

MINUTES

BOARD OF DIRECTORS' MEETING

Optimist International

July 6 - 7, 2009

Gaylord Palms Resort

Kissimmee, Florida

The following members of the 2008-2009 Board of Directors were in attendance for the entire meeting:

| | | |
|----------------------|---|--------------------------------|
| Theo Golding | Immediate Past President & Chairman of the 2008-2009 Board | Kingston, Jamaica President |
| Donald R. Sievers | President | Jackson, Missouri |
| Mark O. Shriver | President-Elect | Woodstock, Georgia |
| Carrollyn C. Cox | Director | Virginia Beach, Virginia |
| Durward M. Rushforth | Director | Fairfax, Virginia |
| Claire Labrèche | Director | Montréal, Québec |
| Herbert Strather | Director | Detroit, Michigan |
| Ken Garner | Director | Fort Worth, Texas |
| Marlene Phillips | Director | Windsor, Ontario |
| Benny Ellerbe | Executive Director | St. Louis, Missouri |
| Julie d'Auteuil | JOOI President | Jonquiere, Quebec |

Also in attendance:

| | | |
|---------------|-------------------------|-------------------|
| Danny Rodgers | President-Elect Nominee | Fort Worth, Texas |
|---------------|-------------------------|-------------------|

Committee Reports are to be considered an integral part of these Minutes.

All items are not officially approved and subject to correction until they are adopted at the next meeting of the Board of Directors.

Monday, July 6, 2009

Chairman Theo Golding called the fourth meeting of the 2008-2009 Optimist International Board of Directors to order at 9:00 a.m.

The invocation was given by Carrollyn Cox, followed by the Pledge of Allegiance led by President Don Sievers and a Toast to Canada, the Caribbean, and all nations where there are Optimist Clubs was led by Herb Strather.

Executive Director Benny Ellerbe was appointed parliamentarian for the meeting.

APPROVAL OF THE CONSENT AGENDA

Adopted as amended

Phillips/Garner

To approve the items on the Consent Agenda as amended and shown below:

Board Meeting Minutes

March 6-7, 2009 Board Meeting Minutes

Motion adopted

To approve the minutes of the March 6-7, 2009 meeting as amended below:

Page 4 – Kissimmee instead of Grapevine

Page 14 – strike 2 of Tier 12.

May 8, 2009 Teleconference Meeting Minutes

Motion adopted

To approve the minutes of the May 8, 2009 teleconference meeting as presented.

District Dues Increase Requests

Québec West District

Rationale: The delegates of the Québec West District (53) have approved a \$3.00 dues increase from \$12.00 to \$15.00 at their 4th Quarter District Meeting that was held on September 13, 2008.

Motion adopted

That the Board of Directors hereby approves the Québec West District's (53) request for a \$3.00 dues increase, that would be from \$12.00 to \$15.00 annually and to make this retroactive back to October 1, 2008.

Club Merger Request

The Optimist Club of Chesapeake-Greenbrier

Rationale: Club 16085, the Optimist Club of Chesapeake-Greenbrier (OCGC), and Club 16149 the Optimist Club of Virginia Beach (OCVB), request that the International Board of Directors approve the merger of the aforementioned Clubs. The Club Charter of Club 16085 OCGC is surrendered effective as of June 30, 2009 as agreed by each Club's Board of Directors.

Motion adopted

That the International Board of Directors approve the merger of Clubs 16085, the Optimist Club of Chesapeake-Greenbrier, and 16149, the Optimist Club of Virginia Beach (charter to be dropped without penalty), with its merged Club

number as 16149 and changed name and bylaws under the Optimist Club of Virginia Beach.

Revision to Board Policy D-4; District Dues Increase

Rationale: Article VII, Section 5B addresses the amount of each District's Dues, and dates on which such dues shall be payable. It does not limit the action to dues increases. The policy should also not be restrictive. The Board is requested to adopt the following motion:

Motion adopted

That the Board of Directors hereby adopts the changes to Policy D-4 below.

District Dues Increase

D-4

Optimist International Bylaws provision, Article VII, Section 5B, permits Districts to petition the International Board of Directors for ~~an increase~~ **a change** in annual dues. Such request must be approved by two-thirds of the votes cast of the accredited delegates at the annual District convention or a specially convened District convention which had been authorized by the International President. Requests must be submitted to the Finance & Administration Department for presentation to the Board. The Board of Directors will consider requests for District dues ~~increases~~ **changes** only at regularly scheduled meetings, and such requests must include the following:

1. Copy of minutes of convention showing delegates vote.
2. Previous year's audit or review by an independent CPA or Chartered Accountant. An IRS Form 990 or its equivalent may be substituted for the annual financial review.
3. If a District does not comply with the International Bylaws and Policy D-4 regarding District dues increases within 90 days of being notified by International staff that they are not in compliance, then Optimist International may withhold payment of the District's allotments from International dues until the District complies.

International Office and International Development Funds

Rationale: OI Bylaws Article VIII Section 2D requires all funds remaining in the pre-existing International Office Fund and International Development Fund be used for their intended purpose. There are no funds remaining in either of these funds.

Motion adopted

That the Governance Committee draft a proposed Bylaws change to delete the current Article VIII Section 2D.

~~D.—Provision for International Office Fund and International Development Fund. As of October 1, 2004, all funds remaining in the pre-existing International Office Fund and International Development Fund shall remain in such funds and be used for the purposes for which each fund was established. No additional monies shall be added to these funds unless so decided by the Board of Directors.~~

Meetings for the 2009-2010 Year

Motion adopted

That the following meeting dates be approved for the 2009-2010 Fiscal Year:

a. Board Meetings:

December 4-5, 2009, Sheraton Westport, St. Louis, Missouri

March 5-6, 2009, OI Headquarters, St. Louis MO

July 5-6, 2010, Adams' Mark, Denver, Colorado

b. 2009-2010 Governors Conference:

January 8-9, 2010 TBD

c. 2010-2011 Governors-Elect Conference:

April x-x, 2010 TBD

d. Committee Meetings:

October 16-17, 2009, Sheraton Westport Hotel, St. Louis MO

(NCB, Members Services, College Clubs, JOOI, LD, Activities)

Finance: November 13-14, 2009 Sheraton Westport Hotel, St. Louis MO

Finance: February 5-6, 2010, OI Headquarters, St. Louis, MO

Governance: January x-x, 2010 TBD

Candidate Qualifications: February x-x, 2010 TBD, OI Headquarters, St. Louis MO

APPROVAL OF THE AGENDA

Motion adopted as amended

Rushforth/Cox

To adopt the Agenda dated June 26, 2009 as amended.

PRESIDENT'S REPORT

International President Don Sievers presented his report to the Board of Directors.

PRESIDENT ELECT'S REPORT

President-Elect Mark Shriver presented his report to the Board of Directors.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Benny Ellerbe presented his report to the Board of Directors.

The meeting recessed at 9:55 a.m. reconvened at 10:08 a.m.

REPORT OF THE AUDIT & FINANCE COMMITTEE

The report of the Audit & Finance Committee was presented to the Board of Directors by Chair Mike Allen.

The meeting recessed into executive session at 10:09 a.m. and reconvened into regular session at 10:45 a.m.

Motion adopted as amended

Rushforth/Garner

That the Board of Directors approve a two year contract with Shumsky Enterprises for the supply operations, allowing them to market outside the United States. That the Board of Directors modify the contract with Coral with the same privileges to market outside of Canada.

The meeting then recessed into executive session at 10:47 a.m. and reconvened into regular session at 10:57 a.m.

On behalf of the Board of Directors Marlene Phillips thanked Chair Mike Allen for the report.

REPORT OF THE PENSION TRUSTEES

Barry Bozarth of MML Investors Services, Inc. addressed the Board of Directors. Carrollyn Cox thanked Mr. Bozarth for the report.

POLICY I-70: COLLEGE CLUBS COMMITTEE

Mark Shriver addressed the Board of Directors.

Motion adopted

Cox/ Phillips

That the following revision to Board Policy I-70 be adopted.

~~G. Until 2010-2011 there will be an International College Club Committee, consisting of a Chair and two members, with one member being rotated each year and one member being assigned to the Committee by the President each year.~~

G. One member of the New Club Building Committee shall be designated to be responsible for the growth and development of College Clubs.

NON-DISTRICTED CLUBS

Proposal for Tier 4 Countries

Rationale: There are no goals and strategies for International Development in non-districted areas in the OI Strategic Plan. OI Bylaws Article III Section 1A2c requires clubs in non-districted areas to have a minimum of 15 members and pay the full membership fee as established in the Club's bylaws. There is no mention of Tier 4 countries in the OI Bylaws. There are International Development rules but no Board Policy for International Development. Charters for Optimist Clubs previously formed in non-districted areas have been revoked for non-payment of dues, but are still serving children in their community as an Optimist Club. Clubs have been formed in countries where it is difficult to not only pay the dues required, but also transfer money out of the country. The clubs expect the full services provided to districted clubs, including club banner and box of certificates, pins, and hard copies of manuals and other materials. The total cost of these materials and magazines can exceed the amount charged to charter the club. Clubs chartered as full Optimist Clubs are covered by insurance, which subjects the organization to extraordinary risk given the different culture, laws, and ability to respond to potential law suits. The current International Development rules provide for the formation of Associate Clubs, but the associated fees do not cover the expenses associated with these clubs. The Board is requested to adopt the following motion:

Motion adopted

Rushforth/Labrèche

That the Governance Committee, in coordination with the Finance Committee and staff, draft proposed Bylaws changes to include Tier 4 countries.

International Development Rules

Motion adopted to refer to the New Community Growth Committee to report to the Board of Directors in December

Rushforth/Labrèche

That International Development Rules be amended to allow clubs in Tier 4 countries to be formed as Tier 4 Clubs and assigned to the International Development District if there are a minimum of 15 members and an Optimist sponsor is willing to assume sponsorship for a minimum of five years and pay an annual flat-rate fee of \$250 U.S. Clubs in Tier 4 countries whose charter has been revoked for non-payment of dues, and who are continuing to serve the children of their community may be reinstated as a Tier 4 Club if the above criteria are met. Club Officer Elect and President's Pride reports are required from these clubs. The Tier 4 clubs are not eligible to be used for membership or new club building awards for districts.

The meeting recessed for lunch at 11:59 a.m. and reconvened at 1:00 p.m.

FRENCH RESOLUTIONS

Claire Labrèche addressed the Board of Directors.

COMMUNICATIONS FOR THE FRENCH MEMBERS

Rationale: Putting an accent on effective communication with respect to individuals and to their language shows that the organization has an interest in all of their members. Since Optimist International's membership is also composed of French-speaking members, all documents and/or communications in English coming from the head office should be translated using proper French grammar rules and then distributed accordingly. Quality control of written material must follow a strict standard in order to ensure that the material distributed respects not only the language, but also reasonable deadlines established by Optimist International. Only French language specialists can ensure a proper translation and only the personnel of Optimist International Canada are in a position to coordinate this task. Whatever the type of communication, it should be translated, corrected and revised by the qualified personnel of Optimist International Canada so that the French-speaking members receive the same level of quality service as the English-speaking members. Such a process presumes that French-speaking members receive the same services, on every level as the English-speaking members. We would therefore do away with useless waiting time and the resulting frustration, which undermine the smooth operation of our organization.

Motion adopted

Strather/Cox

That before being distributed to French-speaking members of OI, all communications which require translating, in particular the documentation, dubbing, websites, emails, and printed materials, be in the charge of Optimist International Canadian Service Centre. (Note: New Board Policy I-133)

AD HOC HEADQUARTERS BUILDING COMMITTEE REPORT

Claire Labrèche presented an informational report to the Board of Directors.

STRATEGIC PLAN

The meeting recessed into executive session at 1:42 p.m., recessed at 1:55 p.m., and reconvened into regular session at 2:07 p.m.

Carrollyn Cox thanked Claire Labrèche and Dee Rushforth for chairing their respective Ad Hoc Committees.

SECURITY ASSURED VISA DEBIT CARD PRESENTATION

A PowerPoint presentation was presented to the Board of Directors by Claude Butler CEO and John Fennacy COO of Security Assured Visa Debit Card. It was agreed to postpone discussion to Tuesday.

Marlene Phillips thanked Mr. Butler and Mr. Fennacy for the presentation.

CURLING PROGRAM

The Board of Directors discussed the proposed curling program.

Motion adopted

Garner/Labrière

To table discussion until tomorrow.

SPOUSAL MEMBERSHIP EXPIRATION OF SEPTEMBER 30, 2009

Motion adopted

Phillips/Rushforth

Opposed: Labrière

That the spousal membership program be allowed to sunset September 30, 2010.

GROWTH CONFERENCE

Motion adopted

Strather/Phillips

That Optimist International will hold an International and Regional Growth Conferences.

The meeting recessed at 3:25 p.m. for the evening.

Tuesday, July 7, 2009

The meeting reconvened at 9:00 a.m. with an invocation by Herb Strather.

SECURITY ASSURED VISA DEBIT CARD (REVISITED)

Motion adopted

Cox/Rushforth

To refer the issue to the Audit & Finance Committee for consideration and recommendation and a report back to the Board later today. (Note: The Chair of the Audit & Finance Committee was later granted 30 days to have time to discuss with the rest of the committee.)

IKEEPSAFE.COM PRESENTATION

An informational Report to the Board of Directors was submitted by the Chair of the Ad Hoc Ikeepsafe Committee Ronnie Dunn.

On behalf of the Board of Directors, Claire Labrèche thanked Ronnie Dunn for the report.

JOOI PRESIDENT REPORT

Julie d’Auteuil presented her written report to the Board of Directors.

On behalf of the Board of Directors Chairman Theo Golding thanked Ms. d’Auteuil for the report.

REPORT OF THE CONVENTION COMMITTEE REPORT

An informational report of the Convention Committee was presented to the Board of Directors by Chair Ron Whittaker.

On behalf of the Board of Directors Vice President Herb Strather thanked Chair Ron Whittaker for the report.

COMMITTEE MEETING SCHEDULE

Motion adopted to table to later in the meeting

Phillips/Labrèche

That International Committee meetings will be held in the beginning of September each year effective 2010.

The meeting recessed at 10:05 a.m. and reconvened 10:19 a.m.

NON-DISTRICTED CLUBS (REVISITED)

Motion adopted

Rushforth/Cox

That the appropriate Committees be tasked to coordinate with the Optimist International staff and develop recommendations on the issues listed below for the Board to consider.

- Draft statements for vision, goals, objectives or strategies for International Development to be included in the Strategic Plan that would encourage the building of International Non-District Clubs to serve children, regardless of economic Tier.
- Develop procedures to allow for the “sponsored option” for Clubs built in non-district areas. Consider the Twin Club approach to mentor and sustain these clubs. A sponsor is a

responsible Optimist member or Optimist entity (club, district, Past Governors' Association) willing to assume payment of annual fees for a specified number of years. The procedures should include the sponsor's responsibilities, such as fiscal, communications, mentoring, training (not on-site), and sustainment.

- Develop a list of physical and/or electronic materials a club should receive, and determine an appropriate fee to charge to cover the associated cost.
- Develop additional issues, with recommendations, for the Board to consider.

That International Development Rules be amended to allow clubs in Tier 4 countries to be formed as Tier 4 Clubs and assigned to the International Development District if there are a minimum of 15 members and an Optimist sponsor is willing to assume sponsorship for a minimum of five years and pay an annual flat-rate fee of \$250 U.S. Clubs in Tier 4 countries whose charter has been revoked for non-payment of dues, and who are continuing to serve the children of their community may be reinstated as a Tier 4 Club if the above criteria are met. Club Officer Elect and President's Pride reports are required from these clubs. The Tier 4 clubs are not eligible to be used for membership or new club building awards for districts.

REPORT OF THE OPTIMIST INTERNATIONAL FOUNDATIONS

An informational report of the Optimist International Foundations was presented to the Board of Directors by Foundations Presidents Bill Scott and Les Rogers.

On behalf of the Board of Directors, Dee Rushforth thanked Les Rogers and Bill Scott for the reports.

CURLING PROGRAM (REVISITED)

Motion adopted

To remove the issue from the table. (See Page 8)

Phillips/Rushforth

Motion adopted

That the International Board of Directors recognize the proposed Curling Program and endorse the event noting that the Canadian Heritage Foundation will fund the tournament.

Sievers/Labrière

GROWTH CONFERENCE (REVISITED)

Herb Strather called for an executive session at 10:56 a.m. The Board recessed at 11:40 a.m. and reconvened into regular session at 11:48 a.m.

POLICY ON PAST INTERNATIONAL PRESIDENTS

Several International Past Presidents addressed the Board of Directors.

Motion adopted

Sievers/Garner

That the Board establish a written policy that includes guidelines for reimbursements to International Past Presidents. (Note: The Audit & Finance Committee will present a policy proposal at the December Board of Directors meeting.)

On behalf of the Board of Director Carrollyn Cox thanked the Past Presidents for expressing their concerns.

The meeting recessed for lunch at 12:22 p.m. and reconvened at 3:50 p.m. after the Vice Presidents' Council that was held from 1:00 to 3:38 p.m.

VIDEO CONFERENCE OF THE BOARD OF DIRECTORS

Motion adopted unanimously

There will be a Video Conference of the Board of Directors by mid-October.

FUTURE CONVENTION SITES

Motion adopted

Garner/Labrière

There will be a moratorium on new convention sites until after Baltimore.

OTHER BUSINESS

Communications for the President-Elect – New Board Policy I-132

Motion adopted

Phillips/Garner

Opposed: Sievers

That a communication tool be afforded to the President-Elect upon election for office to the expiration of their term as Chairman of the Board subject to the preference of the elected officer, retroactive to October 1, 2008.

Ad Board Communications Committee

Motion adopted

Labrière/Phillips

To reinstate the Communications Sub-Committee of the Board of Directors in 2009-10 to take on matters of improved and more effective communications of the Board. (Note: Committee members are still to be determined.)

Growth

The meeting recessed into executive session at 4:35 p.m. and reconvened into regular session at 4:45 p.m.

Motion adopted

Cox/Rushforth

That the President, Executive Director, and President-Elect immediately implement a program of reorganization of headquarters staff and leadership to focus specifically on growth and programs utilizing the strategic marketing plan.

Motion adopted

Strather/Garner

That the incentive program for staff be based on growth effective October 1, 2009 and that staff will present proposal as such to present to the Board for approval.

There being no further business, the meeting was adjourned at 5:07 p.m. on Tuesday, July 7, 2009 with a symbolic passing of the gavel and the Optimist Creed.

Benny Ellerbe
Executive Director/Secretary

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