

**2017 Annual Meeting
ARRL BOARD OF DIRECTORS
Windsor, CT
January 20-21, 2017**

Report of the Chief Financial Officer

As I reflect on 2016, the first word that comes to mind is “*change*”. Changes in the organization chart, changes in the Amateur Radio industry and changes in our overall financial picture. The organizational changes have been well documented, including the retirement of the long-time CEO and the hiring of Tom Gallagher, NY2RF, changes in the Board officers last January and a reorganization of the HQ staff in the fourth quarter. For his part, Tom brought new approaches to many of the organization’s fundamental decision making and general business processes. But as many of you know, change is never easy and changes of this magnitude, even less so. The ability of the organization, from top to bottom, to adapt to these new ways of approaching the business of the League, ways that are necessary if we are going to survive and flourish in the future, should not be underestimated.

In another example of the organizational changes and as a result of the reorganization of HQ responsibilities, for the first time this report will encompass information regarding three new areas for which I assumed responsibility in November. But the good news is that we have three seasoned managers in Business Services, Sales and Marketing and VEC so the transition was very smooth and there was little, if any, disruption in the day-to-day operations. In addition, there are highlights from other areas of Headquarters, not solely those reporting through the CFO. We decided to put the summary in this report to allow the CEO’s report to concentrate on the bigger picture and the larger issues we face.

The Amateur Radio industry also continued to change in the past 12 months. In 2016 we saw the loss of more companies from the industry, including some long time, prominent names. Companies that either left the business or experienced significant restructurings (i.e. downsizing) included Amateur Electronic Supply, Xpert Amps USA, RKR Designs and Ten Tec. And in another indication of the condition of the industry, several other companies decreased their advertising commitments in QST, mostly due to financial considerations. All told, between the companies that went out of business and those that reduced their advertising, we lost over \$400,000 in annualized advertising revenues which, for the most part, cannot be made up.

Unfortunately, the loss of advertising revenues wasn’t the only challenge we faced, financially, in 2016. Despite our financial objective for 2016 of trying to return the organization to a positive gain from operations, revenue decreases in several areas and unplanned expenses resulted in an overall loss from operations for the third year in a row. The financial challenges we face continue to stem, in part, from our organizational desire to maintain and expand member benefits and services in the face of level or, in some cases, decreasing revenue streams. As noted above,

we have been dealing with a loss of advertisers as the industry shrinks and/or consolidates, and, in addition, decreases in fees from programs like DXCC as activity levels drop and fewer voluntary contributions from campaigns like the Defense Fund.

Membership declined in 2016, predictably, as the result of the first dues increase in 14 years. But dues revenues increased which was also predicted. The challenge going forward will be to retain our current members while attracting new members from groups of Amateurs who have, to this point, not traditionally joined the ARRL. Dues is our largest revenue source, by far and we need to maximize it so that the organization can continue to serve the members and the Amateur Radio community. It is my opinion that this will require more changes in how we view the membership and the nature of services we offer.

The financial reports are included as Addendum #1 to this document. As always, at this point in our year-end cycle, they are to be considered "*preliminary and unaudited*". While we have included all the known transactions to this point, there will be additional invoices, etc. received before the books are finally closed for the year and the year-end audit is completed sometime in April.

Financial Results

Overall

While December produced a gain from operations, continuing revenue shortfalls made it much smaller than originally anticipated. Even so, the gain of \$79,000 for the month helped to narrow the year-to-date operating loss. For the full year, despite our original objective to produce a gain from operations, revenue shortfalls in three significant areas (Dues, Advertising Sales and Program Fees) resulted in the League recording an operating loss of \$235,000. This was well below the original objective for the year, a gain of \$197,000, and more than the full year loss forecasted in the middle of the year (\$155,000). With total expenses roughly on target to the Plan despite several large unplanned items, this was truly a revenue driven result and highlights the concerns regarding the changing Amateur Radio industry and our sources of funding in the future.

As a result of the revenue shortfalls noted above, our internal measure of Net Available Income, was less than planned by almost \$421,000 which was consistent with our overall shortfall from the projected operating gain as well.

Voluntary contributions (including amounts used to offset expenses) were down in 2016 in comparison to the prior year as unrestricted contributions plus those used to offset spending in specific areas totaled \$1.02 million for the year. This was \$33,000 less than originally planned and about \$86,000 less than the prior year. We had strong results in the areas of unrestricted contributions with a good year from the Diamond Club which saw an increase of 14% over 2015. However, contributions to the Defense Fund were down by \$52,000 (17%) from the 2015 results. It should be noted that there was an unplanned and unrestricted amount of \$3,600 from the earnings on the Dave Bell, W6AQ, Fund. This was the first year of the fund, established from the

sale of the Andy Warhol print donated by W6AQ prior to his passing. Total funds contributed to the organization this year, including permanently endowed funds, was \$1.57 million.

The investment markets produced positive results in our investment portfolio as noted in the Treasurer's report. The overall portfolio generated income and unrealized investment gains of over \$1.4 million, approximately \$900,000 of which represents unrealized gains. This helped increase our total net assets for the year, despite the operating loss.

Balance Sheet

The ARRL's balance sheet at December 31st remains very good. Total cash and investments top \$25 million, accounts receivable are in very good shape (only \$38,000 or 13% over 60 days) and our accounts payable/accrued liabilities (excluding reserves for term and Life dues) are down from a year ago. Total assets increased by \$1.8 million and total net assets are up by \$1.7 million.

Income

Total revenues for 2016 fell well short of our original expectations. We finished with \$374,000 less total revenue than last planned. Revenues for the year, excluding contributions, stood at \$13.91 million, an increase of \$188,000 over the prior year.

Revenues from publication sales, although not meeting our December targets, finished the year at \$3.73 million, about \$89,000 more than originally planned. These results were led by strong sales in the areas of training materials, royalty titles and membership supplies. The *Ham Radio License Manual* produced \$595,000 in revenues, up 11% over the prior year. Other training materials produced an additional \$524,000, a 28% increase over 2015. These strong results offset shortfalls from our expectations for sales of (a) the Handbook (totaled \$340,000, \$122,000 less than planned), (b) the Repeater Directory which was primarily due to the decision to eliminate several electronic products in the line and (c) Other Books and RSGB titles. Of the total sales revenues, sales to wholesalers/dealers was \$1.3 million in 2016, of which \$823,000 were sales to Amazon. Sales to Amazon were up \$136,000 over 2015 while total sales to wholesalers were up only \$30,000, even with the loss of sales to AES. This provides some indication that there is a significant amount of transfer sales going on, away from some of our traditional dealers towards sales through Amazon.com.

2016 also saw a small decrease in revenues from subscriptions to our two other periodicals, QEX and NCJ. Total revenues from these sources in 2016 were \$217,000 versus \$225,000 a year ago. We had anticipated some decline in interest but were still \$2,000 short of our reduced goal for the year.

Needless to say, 2016 was a very challenging year for Advertising sales revenues and the Business Services Group as we strive to maintain advertising revenues in the face of a declining market. As discussed earlier in this report, the Business Services Group saw a continuing decline of advertisers (or cutbacks from existing advertisers) throughout the year. The most discouraging was the loss of Amateur Electronic Supply who, in July, simply closed their doors without any

real warning and without any of the usual indications of a failing business. This was apparently a decision based solely on an analysis of the future of their business. Not a ringing endorsement for the Amateur Radio industry. Total advertising sales revenues for 2016 were \$2.2 million, a decrease of \$249,000 from the prior year and \$190,000 short of our target for 2016.

Membership dropped in 2016 as has historically been the case in the year of a dues increase. And certainly not surprising since the last time we had a dues increase was 14 years ago. Total ARRL membership on December 31, 2016 was 164,070, a 3.8% decrease from the end of 2015. This was slightly less than our 4% assumption which was in keeping with historical trends. Despite slightly better membership numbers than we predicted, dues revenues were off by \$201,000 from the amounts projected, primarily due to a much smaller number of member transactions in 2016 than in prior years. Part of that is the large number of members who renewed early in the latter part of 2015 to beat the dues increase and the impact this has going forward. It remains to be seen if these people will actually renew in 2017 which will be their first opportunity to renew at the new rate. Total dues revenues were up by \$384,000 (6.4%) in 2016, even with the decrease in membership.

Program fees finished the year as it started, with total fees collected running behind our plans. The shortfall was almost all in the Awards branch, primarily DXCC fees which finished the year 18% below the 2016 Plan (shortfall of \$102,000) and \$23,000 less than last year. Other revenue sources in this category that fell short of the Plan for this year were QSL Bureau (\$13,000), CQ awards (\$2,000) and Contest fees (\$4,000). As has been the case throughout the year, the ARRL VEC continued to beat its original projections and, as a result, the total fees received for the year outpaced our expectations by about 7%. This translates into VEC fees of \$465,000, \$30,000 more than planned although this was slightly less than 2015.

Investment income allocated to the regular operations of the League totaled \$187,000 in 2016, slightly above our expectations and about \$2,000 more than planned. It remains to be seen where interest rates go in the near future although every indication from the Fed is that that will rise.

Revenues from the National Parks on the Air (NPOTA) operating event were not expected to be significant this year as the assumption was that most people would wait until the event was fully complete and entries closed before they would apply (and pay) for certificates. But even our conservative assumptions proved more optimistic than the reality. Only about \$2,000 was received in 2016, despite the event being a rousing success. We expect that we will pick up the "shortfall" from Plan in the coming year.

The total of our Other Income categories was \$164,000 which was ahead of Plan by almost \$28,000 due, primarily, to two items. The results of the ARRL Auction provided net revenues of \$31,000, \$18,000 more than planned.

Expenses in the Income segment totaled \$10.99 million for the year which was about \$55,000 (0.5%) over budget for the year. In addition to cost of goods sold which was over budget as a result of better than planned sales, there were several functional areas contributing to the overage. We had unplanned expenses of \$68,000 for the completion of the Centennial operating event, much of which was for the final printing and dissemination of QSL cards for the event.

There were unplanned costs for bonuses (outgoing CEO), Connecticut corporate counsel as well as counsel for the defamation suit and the Longevity Award program. Last but not least, we had additional costs in Personnel which resulted from the downsizing effort (unemployment compensation) and costs for the CEO transition. Even with those items, costs in this segment were down about \$173,000 from the prior year. This represented a decrease of 1.5%.

Spend

Despite the late rush of expense reports from volunteers (an annual occurrence), spending on member programs, advocacy and governance was under budget in the month of December which resulted in total spending to be just under budget for the full year. Spending in these areas for the entirety of 2016 stood at \$4.17 million, \$21,000 under budget for the year and also a slight increase (1.6%) over 2015.

Some notable items in this segment included the Washington Office being \$31,000 over budget for the year but this was the result of a combination of the severance package for the former CTO and legal fees paid to attorneys including the General Counsel. The latter was up slightly from last year and more than planned primarily due to legislative activities. Field Services was over budget for the year as well with unplanned severance costs and additional printing and postage for an unexpected number of Section elections. VEC was also over budget but this was solely the result of more activity and exams than originally planned. Offsetting these overages were areas that were significantly under budget like the Lab (\$26,000 or 5.6%), DXCC (\$63,000 or 11.9%) and the QSL Bureau (\$25,000 or 25%).

Total Governance spending finished the year at \$404,000 which was \$38,000 over our projections and an increase of \$44,000 (12%) over the prior year. The biggest increases in spending came in the Division spending which can be attributed to the increase in Division budgets voted at the January meeting and a combination of having an National Convention and the change of the reimbursement rule for the Dayton Hamvention®.

Cash Flow

Operational cash flow was good in 2016. With a strong month of December, total cash flow from operations for the year was a positive. We only had one transfer of cash from the portfolio and that was less than the total amount of Life member income allocations and investment income. This means we helped grow the portfolio, despite the accrual basis operating loss.

Operational Results

Dealing with the changes discussed earlier in this report, while continuing to move the operations forward and, in one person's definition, "keeping the trains running" was a challenge this year. But one that we embraced and at which, I believe, we generally succeeded.

The ARRL VEC Department had another successful year, despite some turnover in the staff and a prolonged leave of the Department's assistant manager. We continue to maintain our position

as the largest VEC in the nation. Our market share of total Amateur Radio exams administered remained stable at 75%. The total number of US Amateurs has continued to grow each year since the FCC license class restructure in 2000 and as of December 31, 2016 licensees reached an all-time high of 742,787.

As reported by VEC Manager Maria Somma, AB1FM, the following were the highlights for the ARRL VEC in 2016:

- For the third year in a row, we conducted more than 7,000 Amateur Radio exam sessions, an important milestone for the ARRL VEC.
- New amateur licenses issued were up by 1% over last year. This is the third year in a row the total has been over 30,000. (32,552 in 2016, 32,077 in 2015, and 33,241 in 2014).
- Upgraded licenses were down 5% compared to last year (10,617 vs. 11,224). A new Extra class pool took effect on July 1, 2016 which impacted upgrade totals in the second half of the year.
- 45,706 total license application forms were filed, compared to 44,155 in 2015.
- A total of 7,494 exam sessions were conducted in 2016, up slightly from 7,371 in 2015.
- 38,097 exam applicants were served in 2016, compared to 38,261 in 2015.
- Exam elements administered increased from 49,971 last year to 50,081 this year.
- 2,103 new Volunteer Examiners (VEs) have been added to our program.

The financial results produced by the Business Services Group headed by Deb Jahnke, K1DAJ, are discussed in the appropriate financial sections above. As revenues from this group decreased, and as part of the reorganization in the fall, we eliminated one full-time position from the group. The staffer was transferred to an open position in the Controller's Department. In addition, as they do every year, the Business Services Group also manages the annual ARRL Auction. This year's auction produced "net" revenues (gross revenues less the cost of the items auctioned) of almost \$31,000.

The Sales and Marketing Department headed by Bob Inderbitzen, NQ1R, as noted above, were able to beat the publication sales targets for the year. In addition to this important metric, some of the other accomplishments of the department in 2016 included:

- Revenues from e-book sales continued to expand and increased 84% over 2015. This is the result of our strategy to follow parallel print-and-digital publishing tracks for the majority of our new publication introductions.
- ARRL earned royalties of \$47,910 in 2016 for the ARRL Visa Credit Card program (\$44,717 in 2015). The affinity benefit was introduced to members in 2005.

- Our warehouse team fulfilled 47,491 paid orders in 2016 (45,644 in 2015).

Diane Petrilli, KB1RNF, Membership Manager, reports that, after a 25% dues increase (the first in 15 years), we have come in remarkably close to membership forecast. We ended December with 164,070 members -- 252 members *ahead* of the year-end goal. The annual membership loss was 3.79%; slightly less than the 4.0% loss forecast. We had a net loss of 6,458 members; 6,710 was forecast.

Below is a comparison of acquisition for last year vs. this year. Field-based recruitment is down to 3% of our total, annual acquisition.

	2016	2015
Direct Mail - 120 days	23%	24%
E-mailings	9%	11%
Web site	27%	26%
Field-based Recruitment	3%	4%
Renewal notices	11%	10%
Phone	5%	5%
New Ham Mailings	13%	11%
All other sources	10%	9%

The on-time renewal rate for December was 68.74% vs. 72.59% last December.

New Radiosport Manager Norm Fusaro, N3IZ, reports that for the year 2016, the Radiosport Department had forecast an operating loss of \$418,363. The actual operating loss was even greater (\$537,156) representing an unfavorable a variance of \$118,793. This resulted in part from unanticipated expenses relating to closing out the Centennial and DXCC fees in 2016 were 18% below the original Plan. In addition, the department suffered from a recurring overestimation of planned revenues dating back before the Centennial. Lower activity has also impacted revenues: contest logs submitted for 2016 (HF + VHF) were 26,080 or 9.2% fewer than the previous year. Overall, contest logs submitted for the period 2011 – 2016 are lower by 6%. However, DXCC applications have climbed 9% over a five-year period.

The Editorial and Production Department, managed by Steve Ford, WB8IMY, reported that 2016 brought considerable changes to ARRL media, including such highlights as the transition to the new PageSuite electronic publishing platform. In addition to being more cost effective, the new platform provides a better reader experience, plus vastly improved apps for Android devices and the Kindle Fire. The biweekly *Doctor is In* audio podcast, launched on April 7, enjoyed more than 210,000 downloads in 2016. Finally, a number of new books rolled off the presses including *Work the World with JT65 and JT9*, *Mesh Networking for Amateur Radio*, *Digital Oscilloscopes*,

and *Antenna Physics: An Introduction*. The editorial team continues to search for fresh, relevant and diverse content to satisfy a growing demand from its traditional print and well as its new media channels. QST continued its 100% on-time publishing record.

The Field Services Department saw the completion of the massive Centennial QSLing project, with over 800,000 cards distributed. W1AW maintained on-air activity with better than 99 percent up-time while hosting about 200 visitors. The Field Services database shows 7,634 Field Organization appointees (including 71 elected Section Managers) down from 7,678 appointees at the end of 2015. Field reporting improved dramatically (36%) with only 23 section failing to file reports. In addition, Field Services staff managed six balloted elections in 2016. The rejuvenated Section Manager workshop held in October hosted 15 SMs.

The revamp of the Official Observer/Amateur Auxiliary program began in 2016 in response to renewed FCC interest in the program. On the Emergency Preparedness front, staff worked with the Guayaquil Radio Club with support after the Ecuador earthquake, including a Ham Aid deployment). In addition, they supported the Hurricane Watch Net, National Hurricane Center, VOIP Hurricane Net, and FEMA. The HQ Emergency Response Team participated in the Cascadia Rising exercise along with other special projects including various National VOAD activities and the National Weather Service on hurricane Matthew.

The informal group working on improvements and revisions to Field Service report forms made good progress – reducing ARES forms to four with projected release in February, 2017. Additionally, EP staff raised reporting rates from the field from 33 sections in 2015, to 48 in 2016 using increased, leveraged communications with the section leadership. EP staff hosted six public-service-related webinars in 2016. The EC-001 course participation was essentially the same as occurred in 2015. In 2016, 179 people registered for the online course, with 123 finishing, while 204 registered and passed the EC-001 Field Course. And finally, Field Services staff completed a study of Twenty-first Century emergency communications with the help of served agencies that produced some surprising conclusions about the role of emergency communications, which Mike Corey will present to the board on Thursday evening.

The Lab, managed by Ed Hare, W1RFI, continues to burnish its preeminent reputation as the subject matter expert in EMC and RFI matters as well as remaining the arbiter of taste in the Amateur Radio product review field. The Lab's contributions are well-publicized, and its staff frequently recognized. One staffer spent the fall of 2016 tracking down, testing and validating the illegal operations of a marketed-to-hams and commercially-available drone aircraft which poses significant hazard to aircraft in flight by virtue of its downlink frequencies. The Lab prepared, and General Counsel Imlay filed with the FCC, an "urgent complaint of equipment authorizations and importation violations." Late this summer, Lab staff spent a day training the Air Force Space Command's Pave Paws operation four junior officers on protecting the commands large 70 centimeter radars on Cape Cod.

The Development Office headed by Lauren Clarke, KB1YDD, finished 2016 with good overall results. Diamond Club promotions encouraged new members through targeted mailings. Results for the Diamond Club also included a one-time gift of \$10,000 from a family who placed

a bench in the Diamond Terrace in memory of their son. The Education & Technology Fund results include a one-time contribution of \$29,000 from the Don Wallace Museum.

Development also produced the first mail solicitation to promote the Legislative Issues Advocacy Fund. ARRL also benefited from the Internal Revenue Service's IRA charity ruling, which made the deduction for contributions from IRAs permanent. The results for the Spectrum Defense Fund fell short of the goal for 2016.

Performance Metrics

	12-mos. 12/31/16 Actual	12-mos. 12/31/16 Plan
Diamond Club	\$367,593	\$335,000
Unrestricted	114,842	70,000
Education & Technology Fund	211,654	130,000
Spectrum Defense Fund	257,314	310,000
Legislative Issues Advocacy Fund	54,573	35,000
Misc. Funds (see above)	9,926	9000
W1AW Endowment	5,916	0
ARRL Endowment (including undesignated estate gifts)	489,492	0
Second Century Fund (primarily fulfilled pledges)	173,151	60,204

As is always the case, the Information Technology Department headed by Michael Keane, K1MK, has been busy in the second half of 2016. It helped that we were able to fill the remaining open position on the development staff. Scott St. Onge joined the League in May, bringing the staff to full complement. I should say here that the term "development" can be a little misleading. Most of what Scott has done so far has been under the heading of "keeping the trains running" as he has shouldered many of the daily issues surrounding the web site (along with Dennis Budd, K3DGB) that present themselves on a regular basis. In addition, the development team was able to:

- Move the Volunteer Instructor Database project into production. Some additional "bugs" were discovered and are being resolved.
- Complete the specifications for the DXCC system replacement, put an RFP out for bid and select a vendor to complete the project. We are currently working through the design phase of the project with the vendor and expect a final proposal for the system in February.
- Provide on-going support for the NPOTA operating event.

- Continued the development of specifications for the Membership and Development module of AIS (ARRL Information System) with user groups.
- Implemented a single sign on for use with PageSuite's version of Digital QST.
- Transitioned the VEC module from Siebel to AIS. Currently in testing.
- Added support for HTML5 based web ads.

Logbook of the World developers, working with the LoTW Study Committee:

- Upgraded LoTW ESXi servers from 5.1 to 6.0.
- Completed alpha test and begun beta test of ODBC-based interface to LoTW database.
- Begun beta testing of support for primary and secondary administrative of Japan with JA testers.
- Added support for "localized" (non-English) LoTW Help pages.

And it would be a mistake not to recognize some of the accomplishments of the IT staff charged with implementing and maintaining our corporate IT infrastructure. An infrastructure which is substantial, from the over 100 desktop installations to a wide array of servers and storage devices that provide support across the entire organization. Some of the accomplishments of this group in the second half of the year included:

- Implemented off-site (Barracuda) backups for Logbook of the World development and production servers.
- Expanded storage array for Advertising and Production data.
- Upgraded emergency generator for equipment changes in the closet containing the system routers, switches and phone system equipment.
- Install new monitor/display in executive conference room.
- Dealt with a variety of malware and other attempts at unauthorized access to our infrastructure. This is becoming the norm for any computer installation and the ARRL is not immune to it. We have done the right things and are working hard to keep up with the ever changing technology.

Most of the true administrative operations in the organization happen behind the scenes and, as I've mentioned several times in reports over the years, if things are going well, no one ever hears about them. The Controller's Department, the Mailroom (organizationally within the Controller's responsibilities), Purchasing Department (also in Controller's), all managed by Controller Diane Middleton, KC1BQF, the Human Resources function and the Building

Department, all work to support the overall operations of the League. Some of the accomplishments of these areas in the second half of the year included:

- Switched to a FedEx international shipping program which will save the organization over \$15,000/year.
- Completed the annual tax return (Form 990).
- Helped negotiate the annual benefits insurance renewal for 2017. Although it sounds incongruous with other financial measures, we were able to keep the health insurance premium “down” to an increase of 11%, even with some adverse claim experience.
- Helped develop the 2017-2018 Plan and financial projections.
- Implemented a Roth provision for the ARRL 403(b) Pension Plan.
- Completed a revision of the ARRL Personnel Handbook.
- Completed a variety of minor, but necessary building related repairs and maintenance.

While none of these accomplishments seems outstanding, in and of itself, it represents a significant amount of staff time and effort in total and usually goes on without much, if any, recognition from outside parties.

In Summary

As I said at the beginning of this report, the driving force in 2016 was “change”, both for the organization and the organization’s finances. 2016 was a year to reflect, study and begin to revise our approaches and processes. 2017 will be a year to begin taking concrete actions. Changes in the Amateur Radio industry will have a direct impact on our overall resources and what we will be able to achieve. Decisions regarding how to attract a different group of members need to be made and implemented. The future is exciting if we’re willing to embrace “change”. We need to be able to consider and accept changes to the organization, the services we provide members and, our overall approach to the Amateur Radio service. The Amateurs of today may not be interested in the same things that past generations found exciting. We have to discover what the new generation finds exciting and build that into the ARRL’s offering of benefits and services. If we choose to continue on the same path, I fear we are doomed to the recent downward trends of membership and its inevitable impact on our financial well-being.

The achievements of the past year represent the hard work of staff and volunteers alike. The list of people who I need to recognize personally is long. From the work of the entire staff, to the support and guidance provided by the Administration and Finance Committee and ultimately the Board of Directors, all contributed to, and should take some pride in the results. But our work is just beginning.

Everyone was excited about the change represented by the hiring of our new CEO last year. I believe we need to look past some of the hurdles presented by outside forces in the past year, embrace that feeling of excitement and carry it forward into 2017 so that we can begin the next era of the ARRL.

If anyone has any questions about this report, I would be more than happy to discuss them with you prior to the Board meeting or once you arrive in Connecticut.

Respectfully Submitted,

Barry J. Shelley, N1VXY
Chief Financial Officer