

**The Manufacturers Representatives Educational Research Foundation
And Institute for Professional Advancement, Inc.
Joint Annual Meeting Minutes
September 21, 2012**

Present:

MRERF Officers:

Bob Garrett, CPMR	Chairman
Mike Long, CPMR CSP	President
Kathie Cahill, CPMR	V.P. Sales and Marketing
Steve Goldschmidt, CPMR CSP	V.P. Education
John Sandifer, CPMR	VP Fund Development
Carroll Hollingsworth	VP Special Projects

IPA Officers and Board of Governors:

Steve Goldschmidt, CPMR CSP	Chair
Dave Wroblewski, CPMR	Governor
Steve Grossman, CPMR	Governor
John Iannotte, CPMR	Governor

MRERF Board of Trustees (Association Represented) Mike Pecar, CPMR (I-PRO)

Tim Ryder, CPMR (MANA)

Ted Traeder, CPMR

John Sandifer, CPMR (MANA)

Steve Goldschmidt, CPMR CSP (NEMRA)

Vinny Mattias CPMR (STAFDA)

Gary Kavalar, CPMR (WAMA)

Meghan Peake (IHRA)

Carl Mathis, CPMR CSP (CMA)

Staff:

Gary Brusacoram, CPMR CSP Executive Director, Susannah Hart, CSP

1. Welcome and Call to Order 10:03
 - Bob Garrett, Chairman called the meeting to order at 10:03 a.m.
 - The agenda was adopted putting the Nominating committee report and election as the first item.
 - Review of 2011 Board of Trustees Annual Meeting Minutes
 - Motion:** Mike Pecar moved the minutes be accepted as written. Kathie Cahill seconded. Motion passed unanimously.

- 6 Nominating Committee Report
 - Bob Garrett, chairman of the nominating committee presented the slate of officers for election.
 - MRERF Slate of officers for election
 - MRERF President – Mike Long, CPMR CSP
 - VP Education – Steve Goldschmidt, CPMR CSP
 - VP Sales and Marketing – John Sandifer, CPMR
 - Appointment as IPA Governor – Bill Unruh, CPMR CSP

Motion: Mike Pecar moved to elect the slate as presented. Carl Mathis seconded.
Motion passed unanimously

Old Business

Newly elected President Mike Long presided over the remainder of the meeting.

- 2 Reports MRERF Annual Report Executive Committee (see appendix A)
 - President's Report and Executive Summary
 - Treasurer's Report
 - Education Report
- 3 Endowment Report (see appendix B)
- 4 Projects Report
 - Web Site – new site on hold
 - All promotional Literature - as needed
 - Circle of Influence – theme – mfg/rep/distributor
 - Outsourcing brochure - updated and will be part of the MBP marketing piece
 - By Laws discussion – tabled till legal issues can be addressed
 - On-Line education prospects – no immediate plans but understand time is a huge issue that is driving the desire for more on line opportunities.
- 5 Communication. and Marketing Report
 - 100 CPMRs calling/talking with five potential Candidates
 - 2012 News letter this Sept
 - Scheduled Assoc. conferences for the remainder of 2012 and 2013 MRERF staff to attend if invited
 - Email to all prospects and CPMR's will be going out shortly. Utilizing a new program for better email marketing.
 - Survey of rep needs for CPMR to address will go out within a month.

New Business

6. General discussion of rising funds for a marketing program.

A very special thank you was extended to all who have volunteered their time and talent to the association over the last year.

Bob Garrett and Kathie Cahill were acknowledged and thanked for the many years of service they have given as they retire from the board. The Foundation and our educational programs would not be the high quality they are if not for these tireless volunteers. Thanks Kathie and Bob.

Motion: Vinny Mattias moved to adjourn. Mike Pecar seconded. Meeting adjourned at 11:48

Respectfully Submitted for Bobby Cox, Secretary
Susannah Hart

Annual Report to the Trustees

Gary Brusacoram, CPMR CSP - Executive Director

Karen Jefferson, CPMR CSP – Operations Director
MRERF Executive Committee and IPA Board of Governors

The Manufacturers Representatives Educational Research Foundation (MRERF) and its educational subsidiary the Institute for Professional Advancement (IPA) have experienced many changes over the last 18 months.

The Foundation in 2011 and the beginning of 2012 has been staffed by 1 full time person and 3 part time staff. There have been new programs developed, current programs updated and marketing upgraded. Every avenue to reduce expenses was used while maintaining the high quality of programming and customer service we are known for.

Just after the CPMR session in January of 2011, Arizona State University made the announcement that the school calendar was changing. That meant they could no longer host the CPMR session which put a significant strain on staff and volunteers alike. The venue search began shortly after we learned of that decision. University Conference Center in Indianapolis was selected and the May 2012 CPMR Week was conducted which included a “401 Alumni” and Manufacturer’s Best Practices (MBP) sessions along with CPMR.

The change in venue was not the only change that impacted us. Arizona State University and Dr. Donald Jackson had done a great deal of the logistics and planning associated with the program. With the change in venue we lost that expertise and help. Everything fell to the staff to accomplish. The May session went well and everyone learned what was needed. However, just prior to that session the University of Indiana Regents decided to close the conference center at the end of 2012. Therefore, our new home was not available for the future and the venue search was on again. That search has now been completed and we have chosen the ATT Conference Center on the campus of The University of Texas – Austin. The session will be held January 7-11, 2013. Now the challenge is marketing for January 2013 which is only a few months away.

In addition the locations and venues for the CSP 2013 sessions are being finalized. Most of the sessions have been chosen and contracts signed. The sessions have been planned to alternate between west, east, and central US cities. There are 4 public sessions planned for 2013 and there will be at least 1 private session.

In January of 2011 there were 64 CPMR graduates along with 102 candidates who attended the CPMR session. We held 5 public CSP sessions. In addition we held 2 private sessions for Lutron Electronics which, in addition to the public session resulted in 122 individuals who earned the CSP designation. The CPMR session in 2012 had 44 CPMR graduates and an additional 71 candidates. CSP 2012 to date has held 3 public programs and 2 private sessions. The total number of CSP participants has been 79 and there are additional participants registered for the last public session. Both programs continue to be premier professional development opportunities for those in the sales profession.

Staff attended 11 member association conferences in 2011 and the spring of 2012. Annual conferences provide a unique opportunity for MRERF to make that all important contact with potential CPMR, CSP, and MBP candidates as well as maintain our relationships with our CPMR and CSP designees. Because association dues remain at \$6 per member firm with a cap of \$5000 there are many times when the cost to attend exceeds the dues revenue of an association. However, this is our sales call opportunity! We very much appreciate when our member associations provide lodging at these events. Staff is always ready to help with conference registration, manage breakout sessions, or just provide an extra set of hands for member association staff. Several associations utilized MRERF’s help with finding speakers for their conference sessions as well.

Thank you especially to MRERF and IPA officers and governors for their time and talent.. The success of this organization would not be possible without their efforts, enthusiasm and commitment!

Education Committee Report

The education committee has been involved in the selection and re-selection of the CPMR venue. In addition, they did an full evaluation of the CPMR session in Indianapolis.

It is critical that the program be kept up to date and relevant for today's CPMR candidates. Curriculum review and updating is an ongoing process. The committee has outlined changes and updates out to 2015 and will be working on implementing those changes over the next 2 years. In addition new faculty is being sought and evaluated for the classes.

A huge thank you goes to these volunteers for their time and talent and commitment to the CPMR program.

Nominating Committee Report

Bob Garrett, CPMR - MANA, STAFDA

Mike Long, CPMR, CSP - MANA, PEI

Dave Ice, CPMR - MANA

Steve Grossman, CPMR - IHRA

Dave Wroblewski, CPMR - SEMA

Carl Mathis, CPMR, CSP

Following are the nominees for:

MRERF President	Mike Long, CPMR CSP
VP Sales and Marketing	John Sandifer, CPMR

To be elected by IPA membership:

IPA President	Dave Wroblewski, CPMR
IPA Governor	David Dason, CPMR CSP
IPA Governor	Bill Unrah, CPMR CSP

TREASURER'S REPORT

Submitted by Bobby Cox, CPMR

The following MRERF and IPA combined financial statement has been compiled by the Probst Dallmann, & Associates, P.C. Certified Public Accounts. Because of the changes of venue for CPMR the finances have been strained. We are working very hard to use our resources wisely and keep the foundation and the institute in good condition.

Manufacturers Representatives Educational Research Foundation
The Institute for Professional Advancement
Financial Narrative
Year to Date December 31, 2011

COMBINED BALANCE SHEET

Current Assets

Total Net Assets on December 31 were \$ -13,615. **Cash and Investments** of \$ 83,685 are held in money market and checking accounts in US Bank, Arvada CO. **Inventory** of \$ 10,092 represents CSP text books and other MRERF products. **Pre Paid Expenses** of \$ 6885 breaks down as follows: IPA – MBP, CSP and CPMR program deposits, pins and promotional material for 2012.

Equipment

Office Equipment value of \$59,241 is primarily computers, LCD projectors and related equipment as well as office furniture and fixtures, purchased over a period of several years. **Accumulated Depreciation** of (\$55,682) is based on a depreciation schedule for each purchase. Therefore, **Total Equipment** is \$3,559

Total Assets **\$104,221**

Current Liabilities

Accounts Payable were \$0.00 as of Dec. 31 on bills received. **Royalties Payable** of \$10,000 represents royalty due on purchase of IPA and the certification program. **Payroll Liabilities** represent funds due in January on payroll. **Deferred Tuition** of \$97,866 is CPMR tuition received in 2011 relating to 2012 session. All deferred revenue will be transferred to earned revenue in January of 2012.

Net Assets

The funds in the net assets portion of the balance sheet are similar to the retained earnings on a for-profit balance sheet. Following the audit of 2010 financials the net assets at the beginning of the year were (\$56,805) at the end of the year were (\$13,615.).

Total Liabilities and Net Assets **\$104,221**

COMBINED STATEMENTS OF ACTIVITIES 2011

MRERF Revenue

Sponsors' Support and Misc. Donations of \$2,660 was greater than expected. The **MRERF Endowment Grant** was not distributed by the committee but retained in the fund. **Membership Dues** of \$22,900 were less than budget due to continued loss of membership in associations. **Products** revenue was \$2,183. **Investment and other Revenue** was \$18. **Total MRERF Revenue \$ 27,761**

IPA Revenue

CPMR Tuition, Candidate Fees, and Hotel Transportation commission was \$263,264 which was below budget. **Certification Fees** revenue was \$92,464 which was below budget. **CSP Program** of \$164,002 was above budget because of the addition of the Dallas session. There was income of \$15,400 for a private **Sales Managers** session. Webinar tuition was \$280. The **Alumni 401 program** at the CPMR session was \$1800. The **MBP (Manufacturer's Best Practices)** program was presented twice and had income of \$20,180. **Investment and Other Revenue** at \$538 included one webinar. **Total IPA Revenue \$527,648**

Total Combined Revenue **\$555,408**

MRERF Expenses

Product expenses of \$1,896 reflect the product cost for Rep Operations Manual order. **Operating Expense** of \$5,586 included: **Special Projects** expense of \$1000 is the Pi Sigma Epsilon scholarship. **Endowment Expense** of \$750 which were funds donated and sent on to the endowment account. CPA audit charges of \$2,800. **Total MRERF Expenses \$5,586.**

IPA Expenses

CPMR expenses of \$139,866 was under budget due to fewer students. **CSP** expenses of \$123,054 was under budget. **Board and Committee** expenses of \$899 were well under budget and reflect meetings held via teleconference. **Webinar program** expenses were \$500. **Membership Services** were \$1227 which were under budget. **Promotion and Advertising** of \$4,435 was under budget. **Operating Expense** of \$234,764 was under budget. **Total IPA expenses \$504,736.**

Total Combined Expenses **\$ 512,218**

Combined Revenue over Expenses **\$ 43,190**

**MANUFACTURERS' REPRESENTATIVES EDUCATIONAL RESEARCH FOUNDATION (MRERF)
AND
INSTITUTE FOR PROFESSIONAL ADVANCEMENT, INC. (IPA)
COMBINED STATEMENTS OF FINANCIAL POSITION
December 31, 2011**

	<u>MRERF</u>	<u>IPA</u>	<u>TOTAL</u>
ASSETS			
CURRENT ASSETS			
Cash and equivalents	39,491	40,504	79,996
Other Current Assets	500	-	500
Prepaid expenses	-	6,885	6,885
Undeposited funds	-	3,190	3,190
Inventory	<u>2,538</u>	<u>7,554</u>	<u>10,092</u>
TOTAL CURRENT ASSETS	<u>42,529</u>	<u>58,133</u>	<u>100,662</u>
EQUIPMENT, at cost			
Office equipment	34,262	24,979	59,241
Less accumulated depreciation	<u>(34,214)</u>	<u>(21,468)</u>	<u>(55,682)</u>
TOTAL EQUIPMENT	<u>48</u>	<u>3,511</u>	<u>3,559</u>
TOTAL ASSETS	<u>42,577</u>	<u>61,644</u>	<u>104,221</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable	-	6,710	6,710
Payroll Liabilities	-	2,759	2,759
Royalties payable	-	10,000	10,000
Other Current Liabilities	-	500	500
Due to Endowment fund	-	-	-
Accrued retirement	-	-	-
Deferred tuition revenue	-	<u>97,866</u>	<u>97,866</u>
TOTAL CURRENT LIABILITIES	-	<u>117,835</u>	<u>117,835</u>
NET ASSETS			
Fund Balance	22,299	(79,103)	(56,805)
Net Income	<u>20,278</u>	<u>22,912</u>	<u>43,190</u>
Total Equity	<u>42,577</u>	<u>(56,191)</u>	<u>(13,615)</u>
TOTAL NET ASSETS	<u>42,577</u>	<u>(56,191)</u>	<u>(13,615)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>42,577</u>	<u>61,644</u>	<u>104,221</u>

**MANUFACTURERS' REPRESENTATIVES EDUCATIONAL RESEARCH FOUNDATION (MRERF)
AND INSTITUTE FOR PROFESSIONAL ADVANCEMENT, INC. (IPA)
COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Twelve Months Ending
December 31, 2011**

	<u>Actual</u>	<u>2011 Budget</u>	<u>12 Months 2010</u>
MRERF REVENUE			
Sponsors' Support:			
Fundraising	\$ 2,660	\$ 2,000	\$ 1,480
Endowment Grant	-	-	-
Membership dues	22,900	24,000	25,040
Products	2,183	-	2,141
Intercompany loan removal	-	-	396,335
Miscellaneous Donations	-	-	-
Memorial funds	-	-	-
Investment and other income	<u>18</u>	-	<u>14</u>
TOTAL MRERF REVENUE	<u>\$ 27,761</u>	<u>\$ 26,000</u>	<u>\$ 425,010</u>
IPA REVENUE			
Alumni Reunion	\$ 1,800	\$ -	\$ -
Candidate Fee	3,075	7,300	6075
CPMR	225,960	235,375	244,790,
Certification Fee	92,464	87,950	96,550
CSP Program	164,002	135,600	128,587
Hotel Commission	4,229	7,686	7,686
Sales Mgrs	15,400	-	-
Webinar tuition	280	-	630
Investment and other income	258	1,224	808
MBP Program	<u>20,180</u>	<u>14,925</u>	<u>15,390</u>
TOTAL IPA REVENUE	<u>\$ 527,648</u>	<u>\$ 522,805</u>	<u>\$ 500,516</u>
MRERF EXPENSE			
Special Projects	\$ 1,000	\$ 1,000	\$ 1,000
Board and Committee	-	-	-
Endowment Grants	-	-	-
Products	1,896	-	1,896
Operating expense	<u>4,586</u>	<u>1,170</u>	<u>7,560</u>
TOTAL MRERF EXPENSE	<u>\$ 7,482</u>	<u>\$ 2,170</u>	<u>\$ 10,456</u>
IPA EXPENSE			
CPMR	\$ 139,866	\$ 162,818	\$ 150,183
CSP	123,054	170,797	119,568
Alumni Program expenses	-	8,724	-
Online Program expenses	500	-	500
Board and Committee	889	4,115	681
Membership Services	1,227	3,075	462
Promotion and Advertising	4,435	14,604	6,680

Loan Removal				395,966
Operating expense		<u>234,764</u>	<u>244,905</u>	<u>260,411</u>
TOTAL IPA EXPENSE	\$	<u>504,736</u>	\$	<u>609,038</u>
	\$		\$	<u>934,451</u>
COMBINED INCOME	\$	555,480	\$	512,124
COMBINED EXPENSES	\$	<u>512,218</u>	\$	<u>611,208</u>
(DECREASE) INCREASE				
IN				
UNRESTRICTED NET				
ASSETS	\$	43,190	\$	(99,084)
BEGINNING YEAR NET ASSETS		(56,804)		(56,804)
				(19,381)
				(37,423)
ENDING PERIOD NET ASSETS	\$	(13,614)	\$	(155,888)
				(56,804)

The MRERF Endowment

Annual Report 2011

Our Designation of Purpose reads: “The fund shall be used to support the charitable, scientific, or educational purposes of MRERF and its affiliated agencies (if any), including the Certified Professional Manufacturers Representatives (CPMR) program, the Certified Sales Professional (CSP) program, educational research about the manufacturers’ representative function, promotion of the function and the professional designations and other activities consistent with those specified by Section 501(c)(3) of the Internal Revenue Code.”

The MRERF Endowment Fund is managed by The Seattle Foundation as a perpetual endowment. The Endowment Advisory Council is responsible for determining annual grants of a portion of the investment earnings. Members of the Council are: Marilyn Friesen, Scott Lindberg, Bob Walsh, Larry Robinson and Tom Wilson. The Endowment provides grants to MRERF to promote attendance at CPMR and CSP classes and by providing tuition assistance to prospective students.

The Infanger Society is comprised of people who have made a legacy gift to the Endowment. For more information about planned giving opportunities please contact Larry Robinson (larryr@cbmrep.com) or Tom Wilson (tomwilson@aol.com).

January 1, 2011	Balance Forward	\$ 140,174.77
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Activity for Calendar Year 2011

Gifts, Donations Received		\$ 750.00
Fund Raising Activities & Golf Tournament	\$	0.00
Dividends, Interest, Investment Gains (-1.5%)		\$ - 2,134.95
Management & Investment Fees Paid (1.5%)		<u>\$ - 2,110.21</u>
Net Activity for 2011	\$	- 3,495.16

Financial Statement as of December 31, 2011:

General Endowment Fund		\$ 71,353.69
George Hayward Memorial Fund		\$ 5,000.00
Tim Coakley Memorial Fund		\$ 7,727.00
Lindberg Fund		\$ 21,808.00
Infanger Memorial Fund		\$ 9,337.00
Jack Berman Fund		\$ 2,129.00
Dr. Marilyn Friesen Honorary Fund		<u>\$ 18,600.00</u>
Total Gifts, Donations Received		\$ 135,954.69
Dividends, Interest, Investment Gains		\$ 15,712.58
Management & Investment Fees Paid		\$ - 8,987.66
Grants Paid to MRERF		<u>\$ - 6,000.00</u>

December 31, 2011	Ending Balance	\$ 136,679.61
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