The Principal Partner Program
Frequently Asked Questions
November 19, 2012

• What is the value to CFMA in establishing a Principal Partner Program (PPP)?

  The recent trend within associations is to create long-term sponsorship opportunities that provide the sponsor with value-added services in a bundle. The revenue received from our PPP, will greatly assist in creating additional value for our members by increasing CFMA non-dues revenue for CFMA, thus allowing us to deliver additional products and services, expand our educational offerings, and develop a stronger relationship with our chapters.

• How does this program support CFMA’s mission, purpose and vision?

  Progressive associations utilize sponsors to help them deliver value to their members and to achieve their mission effectively. Being essential to the growth and development of Construction Financial Professionals requires the development of resources that are vital to our members.

• What input went into making this decision?

  The CFMA Officers and Executive Committee authorized CEO Stuart Binstock to engage Sponsor Logic, a professional sponsorship firm specializing in associations, to evaluate the viability of a program of this nature and present it to the Executive Committee for review and consideration. Sponsor Logic conducted a variety of phone interviews with several of our key CFMA sponsors and received positive feedback on the program concept. Over the past year, the Executive Committee members had the opportunity to review and evaluate a program that would best fit CFMA, and provide a win-win-win (for CFMA, its members, and the sponsors). On March 24, 2012 the Executive Committee authorized CEO Binstock and the Officers to proceed with and execute the program.

• How does the program differ from traditional CFMA sponsorship opportunities?

  Historically, CFMA pursued multiple sponsorship opportunities with different sponsors for specific products, services, and events, largely associated with the Annual Conference & Exhibition. These opportunities focused only on covering a particular product, service, or event cost. CFMA has recognized that the organization contained previous untapped assets that, when bundled together, could be a part of a larger program like the PPP. By consolidating the sponsorship program around a core group of “Principal Partners,” we have created a process that will allow us to take advantage of these untapped assets, thus earning more revenue for CFMA.

• How will this program impact current sponsorship offerings?

  There is little impact on current offerings as the program’s goal is to offer more long-term sponsorship opportunities by utilizing the current untapped assets of CFMA. Most of the existing sponsorship opportunities will remain and CFMA will strive to develop additional opportunities around specific products for those that do not choose to become Principal Partners. Most of the sponsorship opportunities in the PPP are new sponsorship opportunities and will be exclusive to Principal Partners.
• Are the Principal Partner Sponsorships exclusive?
  Yes. We received strong feedback from the sponsorship group interviewed that the program would only work if it was exclusive. Therefore, there will be one Principal Partner within each of the major product categories of Construction Software, Construction CPA Firms, and Surety/Insurance, and availability for others interested that are not a part of those aforementioned categories.

• Is CFMA endorsing any of the vendors that are chosen as a Principal Partner?
  No. The Principal Partner Program does not specify any endorsement of the partners’ programs, products or services.

• How are CFMA Chapters impacted by this program?
  Individual chapters are not affected by this program. The Principal Partners are interested in working with individual chapters, but our consultant recommended that it was very important to start the program as a national program. Potentially connecting with chapters is a goal in year two of the program for those chapters interested. However, based on positive feedback from both the sponsors and chapters, there is a component of the program that includes providing the chapters an option to participate in the PPP at Regional Conferences held around the country by a number of chapters. This idea was raised at a conference call with representatives of all of the regional conferences in December and the representatives were unanimously in favor of this program.

• Why weren’t the Chapters engaged or consulted?
  The current PPP was developed as an ‘association-wide’ program and the benefits being provided to the sponsors were at the broader association level, and will not infringe, impede or limit the operations of the chapters. Chapters participating in regional conferences (see above) were consulted. In addition, it is important to understand that our consultant stressed the importance of limiting individuals who are aware of the program prior to its release in order to maintain the integrity of the PPP.

• If CFMA is making money from this program, will the chapters be receiving any funds from HQ?
  Chapters will be directly receiving funds through the optional regional conference opportunities. Revenue from this program will offset association expenses that traditionally would be covered by numerous individual sponsorships as well as provide increased and new chapter value that we will be creating over the next year.

• With this influx of funds what are the plans regarding member dues?
  Will there be a reduction in dues?
  The PPP will create opportunities to deliver on the goals of our strategic plan which are centered around creating greater value for members, building our educational offerings, and developing stronger relationships with our chapters. CFMA will ensure these goals can be accomplished first and foremost and then will review the dues structure through the Finance Committee and 5-Year Forecast Subcommittee for future years. There are currently no plans to increase dues and this program should ensure that we have a funding mechanism in place to minimize dues increases in the future.
• How does this program impact a member?

Members will see increased value through the development of new educational courses, increased value of current and new products and services, and better resources available to the chapters. The PPP is based on the following three pillars which also directly impact members.

1. Sponsor interaction with CFMA members has to be relevant and valuable.
2. Value to the sponsors has to be measurable and repeatable.
3. The tone of the sponsor interaction must be collegial, non-commercial and peer focused.

• How many Principal Partners will there be and why?

CFMA has already secured the first Principal Partner in Viewpoint Construction Software and current plans are for no more than four total Principal Partners, one each from the following product categories:
- Construction Software
- Construction CPA Firms
- Surety/Insurance
- Other such as Banking / Brokers / Suppliers

There will also be availability for others interested that are not a part of these categories. A program such as this requires an element of exclusivity for the sponsors, which was highly recommended by virtually all of the potential sponsors interviewed. Hence, to be of value to our sponsors, the number of Principal Partners is limited.

• If more than one sponsor in a product category wants to be a Principal Partner, how will you chose which one is selected?

Each potential Principal Partner has been and will continue to be exposed to the program on a fair and consistent basis. There will be specific instructions to potential partners during the process to ensure that they understand the selection process as it will be based on a first come first served basis with the understanding that we are also looking for the partners that represent the best value for CFMA and our members.

• Are there any eligibility requirements to become a Principal Partner?

No. The program will be presented to many of our key national sponsors for their consideration and review. Additionally, we consulted many potential partners in the planning phases of this program to get their perspective on the major features and benefits of the program.

• How are we going to spend the money? How does this help/create value for CFMA, the chapters, and members?

Our new strategic plan requires a significant investment in educational course development, the development of new products and services, and additional resources to support our chapters. This program will provide the necessary “seed” funds to successfully make significant progress on these goals this year and in the years ahead.

• What is the timeframe for the program?

The Viewpoint deliverables are to begin in 2013 and the agreement is for a three-year term that concludes in 2015. We will continually seek additional sponsor partners and program
improvements and anticipate this initial phase of program design and implementation could extend into 2014.

- **How is the Sage agreement impacted by this Principal Partner Program?**
  
  We are in the processes of renewing a partnership with Sage North America for a second year to deliver quality educational programs and to accelerate the development of timely educational content for the specialized learning needs of financial managers working in the construction industry. This agreement and relationship is independent and separate from the Principal Partner Program.