

AAPG Re-Imagine Frequently Asked Questions

1. What is AAPG Re-Imagine?

AAPG Re-Imagine is a multi-pronged effort to examine and take steps to improve AAPG's membership value proposition and financial health, making the Association fit for current realities and robust against future trends.

2. Has AAPG evaluated member satisfaction and interest as part of the AAPG Re-Imagine process? If so, how?

Yes. Data collection included the output of a number of years of special volunteer study committees; a survey in Q4 2022 probing on wants, needs, and attitudes of the AAPG community, which showed an overwhelming agreement that change was necessary; focus groups as a part of President Goolsby's Q1 2023 special committee; and feedback from the membership reacting to timely process updates via the reimagine@aapg.org mailbox.

3. What has AAPG learned about what members are looking for from the Association?

Members are looking for AAPG to (a) advance the geoscience and technology of energy, (b) enable career and professional growth, and (c) provide opportunities for networking and community.

74% of the individuals who responded to the Q4 2022 survey agreed or strongly agreed that AAPG must broaden and adapt to a changing energy landscape to remain relevant, and only 11% disagreed or strongly disagreed. In addition, 54% agreed or strongly agreed that a comprehensive review of AAPG's structure and governance model is needed, and only 11% disagreed or strongly disagreed.

4. Is AAPG Re-Imagine only about restructuring the governance?

No. AAPG Re-Imagine is multi-pronged effort that involves the governance, operational, and financial aspects of the Association.

5. What do we know about the financial condition of AAPG?

In 2015, AAPG began experiencing financial losses from operations, including events, and despite significant cost-cutting and staff reductions, these losses persist and were exacerbated by the global pandemic.

There are several factors driving these financial results:

- a 40-year decline since the mid-1980s in AAPG voting membership;
- a significant decline in non-voting members who joined during the shale revolution; and
- a general decline in the energy sector, both in terms of E&P activity, employment of new geoscientists, and consolidation in the service sector.

AAPG is operating in a different commercial marketplace than it was a decade ago.

In Q1 2024, members of the Executive Committee conducted a comprehensive financial review of AAPG. Aside from escalating costs due to inflation and volatile financial markets, operating losses can be attributed to two primary factors: (a) decreases in advertising revenue and educational activities, leaving AAPG nearly entirely dependent on running profitable events in a rapidly changing events marketplace, and (b) AAPG's current governance structure and methods of delivering products and services to members, which require a robust and costly infrastructure.

Most members can identify examples of the two factors noted above without much effort, which leads to an assumption that becoming cash-positive simply requires an identification and elimination of the costliest line items in the budget. However, the Executive Committee members that conducted the financial review disagreed with this conclusion, noting that AAPG's losses result from the cumulative effect of many programs and services whose revenues do not cover expenses. In other words, no single program or category of expenses is the culprit, and saving AAPG will require paradigm shifts and holistic solutions.

In addition, a cohort of members, representing many different AAPG constituencies, is working on the "BIG (Boost Income Greatly) Project" to brainstorm all possible revenue sources, develop those most likely to be material and successful, and present their recommendations to the Executive Committee this Spring.

6. Is AAPG Headquarters making any effort to change operations to address financial losses?

Yes. AAPG Headquarters is taking the following steps, among others, to refine operations and reduce costs as much as possible:

- cooperating with other societies to share costs – e.g., the AAPG-SEG Joint Events Team ("JET");
- reviewing programs and business activities and asking whether they are working now, regardless of whether they have worked in the past;
- grounding staff in the realities of modern business processes and market realities facing energy geoscientists;
- creating a light, efficient, commercially-focused business model wherever possible;
- empowering member volunteers to serve members and the profession; and
- working with the AAPG Foundation to vacate and lease the Tulsa office space.

7. How will a governance restructure help AAPG's financial condition? Wouldn't AAPG be better off if it addressed any operational deficiencies before making governance changes?

Governance and operations work together. The type of paradigm shift that AAPG needs is difficult to achieve without changes to both. The current Bylaws require the Association to perform a number of activities and meet specific requirements to operate, causing significant staff time to be spent on managing those processes on behalf of the members. As one line-item example, each year, significant resources are spent preparing for and facilitating the annual House of Delegates meeting, including the selection of delegates for the meeting. These resources cannot be re-allocated to revenue-generating activities because the current governance structure requires that the meeting be held.

That said, changing the governance structure will not automatically solve any inherent operational deficiencies. If the proposed Bylaws are adopted, the Board of Directors will need to collaborate with staff to make the most of what the structure offers in terms of reduced expenses and increased revenue.

The Executive Committee voted 7 to 1 to send the current draft of the proposed Bylaws to the House of Delegates for consideration. That vote reflects nearly the entire Committee’s belief that the proposed changes open the door to a reduction in expenses and an increase in revenue by (1) creating a decision-making structure through a Board of Directors that is nimble, primed for efficiency, and representative of all AAPG members, and (2) empowering AAPG’s dedicated volunteers to enhance its relationship with Affiliated Societies, and plan technical and networking events that increase member value.

8. Can you provide an overview of the changes in the proposed Bylaws?

Yes. The Executive Committee, the House of Delegates Constitution & Bylaws Committee, and AAPG staff encourage all delegates and members to read the proposed changes and send any questions or comments to hod@aapg.org. That said, the most notable changes are as follows:

- The Advisory Council, Executive Committee, and House of Delegates will convert to a sixteen-member Board of Directors comprised of
 - three elected officers (Immediate Past President, President, and President-Elect);
 - one representative for the six Sections
 - one representative for the six Regions;
 - three representatives from the three proposed membership constituencies;
 - six representatives from the five proposed technical constituencies; and
 - a CEO and CFO as ex-officio, non-voting officers.
- The legislative element of the Delegate role will be sunsetted, but the membership elements remain and in fact are expanded. It is suggested that the role is renamed “Ambassador” to reflect an enhanced focus on outreach. Each Section and Region shall select Ambassadors to assist Section and Region leadership in recruiting new members, planning and executing events, and building mutually beneficial relationships with other geological groups.

9. The timeline for these changes seems fast. How can I trust that the process is sound and reflective of members from all AAPG constituencies?

Study committees have been meeting for nearly two decades and those outputs were carried into the current work. The proposed Bylaws currently under review reflect 16 months of collaboration by AAPG members of all ages, backgrounds, experience levels, and leadership roles. Below is a summary of the process and a list of the members involved at each stage.

<u>Stage 1:</u>	Community Survey	November 2022
------------------------	-------------------------	----------------------

74% of respondents agreed or strongly agreed that AAPG must broaden and adapt to a changing energy landscape to remain relevant, and only 11% disagreed or strongly disagreed.

54% agreed or strongly agreed that a comprehensive review of AAPG’s structure and governance model is needed, and only 11% disagreed or strongly disagreed.

Stage 2: President Goolsby’s Ad Hoc Committee

January–March 2023

President Goolsby’s Ad Hoc Committee brought together a diverse group of AAPG leaders with Executive Committee, Division, Region, and House leadership experience.

Members:

- Robert Archer
- Sarah Barnes
- Lizbeth Calizaya
- Maria Angela Capello
- Femi Esan
- Lee Krystinik
- Brigitte Petras
- Andrea Reynolds
- Justin Vanderbrink
- Steve Veal

Recommendations:

- rebrand and improve products and services to attract new members;
- organize members according to technical interests that reflect all energy types;
- strengthen two-way interaction and communication with Sections, Regions, and Affiliated Societies;
- increase AAPG’s focus on fun collaboration, networking, and events;
- use the latest technologies to communicate;
- return to a Board structure and design a governance structure that empowers efficient and timely decision-making;
- remove redundancies in titles and overlapping committees; and
- clarify governing policies, operating policies, and Bylaws.

Stage 3: President Hackbarth’s Workshop at IMAGE 2023

August 2023

Approximately 80 member-leaders participated in a 1.5 day interactive workshop to discuss the output to date and offer their own perspectives.

Stage 4: President Hackbarth’s Ad Hoc Committee

November 2023–January 2024

President Hackbarth’s Ad Hoc Committee consisted of former and current House of Delegate leaders, most of whom are past Chairs and have also held other leadership roles in AAPG.

Members:

- John Hogg
- John Kaldi
- Kenneth Mohn
- Jim McGhay
- Val Schulz
- Bill Houston
- Kristie Ferguson
- David Entzminger
- Bob Shoup

Advisors: Lee Krystinik (Past President)
Andrea Reynolds (Past President, DPA and Past President, EMD)
Robert Archer (Chair, House of Delegates)
Claudia Hackbarth (President)
Sarah E. Merkle (Parliamentarian)

Action Taken:

Delivered proposed Bylaws for House of Delegates Constitution & Bylaws Committee review with assistance from Parliamentarian

Stage 5: House of Delegates Constitution & Bylaws Committee

House of Delegates Chair, Robert Archer, appointed a Constitution & Bylaws Committee of experienced Delegates, which included members of President Hackbarth's Ad Hoc Committee.

Members:

- Dan Billman, Chair
- Maren Blair, Vice Chair
- Rich Adams
- Bill DeMis
- Cheryl DesForges
- Kristie Ferguson
- Bill Bosworth
- John Hogg
- John Kaldi
- Kenneth Mohn
- Jim McGhay
- Val Schulz
- Bill Houston
- David Entzminger
- Bob Shoup
- Patrick Gooding

Advisors: Meredith Faber (Secretary/Editor, House of Delegates)
David Curtiss (Executive Director of AAPG)
Robert Archer (Chair, House of Delegates)
Sarah E. Merkle (Parliamentarian)

Action Taken:

Provided modifications and feedback to the Executive Committee on the proposed Bylaws developed by President Hackbarth's Ad Hoc Committee

10. What Does AAPG Re-Imagine Mean for the Sections and Regions?

The Sections and Regions will stay the same as under the current structure.

11. What Does AAPG Re-Imagine Mean for the House of Delegates?

AAPG Re-Imagine offers current House delegates responsibilities that have a direct impact on the Association’s revenue. There are approximately 160 talented, dedicated volunteers serving as House delegates with both governance and membership responsibilities as detailed in the current Bylaws. Under the proposed structure, primary governance responsibilities lie with the Board of Directors and a governance committee as needed, which may be formed by the Board of Directors on its own initiative or upon the request of 2.5% of the voting members.

Delegates (proposed to be called “Ambassadors”) will be tasked and empowered to focus on increasing membership value by planning networking and educational events, promoting field trips and technical talks, and enhancing connectivity and communication with Affiliated Societies. These activities serve the needs of existing AAPG members and help attract new members, which, in turn, boosts the Association’s bottom line.

Under the current structure, Delegates represent the AAPG members in the Affiliated Societies and Regions to make decisions about the governance structure of the Association. Each geographic area receives a specified number of delegates based on the number of members in their area. As Delegates rarely if ever poll their membership on pending business, report back to their membership after decisions have been made, or include any position statements in their election process, it is not clear that their votes actually represent the views of their constituents and/or that their re-election depends on their members’ satisfaction with their performance.

Under the proposed structure, there is no upper limit to the number of Ambassadors a Section or Region may have, nor do Ambassadors cast votes on behalf of the members of their Section or Region. Under the new structure, *every* member of AAPG may cast *their own vote* in elections and on changes to the Bylaws.

Below is a chart that lists the responsibilities of the House delegates under the current structure (as stated in the current Bylaws) and identifies who will fulfill those responsibilities under the proposed structure.

Current Structure	Proposed Structure
<ul style="list-style-type: none"> The House of Delegates is responsible for all legislative functions of AAPG. 	<ul style="list-style-type: none"> A Board of Directors, in consultation with staff, is responsible for governing AAPG and fulfilling all legislative functions except for amending the Bylaws. Three standing committees – Honors & Awards, Nominating, and Finance – will be formed to assist the Board with certain governing functions currently performed by the House, the Advisory Council, and the AAPG Treasurer. A special governance committee will be formed to assist with the implementation of the new governance structure. Thereafter, it may be re-constituted as necessary to address governance matters, including Bylaws changes.
<ul style="list-style-type: none"> Each Affiliated Society and Region chooses Delegates to represent it in the House. 	<ul style="list-style-type: none"> Each Section and Region may choose as many Ambassadors as it wishes to represent it to AAPG members and to non-members, including to Affiliated Societies.
<ul style="list-style-type: none"> Each Affiliated Society and Region chooses a number of Delegates that is proportional to the number of AAPG voting members in the Society or Region. 	<ul style="list-style-type: none"> Each Section and Region may choose as many Ambassadors as it wishes. The three standing committees will include voting member representation that is proportional to the number of AAPG members in each Section and Region.

<ul style="list-style-type: none"> Delegates must familiarize themselves with the Association’s governing documents. 	<ul style="list-style-type: none"> All voting members, including Ambassadors, should familiarize themselves with the Association’s governing documents because all voting members have a voice in the Association’s governance.
<ul style="list-style-type: none"> Delegates must acquaint themselves with the Association’s current policies and programs. 	<ul style="list-style-type: none"> All voting members, including Ambassadors, should familiarize themselves with the Association’s governing documents because all voting members have a voice in the Association’s governance.
<ul style="list-style-type: none"> Delegates must keep their alternates and the leaders of their Society and Region informed of the Association’s program of activities, especially with regard to cooperative participation and service. 	<ul style="list-style-type: none"> All voting members, assisted and enabled by the Ambassadors, should be well-informed of the Association’s program of activities, especially with regard to cooperative participation and service.
<ul style="list-style-type: none"> Delegates must process requests from the Executive Committee for information regarding eligibility of applicants for membership in the Association. 	<ul style="list-style-type: none"> Eligibility for membership is defined in the Bylaws. Any questions regarding eligibility will be directed to the Board of Directors.
<ul style="list-style-type: none"> Delegates must function as local certification committee members and process requests from the board of certification for information regarding applicants for certification by the Association. 	<ul style="list-style-type: none"> The professional certification requirements are currently processed through the Division of Professional Affairs and will be processed through the Business & Certification Directorate under the proposed Bylaws.
<ul style="list-style-type: none"> Delegates actively solicit applications from eligible geologists for membership in this Association. 	<ul style="list-style-type: none"> Ambassadors actively solicit and recruit new members and develop outreach initiatives to assist in doing so.
<ul style="list-style-type: none"> Delegates must recognize the obligation to attend all meetings of the House of Delegates during their terms, and to perform their duties to the best of their ability. 	<ul style="list-style-type: none"> Membership-wide meetings will replace House of Delegates meetings, and all voting members, including Ambassadors, are eligible to participate in any meeting of the Association and vote.

12. What Does AAPG Re-Imagine Mean for the Affiliated Societies?

Similar to the Sections, the Affiliated Societies are independent legal entities, separate from AAPG. They will remain as such under the proposed structure.

AAPG envisions the continuation and strengthening of its historical relationships with the Affiliated Societies. For example, Affiliated Societies currently may place a quarter-page advertisement in the *Explorer*. AAPG is hopeful that it will grow on a local, regional, national, and international level so that even more technical sharing and networking is available to all professionals in the geosciences.

13. What Does AAPG Re-Imagine Mean for AAPG Finances?

The Reimagine process takes important steps to address the underlying issues driving AAPG’s financials by focusing on three components:

First, the updated governance structure adds significant focus on science. It emphasizes AAPG’s mission to advance the energy geosciences and promotes science-focused communities. This should have two positive impacts: (a) allow us to identify and enlist volunteers to develop products/services to serve these

specific communities – members serving members – and (b) these products/services, combined with the networking opportunities with like-minded professionals will attract new members and give former members a reason to re-engage.

Second, the proposed structure should permit a more agile organizational structure. AAPG’s current operations are driven by decisions of past AAPG leadership, both the Executive Committee and requirements that are built into the bylaws. This structure enables the Board to simply review and prioritize programs, products, and services that today’s members need to navigate a changing energy landscape. This review needs to be unencumbered by historical views and perspectives – is it effective now?

Third, simplifying organizational processes will allow us to do more with less, and implement technology to help automate these updated processes. The systems will themselves require effort to maintain but will ideally allow members to access essential information directly and with ease.

Efforts are already underway to investigate cooperation with sister societies to share costs. The Joint Events Teams with SEG is a good example that has been successfully implemented. These integrations are not trivial, but we see potential in other areas. In addition, we are actively leasing space in the headquarters buildings to third-party tenants, and the Association and the AAPG Foundation are working together to assess the best long-term approach for the real estate in Tulsa.

AAPG’s future success is predicated on its ability to develop products and services that attract members and customers, identify volunteer champions, and simplifying its programs and operations to reduce operating costs.

Since 2015, as AAPG responded to the industry downturn, the Association has:

- reduced headcount by approximately 60% while maintaining our current governance structure, the majority of programs and services;
- reduced salary and benefits costs by ~40%;
- closed physical offices in Washington, D.C., Dubai, and London, and eliminated staff support in Washington, D.C., Lagos, and Singapore;
- ended AAPG’s policy office program activities (GEO-DC); and
- ended Publications Pipeline program, which donated old books to universities worldwide.

14. What Does AAPG Re-Imagine Mean for AAPG Elections?

Under the proposed structure, the number of membership-wide elected positions will increase. All of the voting members in the Association will have the opportunity to vote on nearly all of the individuals involved in the governance of the Association.

The Board of Directors will have 14 voting members and 2 non-voting members, elected or selected as shown below:

Position	Selection Process
Immediate Past President	Automatically succeeds to position after President term
President	Automatically succeeds to position after President-Elect term
President-Elect	Elected by the voting members
Secretary/CEO (Non-Voting, Ex-Officio)	Appointed by the Board of Directors
Treasurer/CFO (Non-Voting, Ex-Officio)	Appointed by the Board of Directors

Oil & Gas Director 1	Elected by the voting members in the Oil & Gas Technical Directorate
Oil & Gas Director 2*	Elected by the voting members in the Oil & Gas Technical Directorate
Alternative & Future Energy Director	Elected by the voting members in the Alternative & Future Energy Technical Directorate
Environmental Geosciences Director	Elected by the voting members in the Environmental Geosciences Technical Directorate
Business & Certification Director	Elected by the voting members in the Business & Certification Technical Directorate
Publications & Events Director	Elected by the voting members in the Publications & Events Technical Directorate
Sections Director	Elected by the 6 Section Presidents
Regions Director	Elected by the 6 Region Chairs
Member Services Director	Elected by the voting members
Academic Relations Director	Elected by the voting members
Stakeholder Relations Director	Elected by the voting members

*The Oil & Gas Directorate will decide how its two directors will be selected. No requirement exists under the proposed Bylaws that the directors represent specific constituencies in the directorate or that they be selected in a certain manner.

A Nominating Committee with representation from each Technical Directorate and with proportional representation from each Section and Region will present to the Board of Directors at least two candidates for each position to be elected by the voting members as noted above.

Additional nominations for these positions may be made by a petition signed by no fewer than a total of 50 voting members from at least four different Sections and Regions.

15. What is the rationale for the number of signatures needed for petition candidates? Requiring only 50 signatures seems like a low bar given that we have 8,700 voting members.

The requirement of 50 signatures for petition candidates can be traced as far back as 1946, when there were approximately 3,700 voting members in AAPG. Thus, 50 signatures represented approximately 1.3% of the total voting members at that time.

President Hackbarth’s Special Committee, and the Constitution & Bylaws Committee both discussed changing the number of required signatures to a percentage of total voting members, or simply increasing the number of required signatures, but neither of the committees ultimately voted to do so.