



2012-2013 Annual Report



**CONSTRUCTION
FINANCIAL
MANAGEMENT
ASSOCIATION**

SPONSORED BY:



Principal
Partner

VIEWPOINT

CONSTRUCTION SOFTWARE®



MEMBER

Testimonials



“CFMA offers an opportunity to hear about the ways others in my field are solving problems I face every day. You just don’t get that anywhere else.”

Lillie Smotherman, Piedmont Chapter

“I have been a member of CFMA for less than a year and already I have come to look forward to receiving CFMA Building Profits. Usually when I pick up a magazine, I don’t expect to be interested in every single article – even in my most favorite publication.”

– ***Kelly Boggess, Detroit/Lansing Chapters***

“Great CPE and an opportunity to get to know my local members better and meet some members from other chapters.”

– ***Brian Frank, Des Moines, IA***

“With CFMA, the opportunities for personal growth are endless. Make the connection. I wish I had joined years ago – thank you!”

Keith Worker, Harrisburg, PA





ERIKA R. URBANI, CCIFF,
CFMA CHAIRMAN
2012-2013
CFO/Vice President of Finance
R.D. Olson Construction
eurbani@rdolson.com
949-222-3751

Last year, in his Chairman's Message, then Past Chairman Joe Burkett talked about the challenges of developing and creating a new Strategic Plan. During my year in office, our focus was on implementing that plan. Implementation is not a one-year process; it's a continuous effort that entails a consistent and insistent vision for the future of CFMA, using the Strategic Plan as a road map.

Throughout the initial implementation process we focused on best use of our resources, continuing to build strong relationships with our business partners, increased chapter support, and value to members. It involved trying new things, stepping out of our comfort zone, and the idea that change had to be our new constant. If we're not changing, we're stagnant, which is far worse.

Our first change was removing Increased Membership as a separate goal. It was an important move because CFMA has never been focused on membership count alone. Our focal point has been, and always will be, about increasing member value. The leadership's view is that, if we increase value, our membership will grow. And we have actually started to see that happen over this past year.

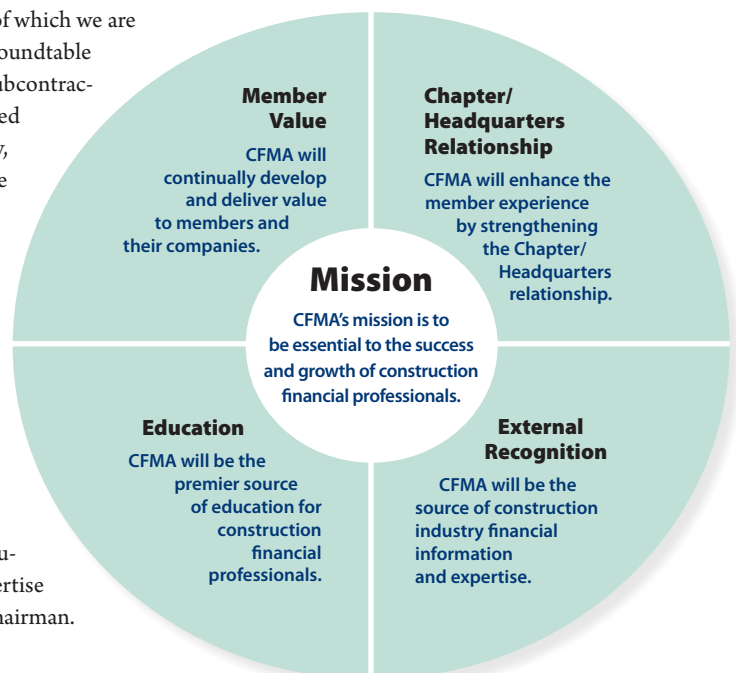
Additionally, through the tireless efforts of HQ staff and the Website Task Force, CFMA launched a brand new website in the fall of 2012, which features great benefits such as easier navigation, customization based on user profiles, and mobile compatibility. Although it is still a work in progress, we are thrilled with how far the website has come over the past few months.

One of my thoughts in implementing our new Strategic Plan was to get all of our leadership – our Executive Committee, our Committee Chairs, and our Chapter Presidents – rowing in unison. That is why, for the first time, we held orientation calls for each of these groups where a major emphasis was to introduce our new Strategic Plan, and we created committee charters that tied back to the Strategic Plan, so that we all had the same foundation and focus. The calls proved to be particularly useful and I am so pleased to see that Pat Cebelak, our current Chairman, has not only conducted these orientations again, but vastly improved upon them! Continuity and consistency are good things.

At last year's Conference, we introduced three new ideas – all of which we are carrying forward this year. First, we held a Large-Firm CFO Roundtable attended by more than 100 CFOs of general contractors and subcontractors. We also introduced Pathable, a social media app that helped attendees and exhibitors network with one another. And finally, we had a Fun Run for charity that allowed us to give back to the local community of Orlando, FL.

One of the other major changes in our Strategic Plan was to focus on External Recognition. Turn to page two of this Annual Report to read President & CEO Stuart Binstock's message where he discusses our efforts in this endeavor.

As I reflect on my year as Chairman, one thing is crystal clear: It takes an army of committed and relentless volunteers, committees, chapters, and HQ staff to drive CFMA forward in an industry that is ever-changing. I am grateful beyond words to my fellow Officers, Stuart Binstock, our Executive Committee, and everyone at HQ for their dedication, expertise and support along the way. I will always treasure my time as Chairman. Thank you for allowing me to serve our great Association.



CEO'S Message



STUART BINSTOCK
PRESIDENT & CEO
sbinstock@cfma.org
609-945-2429

As Chairman Erika Urbani mentioned in her message on the previous page, my comments will focus on the External Recognition piece of our Strategic Plan. The resources invested in this area have been focused on increasing CFMA's recognition throughout the construction industry. Last year, at our Annual Conference in Orlando, we unveiled a video that visually presented what our new Strategic Plan is all about. At its core, one of the major goals was to lead CEOs of construction companies to turn to their financial staff and ask, "Are you a member of CFMA? If not, why not?" That premise underlies all of our efforts under our External Recognition goal.

So, here's what we've been doing to accomplish that. CFMA has substantially increased its partnerships with other industry associations over the past year. These efforts include partnering with:

- Associated Builders and Contractors
- Association of Equipment Management Professionals
- American Subcontractors Association
- National Association of Surety Bond Producers
- National Electrical Contractors Association

We have also maintained, and in several cases strengthened, our existing relationships with the Institute of Certified Construction Industry Financial Professionals, the International Risk Management Institute, and the Associated General Contractors of America.

Our collective efforts in this area have increased CFMA's exposure throughout the construction industry, which increases our clout, our reputation, and even membership. A number of these efforts have generated additional interest in CFMA's educational programs.

The work of our Emerging Issues Committee supports our goal of being a leading advocate for financial issues that impact the industry. Over the past year, we have commented on several key regulatory issues, including Liquidity Risk and Interest Rate Risk, Variable Consideration, Private Company Decision-Making Framework, Disclosure Framework, and AICPA's Financial Reporting Framework for Small- to Medium-Sized Entities.

And, finally in the area of External Recognition we have worked hard to cultivate relationships with construction-specific media. As a result, we now receive regular coverage in *Engineering News-Record* on a quarterly basis reporting on CONFINDEX, and our 2012 Annual Conference was covered in the July 16, 2012 issue, a first for CFMA! In addition, *Construction Business Owner* magazine regularly covers CFMA activities in its publication.

Finally, I would be remiss if I did not mention our Principal Partner Program. In 2012, we spent a substantial amount of time researching this idea, communicating regularly with all of our existing sponsors, and conducting a series of conference calls with potential sponsors. This culminated in an agreement with Viewpoint Construction Software to be our first Principal Partner beginning on January 1, 2013. This program, still in its infancy, is simply a way to increase non-dues revenues for the organization. Along with our agreement with Sage Software, this program positions CFMA to avoid potential dues increases for years to come. It is important to note that we are hopeful that other sponsors will see the value of this program, and I look forward to introducing our members to additional Principal Partners in the year to come.

I am confident that you will recognize and begin to experience the positive results from our efforts this past year. As always, I encourage you to reach out to me and tell me how we can continue to deliver more value to your membership.

Thank you to our dedicated Officers and Executive Committee. Your commitment, passion, and experience have provided invaluable guidance and insight to keep CFMA at the forefront of the industry.

2012-2013 Officers



Erika R. Urbani, CCIFP
CHAIRMAN
R.D. Olson Construction
Irvine, CA



Patrick A. Cebelak, CCIFP
VICE CHAIRMAN
Rehmann
Lansing, MI



Steve C. Tenney
TREASURER
Story Construction Co.
Ames, IA



Ben M. Brahinsky
SECRETARY
Leap Financial
Denver, CO



Joseph T. Burkett, CCIFP
IMMEDIATE PAST CHAIRMAN
Cafco Construction Management
Boston, MA

2012-2013 Executive Committee



Gina Birkett
Total Western, Inc.
Paramount, CA



Bert Guiberteau
Cory, Tucker & Larowe, Inc.
Baton Rouge, LA



Jeffrey Krall, CCIFP
Alpha Insulation and
Waterproofing
Marietta, GA



George M. Parrott, CCIFP
Cooper, Travis & Company, PLC
Nashville, TN



Billy Stockton, Jr., CCIFP
Advanced Building
Concepts
Middletown, RI



Ken Chiccotella, CCIFP
Kirlin Carolinas, LLC
Raleigh, NC



Mandy Irvine
Ground Service Technology, Inc.
Escondido, CA



Therese M. Litton, CCIFP
Woodinville, WA



Richard Rice
Past President
Albuquerque, NM



David Wightman
Aon Risk Services
Houston, TX



Shawn McKenna Erickson
C.J. Erickson Plumbing Co.
Alsip, IL



Gretchen Kelly, CCIFP
HLB Tautges Redpath, Ltd.
White Bear Lake, MN



Janice Lowery
The Lane Construction
Corporation
Maitland, FL



J. Brad Robinson, CCIFP
Lend Lease
Charlotte, NC



Philip Zak, CCIFP
Viewpoint Construction
Software
Boulder, CO

Ex Officio








Stuart Binstock
President & CEO, CFMA
Princeton, NJ
sbinstock@cfma.org



look for this symbol
for **CFMA's free
member benefits!**

membership

- Connection Café 
- Affinity Programs (CDS, Comdata, ConsensusDocs, Enterprise Fleet Management, PartnerShip) 
- Advocacy on such critical issues as revenue recognition, lease accounting, minimizing requirements for privately held companies, etc. 
- Talking Heavy – E-Newsletter 
- Talking Trades – E-Newsletter 
- Career Center

education

KnowledgeNOW Webinar Series

- Earn up to 12 CPE Credits Annually

KnowledgeNOW Online Self-Study Courses

- Revenue Recognition for Contractors
- CA101 – Construction Accounting Concepts
- CA102 – Practical Accounting Applications
- Construction Accounting Refresher




KnowledgeNOW Web Live Series

- CFMA's Group-Live Programs Offered in a Convenient Online Format

Chapter-Offered Group Live Programs/Courses

- Accounting & Reporting
- The Basics of Construction Accounting Workshop
- Cash Management & Advanced Cash Forecasting
- CCIFP® Overview Seminar
- Contracts 101
- Emergency Management Planning
- Fundamentals of Ethics
- Managing the Risk of Insolvency: Issues in Bankruptcy
- Project Management
- Risk Management
- Treasury Management, Parts 1-4

publications

- *CFMA Building Profits* 
- CFMA BP Online 
- CFMA Update – Monthly E-Newsletter 
- "The Book" – *Financial Management & Accounting for the Construction Industry* (2-volume desk reference/also available in electronic formats)
- *Traditional Job Cost Accounting* (textbook)
- CFMA's Study Guide for the CCIFP Exam (with CD-ROM)

conferences

- CFMA's Annual Conference & Exhibition
- Annual AGC/CFMA Construction Financial Management Conference

construction industry research & analysis

- *CFMA's Construction Industry Annual Financial Survey*
- Construction Financial Benchmarker
- *CFMA's Information Technology Survey for the Construction Industry/In Partnership with Associated Builders & Contractors, Inc. (ABC)*
- CONFINDEX® – Confidence Survey of Construction CFOs

chapter resources

- Great Chapter! Workshops 
- CFMA's National Mentoring Program 
- Chapter Websites 
- Membership Builder 
- Chap Chats 
- Executive Connection Program 
- Chapter Services (Graphic Design, Marketing, Editorial, etc.) 
- Spring Creek
- Chapter Summit

MEMBER VALUE CFMA will continually develop and deliver value to members and their companies.

- Achieved an 85% retention rate for traditional members; budget was 82%.
- Acquired 924 new members; budget was 860.
- Developed a pilot program for young professionals being tested by three chapters.
- Developed a product service matrix to rank and evaluate current non-educational product offerings for perceived value.

CHAPTER/HEADQUARTERS RELATIONSHIP CFMA will enhance the member experience by strengthening the Chapter/Headquarters relationship.

- Migrated 47 chapter websites to CFMA's new platform.
- Presented two CFMA at Spring Creek sessions that were attended by 32 chapter leaders and received a composite evaluation of 9.35 out of 10.
- Announced the formation of the new Idaho and Dakota chapters.
- Members of CFMA's HQ staff and national leadership visited 35 chapters and seven regional/statewide conferences.
- Compiled speaker and logistical information for the seven regional/statewide conferences held in 2012.
- Started developing a Speaker Database and enhanced Prospect Member Database that will be available to chapters in 2013.

EDUCATION CFMA will be the premier source of education for construction financial professionals.

- CFMA hosted 14 KnowledgeNOW Webinar sessions with approximately 3,000 members in attendance over the past year; overall, these sessions earned a rating of 9.2 out of 10.
- The CCIFP Overview Seminar was converted from a Group-Live to webcast format with 120 participants completing the program.
- CFMA has pursued opportunities to share its educational content throughout the construction industry:
 - ABC's 21st Century Workforce Development Conference
 - Dexter + Chaney 2013 Users Conference
 - 2013 National Electrical Contractors Association Conference
 - 2014 ConExpo trade show and conference
 - Sage and Viewpoint user conferences
- New Group-Live seminar programs on Treasury Management and WIP were added to CFMA's education.
- CFMA planned and budgeted for an enhanced delivery model for its education that includes converting all Group-Live programs into web-based modules, offering subsidized Group-Live courses, and providing discounts to chapters on CFMA's top-rated national speakers to help bolster local programming.
- *CFMA/ABC 2012 Information Technology Survey for the Construction Industry*
 - Partnered with ABC and revamped the IT Survey.
- *CFMA Building Profits*
 - Significantly improved the mail date of *CFMA Building Profits*, beginning with the January/February 2012 issue.
 - *CFMA Building Profits* received two publishing awards for Cover Design.
- CFMA's 2012 Annual Conference & Exhibition
 - 95% of respondents rated the Conference as an 8 or above.
 - 90% of all respondents rated the Conference as an "excellent value for the price."
 - New initiatives that added value: Large-Firm CFO Roundtable Discussions, Pathable for Social Networking and the Virtual Trade Show, and the Fun Run & Walk.

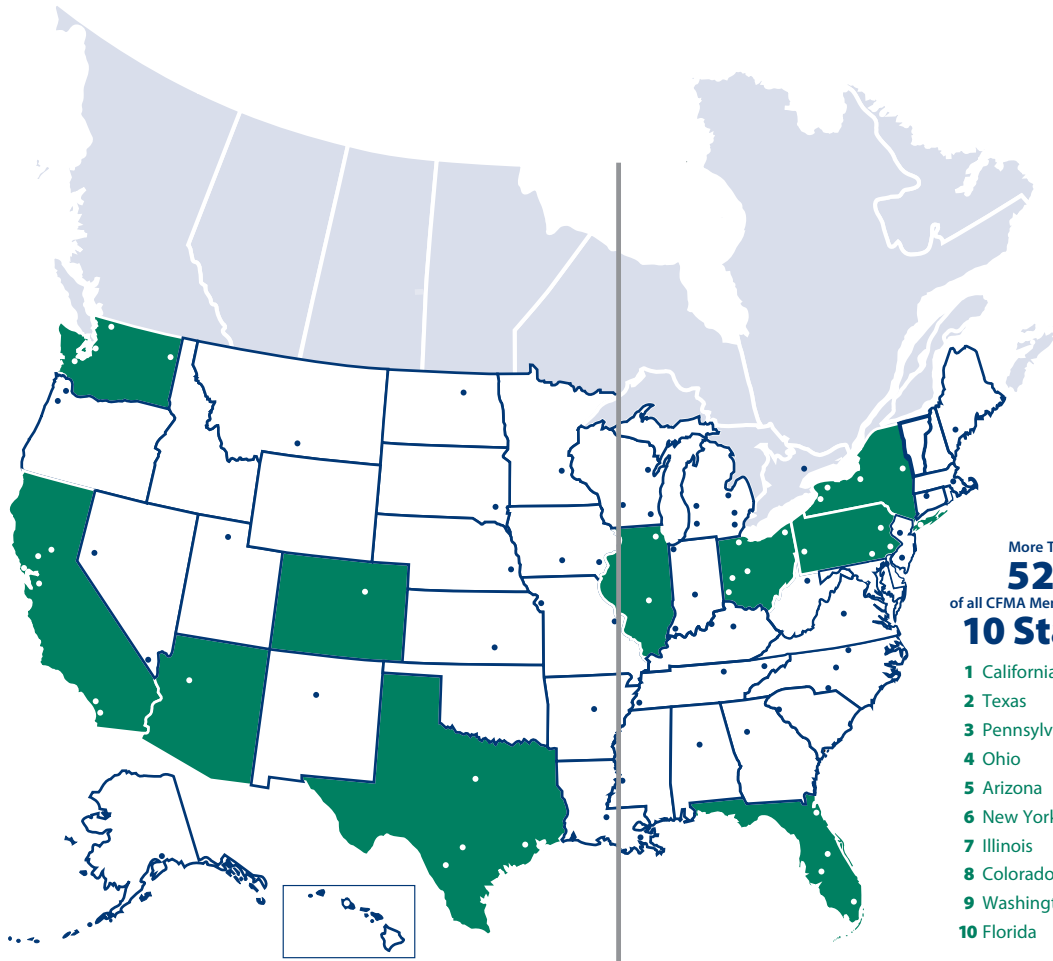
EXTERNAL RELATIONSHIPS CFMA will be the source of construction industry financial information and expertise.

- Established new strategic partnerships with ABC, AEMP, ASA, NASBP, NAWIC, and NECA; offered special partner pricing on a variety of CFMA products as well as continuing education credit-earning opportunities.
- Maintained strategic partnerships with AGC and IRMI.
- Supported or developed comments on:
 - FASB Proposed Accounting Standards Update Financial Instruments (Topic 825)
 - FASB discussions on constraining revenue
 - Private Company Decision-Making Framework: A Framework for Evaluating Financial Accounting and Reporting Guidance for Private Companies
 - FASB Disclosure Framework
 - AICPA's Proposed Financial Reporting Framework (FRF) for Small and Medium-Sized Entities (SMEs)
 - Senate Committee evaluating H.R. 3534 (Security Bonding Act) via NASBP



Certified Today. Skilled for Tomorrow.

CFMA
At a Glance



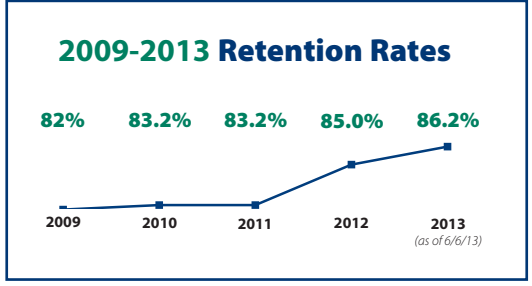
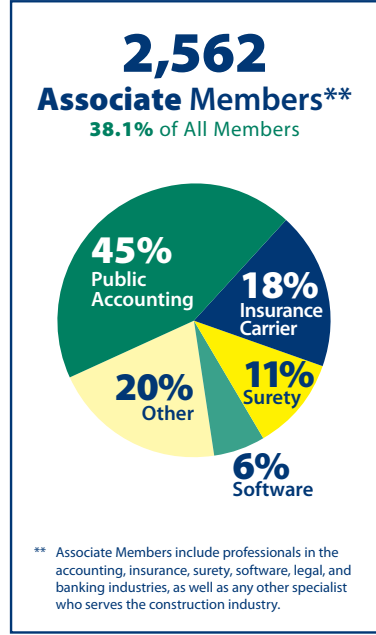
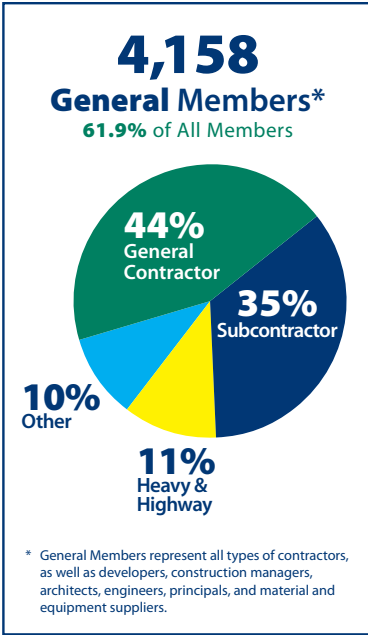
More Than
52%
of all CFMA Members Live in
10 States

- 1 California
 - 2 Texas
 - 3 Pennsylvania
 - 4 Ohio
 - 5 Arizona
 - 6 New York
 - 7 Illinois
 - 8 Colorado
 - 9 Washington
 - 10 Florida
- As of 4/1/13

○ ● = CFMA Chapter

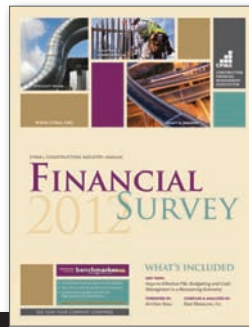
45%
of Members Live
West of the Mississippi

55%
of Members Live
East of the Mississippi



As of 4/1/13

INDUSTRY Research



The Financial Survey product continues to evolve, transitioning from four print products (complete results and three segmented versions: Industrial & Nonresidential, Heavy & Highway, and Specialty Trade) to one PDF. The elimination of the Benchmarking Builder CD product brought the Web-based product, the Construction Financial Benchmarker, to the forefront.

FINANCIAL BENCHMARKER USAGE INFO



ABC (Benchmarker product coverage at BizCon with special report pricing for ABC members)



ENR (Benchmarker product coverage in January 25, 2013 edition with free report promotion to ENR subscribers)



NASBP (Benchmarker product coverage at Annual Meeting & Expo with special report pricing for NASBP members)



NECA (customized NECA Benchmarker Website (www.financialbenchmarker.com/necabenchmarker) deployed in early 2013)

IT Survey

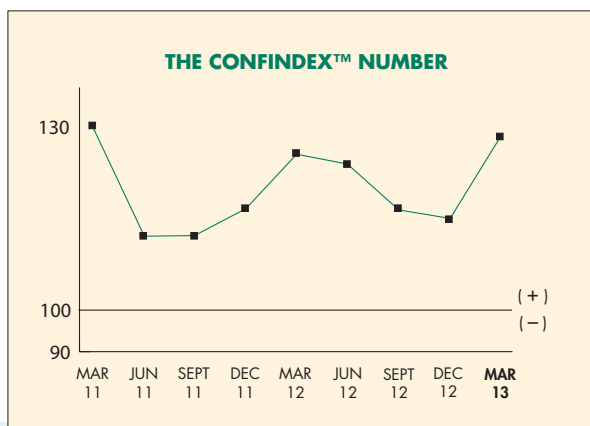


In partnership with Associated Builders & Contractors, Inc. (ABC), the CFMA/ABC 2012 Information Technology Survey for the Construction Industry was released in February 2013. The IT Survey, revamped and revitalized under the direction of Burger

Consulting Group, was for the first time delivered exclusively as a PDF. Highlights and benchmarks include:

- How contractors organize their IT departments
- Construction IT spending by revenue
- IT policies and procedures

Under development for spring 2013 release is the IT Benchmarker (www.itbenchmarker.com), which will empower users to compare and benchmark numerous metrics that will influence and drive their companies' IT decisions.



March 2011 – March 2013
CONFINDEX Rating

as published in
ENR
Engineering News-Record

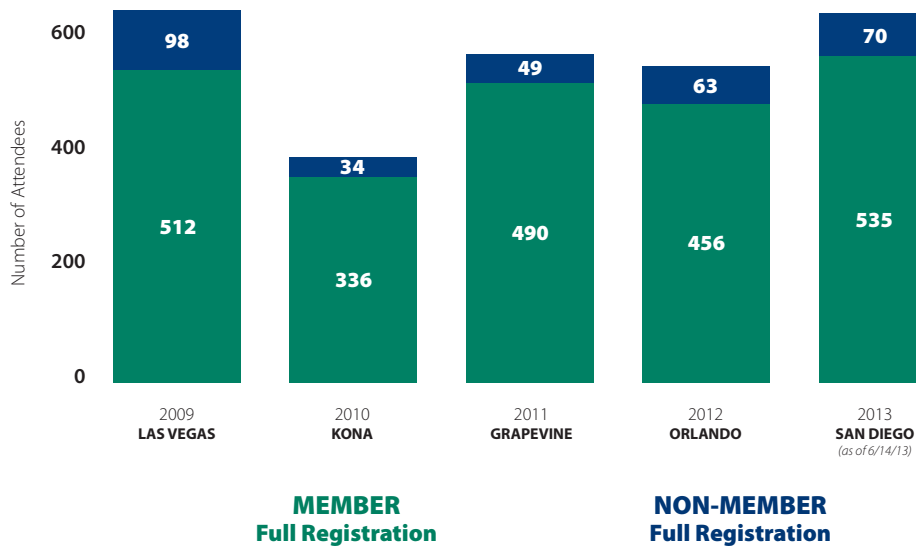


CONFINDEX® is the only confidence index of construction industry CFOs

CONFERENCE



2009-2013 Conference Attendance



Future Conference Dates

Las Vegas 2014

June 7-11
 Caesars Palace
 3570 Las Vegas Blvd. South
 Las Vegas, NV 89109
 Room Rate: \$191

Chicago 2015

June 27-July 1
 Sheraton Chicago Hotel & Towers
 301 East North Water Street
 Chicago, IL 60611
 Room Rate: \$215

San Antonio 2016

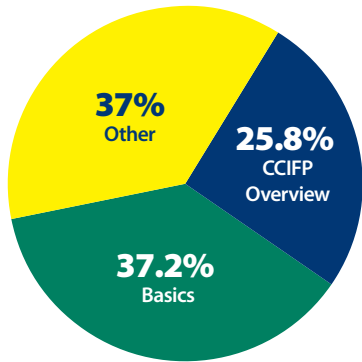
June 25-29
 JW Marriott San Antonio
 Hill Country Resort & Spa
 23808 Resort Parkway
 San Antonio, TX 78261
 Room Rate: \$229

Phoenix 2017

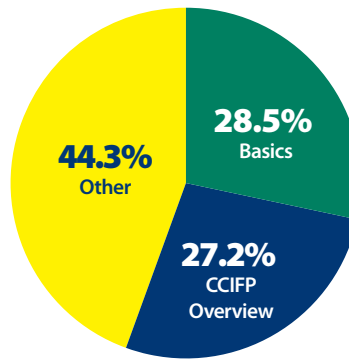
June 3-7
 JW Marriott Desert Ridge
 5350 East Marriott Drive
 Phoenix, AZ 85054
 Room Rate: \$229



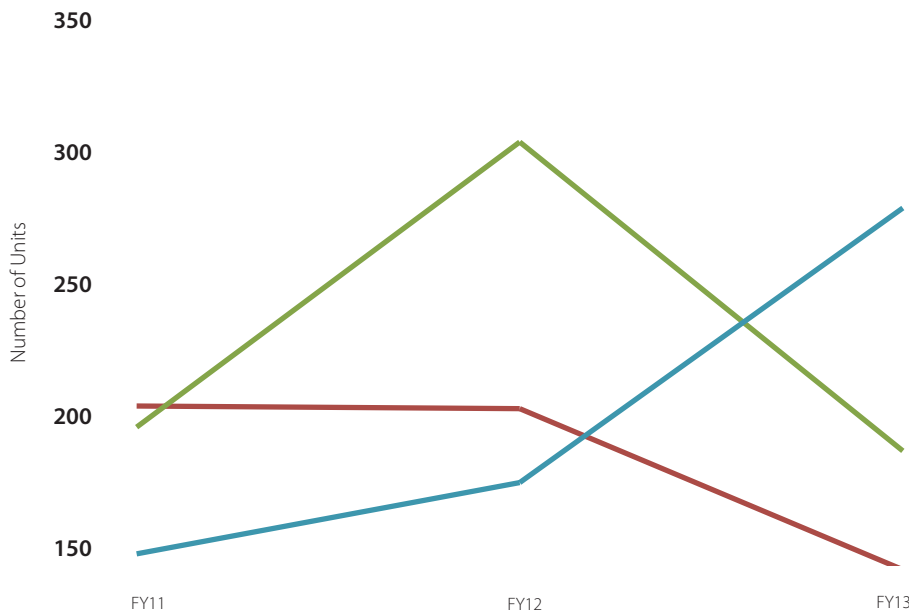
Fiscal Year 2013



Fiscal Year 2012



Chapter-Sponsored
**Course Workbook
Unit Sales**
Year-to-Year

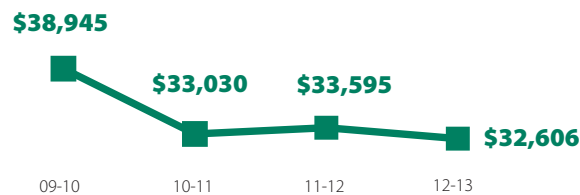


Chapter-Sponsored
**Course Workbook
Unit Sales**
Past 3 Years

Specialized Knowledge Modules (SKMs)
Including Cash, Treasury & Project Management and Emergency Management Planning

CCIFP OVERVIEW

BASICS



Royalties
"The Book"
Past 4 Years

WEBINARS

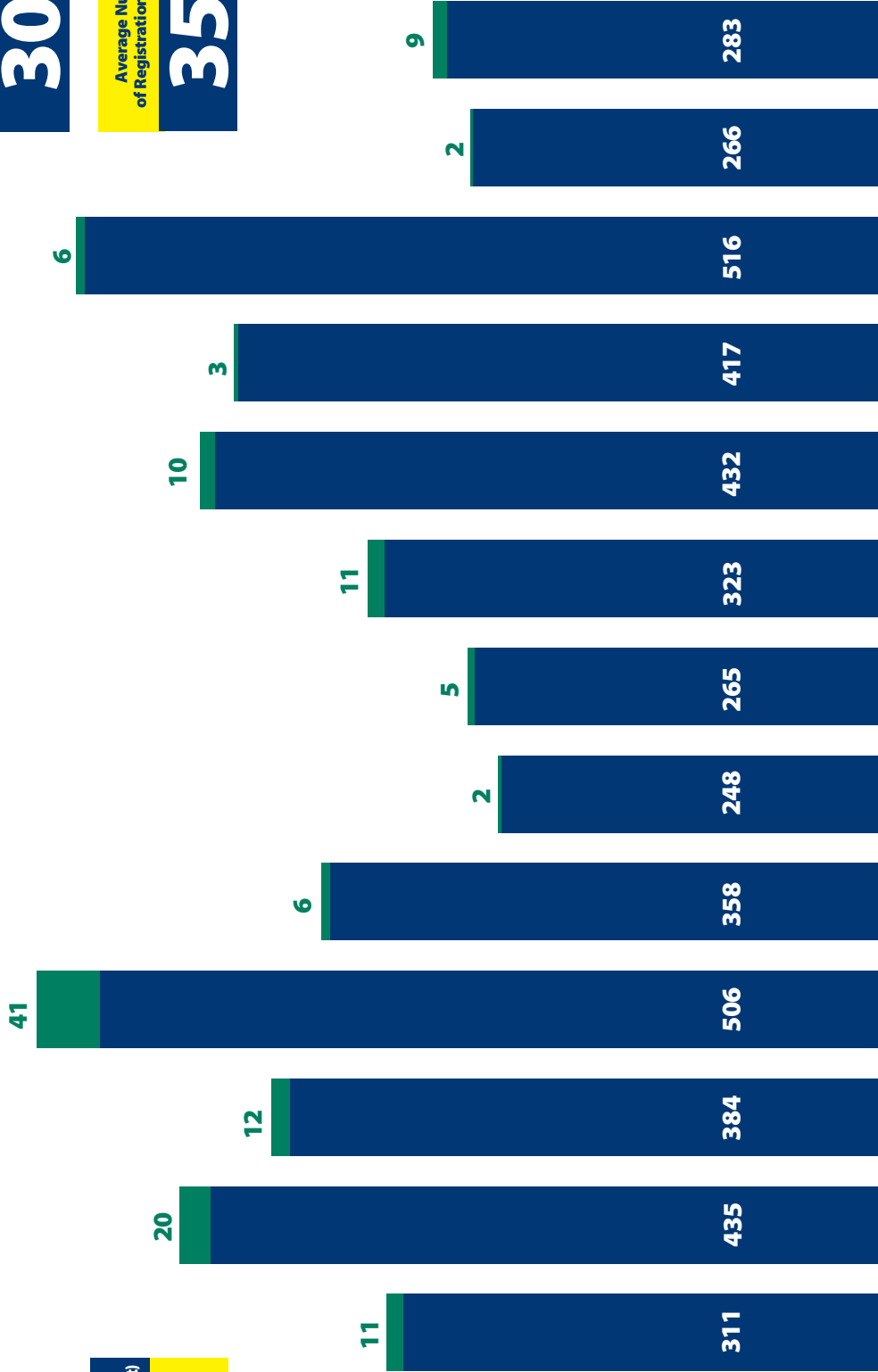
**MEMBER
NON-MEMBER**

Webinars rated overall at
9.1 out of 10 (10 = Excellent)

9.1

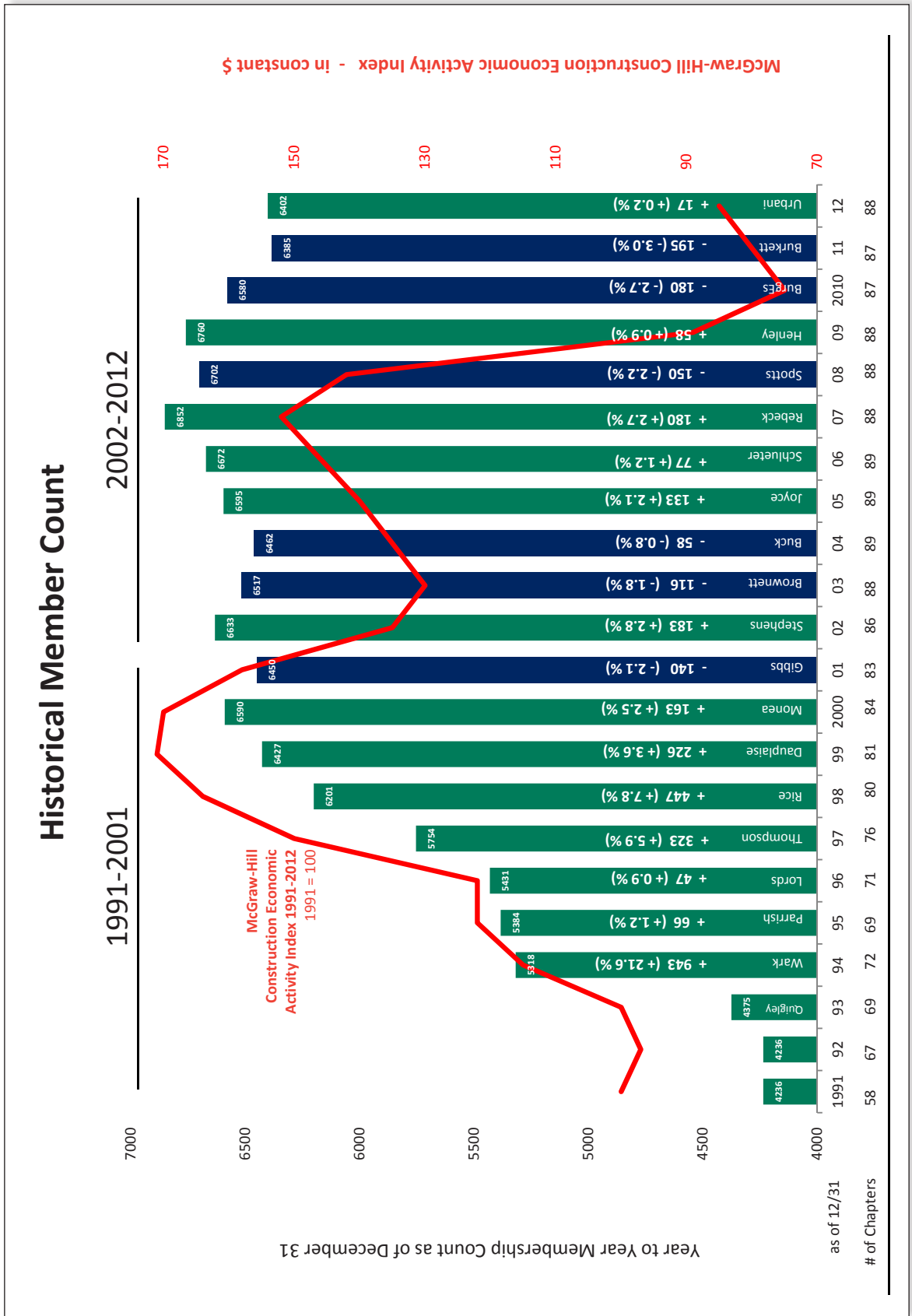
Average Number
of Registrations in FY12
306

Average Number
of Registrations in FY13
359



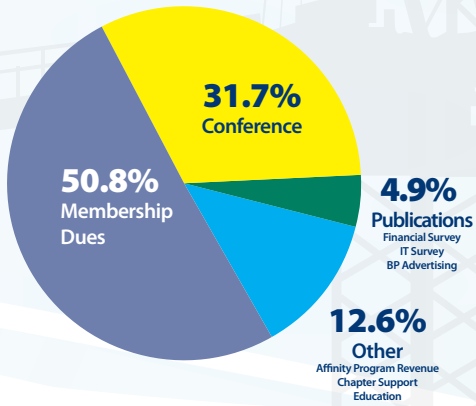
Topics	APRIL 2012	MAY 2012	JUNE 2012	JULY 2012	AUGUST 2012	SEPTEMBER 2012	OCTOBER 2012	NOVEMBER 2012	DECEMBER 2012	JANUARY 2013	FEBRUARY 2013	MARCH 2013
Project Closeout: How to Finish the Project, Not the Relationship!												
The ESOP Buzz – What Does it Mean to Contractors?												
Repairs or Improvements? Making Sense of the New IRS Rules on Tangible Property												
Mobile Technology: What Every CFM Should Know												
Davis Bacon: Ins and Outs: Prevailing Wage Compliance Overview												
Supreme Court Decision on Affordable Care Act												
Leading in a Volatile, Uncertain, Complex, and Ambiguous (VUCA) World												
Building Lean: Reducing Cost and Risk Through Collaboration												
Specialty Contractors Best Practices: Cash Flow												
Tax Planning in an Uncertain Environment												
Averting the Fiscal Cliff												
CFMA's 2013 Economic Update												
Ready, Set, Benchmark! How to Improve Your Company's Financial Performance with CFMA's Financial Survey Result												
Construction Mergers and Acquisition Risk Areas												

There has been a modest increase that is expected to continue over the next year.

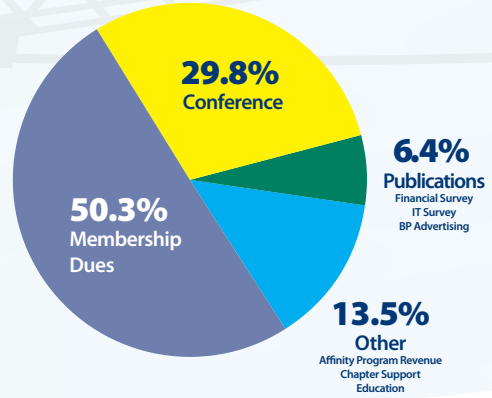


SOURCES OF REVENUE

Fiscal Year 2013

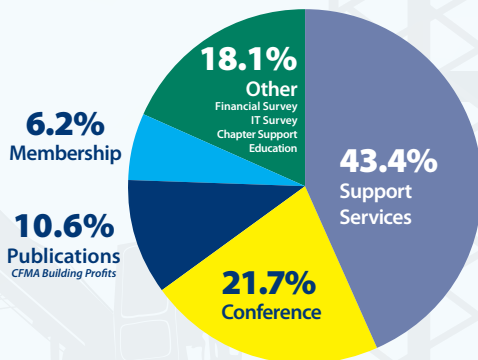


Fiscal Year 2012

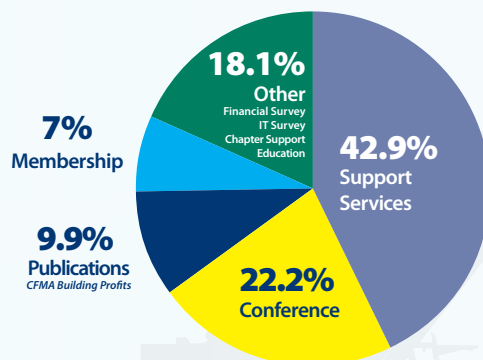


CENTERS OF EXPENSE

Fiscal Year 2013



Fiscal Year 2012



FINANCIAL STATEMENTS (AUDITED)
Construction Financial Management Association

Statement of Financial Position	Year Ended March 31 2013	Year Ended March 31 2012
Current Assets:		
Cash and Cash Equivalents	\$ 1,194,151	\$ 1,079,003
Certificates of Deposit	1,487,396	1,490,433
Investments, at fair value	1,783,563	1,442,586
Accounts Receivable, less allowance for Doubtful accounts of approximately \$12,000 and \$15,000	46,767	78,372
Prepaid Expenses	82,847	104,701
Other Current Assets	41,989	32,790
Total Current Assets	4,636,713	4,227,885
Deposits	118,000	93,000
Furniture, Equipment & Software, Net	358,174	305,092
Totals	\$ 5,112,887	\$ 4,625,977
Liabilities and Unrestricted Net Assets:		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 231,452	\$ 128,503
Due Chapters	101,666	63,781
Deferred Conference Revenue	569,541	622,793
Deferred Membership Dues	1,846,499	1,775,271
Due Affiliate	32,593	47,596
Total Current Liabilities	2,781,751	2,637,944
Deferred Rent	196,702	205,968
Total Liabilities	2,978,453	2,843,912
Commitments		
Net Assets		
Undesignated	434,434	532,065
Designated for Operations	1,700,000	1,250,000
Total Net Assets	2,134,434	1,782,065
Totals	\$ 5,112,887	\$ 4,625,977

Statement of Activities

Changes in Unrestricted Net Assets:

Revenue & Other Support:

Membership Dues and Formation	2,526,245	2,435,155
Chapter Support	78,251	93,571
Conferences	1,501,632	1,392,110
Education	165,730	176,067
Publications	233,568	296,892
Accounting and Reporting	117,656	186,406
Dividends and Interest	47,949	33,404
Totals	4,671,031	4,613,605
Realized and Unrealized Gains on Investments	61,750	55,117
Total Revenue and Other Support	4,732,781	4,668,722

Expenses:

Member Program Services:

Membership and Formation	270,984	303,856
Chapter Support	314,642	236,400
Conferences	948,576	966,033
Education	313,456	328,395
Publications	465,494	430,527
Accounting and Reporting	163,873	221,419

Support Services:

Management and General	1,582,401	1,519,361
Executive Committee	186,973	186,613
Marketing	128,929	153,582
Certification Less Reimbursement from Affiliate	5,084	8,137
Totals	4,380,412	4,354,323

Change in Unrestricted Net Assets

Change in Unrestricted Net Assets	352,369	314,399
Net Assets, Beginning of Year	1,782,065	1,467,666
Net Assets, End of Year	\$ 2,134,434	\$ 1,782,065

Note: Some numbers in the 2012 Column have been reclassified to conform with the 2013 presentation



2012-2013 **Annual Report**

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