

**American Radio Relay League  
Proposed 2021 – 2022  
Plan**

**Executive Summary**

**BOARD  
CONFIDENTIAL**

**ARRL, INC.**  
**The National Association for Amateur Radio**

**Proposed 2021-2022 Plan**

**Table of Contents**

<b><u>Section</u></b>	<b><u>Page</u></b>
Executive Summary	2
Financial Projections	11
Capital Expenditures	15
Staffing	20

BOARD CONFIDENTIAL

**SUMMARY**

BOARD CONFIDENTIAL

**ARRL, Inc.**  
**The National Association for Amateur Radio**

**Proposed 2021-2022 Plan**

**Executive Summary**

**To: ARRL Administration and Finance Committee**

*There's no ceiling on effort!* - Harvey C. Fruehauf

Where does that effort start for the ARRL in 2021? With a deliberate change in culture to be more inclusive and a digital transformation. We have known for several years that the ARRL needs to be more relevant to a broader range of amateurs. While work continues on the infrastructure (the Association Management System (AMS) and Learning Center) we are going to move forward with drawing on successful resources already in the community and work with them to expand the ARRL. Not just in the form of content but assistance in how we can support the field organization and clubs to how to engage younger amateurs. The possibilities are only limited by our effort.

In the following pages, we hope to provide you with an understanding of what we believe is possible for ARRL and what it will take to move forward. We have confidence that with continued dedication and effort our organization will prosper and become relevant and valuable to a broader range of amateurs.

**2020 To Date**

Although 2020 is not over as this report is being written, it is important to look back at our successes, challenges and, yes, our failures so far this year. This, of course, includes how COVID-19 impacted the organization. The effects of which will also impact 2021.

- The successful debut of *On the Air*. This new membership benefit is on track to double our initial year end goal of 10,000 members choosing it as their preferred print magazine. In fact, we have discovered that many members would like to receive (and are willing to pay for) print copies of both *QST* and *On the Air*, a request that once we have converted to Personify 360 we will be able to fulfill. Members will be able to separately subscribe to print *On the Air*. The popularity of this new magazine to introduce beginner-to-intermediate-level radio amateurs to a variety of topics to help them get more active and involved has been surprisingly popular with long time amateurs as well. By design, this magazine is expected to begin to recycle/refresh content every two to three years when the typical engaged radio amateur will desire more advanced articles and information.
- One of the greatest challenges and accomplishments for the organization in 2020 was how the staff handled the realities of COVID-19. The response and cooperation of the staff as we all adjusted to new ways of operating in compliance with the Governor's Executive Orders was outstanding. They have been appreciative and supportive of our efforts to

ensure they continue to be productive and safe. This support also extends to their cooperation and compliance with safety protocols that to be put in place in order for a limited number of staff to return to the building. They have remained patient, flexible and understanding. At the time this is being written, Governor Lamont has returned Connecticut to Phase 2. Although this doesn't impact ARRL operations directly, it does impact the mindset of staff. There is currently approximately 50% of the staff on site.

- The pandemic pushed people, including our members, to interact with the world virtually. Club meetings, Hamfests, and Board Meetings all became virtual. With the cancellation of in person events we had to re-think event engagement. For example, we created a series of promotions on the weekend Hamvention would have been held and in August 2020, we participated in the first QSO Today Virtual Ham Expo which was considered a success with 16,000 attendees.
- The creation of the ARRL Learning Network started in July 2020, to help introduce more members to the variety of activities and opportunities that radio amateurs enjoy. This webinar series features live online 30-minute presentations followed by 15-minute question and answer session from member-volunteers who want to share their experience and help others become more active, involved, and engaged in ham radio. These sessions have quickly become a popular offering, as the first 12 presentations were attended by more than 2,250 members. There are currently 3 additional presentations scheduled before year end.
- VEC has seen a significant increase in the use of the secure ARRL website-based remote entry system of test-session data. This system was designed to speed up the processing and issuance of licenses, and to make ARRL VEs more competitive.
- Before year end, VEC will be migrating the entire VEC program data off a legacy computer system onto a web-based application. Moving VEC onto the AIS system is designed to improve and streamline functionality for the VEC staff and to integrate with the FCC data entry program.
- Despite the challenges the pandemic created, five positions were filled so far this year: Publications and Editorial Manager, Assistant Editor, Human Resource Generalist, Emergency Management Director and CEO.
- Riley Hollingsworth and staff successfully launched the new Volunteer Monitoring (VM) Program. While the daily program operations will be turned over to Headquarters shortly, Mr. Hollingsworth will remain the face of the program into 2021.
- Staff spent and continues to spend numerous hours working on the conversion from the unsupported Siebel system to the new Association Management System (AMS), Personify 360. Although the project has had delays due to various reasons, staff has stayed focused and remain committed to the project.

- The launch of the Learning Center is tied to the conversion to Personify 360 and therefore resulted in the delay of the Learning Center to going live. However, the work with Mintz+Hoke has continued, and they will be ready to go live on our schedule. In the meantime, we have been using the delay to prepare additional content for the site (see Attachment #2, page 38).

Financially, 2020 will end the year very differently than the original 2020 Plan. The impact of the pandemic created unique circumstances ranging from Amazon ceasing all non-essential orders for months to staff working remotely and travel restrictions. Some of which will certainly carry into 2021 but for how long is yet to be determined.

- The ARRL is expected to finish the year with a much smaller loss from operations (including investment income and contributions) than planned, a direct result of travel restrictions and delays in hiring vacant positions, both one-time savings.
- There are trends of which we need to be aware and actively monitor. Overall revenue growth in areas such as advertising and awards continues to struggle.
- Membership is on track as forecasted for 2020.
- Overall voluntary contributions in 2020 have remained consistent despite the change in the solicitations and schedule. Due to the timing of the pandemic only one Spectrum Defense mailing was done in 2020 and, out of sensitivity, the planned giving solicitation was postponed to 2021. When the Teachers Institute session had to be canceled, it was also decided to cancel the annual solicitation, instead Development ran the first LoTW e-mail solicitation.
- The 2020 Plan assumed an increase in award processing fees that was not realized. This increase was postponed due to the pandemic and was not considered in the 2021 Plan.
- ARRL received a Paycheck Protection Program (PPP) loan in May 2020 in the amount of \$1,048,864. The entire loan is expected to be forgiven under the current guidelines. Our loan servicer just began accepting forgiveness applications on November 4 and therefore, forgiveness is expected to take place in 2021. Until the loan forgiveness is approved by the Small Business Administration (SBA) it will remain as a liability on the balance sheet.
- With the receipt of the PPP loan proceeds, we have not needed to transfer any funds from the investment portfolio during 2020. It is important to note that operational cash flow has excluded cash flow from investment income allocated to operations and earnings from the Life Member reserve. For the first nine months of 2020 these funds totaled over \$1.2 million.

## **Looking Towards 2021**

In 2021, although delayed, the organization will see the new AMS and Learning Center going live but there is still much work ahead to turn these projects and others into growth and revenue for the organization. The 2021 Plan was approached with the continued desire to invest in this growth. While the Plan assumes that events and travel will return in 2021, staff is already looking at alternative ways to support events and allow for member engagement and staff safety. The detail Department Plans included as Appendix 2 of this document includes the following initiatives:

- A focus on a digital transformation including meaningful use of YouTube, social media platforms and video opportunities.
- A commitment to develop resources to (1) improve accessibility to ARRL benefits and content for people who are blind or visually impaired, and (2) to improve ARRL's role in assisting people with disabilities find the resources they need to learn about and participate in amateur radio.
- The ARRL Learning Network will continue to add more presentations throughout 2021. Proposals for future sessions are welcome at any time and can be submitted online through ARRL's Learning Network page, with new sessions being added on a regular basis. The webinars are hosted using the GoToWebinar platform, and recordings are available for viewing by members and ARRL-affiliated radio clubs, as part of the ARRL Learning Network library. Ultimately, the recordings will be located within the new ARRL Learning Center.
- Development on the new online Learning Center will continue to expand the variety of training for new, current and prospective amateur radio operators. The focus is on creating an amateur radio learning hub that provides instructional topics for a wide range of users and interests, including recently licensed hams looking for help getting started, experienced operators seeking to expand their skills, and non-licensed individuals wanting to learn more about ham radio and obtain their license.
- Incorporate knowledge gained from users' engagement with the Learning Center into all membership activities including updating messaging, improving marketing materials to new licensees and creating targeted campaigns based on different segments of the community with a consistent organizational wide marketing and branding strategy.
- Development will advance a plan to lift Diamond Club membership by distinguishing this group as a prestigious leadership group with a sense of pride. Development will also produce a solicitation for the Legacy Circle, as the majority of the membership is reaching a point in their lives that they are thinking about their legacies and estate plans.
- The development of a robust social media engagement strategy to help us more fully connect with members and potential members through various social media platforms.

- With the hiring of an Emergency Management Director, the Emergency Management Department will build a strategic approach to advance EmComm's offerings to meet the needs of our members including designing a new array of products and services. These activities will be designed with membership recruitment in mind. In addition, relationships with our served partners will be strengthened.
- The pandemic postponed the preparations a Collegiate QSO Party. However, plans for the event are still in the works. This will be an organization-wide effort, engaging such departments as Marketing, Communications, Development, Publication and Editorial, Radiosport, and Advertising. The event will be designed to resonate with younger college students along with core members as they re-connect with their own alma mater.

In addition, we will continue to support the current array of products and services we provide including:

- Marketing Communications will support several exhibits at the largest Amateur Radio conventions held annually (see Appendix #2, page 8).
- Maintain our publications pipeline with new editions of the *Arduino for Ham Radio*, *Grounding & Bonding*, the *ARRL Handbook* and the *Repeater Directory*.
- Maintain our dominant market share in the delivery of Amateur Radio testing opportunities through the ARRL VEC. We are projecting 29,000 new licensees and 9,500 upgrades in 2021.
- Continue to administer the full complement of awards and contests via the Radiosport Department.
- ARRL will hold four Teacher's Institute classes in 2021, two TI-1 classes, one TI-2 class and one new TI-3 class. In order to increase the effectiveness of the TIs, several new promotional methods will be utilized to expand the number and quality of applicants with a focus on connecting with STEM programs in addition to building a commitment from attendees as to how their experience in the TIs was used to advance amateur radio.
- Maintain activities with organization like IEEE, Civil Air Patrol and served agencies (see Appendix 2, pages 35 and 44).
- Increase the organization's knowledge and resources in the areas of high-speed digital communications and mesh networks through establishing test networks in collaboration with local partners.
- Provide representation for Amateur Radio across a variety of international bodies and meetings (see Appendix 2, page 46).



## Financial Considerations

- As previously discussed, how the pandemic influences 2021 is yet to be determined. In planning for 2021, it was already determined that the January Board Meeting would be a virtual meeting and HamCation was canceled so expenses related to these events are not reflected in the 2021 Plan.
- Publication sales are projected to be basically flat compared to the original 2020 Plan. 2021 will be a difficult year for growth with no major changes to *The Handbook* (the 100<sup>th</sup> edition will be published in fall 2022) and 2021 being the year with no new edition of a license manual. The marketing team will continue to offer new and seasonal items to drive members to the store.
- Due to the continuing decline in *QST* print advertising, advertising revenue is projected to decrease despite the addition of several new advertisers. It is our goal that as we grow our digital presence that advertisers will find value in advertising tied to these outlets. To be conservative, there are no new revenues related to this in the 2021 Plan. The Advertising Department along with Marketing Communications will continually work on creating new and innovative ways to provide new and creative types of advertising desired by our clients.
- Membership dues revenue for 2021 is expected to increase by \$143,000 with a forecast of 159,532 members at the end of 2021. This represents an increase of 1,953 members or 1.24% from the end of 2020.
- Program fees are forecasted to be lower in 2021. This expectation is heavily based on DXCC Awards revenue continuing struggle from the lack of propagation and with low probability of any new DXpeditions.
- Contribution revenues are expected to be slightly higher in 2021 as compare to the 2020 Plan due an increased effort in promoting the Diamond Club and a Logbook of the World solicitation.
- Without cutting staff and therefore programs, reducing spending is not the most beneficial option. Emphasis must be and will be placed on revenue growth. Between the expected forgiveness of the PPP loan and ARRL's healthy Unrestricted Fund Balance the organization can sustain a few years of operating losses to generate revenue growth.
- Proposed capital spending is \$193,000 with more than half of the funding used for maintaining the computer systems infrastructure. Also, included is W1AW equipment, upgraded and new Ham Aid kits and workspace upgrades. See the Capital Expenditures section of this document for the detailed list of proposed capital spending.
- The net staffing level remains unchanged in comparison to the 2020 Staffing Plan. However, certain positions have been added while others have been removed or postponed. These changes are detailed in the Staffing Section of this document. The proposal includes

an average salary increase of 3% for the staff, effective April 1, 2021 and no changes to the current level of funding to the 403(b) pension plan.

As always, there are risks and threats in the success of any Plan. Some of the risks include:

- Our ability to generate perceived value in ARRL membership to match the real value. This extends to a full range of benefits from international representation and spectrum defense to a variety of information and educational tools.
- An extended learning curve post conversion to Personify 360. Our team has been in regular training sessions to learn the Personify 360 system with the objective of a transition with minimal disruption.
- Our donor base is small, but it is loyal and, unfortunately, aging. The increasing number of estate bequests we have received in recent years is a double-edged sword. While the large gifts (over \$50,000) help build our endowment it also indicates the dwindling size of our donor base. It remains to be seen how effective we can energize and expand the donor base to produce a stable level of annual support for existing and new programs.
- It will remain extremely difficult to find skilled, competent authors to write various forms of content including books. The Publications and Editorial Department is constantly looking for different ways to uncover and attract the qualified talent needed to support our ongoing need for new content. In 2021 we will be especially focused on trying to fill subject “white space” or holes in our content offerings.
- Once events begin again, especially as different parts of the country open up at different times with different guidelines it will be a challenge to find the balance between ARRL’s need to have a presence at events, the safety of the staff, the corporate liability of sending staff to events without a proven vaccine and staff’s willingness to travel. Facing this challenge is not if but rather when. When the time arrives, we will approach it as we have the entire pandemic...with patience and flexibility.
- Perhaps the greatest risk for the organization is not reacting swiftly to the response from the community to our newest initiatives. When something falls short of expectations, we need to listen, evaluate and adjust appropriately.

The Plan is separated into three documents, the Executive Summary with financial information by function, a Detailed Income Statement (Appendix #1) and Department Plan narratives (Appendix #2), written by the individual department heads that provide more specific details on operating plans for 2021. As you read through the department narratives, you will notice a reoccurring theme of thoughtful spending while reaching out and engaging our membership in the most positive ways.

We believe this Plan strives to maintain the current level of our services and programs for our core members, while increasing the value proposition of the organization to be attractive to the new licensee. While this does require investing substantial financial resources over the next few years, the results in membership and engagement with amateur radio operators has the potential to be

significant. As always, it is not without risk and will require specific attention to not only our financial results and mindful expense management as the year unfolds but will also require responding quickly to feedback we obtain from the new licensee and other members of the community as they experience our new products and services.

Respectfully Submitted,

David Minster, NA2AA  
Chief Executive Officer

Diane Middleton, W2DLM  
Chief Financial Officer

BOARD CONFIDENTIAL

**AMERICAN RADIO RELAY LEAGUE, INC.**  
**SUMMARY**  
**2021 - 2022 Plan**

	2019 Actual	2020 Plan	2020 Plan (Reforecast)	2021 Plan	2022 Plan
REVENUES	\$13,436,694	\$13,518,000	\$12,838,000	\$13,441,000	\$14,116,000
EXPENSES	<u>10,640,008</u>	<u>11,249,000</u>	<u>11,263,000</u>	<u>11,277,000</u>	<u>11,863,000</u>
NET AVAILABLE INCOME	2,796,685	2,269,000	1,575,000	2,164,000	2,253,000
MEMBER PROGRAM EXPENDITURES	<u>4,021,886</u>	<u>4,441,000</u>	<u>3,676,000</u>	<u>4,314,000</u>	<u>4,793,000</u>
SUB-TOTAL	(1,225,201)	(2,172,000)	(2,101,000)	(2,150,000)	(2,540,000)
CONTRIBUTIONS	<u>1,321,023</u>	<u>1,068,000</u>	<u>986,000</u>	<u>1,149,000</u>	<u>1,120,000</u>
INCOME (DEFICIT) FROM OPERATIONS	95,822	(1,104,000)	(1,115,000)	(1,001,000)	(1,420,000)
GAIN/(LOSS) ON INVESTMENT	461,420	-	-	-	-
CHANGE IN ACCOUNTING STANDARD FOR SUBSCRIPTIONS	(106,278)	-	-	-	-
PAYCHECK PROTECTION PROGRAM LOAN FORGIVENESS	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,049,000</u>	<u>-</u>
NET EXCESS (DEFICIT)	<u>\$450,966</u>	<u>(\$1,104,000)</u>	<u>(\$1,115,000)</u>	<u>\$48,000</u>	<u>(\$1,420,000)</u>

**AMERICAN RADIO RELAY LEAGUE, INC.**  
**INCOME**  
**2021 - 2022 Plan**

	2019 Actual	2020 Plan	2020 Plan (Reforecast)	2021 Plan	2022 Plan
<b>REVENUES</b>	<b><u>\$13,436,694</u></b>	<b><u>\$13,518,000</u></b>	<b><u>\$12,838,000</u></b>	<b><u>\$13,441,000</u></b>	<b><u>\$14,116,000</u></b>
Product Sales	3,251,143	3,307,000	3,169,000	3,381,000	3,878,000
QST and Magazines	230,797	233,000	220,000	202,000	198,000
Advertising	1,773,198	1,778,000	1,579,000	1,642,000	1,647,000
Membership Dues	6,769,243	6,858,000	6,760,000	7,001,000	7,115,000
Program Fees	905,451	964,000	787,000	917,000	979,000
Interest/Dividends	345,648	284,000	234,000	222,000	222,000
Other	161,212	96,000	91,000	76,000	76,000
<b>EXPENSES</b>	<b><u>\$10,640,008</u></b>	<b><u>\$11,249,000</u></b>	<b><u>\$11,263,000</u></b>	<b><u>\$11,277,000</u></b>	<b><u>\$11,863,000</u></b>
Product Sales	2,688,627	2,884,000	2,820,000	2,564,000	2,824,000
QST and Magazines	2,383,138	2,306,000	2,310,000	2,295,000	2,357,000
New Media Outreach	5,662	4,000	4,000	2,000	2,000
Advertising	203,873	137,000	136,000	104,000	108,000
Membership Dues	788,202	824,000	814,000	1,059,000	1,127,000
Investment Expenses	4,839	5,000	5,000	5,000	5,000
Support:	<b><u>\$4,565,668</u></b>	<b><u>\$5,089,000</u></b>	<b><u>\$5,174,000</u></b>	<b><u>\$5,247,000</u></b>	<b><u>\$5,439,000</u></b>
Executive	868,823	819,000	925,000	811,000	847,000
Development/Fundraising	377,436	407,000	359,000	398,000	411,000
Controller	960,978	1,022,000	1,079,000	1,121,000	1,185,000
Information Technology	1,499,395	1,886,000	1,796,000	1,959,000	2,037,000
Administrative Services	226,652	239,000	243,000	238,000	248,000
Human Resources	38,651	104,000	170,000	114,000	113,000
Change in Payroll Accrual	27,249	53,000	53,000	29,000	-
Building	566,485	559,000	550,000	577,000	598,000
<b>NET AVAILABLE INCOME</b>	<b><u>\$2,796,685</u></b>	<b><u>\$2,269,000</u></b>	<b><u>\$1,575,000</u></b>	<b><u>\$2,164,000</u></b>	<b><u>\$2,253,000</u></b>
Product Sales	562,516	422,000	349,000	818,000	1,055,000
QST and Magazines	(2,152,340)	(2,073,000)	(2,090,000)	(2,093,000)	(2,159,000)
New Media Outreach	(5,662)	(4,000)	(4,000)	(2,000)	(2,000)
Advertising	1,569,324	1,641,000	1,442,000	1,538,000	1,539,000
Membership Dues	5,981,041	6,034,000	5,946,000	5,941,000	5,989,000
Program Fees	905,451	964,000	787,000	917,000	979,000
Investment Income	340,809	279,000	229,000	216,000	217,000
Other and Support	(4,404,456)	(4,993,000)	(5,084,000)	(5,171,000)	(5,363,000)

**AMERICAN RADIO RELAY LEAGUE, INC.**  
**SPENDING**  
**2021 - 2022 Plan**

	<b>2019 Actual</b>	<b>2020 Plan</b>	<b>2020 Plan (Reforecast)</b>	<b>2021 Plan</b>	<b>2022 Plan</b>
<b><u>MEMBER PROGRAM</u></b>					
<b><u>EXPENDITURES</u></b>	<b><u>\$4,021,886</u></b>	<b><u>\$4,441,000</u></b>	<b><u>\$3,676,000</u></b>	<b><u>\$4,314,000</u></b>	<b><u>\$4,793,000</u></b>
<b>Advocacy</b>	<b><u>\$955,450</u></b>	<b><u>\$1,171,000</u></b>	<b><u>\$834,000</u></b>	<b><u>\$936,000</u></b>	<b><u>\$1,175,000</u></b>
Washington	462,915	692,000	507,000	563,000	746,000
International/IARU	137,475	141,000	66,000	113,000	151,000
New & Public Relations	190,777	188,000	121,000	126,000	142,000
Outreach through Discovery	9,474	16,000	4,000	17,000	19,000
Regulatory Affairs	154,809	134,000	136,000	118,000	116,000
<b>Radiosport and Field Services</b>	<b><u>\$1,462,118</u></b>	<b><u>\$1,622,000</u></b>	<b><u>\$1,438,000</u></b>	<b><u>\$1,638,000</u></b>	<b><u>\$1,707,000</u></b>
Administration	157,682	136,000	138,000	142,000	148,000
Contest	106,140	110,000	110,000	103,000	106,000
Awards	509,366	509,000	510,000	505,000	532,000
QSL Bureau	52,661	53,000	53,000	40,000	40,000
W1AW	175,670	174,000	176,000	180,000	186,000
Field Services	158,461	219,000	165,000	219,000	227,000
Emergency Management	182,719	302,000	226,000	329,000	347,000
Section Expenses	119,418	118,000	59,000	120,000	120,000
<b>Educational Programs</b>	<b><u>\$334,380</u></b>	<b><u>\$412,000</u></b>	<b><u>\$309,000</u></b>	<b><u>\$551,000</u></b>	<b><u>\$583,000</u></b>
Lifelong Learning	211,981	290,000	248,000	401,000	432,000
Education & Technology	122,400	121,000	61,000	150,000	150,000
<b>VEC</b>	<b><u>\$416,326</u></b>	<b><u>\$389,000</u></b>	<b><u>\$399,000</u></b>	<b><u>\$381,000</u></b>	<b><u>\$406,000</u></b>
<b>LAB</b>	<b><u>\$450,711</u></b>	<b><u>\$470,000</u></b>	<b><u>\$451,000</u></b>	<b><u>\$466,000</u></b>	<b><u>\$482,000</u></b>
<b>Governance</b>	<b><u>\$402,900</u></b>	<b><u>\$379,000</u></b>	<b><u>\$245,000</u></b>	<b><u>\$342,000</u></b>	<b><u>\$440,000</u></b>
Divisions	136,732	136,000	66,000	134,000	138,000
Officers	31,423	36,000	7,000	29,000	32,000
Board Meetings	127,901	124,000	124,000	92,000	180,000
Committees	106,844	84,000	49,000	87,000	91,000

**AMERICAN RADIO RELAY LEAGUE, INC.**  
**CONTRIBUTIONS / INVESTMENT ACTIVITY**  
**2021 - 2022 Plan**

	2019 Actual	2020 Plan	2020 Plan (Reforecast)	2021 Plan	2022 Plan
<b><u>CONTRIBUTIONS AND</u></b>					
<b><u>SUPPORT</u></b>	<b><u>\$1,321,023</u></b>	<b><u>\$1,068,000</u></b>	<b><u>\$986,000</u></b>	<b><u>\$1,149,000</u></b>	<b><u>\$1,120,000</u></b>
<b>Unrestricted</b>	<b><u>\$614,263</u></b>	<b><u>\$484,000</u></b>	<b><u>\$484,000</u></b>	<b><u>\$494,000</u></b>	<b><u>\$494,000</u></b>
Diamond Club	373,438	365,000	365,000	380,000	380,000
Miscellaneous	240,824	119,000	119,000	114,000	114,000
<b>Donor-Restricted: "Uses"</b>	<b><u>\$706,761</u></b>	<b><u>\$584,000</u></b>	<b><u>\$502,000</u></b>	<b><u>\$655,000</u></b>	<b><u>\$626,000</u></b>
<u>Capital Campaign Earnings</u>	<u>\$182,759</u>	<u>\$66,000</u>	<u>\$66,000</u>	<u>\$45,000</u>	<u>\$45,000</u>
<u>David Bell Endow Earnings</u>	<u>\$9,168</u>	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$2,000</u>	<u>\$2,000</u>
<u>Defense</u>	<u>\$272,301</u>	<u>\$285,000</u>	<u>\$285,000</u>	<u>\$285,000</u>	<u>\$285,000</u>
Program	214,089	237,000	237,000	237,000	237,000
Fundraising	58,212	48,000	48,000	48,000	48,000
<u>Education &amp; Technology</u>	<u>\$133,914</u>	<u>\$143,000</u>	<u>\$61,000</u>	<u>\$175,000</u>	<u>\$175,000</u>
Program	122,399	121,000	39,000	150,000	150,000
Fundraising	11,515	22,000	22,000	25,000	25,000
<u>Legislative Issues Advocacy</u>	<u>\$13,139</u>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
Program	13,139	5,000	5,000	1,000	1,000
Fundraising	0	0	0	0	0
<u>Legal Research &amp; Resource</u>	<u>\$180</u>	<u>\$0</u>	<u>\$0</u>	<u>\$13,000</u>	<u>\$13,000</u>
<u>Lab Fund</u>	<u>\$0</u>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Collegiate Amateur Radio</u>	<u>\$3,385</u>	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$4,000</u>
<u>Preservation of Artifacts</u>	<u>\$146</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>W1AW</u>	<u>\$48,171</u>	<u>\$28,000</u>	<u>\$28,000</u>	<u>\$27,000</u>	<u>\$20,000</u>
<u>Ham Aid</u>	<u>\$0</u>	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$25,000</u>	<u>\$1,000</u>
<u>E. Smith Earnings</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$40,000</u>
<u>Colvin Award</u>	<u>\$3,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>DX Log Archive</u>	<u>\$598</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,000</u>	<u>\$4,000</u>
<u>LoTW Awards Fund</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$35,000</u>	<u>\$35,000</u>
<b><u>GAIN/(LOSS) ON SALE</u></b>					
<b><u>OF INVESTMENTS</u></b>	<b><u>\$461,420</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

BOARD CONFIDENTIAL

**CAPITAL EXPENDITURES**



**ARRL, Inc.**  
**The National Association for Amateur Radio**

**2021 Plan**

**Proposed Capital Expenditures**

<u>Department</u>	<u>Description of Item</u>	<u>Cost</u>
<b>Information Technology</b>	Cisco ASA Firewall Replacements	\$50,000
	Laptop PCs (23 @ \$1,600)	36,800
	Production PCs replacement (3 @ \$4,000)	12,000
	HP Production Printer	7,000
	Printers (3 @ \$1,200)	3,600
	Avaya Phone system server replacement	6,000
	Avaya PoE phone switch for W1AW	3,000
	Uninterruptible Power Supply Units (4 @ \$1,300)	5,200
<b>Marketing</b>	iPads (4 @ \$600)	2,400
<b>W1AW</b>	Replace Air Conditioning Compressor Unit	5,000
	Broadcast Amplifier	6,000
<b>Emergency Management</b>	Ham Aid Kits (4 @ \$4,000)	16,000
	Pactor 4 Modems (4 @ \$2,000)	8,000
<b>Building</b>	Workstation (cubicle) upgrade for Awards	20,000
	Capital Maintenance Projects	10,000
<b>Controllers</b>	Automatic Letter Opener	2,000
<b>Total</b>		<b>\$ 193,000</b>

**ARRL, Inc.**  
**The National Association for Amateur Radio**

**2021 Plan**  
**Proposed Capital Expenditures**

**A. Cisco ASA Firewall Replacements**

Replacement of the current Cisco ASA 5512-X firewall pair at HQ and the current Cisco ASA 5505 firewall at the warehouse which are both more than 5 years old in 2021. The replacements will be either Fortinet or Palo Alto firewalls with Palo Alto currently being the choice as it has more features. These new “Next Gen” firewalls bring a much-needed upgrade in security to resist the increasing aggressive and multi-faceted threats in today’s internet environment.

**B. Laptop PCs (Quantity 23 @ \$1,600 each)**

As we do each year, we plan to continue our systematic replacement of older computers. We continue to be diligent about our replacement goals which allow us to replace a modest amount each year rather than have one year with a significant expenditure. The Plan includes replacing 20 aging Desktop PCs that will be more than 5 years old in 2021. The COVID-19 pandemic has changed the way employees work. With many employees working from home offices, most of these employees are currently using personally owned computers which are not under the control of ARRL IT. Beginning in 2021, we will begin to replace desktop PCs with laptops to allow more flexibility for staff and more ARRL IT control over our internal security and management system. The replacements quoted are HP Laptop PCs with Intel i5 processors, 12GB RAM and Windows 10 Pro.

In addition, 3 aging laptops (2 loaners and Jon Silvering’s) that will be more than 5 years old in 2021 will be replaced.

**C. Production Desktop Computer Workstations (Quantity 3 @ \$4,000 each)**

Replace three aging Desktop PC workstations that will be more than 5 years old in 2021. These units are used by staff with high graphical needs who are responsible for all ARRL publications and advertising ads on the website. The current Microsoft Windows workstations are no longer able to adequately run today’s graphical programs such as the Adobe Creative Cloud suite used daily by these personnel. We are planning on replacing these units with Apple’s graphical workstations.

**D. HP Production Printer**

Replace the existing HP9050 production printer that is more than 5 years old in 2020. The replacements quoted is an HP LaserJet Enterprise M609 with five expanded feed trays. This printer is used to generate all ARRL mailings to members and perspective members.

**E. Printers (Quantity 3 @ \$1,200 each)**

Replacement network printers for printers that will be more than 5 years old in 2021. Quoted are the HP LaserJet Enterprise M605dn w/1.5 GB RAM.

**F. Avaya Phone System Server Replacement**

Replacement of the controller computer for the phone system. The current computer is a Dell R210 which was purchased with the phone system and will be at its end-of-support in June 2021. The replacement quoted is a virtual computer that will be mounted on the headquarters' vSphere (VMware) cluster. Therefore, we will be replacing a physical computer with a virtual one that should have a longer support lifetime. This expenditure is required to keep the Avaya phone system under support.

**G. Avaya PoE Phone Switch for W1AW**

The current 24-port Avaya PoE phone/data switch at W1AW is at full capacity. This needs to be replaced with a 48-port switch to support active projects currently under way and any future growth. We have already had to add three unmanaged mini switches to provide the needed capacity for current operations, but this is a poor way of operating and defeats the purpose of using managed switches.

**H. Uninterruptible Power Supply Units (Quantity 4 @ \$1,300 each)**

Replacement hardware currently in server racks which are over 6 years old in 2021. Quoted are Eaton 5PX 2200, rack mount, 2200 VA capacity.

**I. iPads (4 @ \$600 each)**

iPads have become a critical tool for effective commerce at events. The 2021 Plan includes replacing 2 outdated iPads and the purchase of 2 additional units for events.

**J. Replace Air Conditioning Compressor Unit**

The air conditioning compressor at W1AW is at the end of its useful life. During the extended heatwave this past summer the unit was unable keep up with the demand.

**K. Broadcast Amplifier**

In the continuing effort to keep the W1AW equipment up to date, the 2021 Plan includes replacing one of the oldest amplifiers currently in use. The older Icom IC-PW1 amplifier needs to be replaced. The amplifier should be capable of all-band, auto-tune operation in addition to the capacity of meeting or exceeding (preferable) the full-legal limit.

Acom 2000A amplifiers have proven themselves to be workhorses. In addition to being able to handle 1.5kW without difficulty, they also have automatic tuning and internal antenna

tuners. Automatic tuning is critical because the amplifier can quickly adjust itself for optimum efficiency.

**L. Ham Aid Kits (Quantity 4 @ \$4,000 each)**

The Emergency Management Department's Plan includes 4 new upgraded Ham Aid kits. Ham Aid funds will be used for this purchase. These kits will reside in Newington until the need to dispatch.

**M. Pactor 4 Modems (Quantity 4 @ \$2,000 each)**

The Emergency Management Department's Plan also includes upgrading 4 current Ham Aid kits with Pactor 4 modems which are specialized modems for digital communications used during disaster relief efforts. The Plan includes the use of Ham Aid funds for the purchase of the modems. These upgraded kits will reside in Newington until the need to dispatch.

**N. Workstation Upgrade of Awards Department Area**

The area of the building that currently houses the Awards staff needs an upgrade and redesign to make efficient use of the work area. The 2021 Plan includes a full re-painting and installation of powered 54" high cubicles.

**O. Capital Maintenance Projects**

The proposal includes \$10,000 for capital building maintenance projects. While the priority of the projects has not yet been decided, these funds are to insure at least one capital maintenance project is addressed during the year.

**P. Automatic Letter Opener**

The current automatic letter opener in the Controllers Department that is used to open all the incoming mail including memberships, division and section ballots and contribution campaign donations is nearing the end of its useful life. The estimated repair costs are close to the replacement cost.

BOARD CONFIDENTIAL

***STAFFING***

**ARRL, Inc.**  
**The National Association for Amateur Radio**

**2021 Plan**

**Staffing**

The total staffing complement proposed in the Plan for 2021 includes 87 full-time and 7 part-time staff for a total of 94 employees. This represents a total of 90 Full Time Equivalent (FTE) positions and no net additions from the 2020 Plan document.

We have reviewed the staffing levels and believe that this staffing is appropriate for the growth and initiatives envisioned for the organization in 2021 balanced with available resources.

There are several changes in the staffing Plan for 2021 that should be noted:

1. With the new book publishing strategy to further the goal of focusing on ARRL's core books rather than taking on a large list of third party titles, there is the need to hire an in-house Book Editor to implement and maintain this strategy and give ARRL's books a degree of attention they do not currently receive. The Book Editor will be charged with working with potential authors to shape book proposals in accordance with ARRL's needs, working with authors to shape the resulting manuscripts and liaising with technical editors (consultants) and language editors (freelancers) to prepare manuscripts for production.
2. At the request of the International Amateur Radio Union (IARU), a part-time International Relations Specialist has been added to provide support to the IARU Officers and representatives to allow them to carry out their duties effectively. The primary focus of the position is to draft, or obtain technical experts to draft, technical contributions and papers in support of amateur radio positions in international allocation matters and regulatory matters.
3. The Lifelong Learning (LLL) Department has proposed adding a Digital Content Developer. This position will assist in developing digital content, producing and editing video content, assisting in the management of the Learning Center and other related tasks. This position is essential for properly supporting the growth of the Lifelong Learning program through the development of high-quality digital content.
4. At the request of the Legislative Advocacy Committee, a Government Relations Specialist was added to the 2020 Plan. Due to the uncertainty of when federal office buildings will reopen and limited financial resources, the hire date for this position has been postponed to 2022.
5. The part-time Intern position in the News and Public Relations Department has been eliminated. Until the Department Manager position is filled and they can evaluate the continuing need for support, the position will not be reconsidered.

6. The part-time Data Network Assistant position previously proposed in the 2020 Plan to assist the ARRL Lab in the development of the AREDN project has been eliminated. The current staff has been making progress on the project and sees value in learning the technology as our members will view the technology in order to assist them in the future.

Also included in the Plan is an average increase of 3.0% for the staff, effective on April 1, 2021. This does not mean that everyone will receive a raise, or even if they do, one that will equal 3.0%. Each employee's performance will be reviewed, and any merit increase in their compensation will be based on this review as well as where their current compensation is within the appropriate salary range.

BOARD CONFIDENTIAL

**AMERICAN RADIO RELAY LEAGUE, INC.  
2021 STAFFING SUMMARY**

<u>Function/Department</u>	<u>2020 Plan</u>				<u>2021 Plan</u>	
	<u>Total</u>	<u>Transfers</u>	<u>Add</u>	<u>Delete</u>	<u>Total</u>	<u>Additions</u>
<u>Publications and Editorial</u>						
Administration	2	1	1		4	Book Editor
Composition	2				2	
Editorial	4				4	
Graphics	1	-1			0	
<u>Membership, Marketing &amp; Communications</u>						
Mkt Communications Admin	5	2			7	
Advertising	2	-1			1	
Membership	1				1	
Member Services	5				5	*
Warehouse	4				4	
<u>Product Development</u>						
	1				1	
<u>Support</u>						
Executive	4				4	
Development	3				3	
Controllers	5				5	
Information Technology	12				12	
Administrative Services	3				3	
Human Resources	1				1	
Building Maintenance	1				1	
<u>Advocacy</u>						
Washington D.C.	2		1	-1	2	* PT International Relations Specialist
News & Public Relations	3	-1		-1	1	
Regulatory Affairs	1				1	
<u>Radiosport &amp; Field Services</u>						
Administration	1				1	
Contests	1				1	
Awards	7				7	*
QSL Bureau	1				1	*
Field Services	3				3	
Emergency Management	3				3	
<u>Lifelong Learning</u>						
	3		1		4	Digital Content Developer
<u>VEC</u>						
	6				6	*
<u>W1AW</u>						
	2				2	
<u>Laboratory</u>						
	5			-1	4	
<hr/>						
Total Staff	94	0	3	-3	94	
FTEs	90				90	
* Includes part time position(s).						