

Dear AIA Board of Directors,

04 April 2024

Questions and serious concerns have arisen recently in various quarters about multiple issues within the AIA. We write to request that the Board of Directors examine these matters thoroughly and report their findings to the membership. We recognize such examinations may require time but members should begin hearing from the Board on these matters beginning with the Town Hall meeting scheduled for May 1, 2024 with additional information presented at the Annual Meeting June 5, 2024.

In addition to concerns about finances and management, claims are circulating about potential misspending, nepotism, cronyism, and the pursuit of personal gain.

The undersigned make no such allegations or claims, but express profound concern that speculation of this kind could stain the reputation of the organization, its members, and the profession itself. Clarification of these matters in the near term is essential.

**Institute Finances.**

Public records, such as ProPublic's *Nonprofit Explorer*, show that the Institute has been operating at a significant deficit and may continue to do so in coming years. The members, as represented by their delegates to the Annual Meeting, need a clear and explicit accounting of the reasons for these deficits and plans for how the AIA at the National Component will resolve them while minimizing any financial impacts on other levels of the organization. This includes an accounting of steps being taken or contemplated to increase revenues and to reduce costs, and the gist of any expert advice the AIA may have received from outside financial consultants or advisors.

*Requested action:* We ask the Board to direct an examination of the AIA's current financial situation, and specifically with respect to the \$13.5 million deficit recently identified in remarks made to George Miller by leadership. This examination should be conducted by an independent auditor working with the AIA's Chief Financial Officer and its General Counsel, the two staff professionals who have independent fiduciary obligations to the organization and will report their findings to the Board. We also ask the Board to direct an independent analysis of the AIA's options to address its deficits, with such analysis conducted by a financial expert appointed by the Board to work with the Chief Financial Officer and the General Counsel, who shall report their findings directly to the Board, who shall also report such findings to the membership.

**Staff Retreat Abroad.**

Members have expressed astonishment and even outrage upon learning of a large staff retreat this year involving travel to a resort and casino complex outside of the United States. Please explain the decision to incur such expenditures during a stated period of financial difficulty. Beyond the costs of holding such a retreat, we note that the AIA strategic plan calls for full-force efforts to address global climate challenges. What is the justification for the "carbon footprint" associated with such travel? Members must be confident that policies and disciplines are in place to conserve financial resources and to abide by the AIA commitments to responsible environmental stewardship.

*Requested action:* We request that the Board direct the CEO to provide to them contracts, agreements, and payments made for the March 2024 staff retreat in Punta Cana, Dominican Republic. This should include hotel contracts, flight and transportation reimbursements, and passport renewal reimbursements. Included should be the number of actual staff that attended the retreat. We also request that the Board direct the CEO to provide all contracts, agreements, and payments made for each of the quarterly staff meetings held in the District of Columbia in 2023, separated by meeting date.

### **Proposed Membership Initiative.**

Proposals to amend the AIA bylaws and change membership categories signals a significant shift and a departure from its core mission: ". . . to unite in fellowship the Architects of this continent, and to combine their efforts to promote the artistic, scientific, and practical efficiency of the profession."

Members are concerned that the further the AIA moves away from meeting the needs of practicing architects, the more it deviates from its basic purposes and from serving the interests of most members. The proposed approach to membership categories poses additional problems. Offering membership to people qualified in interior design and engineering is inappropriate when members are engaged in ongoing conflicts with those same professions over the right to practice architecture.

Separation of "academic" members from architect members is divisive and unlikely to achieve the unity of purpose our profession needs. Furthermore, the AIA has tried this approach in the past, without meaningful changes in membership or revenues. There is no reason to believe this time will be any different.

*Requested action:* Please share information on how the proposed new member categories have been evaluated from financial and policy perspectives, so members can evaluate whether these changes are appropriate and likely to deliver significant advantages to the AIA. This should include an assessment of the implications for the state and local components including their costs of attracting and servicing new members.

### **Management and Staffing.**

Several employees of the national staff with substantial institutional experience and knowledge have departed in the past year or so. Members should be made aware of the qualifications, experience, and skills brought by new senior employees. In addition, members have expressed concerns about people now in senior AIA positions who have had or may still have business relationships with the CEO. Hiring must result from an open, transparent recruiting process, a clear understanding of needs and qualifications, and a thorough evaluation and resolution of any conflict-of-interest issues.

*Action requested:* Please direct the CEO to inform members about who is responsible for what at senior levels, and to introduce new employees filling senior positions, their backgrounds, their functions, and their value to the Institute.

**Stipends for Senior Officer.**

Except for the very last individual to join our ranks, every former AIA president has served on an entirely voluntary basis, with reimbursement, at cost, of travel and lodging expenses. Some of us support providing a financial stipend and a blanket expense allowance to senior elected officers, but this decision and the sums involved have never been presented or debated in an open member forum.

Furthermore, this step raises at least the *potential* implication of personal interests for those who chose to run for office and now hold office; they knew when they ran that there was no compensation and even if they recused themselves from a direct vote, they nonetheless *appear* to have awarded themselves a stipend.

*Action requested:* Please slate this matter for presentation, discussion, and possible further action during the Institute's annual business meeting.

**Legal Dispute with Elected Officer.**

Members report having learned that the Board was engaged in a dispute with an elected officer involving legal proceedings. This matter deserves elucidation to the fullest degree possible and assurances that all issues have been resolved to the complete satisfaction and protection of the interests of all involved.

*Action requested:* We request that the Board, in executive session, receive an oral report from the AIA General Counsel regarding any such matter. No other AIA employees should be included in this executive session, but the elected officer(s) who were affected should be in attendance.

**Sale of Contract Documents Business.**

Multiple questions have arisen from members about the sale of the AIA's contract documents business. We understand that this is a *fait accompli* and was completed after deliberations and due diligence by a former Board. Nonetheless, members should receive a report on the reasons for the sale of this asset, disposition of any lump sum payments received, any ongoing income from the sale and its implications for future budgets.

**Renovation of the Headquarters Building.**

1735 New York Avenue NW is the Institute's greatest financial asset and a flagship for the profession. Members have profound interest in the building and should receive a detailed report on the status of the schedule and the budget for its renovation, planning to retire any debt resulting from the renovation, as well as plans for its re-occupation and use after completion of the work. Additional questions have been raised regarding the potential designation of the Headquarters Building as historic structure or district. An explanation of decisions made to forgo such designations and their potential benefits should be provided to the members.

**Disappearance of Magazine.**

The publication *Architect* was among the benefits of AIA membership, serving as a vehicle for news of the profession, articles on topics of professional interest, and a showcase for architectural design. Once billed as the AIA's official publication, it now seems to have disappeared, without explanation. Members have asked if dues will be adjusted for this and should be informed of what to expect.

In closing, we wish to emphasize that no one among us disputes or wishes to usurp the operational and fiduciary responsibilities invested in the people elected and employed to fulfill them. However, these questions and concerns clearly show that members need to hear more frequently and in greater detail and transparency from the AIA Board and staff leadership.

All AIA members have a right and a duty to examine—and in some instances to debate and vote upon—any significant developments or proposed steps that affect their professional interests and the stature of their association. These rights and responsibilities cannot be completed without accurate and timely information.

Thank you for your time and consideration. We trust you know that our concerns and requests are submitted in good faith, with respect, and with certainty that the Board will take all steps needed to maintain the AIA's good name and its members' confidence.

Sincerely, [former Presidents agreeing to sign]

George Miller FAIA Chair, Council of Former Presidents

Randly Vosbeck FAIA

Eugene C. Hopkins, FAIA

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