

Minutes of the National Association of Forensic Economics  
Board of Directors Meeting  
July 25-26, 2010  
Chicago, IL  
(Unapproved)

Voting members attending: Jim Ciecka, Ed Foster, Bill Pearson, Tom Roney, David Schap, and Marc Weinstein. Also attending: Kurt Krueger, Jim Rodgers, Steve Shapiro, Gary Skoog. Voting member absent: Boyd Fjeldsted

1. President Ed Foster began the meeting at 8:16 a.m. and welcomed everyone.
2. Jim Rodgers presented the minutes of the Winter Board meeting of January 3, 2010 and the electronic board meeting concluding April 27, 2010. It was moved and seconded (Weinstein/Pearson) that, with the correction of the spelling of Weinstein's first name in item #14, **the Board approves the minutes of the Board of Directors meeting of January 3, 2010.** The motion passed 6 – yes, 0 – no, 0 – abstain. It was moved and seconded (Weinstein/Pearson) that **the Board approves the minutes of the electronic Board of Directors meeting of April 27, 2010.** The motion passed 6 – yes, 0 – no, 0 – abstain.
3. Jim Rodgers presented the financial statements for the period up through May 31, 2010. He noted that NAFE had a cash balance on 5/31/2010 \$185,724.46, with a net loss in the six-month period ending 5/31/2009 of \$29,422.40. With the lump sum costs of the NAFE web site improvement and the JFE web site development already incurred, and with a good revenue month in June of 2010, it is expected that the financial position of NAFE will stabilize. It was moved and seconded (Schap/Pearson) that **the Board approves the financial statements ending 5/31/2010 as presented.** The motion passed 6 – yes, 0 – no, 0 – abstain.
4. Jim Rodgers presented a membership report. As of 6/30/2010, NAFE had a total of 654 memberships and subscriptions, composed of 584 memberships and 70 subscriptions, of which 65 were libraries.
5. Bill Pearson presented the plans for the upcoming ASSA meeting in Denver. There will be three sessions with papers, and one session that will either be a session on economic damages from the Gulf oil spill, with an invitation extended to Kenneth Feinberg or someone else from his office to come and speak. Alternatively, there will be a round table session on the personal maintenance deduction. Bill Pearson will pursue getting a Gulf oil damages speaker from Feinberg's office, including if possible Feinberg himself. There will be one session on Friday, Jan. 7, and three sessions on Saturday, Jan. 8. The NAFE Board will have a luncheon meeting on Jan. 7, and the general membership meeting and reception will be on Jan. 7 as well.
6. Tom Roney reported that there will be two NAFE sessions at the Southern Economic Association (SEA) meetings in Atlanta on Nov. 20, from 1:00 p.m. to 6:00 p.m., at the Sheraton Atlanta Hotel, 165 Courtland St., N.E. At least one social get-together will also be planned.
7. David Schap gave a report about the NAFE sessions at the Eastern Economic Association meetings. He noted that attendance at last year's meeting in Philadelphia was hampered by a snow storm. There were four sessions. 29 binders were distributed. Next year the meeting will be in New York City, Feb. 25-

- 27, with one session on Friday, Feb. 25, at 4:00 p.m., and three more sessions on Saturday, Feb. 26.
8. Jim Ciecka noted there will be one NAFE session at the Illinois Economic Association, which will meet at the Apollo in downtown Chicago on October 15-16, 2010.
  9. Steve Shapiro reported on the NAFE sessions at the recent 2010 WEAI meeting in Portland, Oregon. The organizer, Boyd Fjeldsted, became ill prior to the meeting and was unable to attend. There were six NAFE sessions, a luncheon for attending NAFE Board members, an informal members meeting and a reception. Stephen Horner was asked to take over Boyd Fjeldsted's role at the meetings and carried out those duties with a high level of competence. Steve noted that Boyd put together a very good program. The NAFE sessions at next year's WEAI will be on June 30 and July 1, 2011 in San Diego, California.
  10. Jim Rodgers reported that the next NAFE Winter Meeting is being organized by Art Eubank, and it will be held on the Caribbean island of Curacao at the Curacao Marriott Beach Resort and Emerald Casino, Jan. 28-29, 2011. Two sessions are planned for each morning.
  11. Steve Shapiro reported that the 2010 NAFE International meeting was in Copenhagen. Rick Gaskins arranged for an attorney who talked about tort law in the Scandinavian countries. He also talked about medical negligence cases in Denmark. Jack Ward is discussing possible venues for next year (Venice, Italy and Bruges, Belgium) with past meeting organizers. The planning has still not been finalized. The meeting will probably occur in late May or early June.
  12. David Schap gave the Nominating Committee report. The Nominating Committee was composed of David Schap (chair), Stephanie Rizzardi, George Schieren and Frank Tinari. The committee recommended Jonathan Shefftz for Eastern Vice President (to replace David Schap) and David Jones for At-Large Vice President (to replace Marc Weinstein). It was moved and seconded (Nominating Committee/Roney) that **the Board accepts the recommendation of the Nominating Committee of Jonathan Shefftz as Eastern Vice-President.** The motion passed 6 – yes, 0 – no, 0 – abstain. It was moved and seconded (Nominating Committee/Roney) that **the Board accepts the recommendation of the Nominating Committee of David Jones for At-Large Vice President.** The motion passed 6 – yes, 0 – no, 0 – abstain.
  13. Jim Rodgers was asked to leave the room and the Board discussed offering Rodgers a second three-year term as Executive Director of NAFE. It was moved and seconded (Weinstein/Roney) that **the Board appoints James Rodgers for a second three-year term as Executive Director of NAFE, commencing at the close of the board meeting to be held on January 7, 2011.** The motion passed 6 – yes, 0 – no, 0 – abstain. When Rodgers returned to the room, he agreed to accept another three-year term.
  14. The Board reviewed the performance of Nancy Eldredge. It was agreed that Nancy should develop an inventory of NAFE records that she keeps in her office. It was further agreed that Nancy should use some type of external back up service for her computer files, such as Carbonite or Mozey. If Carbonite will overnight CDs of backed up files, the Board suggests that service be purchased. Those who work closely with Nancy (Ciecka, Foster, Krueger, Rodgers, Shapiro) regarded her performance as excellent. It was moved and seconded (Ciecka/Pearson) that **the Board authorizes for Nancy Eldredge a 5% increase in her monthly check.** The motion passed 6 – yes, 0 – no, 0 – abstain.

15. The Board discussed the issue of vacancies on the Board. It was noted that vacancies are covered in Article 4, Section 8 of the NAFE By-laws, which states that "Any vacancy occurring in the Board of Directors...shall be filled by the Board of Directors." Marc Weinstein agreed to work to assist in planning next summer's WEAI NAFE sessions for the remainder of his term on the Board, while Boyd Fjeldsted recovers from his recent illness. The Board will revisit this issue in January, based on Boyd's status at that time.
16. The NAFE member logo was discussed further. Questions were raised about the benefits and costs of allowing members to use a NAFE member logo on their web site and/or letterhead. It was decided to defer further action on the member logo until the categories of NAFE membership are reviewed and recommendations made about possible changes in these categories. The Board requests that Nancy Eldredge change the NAFE letterhead stationary and pdf file to include the NAFE logo with the service mark.
17. Shapiro provided background information about the creation of a NAFE page at the social networking site named "LinkedIn." After considerable discussion about the benefits of having a NAFE presence on such networking sites (e.g., acquiring more NAFE members via a membership requirement), it was moved and seconded (Pearson/Roney) that **the Board gives permission for the NAFE name and the NAFE logo to be used on the LinkedIn and Facebook web sites established for NAFE. The Executive Director shall appoint the Administrators of these groups. The content of the NAFE pages for these social networking sites will not be monitored by the Administrators.** The motion passed 6 – yes, 0 – no, 0 – abstain. Following the Board's approval of this motion, Rodgers named Steve Shapiro as Administrator/Moderator of the NAFE page on the LinkedIn site and Marc Weinstein the Administrator/Moderator of the NAFE page on the Facebook site.
18. Foster noted that the agenda item "Feinberg and the BP Damage Fund" was adequately handled by Pearson's efforts to invite Feinberg to speak at one of the NAFE sessions in Denver.
19. The report from the editors of the *Journal of Forensic Economics* was begun by Co-Executive Editor Shapiro. He distributed a report on submissions over the past 12 months. There have been 30 submissions, 19 new and 11 revisions. State damage series papers have helped offset the low level of submissions, but additional efforts must be focused on attracting more quality papers. It was noted that lawyers have been used more systematically as referees for the state papers. Shapiro also noted that his working relationship with Co-Executive Editor Ciecka has been excellent. The effort to reach out to members of the American Risk and Insurance Association, which publishes the *Journal of Risk and Insurance*, has produced no results. Kurt Krueger distributed a document summarizing where we are with online access. Skoog suggested putting a link on nafe.net to go directly to the JFE web page in one click, and Krueger will take care of having that done. Concerning the JFE site, when non-members want an article from the JFE, they will be charged a fee of \$35, \$10 of which goes to Allen Press and \$25 of which goes to NAFE. Volumes 20 and 21 contain "full-content" articles. To increase the exposure to the JFE, it was moved and seconded (Pearson/Roney) that **free electronic subscriptions to the Journal of Forensic Economics will be given to a selected group of up to 400 libraries for a period not to exceed two years.** Motion passed 6 – yes, 0 – no, 0 – abstain.

20. The venue for next year's summer board meeting was discussed. It was decided to have the meeting in Chicago on July 23 and 24, 2011. The Executive Director will pick the hotel.
21. Schap raised the question of membership fees, especially in view of the new access to the JFE in electronic form. Firms with multiple employees are now able to download copies of articles for all of the employees of the firm at a cost of only \$165 per year. In order to look at these and other membership issues and report recommendations by the January 2011 Board meeting, it was moved and seconded (Weinstein/Schap) that **the NAFE President will appoint a committee to study the membership structure of NAFE**. Motion passed 6 – yes, 0 – no, 0 – abstain.
22. A motion was made (Pearson/Schap) to adjourn the meeting. Motion passed 6 – yes, 0 – no, 0 – abstain.

Respectfully submitted by  
James D. Rodgers, NAFE Executive Director  
August 2, 2010

**NAFE**  
**INCOME STATEMENT**  
**December 2007 to November 2008**  
**December 2008 to November 2009**  
**December 2009 to May 2010**

	<u>12/07 - 11/08</u>	<u>12/08 - 11/09</u>	<u>12/09 - 05/10</u>
<b>Income:</b>			
Dues and Subscriptions	\$116,463.90	\$99,475.00	\$41,515.00
JFE submission fees	\$225.00	\$250.00	(\$120.00)
Fees-Papers, Articles, Bk Issues	1,378.75	855.00	1,719.16
Interest	5,101.65	1,877.21	959.58
<b>Total Income</b>	<u>\$123,169.30</u>	<u>\$102,457.21</u>	<u>\$44,073.74</u>
<b>Expenses:</b>			
JFE-Publication	\$12,054.51	\$6,631.61	\$7,430.84
Journal Preparation	0.00	650.00	0.00
Total Publication	<u>12,054.51</u>	<u>7,281.61</u>	<u>7,430.84</u>
Conferences			
2009-EEA-New York	0.00	3,647.49	0.00
2009-ASSA-San Francisco	0.00	16,219.15	862.17
2009-MVEA-Kansas City	0.00	195.76	0.00
2009-July Board-Minneapolis	0.00	11,497.29	310.30
2009-WEA-Vancouver BC	0.00	8,708.18	0.00
2010-NAFE-Winter Aruba	0.00	1,000.00	0.00
2010-ASSA-Atlanta	0.00	75.00	0.00
2009-SEA San Antonio	0.00	0.00	975.56
2008-ASSA-New Orleans	15,852.48	0.00	0.00
2010 ASSA-Atlanta	0.00	0.00	19,430.64
2010-EEA-Philadelphia	0.00	0.00	1,862.70
2009-ASSA-San Francisco	459.66	0.00	0.00
2008-Board-July-Calgary AB	15,056.05	0.00	0.00
2008-SEA Washington DC	918.41	0.00	0.00
2008-WEA Honolulu	5,831.30	0.00	0.00
2008-EEA Boston	5,602.92	0.00	0.00
Total Conferences	<u>43,720.82</u>	<u>41,342.87</u>	<u>23,441.37</u>
Presidential Expenses	0.00	0.00	0.00
Website Development	0.00	12,920.00	6,485.00
Database Management	15,494.47	16,435.08	12,452.48
Internet Hi-Speed Charges	604.16	748.42	278.82
Early Withdrawal Penalty	0.00	0.00	0.00
Release Time-Executive Director	0.00	(61.33)	0.00
Payroll Expenses	27,268.62	28,083.90	14,762.06
Operations:			
Equipment	370.99	1,263.57	320.00
Newsletter	1,518.74	2,040.80	794.86
Legal & Insurance	2,756.00	2,507.00	2,497.00
Supplies & Mailing	6,853.75	5,457.06	1,403.40
Other Operation Expenses	0.00	144.00	0.00
Bank Charges	126.85	879.34	405.23
Accounting	1,660.00	1,702.50	1,050.00
Telephone - Fax	1,603.33	1,727.14	900.36
Credit Card Machine	1,702.52	536.83	307.03
Miscellaneous & Subscriptions	1,830.38	227.54	967.69
<b>Total Expenses</b>	<u>\$117,565.14</u>	<u>\$123,236.33</u>	<u>\$73,496.14</u>
<b>Net Income</b>	<u>\$5,604.16</u>	<u>(\$20,779.12)</u>	<u>(\$29,422.40)</u>

	CASH RECONCILIATION		
	11/30/2008	11/30/2009	5/31/2010
<b>CASH RECONCILIATION</b>			
Beginning Balances	\$225,768.40	\$231,184.18	\$212,792.92
Add: Net change in Accounts Payable	(\$188.38)	\$2,387.86	\$2,353.94
Add: Net Income (Loss)	<u>\$5,604.16</u>	<u>(\$20,779.12)</u>	<u>(\$29,422.40)</u>
Ending Balances	<u>\$231,184.18</u>	<u>\$212,792.92</u>	<u>\$185,724.46</u>

**NAFE  
BALANCE SHEET  
May 31, 2010**

ASSETS

CD	\$ 117,401.87
Checking	35,832.56
Savings	201.01
Money Market	32,289.02
Travel Deposit	<u>3,200.00</u>

TOTAL ASSETS

\$ 188,924.46

LIABILITIES AND CAPITAL

Payroll Liabilities	\$ 1,020.40
Retained Earnings	217,326.46
Net Income (Loss)	<u>(29,422.40)</u>

TOTAL LIABILITIES AND CAPITAL

\$ 188,924.46