

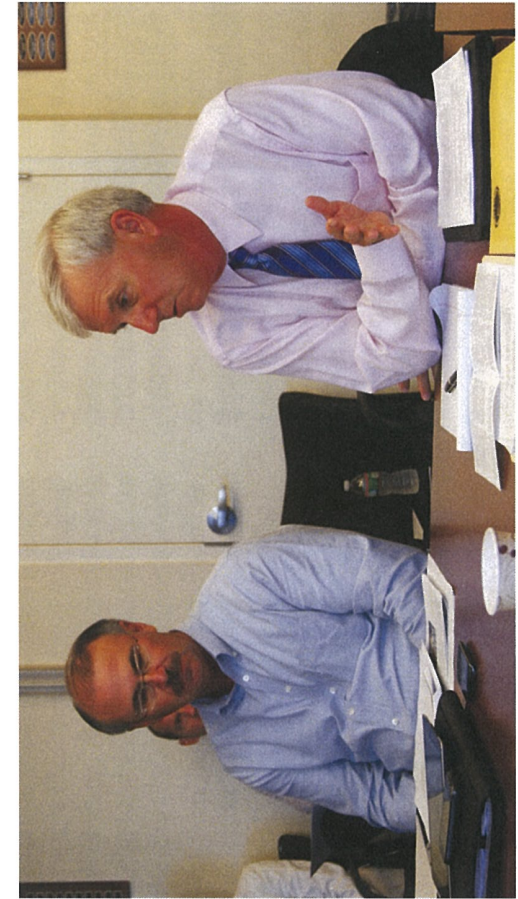
Strengths, Challenges & Opportunities

The strength of the Association is found in its members and their staffs—the 56 attorneys general for the states, territories, and District of Columbia and more than 15,000 attorneys, law enforcement agents, investigators, paralegal and legal assistants, auditors, and a wide variety of support staff—whose common touchstone is their essential mission of upholding the rule of law and protecting the citizens they are sworn to serve. As the chief law enforcement officers in their respective jurisdictions, each attorney general has duties and responsibilities that extend to most every facet of government. The attorneys general bring a wealth of knowledge and experience not only to their own offices but also to the Association as well. While the 56 members of the Association come from various geographical areas, differ-

ent political backgrounds, and diverse governing models, their voices and influence on a national level are strongest when they come together.

The Association has a rich and vibrant 107-year history. In 1980, the Association became an independent organization growing from a staff of two to what it is today—over 30 attorneys, paralegal professionals, and support staff. In 2007, the Association began a pilot project providing professional legal training to the attorneys general staff (both assistant attorneys general and support staff) through the National Attorneys General Training and Research Institute (NAGTRI). Funded primarily by a grant from the NAAG Mission Foundation, NAGTRI offered 98 separate courses and trained over 3800 AG staff in FY 2013.

The 2009 Strategic Plan was adopted at a time of severe financial crisis in our nation's economy. Bank failures, home mortgage foreclosures, and significant loss of investment capital were widespread. Neither the Association nor its members were immune to that crisis. The Association's primary investments from which many of its programs were funded lost significant value. The 2009 Strategic Plan reflected those difficult times and established priorities and initiatives designed to sustain the Association financially while continuing to provide vital services to the attorney general community. By pursuing those initiatives and achieving those goals, the Association's leadership and staff brought the Association through those difficult times and achieved a level of success otherwise unattainable.



for the Master Settlement Agreement, and the Association's financial stability, the 2014 Strategic Plan emphasizes two new priorities broadly defined as Association governance and member engagement. The overarching goal of the 2014 Strategic Plan is to sustain and to enhance the realization of the Association's Mission Statement. As in the past, the Association's leadership and staff will seek to serve as a valued and critical asset and resource for its members as they face the challenges of the future.

As a result of its strong financial future, the 2014 Strategic Planning Committee was able to focus attention on strengthening the Association's collaboration and cooperation among its members ensuring its unity of purpose. Through on-line surveys of the members and alumni, focus group input, and individual conversations, the 2014 Strategic Planning Committee identified several critical issues categorized into broad priorities. While continuing to focus on the growth of NAGTRI, support

Priority One

Central to the continued vitality and success of NAAG is engagement among the attorneys general in a collaborative atmosphere that extends across all geographical, political, and structural interests—key core values of the Association. The foundation for building this engagement and collaboration is the structure and governance of NAAG. A major priority of the 2014 Strategic Plan will be ensuring an organizational structure is in place that enhances engagement and collaboration. This structure includes NAAG leadership, committee structure and responsibilities, and multi-state efforts that may or may not include the entire Association membership.

Key Initiatives

➤ *Review and revise, as needed, the selection process for the Association's officers and executive committee.* The goals of ensuring regional and political party affiliation rotation and continuity in key leadership positions are important and, at the same time, need to be achieved with requirements for stability and an overarching fairness to the selection process.

➤ *Develop and implement a mission statement and annual goals for every NAAG standing and special committee.* Require annual reporting by each committee to the membership of the committee's activities.

➤ *Develop and adopt position descriptions for every NAAG officer and committee co-chair position.* Ensure that responsibilities and authority are clearly articulated in the position descriptions.

➤ *Develop and implement a policy for NAAG involvement in multistate efforts.* The policy should include clear guidelines regarding NAAG staff participation, the level of involvement by NAAG staff, and implementation of agreements by participating states to set aside a portion of multistate settlements for the Mission Foundation.

➤ *Develop greater communication capabilities in NAAG that can be used by the entire attorney general community* through IT-based tools such as password protected areas on the NAAG web site for postings, publications, and multi-state case and data management systems. Examine whether NAAG can serve as a resource for multiple offices to combine efforts in software development and purchase and in data storage.

➤ *Develop and implement a formal attorney general mentorship program* ensuring support for every new attorney general.

Priority Two

Attorney general attendance and participation at NAAG meetings provide a unique opportunity for face-to-face dialogue among members on important and timely issues facing the attorney general community. It is imperative that all NAAG meetings be substantively relevant, foster an atmosphere of engagement and collegiality, and provide opportunities to develop meaningful professional and personal relationships among the attorneys general and their staffs. NAAG meetings must provide balance on controversial topics and equip the attorneys general with the tools for performing their job effectively.

Key Initiatives

➤ *Develop and implement a rigorous process for selecting substantive topics, panelists, and speakers for all NAAG meetings.* Ensure the process involves attorney general leadership at every critical point. Involve NAAG committees in the process so the membership can be exposed to what each committee is doing. Ensure every agenda includes topics that are timely, relevant, practical and important to attorneys general in meeting the current challenges facing their states, territories and district.

➤ *Formalize the duties and responsibilities of the Attorneys General Meeting Planning Committee* and elevate the committee's status to a Standing Committee. Develop processes and procedures that will assist the Committee in planning NAAG meetings.

➤ *Broaden the participation at NAAG meetings* by including law enforcement and prosecutorial associations with similar interests.

➤ *Develop and implement a robust and inclusive feedback system* to receive comments on all aspects of NAAG meetings and to make appropriate adjustments to future meetings.



Priority Three

It is imperative that the National Attorneys General Training and Research Institute (NAGTRI) continue to build on its success by increasing both the number and variety of courses offered while maintaining the highest level of course quality. The training provided by NAGTRI has not only filled a void caused by budgetary reductions in all attorneys general offices but also has dramatically increased the level of knowledge and skills of attorney general staff and thereby the services provided to the public. Finally, NAGTRI should expand its research capability and disseminate research products to the attorney general community.



Key Initiatives

- ▶ *Increase the knowledge and skill level of the attorney general community* by providing advanced professional development courses.
- ▶ *Continue to develop funding sources* that would allow NAGTRI to be responsive to the increasing demand for national and mobile courses.
- ▶ *Continue to develop NAGTRI's distance learning capabilities* to include webinars and the capacity to provide an online, easily accessible self-learning resource for the attorney general community.
- ▶ *Increase NAGTRI research capability* and publish research material to the attorney general community through brief banks, wiki service and other technology-based media.

Priority Four

The administration of the Tobacco Master Settlement Agreement (MSA) will remain one of the Association's core areas of support to the attorneys general. NAAG staff will continue to support the MSA by providing assistance to all the states in the administration and enforcement of all aspects of the MSA.

Key Initiatives

- ▶ *Maintain a position of "neutrality,"* seeking areas of continuing common interest among all the states.
- ▶ *Develop and implement an executive level briefing on the MSA* focused on new attorneys general and their senior staff that outlines the state's duties and responsibilities under the MSA.
- ▶ *Develop and implement an engagement plan with the Non-Participating Manufacturers (NPMs)* encouraging them to join the MSA.
- ▶ *Continue to employ the current Tobacco Enforcement Fund (TEF) spending policy.* Develop and implement a process to ensure reimbursement of the TEF from Settling States receiving grants from the TEF.
- ▶ *Continue to develop and implement additional funding sources for the TEF* such as the successful negotiation of Significant Factor determinations. Explore with the Participating Manufacturers other areas of interest for potential negotiated settlement.
- ▶ *Continue to advocate responsible policies under the MSA* that lead to reduced smoking.



Priority Five

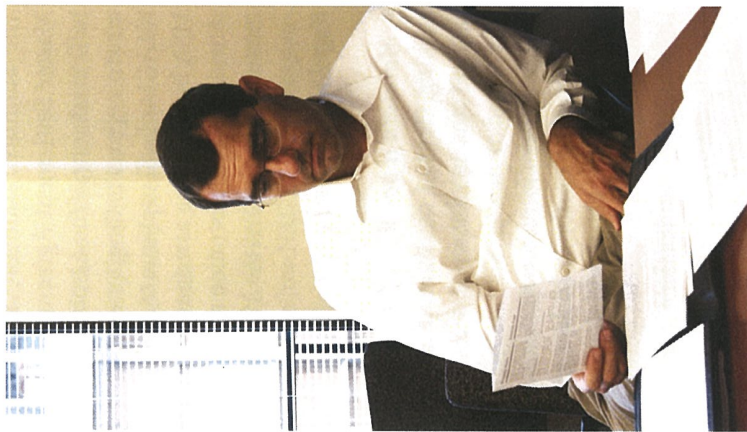
Ensuring the Association's strong financial foundation will always be a major priority. NAAG will continue to employ comprehensive budgetary planning and execution marked by rigorous oversight, sound financial decisions, and pursuit of a variety of revenue-generating opportunities to ensure an increasing level of support to the attorney general community.

Key Initiatives

➤ *Continue to develop and implement rigorous financial oversight programs* that facilitate attorney general governance thereby assuring due diligence. Such oversight programs will extend to investment fund portfolios administered by NAAG and include carefully articulated spending policy and/or grant award policy. Develop and adopt position descriptions for members of the financial oversight committees.

➤ *Develop and implement guidelines for implementation of agreements* by participating states to set aside a portion of multistate settlements for the Mission Foundation.

➤ *Develop and implement procedures for awarding grants* for funds that are received by the Mission Foundation for specific use.



➤ Continue to develop and implement a federal and private grant proposal process that seeks to obtain ongoing grants to fund NAGTRI and other programs supporting the attorney general community. Care should be taken to avoid dependence upon grant funding for core budget functions.

Strategic Planning Committee

- Attorney General J.B. Van Hollen, WI, Chair
- Attorney General Martha Coakley, MA
- Attorney General Robert E. Cooper, Jr., TN
- Attorney General Roy Cooper, NC
- Attorney General Derek Schmidt, KS

- Chief Deputy Attorney General Joe Dandurand, MO
- Chief Deputy Attorney General Charles McGuigan, SD
- Chief Deputy Attorney General Brad Phelps, AR
- Chief Deputy Attorney General Kevin St John, WI
- Chief of Staff Holley Bolen, NE

- Mike Cody, Society of Attorneys General Emeritus Co-Chair
- Stephen Merrill, Society of Attorneys General Emeritus Co-Chair

- Stephen Chitwood, PhD, JD, Facilitator



Association Overview

*To help attorneys general
fulfill the responsibilities of their office
and to assist in the delivery of
high quality legal services
to the states and territorial jurisdictions.*

Leadership

The Association elects its officers yearly through geographical rotation by region. Election of the four officers - President, President-Elect, Vice President, and Immediate Past President - takes place at the annual NAAG Summer Meeting. The president appoints all standing and special committee chairs. Committees are charged with studying all substantive matters within their jurisdiction and recommending policy positions and other matters to the attorneys general for action by the full Association. The Executive Committee of the Association is charged with the leadership of Association operations.

The Executive Committee comprises:

- the four NAAG officers
- four regional delegates
- three presidential appointees
- chair of the Mission Foundation

NAAG Executive Committee



WISCONSIN
J.B. Van Hollen
President



MISSISSIPPI
Jim Hood
President-Elect



SOUTH DAKOTA
Marty Jackley
Vice President &
Chair, CWAG



MARYLAND
Douglas Gansler
Immediate Past President



MASSACHUSETTS
Martha Coakley
Chair, Eastern Region



KANSAS
Derek Schmidt
Chair, Midwestern Region



GEORGIA
Sam Ollens
Chair, Southern Region



IDAHO
Lawrence Wasden
Vice-Chair, Western
Region (CWAG)



VERMONT
Bill Sorrell
Chair, Mission Foundation



FLORIDA
Pam Bondi
Presidential Appointment



NEBRASKA
Jon Bruning
Presidential Appointment



PENNSYLVANIA
Kathleen Kane
Presidential Appointment

NAAG Mission Statement & Priorities

The Association provides a forum for the exchange of knowledge, experiences, and insights on subjects of importance to the attorneys general of the states, territories, and district. It fosters local, state, and federal engagement, cooperation, and communication on legal and law enforcement issues. It provides training, research, and analysis to members and their staffs on a wide range of subjects relevant to the practice areas of the attorneys general offices. It assists in the implementation, administration, and enforcement of the tobacco Master Settlement Agreement.

Priorities

- Ensuring an organizational structure is in place that enhances NAAG member engagement and collaboration.
- Organizing NAAG meetings that are substantively relevant, foster an atmosphere of engagement and collegiality, and provide opportunities to develop meaningful professional and personal relationships among the attorneys general and their staffs.
- Increasing both the number and variety of courses offered by the National Attorneys General Training and Research Institute (NAGTRI) while maintaining the highest level of course quality. Expanding the Institute's capability and disseminate research products to the attorney general community.
- Continuing to support the tobacco Master Settlement Agreement (MSA) by providing assistance to all the states in the administration and enforcement of all aspects of the MSA.
- Continuing to employ comprehensive budgetary planning and execution marked by rigorous oversight, sound financial decisions, and pursuit of a variety of revenue-generating opportunities to ensure an increasing level of support to the attorney general community.

NAAG Mission Foundation

The NAAG Mission Foundation, Inc., a 501(c)(3) organization, was incorporated in Delaware on Feb. 5, 2002, created from residual funds of the Tobacco Master Settlement Agreement (MSA) Section XVII disbursement. The Mission Foundation was formed to provide non-partisan research and analysis of legal issues for attorneys general as directed by its Board of Directors, as well as to assist in NAAG member responsibilities under the MSA.

The non-profit Foundation was also designed to provide substantive programs and events for NAAG membership, and to otherwise enhance Association operations. The Foundation is managed by seven attorneys general who serve on a Board of Directors comprised of the four officers of the Association elected by NAAG and three attorneys general appointed by the NAAG Executive Committee. The Board meets three times a year, in coordination with NAAG's annual meetings. All interested attorneys general are invited to attend.

Since its 2002 inception, the Mission Foundation has been active in advancing the programs and meetings conducted by NAAG by providing funding for the new attorneys general orientation, NAAG annual meetings, and regional meetings. It also supports a majority of the National Attorneys General Training and Research Institute (NAGTRI) legal training courses. The Foundation has provided funds for Presidential Initiatives and symposiums on topics such as antitrust and consumer protection. Lastly, four attorney general office management reviews took place over the last year with Mission Foundation support.