 10% of NARFE’s total membership. We must find a way to provide service to each of these segments and provide a common ground where they can come together for the improvement of NARFE overall. President Thissen stated that it is his intent to have open meetings, and provide not only a daily recap of the business conducted each day, but also an overall recap of business conducted during the entire meeting.

Each member of the board was allowed a few minutes of self-introduction, providing the agency(s) with which they worked and a statement of what each believes needs to be accomplished during this term. All believe that change is necessary.

The NEB will focus on Global Concerns, i.e., things that impact the organization overall – but must also have local concerns – and as such will support the Federations and Chapters as needed, or when requested. The Region Vice President (RVP) is your local resource for NARFE, and can answer many of the questions (and eliminate some of the frustrations) from members who call directly to NARFE Headquarters. It will also ease the workload of the downsized staff at headquarters. Please contact your RVP with any questions/concerns you have.

Policy Book: The Policy Book was discussed and two motions were passed regarding necessary changes. One was to amend language in Policy 310 to send remaining funds to headquarters (after obligations have been met) from a chapter that closes; the other involved administrative changes to eliminate reference to the two positions (National Vice President and National Secretary) which have been deleted. There was also an amendment to add two policies which were issued via GEMS messages, (which were not incorporated in the Policy Book), regarding the GEMS Message Distribution Policy and the Policy for closing chapters not affiliated with a federation. In addition, the Procedure Manual and the RVP Handbook will be revised and issued at a future date.

Headquarters Reorganization: The organization chart has been revised, distributed to the Federation President’s and is available on the NARFE website. Basically it was necessary, due to the deletion of the two National Officers (Vice President and Secretary) and the designation of the Treasurer which has been changed to Secretary/Treasurer. Specific changes noted were that Juliet Harding, Affinity Programs/Meeting Planning Director, has retired and portions of her job dealing with Conventions have been assigned to Linda Parsons. Kernovia Holomah, Federation and Chapter Services, has resigned, and Marian Uffen has been tasked with that job. Chris Farrell, has been transferred from Legislation to a position working directly for the National President as the Senior Analyst and his primary duty will be to assist federations as they advocate at the state-level, in addition to preparing the various specialty reports. Jason Freeman, Legislation, has been tasked with the Political Action Committee (PAC) responsibilities. Affinity Partners have been assigned to Bridget Boel. Two new positions have been created: a Deputy Director for Recruitment and Retention, and a

Deputy Director for Non-Dues Revenue. There are currently 55 staff positions at headquarters and 4 are part time. Again, it was stressed that members should use their local resource – the RVP – to help ease the workload at headquarters.

State Legislation: This issue is very important and many federations have overlooked this resource. More than 60% of the current Congress has served in the state legislatures, therefore, it would be prudent to begin their education of NARFE at that level, so when they become a Representative, they are well aware of what NARFE is and what we do. This involvement is also another way to building coalitions within each federation to gather “friends” for our issues and combat the “myths” that “Feds don’t do anything – or that Feds do not earn their pay”. This will develop relationships with these state legislators throughout the country and dispel those “myths”. Of course, one very key element in developing these relationships at the state level is to ultimately gain passage of laws to exempt federal annuities from state taxation (as some states have already accomplished; but don’t get too excited, it took ten (10) years for that to pass in Missouri). Chris Farrell has already started working on these issues with the federations and will certainly be providing each federation with more information as it becomes available.

Budget: The 2015 budget was presented, (which includes four major fundraisers – Spring and Fall Greeting Cards, Calendars and Notepads) reviewed in detail and approved unanimously. It was noted that Member Records are now the responsibility of the National Secretary/Treasurer. Improvements in Building Security were also noted, due to the increased threat against buildings with a “federal” designation. The transfer of records from ISI data base contractor has been completed, but the final merge of records and reports has not been completed, thus they are still under contract with NARFE.

2014 Resolutions Passed at National Convention:

BC-04 – authorized NARFE HQ Staff to make grammatical and other technical corrections to the NARFE Bylaws and Standing Rules before the publication goes to print. **Action Complete**, 2014 Bylaws have been issued.

14-01 – Developing the Vision for Future NARFE. **Work in progress**.

14-02 – Move Social Members to Chapters and Rework. – **Action Complete**.

14-06 - (BC-02) – Reduce National Officers to Two. – **Action Complete**.

14-19 – Provide Rule for Revision – **Action Complete**.

14-36 – eNARFE membership should be listed last as an option in all future membership applications, along with the words: “email address strongly recommended”. **Action Complete**. (Existing stocks of Applications will be used before new ones are printed; downloadable applications and the magazine application have been changed.

14-38 – Establish a single online blog for all NARFE. **Work in progress**. Note: eChapter Blog will remain on the NARFE Website for use by eChapter members, as headquarters cannot mandate changes to any particular chapter practice.

14-43 – Establishment of a standing Strategic Planning Committee to be established no later than February 15, 2015. **Work in progress**. The NEB approved that the National President contract with a marketing research firm and to contract with an independent strategic planning facilitator at a cost not to exceed \$60,000. This facilitator must first address the strengths and weaknesses in NARFE and touch on the perception that we are an organization consisting of only “retirees”; “Active” does not resonate with current federal employees; is our logo outdated?; does the NARFE name achieve recognition on Capitol Hill?; the cumbersome dues structure, in lieu of single dues, and mandatory chapter membership is likely perceived by potential members as unappealing; all of these need to be addressed before a committee can be established. By hiring an objective strategic planning facilitator, that person can identify the best composition and role for the strategic planning committee who will then create a process road map. In addition, the NEB approved that the President be authorized to appoint a standing strategic planning committee at the appropriate future time.

14-24 – The legislative program should include a formal position on campaign finance reform, which will allow NARFE to support legislation that “attempts to address campaign finance inequities.” **Action Complete** - adopted in Legislative Program for 114th Congress.

Marketing Update: Bridget Boel, Marketing Director provided a Marketing Overview power point presentation which is available on the NARFE Website (under Officer Resources / Headquarters / In-House Presentations / PowerPoint Presentations).

Our Marketing Objective is twofold: (1) to maximize NARFE membership and revenue AND (2) to work across the association to Enhance, Communicate and Monitor the NARFE brand. To accomplish these objectives two newly established positions have been created: a Deputy Director for Marketing and a Deputy Director for Non-Dues Revenue. The Deputy Director for Marketing has been approved for hire and will focus on Recruitment and Retention at the National level and provide support for efforts in the field. The Non-Dues Revenue Deputy Director (currently being announced) will work on business development to enhance existing affinity contracts/programs where possible, grow affinity partner programs, develop multi-tiered sponsorship programs, develop plan for new non-dues programs which may include: *narfe* magazine special editions/inserts, custom publishing, sales of licensed products, events, services. This Deputy Director will bring recognition of the NARFE logo and name, and with that will provide endorsements.

Many of our long term dedicated members are lost either through illness or death – 7,150 deaths reported this year, and more may be hidden in non-renewals. Newer members are not participating in organizations as lifestyles change. Our long term OPM mailing response rates have declined from 8 – 10% in the past, to the current response of just 3%. This serves as an indicator of just how well our brand resonates with new members. We believe that the OPM Backlog of processing retirement claims may also have an impact on our response from retirees.

Headquarters continues to test different direct mail messages, different on-line ads, and different on-line offers for White Papers. This spring results were a 56% increase in responses which resulted in 1,100 new members. An offer to lapsed members in September resulted in a 7% increase in response and gained 275 members.

Formerly, NARFE marketing consisted mainly of efforts which were focused in the DC Metro area with ads on Bus Shelters, on buses, and in the Metro Stations – that was great for the DC area, but not very effective for the rest of the country. Currently, with our use of on-line advertising we know that there have been 27,600,366 impressions (meaning the number of times someone clicked on our ad). In 2014 to date, 34,000 prospects have clicked through to leave their contact information, (which exceeds the industry standards for non-profits). Each of these prospects receives a 6 part e-mail series of information and about 7.5% of them have become members.

Membership Update: Bridget Boel, Marketing Director provided the following:

The \$10 Incentive Drive (September – December 2014): As of 7 November - 471 new members have been recruited by both individuals and chapters.

During the meeting it was announced that Margie Dennis, a member of the Spokane, WA chapter had signed up 50 new members since September 1. The top recruiter for 2013-2014 recruited 100 members – and as a reminder, her secret to recruiting was to wear her badge everywhere to get people to ask, “What is NARFE?”

For September and October in Region VIII – 36 members recruited 55 new members; all (except 1 Hawaii recruiter who recruited 3 new members) were in California. Don’t forget that there is a \$10 incentive for signing up new members – and the CA Federation will match that \$10. This incentive is in effect until December 31, 2014.

Subsequent to the meeting, it was announced that Forney Lundy, President of the Salinas Chapter #1496, had signed up 25 new members at a health fair in Monterey, and by working with the HR person, was able to have 100 NARFE posters placed within the federal agency.

The Fourth Quarter is a good time for incentive offers, unlike mid-year. Marketing General Incorporated (MGI) is working with NARFE on some new initiatives which would: (1) re-enter former prospects, who did not previously join,

into an email cultivation series to encourage them to join; (2) working on a method for prospects to join directly through Facebook News Feed; and (3) working with Tammy Flanagan of *Government Executive* and Micah Shilanski who provide 150 on-site seminars per year and also provide pre and post retirement webinars. Perhaps by adding a new benefit for NARFE members, such as “10 Essential Steps for AFE/Retirees” as a discussion series to provide substantive information; a discount to NARFE members attending the full webinar and priority seating; a newsletter specific to the webinars with a discount to NARFE members are all items being discussed to promote the name of NARFE and gain new members.

The NEB authorized various membership marketing direct mail test incentives over the next two years which could include Price Point Offers, 13 months for the price of 12, 15 months for the price of 12, one year plus ½ price gift, one year or option two years at \$72. In addition, the Board approved that as necessary, two direct mail tests of a six month free trial membership with no more than 30,000 offer recipients in each of the two tests. There would be no federation or chapter payment for the six month trial period. Upon renewal (or conversion to paid member) they will renew as annual renewing members.

Branding and Strategic Planning: Bridget Boel, Marketing Director, provided a Branding/Strategic Planning power point presentation which is available on the NARFE Website under Officer Resources / Headquarters / In-House Presentations / PowerPoint Presentations. Before we begin Strategic Planning, Market Research (Branding Study) must be accomplished. We must fully understand how to build relevancy, interest and membership among a new generation of federal employees and retirees, grow revenue, and make certain that needs of current members are valued and met. This must be done so that strategic planning toward any new structure is based on the needs and desires of the target market, so that the new brand materials, messaging, benefits, products, services and partners reflect the needs and desires of the target market.

Through this market research we hope to learn: (1) about the perception of the association and why we no longer resonate; (2) how great a stumbling block is “Active Employee”; (3) what level and type of participation with chapters and with advocacy efforts is optimal; (4) and what benefit, product and services needs are, and in what format. We also need to be mindful of the needs of those long-term members, short-term members, lapsed members and prospective members – do we need two NARFE’s – one for the traditional members and one for the new and future members? Generational differences must be taken into account during this research.

Site Selection Committee: Juliet Harding, who retired after 28 years, used to issue a Request for Proposal to various hotels around the country asking for bids on hosting our National Convention. Once bids were received a Site Selection Committee comprised of NEB members (Chair Lanny Ross and three members) would physically sight the various properties, evaluate, and prepare recommendations to the NEB for the best venue for our National Convention. With the decline in attendees and with the potential for “streaming” Conventions to members there is concern that we, as an independent association could actually attract hotels with the best venue and price for our members. There is also concern that we may not even have conventions, but may evolve into conferences or training seminars or present an opportunity to partner with another association into a joint conference. Since we are a member driven association, we need to determine what people really do at a National gathering; what do our members really want from a National Convention? Will members be willing to pay for streaming of the actual convention rather than actually attending?

There are Meeting Planners who can locate a venue for us. It was also pointed out that these planners can perform all necessary services for us, such as providing exhibitors, setting up the exhibit hall, preparation of the Program Book, Registration – and the cost for these additional services may be comparable to what we already spend for these services at each convention. There is no charge to NARFE for these planners to locate a venue – they receive their income from either the Convention & Visitors Bureau or the Hotel bidding on the Convention. The consensus of the board was to allow the National President and Secretary/Treasurer to discuss the various options with Meeting Planners and report back to the NEB.

Legislation: Jessie Klement, Legislative Director provided copies of: (1) NARFE Resources Available for Grassroots Leaders, (2) Who do I contact in the Legislative Department? and (3) Legislative Presentation power point which have been provided to each Federation President.

She provided a recap of the 113th Congress which included our Legislative Wins: (1) No hits to current retirees and avoided Chained CPI; (2) FEHBP approved self-plus one option available in 2016; (3) Back pay provided to feds furloughed during the government shutdown; (4) Phased retirement is now available; (5) Senate postal bill remains stalled; (6) Reemployed annuitants extension likely; (7) Written and oral testimony before Congress; and (8) Successfully advocated for Hill staff during Affordable Care Act final regulations.

Our Legislative Disappointments have included: (1) 3-year federal employee pay freeze; (2) two increases in retirement contributions for future feds (hired in 2013 & 2014); (3) very small pay raise in 2014 and 2015; (4) 16-day government shutdown in October; (5) 1-10 furlough days for 750,000 feds as a result of sequestration which resulted in a loss of \$1 billion in take home pay.

The remainder of this Congress will have one necessary action – a continuing resolution or omnibus appropriations bill which must be passed by December 11. There may be possible action on the Senate postal bill, but it seems unlikely.

Looking ahead at the 114th Congress budget fights will begin in February with the release of the President's budget, followed by House and Senate budgets (and possibly reconciliation). Seven years of sequestration remain and debt limit suspension expires on March 15.

Budget fights for NARFE mean that the Federal Community has a target on its back! Issues that could very well be back on the table are: chained CPI, increased retirement contributions for current feds, pay freezes, elimination of FERS annuity supplement, High 3 to High 5, changing retirement multiplier, changes to FEHBP and arbitrary workforce reductions.

Looking ahead to the 114th Congress our Legislative Priorities are: (1) Fighting attacks on federal pay and benefits, including FEHBP; (2) crafting a USPS reform bill that provides actual reform; and (3) preventing chained CPI from becoming reality. Other issues which may be considered are civil service reform; cuts disguised as government efficiency and an offset for sequestration.

NARFE has been fortunate to have 637 total press clips in 2013 & 2014 including 416 articles in top tier national media: The Washington Post, the Hill, Fox News, ABC News, CNN, Time and PBS Newshour. There have also been 176 letters to the editor appearing in local newspapers.

Protect America's Heartbeat has 7 individual Toolkits which have information easier to find and you can print exactly what is needed. The Toolkits will be updated for the 114th Congress. More focus has been on providing monthly legislative updates for chapters to use at meetings, federation events and in newsletters. One staff member, Sarah Weissmann, has been assigned as the Grassroots Program Manager to provide you with monthly calls, webinars and legislative updates so you can build personal relationships with your members of Congress. Local NARFE members play a key role in meeting with local Congressional Staff and that gains visibility for NARFE with the Member of Congress.

The Legislative Training Conference will be held March 14 – 17, 2015 at the Renaissance Arlington Capitol View Hotel. The Registration is \$175 which includes six meals, training materials and buses to Capitol Hill. New this time will be orientation for new participants and a special "Ask the Staff" reception. More information regarding this conference is in the magazine and on line. If you have been before, this one promises to be very different – and a good reason for you to attend, especially for the networking opportunities it can provide.

Please note that for this conference, attendees must make their own appointments for the Capitol Hill visits on March 17; headquarters will be unable to make them for you. If you will be meeting with a member of Congress who is not your Congressman, remember to take someone who is a constituent of that Congressman with you.

FYI, RVP Kirby reported that the PA Federation is allocating \$18-25,000 to support attendance of well-versed and prepared, well-spoken and focused PA activists so that the entire PA Congressional delegation is visited by at least a single constituent on March 17 and that all Chapters in PA are provided feedback from the entire National Legislative Conference and from visits to all 18 PA Congressional Offices and the 2 PA Senator's offices. PA also hopes to have grass roots visits to all 18 plus 2 Senate offices in PA on March 17. Something to think about for your federations.

For upcoming Federation Conventions, remember that Legislation is our Mission – and that every convention should have a legislative update. Legislative Staff would be happy to arrange a Skype presentation for your convention, should you chose not to invite a legislative staff member.

NARFE-PAC, better known as the “Federal Employee and Retiree Defense Fund” is a separate, segregated fund dedicated to supporting candidates who support NARFE issues and agenda and can only be funded through your specific contributions; NOT your dues. It is a substantial tool in our legislative arsenal, and allows direct contact with lawmakers through our support of those who support us. So far this cycle (2013-2014) through 9/30/14, 30,942 NARFE members have contributed \$877,474 which is a decline from previous years. For the 2015-2016 Cycle, the giving levels will be increased. To receive the basic contributor pin will require a contribution of \$25; a bronze pin will be \$50; silver pin will be \$100; gold pin with a NARFE zippered (gym type) bag will be \$250 and a sustainer pin will require a minimum contribution of \$10 per month and receive a NARFE zippered (gym type) bag. Jason Freeman (jfreeman@narfe.org) is in charge of NARFE-PAC and should be contacted for any questions. The new NARFE-PAC pins should be available in January.

IT: Dan Hidayat, IT Director provided us with a sample of a newly designed Membership Record Module which is currently being tested in house by the IT Staff to incorporate the ISI database with our in house database. This system will also include an Ecommerce software integration to develop an electronic payment system to process new members, renewals, NARFE-PAC, Donations, Registration, Banquet, etc. Estimated completion date for the new integrated system which includes Ecommerce and discontinuation of ISI services is scheduled for 6/1/2015.

Dan also shared information regarding newly developed software that will replace the antiquated Global Electronic Messaging System (GEMS) software. The new software is currently being tested by headquarters and members of the Configuration Advisory Board (CAB). There will be many advanced features included such as: Users can select message category from available templates; email message is strongly branded with NARFE identity; users can embed pictures and files without using attachments; users can create recipient groups and save them for future use; users can create electronic newsletters from available templates as well as many other features. There will be a limited release to the regions and federations in December with final release to chapters in February 2015.

The RVPs met and selected an Audit Committee: The Chair is Lanny Ross (Region IX) and members are Bill Shackelford (Region X) and Jerry Janci (Region III).

Your Region VIII Vice President serves on the Scholarship Committee and met during the NEB meeting to determine the topic for the essay question to be used for the 2015 Scholarship Program. Please see the December *narfe* magazine for a list of the 2014 Scholarship Winners. The F-105, NARFE’s Annual Scholarship Awards Program has been revised and is ready for printing and will be available soon. Applications for the 2015 Scholarship Program will be in the February and March issues of *narfe* magazine and available at www.narfe.org beginning in February.

NARFE Region VIII Scholarship Coordinator is Dr. George F. Rajewski of NSFC, Chapter 423.

The NEB discussed the need for continuation of the CAB Committee and it was agreed that the committee is necessary. The Region VIII CAB Member has been George Ramirez, but a replacement has not yet been located.

NARFE Alzheimer’s Chair is Mervyn “Merv” Stuckey from Region VII; Region VIII Coordinator is Barb Leetch of CSFC Chapter 669.

Membership Stats as of October 31, 2014:

NARFE: 237,258 in 1,259 chapters (23,441 eChapter); Region VIII: 23,322 in 119 chapters (2,330 eChapter);

California: 18,859 in 90 chapters (1,878 eChapter); Guam: 106 in 1 chapter (21 eChapter);

Hawaii: 2,496 in 11 chapters (223 eChapter); Nevada: 1,536 in 9 chapters (208 eChapter);

Philippines: 325 in 8 chapters (0 eChapter)

If you have any questions regarding this report, please contact me: Helen L. Zajac, 707-644-7565; Cell: 707-319-3351; HLZ17@aol.com; 106 Cottonwood Drive, Vallejo, CA 94591-5659.