

14 October 2016
National Board Meeting Minutes

MEETING OF THE BOARD OF DIRECTORS
THE ENGLISH-SPEAKING UNION OF THE UNITED STATES
SHERATON ORLANDO NORTH HOTEL, MAITLAND, FLORIDA
FRIDAY, OCTOBER 14, 2016, 9:00 AM (EDT)

Present In Person: Paul Beresford-Hill, Chairman; Laura Phelps, Vice Chair; E. Quinn Peeper, President; Christopher Broadwell, Secretary of the Corporation & Executive Director; Susan D. Sinclair, Region II Chair; Karen Blair-Brand, Region III Chair; Jeffrey Schnabel, Region VI Chair; James Kerr, Jr., Region VII Chair; Donald Best; Loveday Conquest; Polly W. Cox; Julia Hansen; Christopher Hodgkins; Christopher Medalis; Donna M. Miller; Charles D. Reaves; Roger F. Stacey; George T. Williamson

By Phone: Hollister Sturges, Treasurer; William Maschmeier, Region VIII Chair

Excused: Jan Slee; Region I Chair; Ellen LeCompte, Region IV Chair; Mary Alice Phelan, Region V Chair; M. Christine Carty; Paul J. S. Haigney; Darrell W. Hill; Peter Frey;

Observers (Staff) : Grant Hamel, Operations Manager; Joshua Keppel González, System Administrator and Assistant to the Executive Director/Recording Secretary; Carol Losos, Education Director; Edward Mohylowski, Deputy Executive Director

Presiding: Paul Beresford-Hill, Chairman

Dr. Beresford-Hill called the meeting to order at 9:00 am (EDT).

Welcome – Dr. Beresford-Hill welcomed members of the Board of Directors attending in person and by phone to the semi-annual board meeting which coincided with the 2016 Annual Conference and preceded the 2016 ESU Annual General Meeting. Christopher Broadwell, Secretary of the Corporation, called the roll and announced a quorum. A motion was made to approve the draft minutes of the semi-annual Board meeting held on August, 27 2016. The motion was seconded and the draft minutes were approved unanimously with one objection by George Williamson who stated that the language “unanimously approved” in regards to the budget was incorrect as he did not vote due to his absence.

Comments from the Chairman – Paul Beresford-Hill

Dr. Beresford-Hill drew attention to two of the meeting agenda items. Commenting that the new legal (LLC) Branch structure had consolidated the ESU and ensured adequate liability coverage issues are met as the organization meets the challenges of the new century. Now the approval of the strategic plan will consolidate the organization’s various activities into driving programs that will be our mission. Dr. Beresford-Hill called on ESU President E. Quinn Peeper to present his report.

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Report of the President – E. Quinn Peeper

Dr. Peeper reported that the annual board giving campaign has been successful. The campaign started in the 2014/15 Fiscal Year (FY) with a goal of \$35,000 which realized \$52,600. In the 2015/16 FY a goal of \$50,000 was set and surpassed with gifts totaling \$59,249. For this year, 2016/17FY, a goal of \$70,000 was set of which \$51,300 has been raised. Dr. Peeper stressed that the entire board needs to participate in the board giving campaign. Additionally, personalized letters to all patrons in the organization to renew were sent and resulted in 267 Patron Memberships. Dr. Beresford-Hill asked for the report from the Audit Committee.

Report of the Audit Committee - Loveday Conquest, Committee Member

Loveday Conquest reported that the audit had found no significant management issues or audit difficulties. The committee was pleased by the renewal of the multi-year pledge from the Open Society Foundations. Since the audit of Branch LLC structure will include Branch bank statements, deadlines will be accelerated for the reporting process in future years' audits. Dr. Beresford-Hill asked for the report from the Finance Committee.

Report of the Finance Committee – Charles Reaves, Chair

Charles Reaves reported that the Finance Committee met three times by conference telephone call and worked with management on several iterations of the 2016/17FY Budget which was approved by the Board on August 17, 2016. Details on the budget will be presented to the members at the Annual Conference. Dr. Beresford-Hill asked for the report of the Treasurer Hollister Sturges.

Report of the Treasurer – Hollister Sturges

Hollister Sturges reported that the year-to-year endowment value declined by 1.3 million, or 11% last year and total assets for 2015/16 FY declined by \$826,000. As such, the strategy for the current fiscal year was to preserve the financial strength of the endowment by creating a balanced budget by making cutbacks without sacrificing the mission. However, while half of last year's deficit has been made up this quarter, this number fluctuates and should not be used as a key indicator.

The financial statement of activity for the first quarter for 2016/17FY, membership was at 80,000 members vs. 92,000 members as compared to last year, slightly less than 10% behind. Total revenue for the quarter is \$464,000 compared to the budget of \$523,000, which isn't significant since there are times of year when revenue comes in more strongly, particularly in the spring. Expenses are down from what was budgeted this year and down from last year. Year to date operating income is +\$123,000. The total investment before allocations from July 1st to September 30th is \$564,000 and a net of \$404,000 after allocated income. Currently it is a stable and balanced budget for the year.

In response to a question regarding how management is keeping control of expenses, Christopher Broadwell, Executive Director, commented that savings on staff salary, the switch to maintaining the book keeping system in-house and conservative expense on programs in the first quarter have led to lower expenses in the first quarter. Dr. Beresford-Hill commented that there is a careful

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husbandry of resources in the head office. He then made a motion to accept the audited financial statement, which was seconded and unanimously approved by the Board.

Report of the House Committee – Christopher Broadwell, Executive Director

Christopher Broadwell reported that the work to bring the house up to code and receive its proper certification of occupancy will not require conforming to new and subsequent building code, just the code that existed when renovations began twelve years ago. This determination will reduce costs and expenses that could likely be spread out over two years. When the architects complete the plans for the required headquarters repairs, they will be presented to house committee. Both the floods and the daily use of the building by approximately 75 people has accelerated need for maintenance and improvements. The building is our principal financial asset with a fair market value of approximately \$16 million. Dr. Beresford-Hill called upon Polly Cox to give The Nominating Committee report.

Report of the Nomination Committee – Polly Cox

Prior to Polly Cox's report, Dr. Beresford-Hill commented on the need of the ESU to have high level patronage. He recommended approaching the UK Ambassador to the United Nations and the UK Ambassador to the United States to become patrons of the ESU. He asked the Nominating Committee to make a proposal to invite both ambassadors. Polly Cox moved to accept Dr. Beresford-Hill's ideas which was seconded and approved. Dr. Beresford-Hill mentioned that plans are in place to invite the Princess Royal to the ESU100th anniversary and signs that have been received back are positive. However, the first step is having two ambassadors as our patrons to re-establish connections the ESU needs to both draw and capitalize on these kinds of visits.

The Slate of Officers for presentation to the Annual General Meeting was presented to the Board. Discussion followed concerning the slate and a motion to accept that slate was seconded and passed unanimously.

Polly Cox presented the Board Recruitment Kit for approval by the Board. The new itemized obligations of Board Members requires Members of the Board make every effort to attend the semi-annual board meetings. Furthermore, the expected give or get contribution from each Board Member was increased to \$1,000. After discussion, it was approved without dissent.

Discussion of an additional board retreat, perhaps in Dallas, as per the Strategic Plan ensued.

Executive Report – Christopher Broadwell, Executive Director

Christopher Broadwell addressed the series of transitions the ESU has been undertaking through the LLC restructuring and the Strategic Plan. He commented that a period of determining funding and support for the ESU will be the next phases. Mr. Broadwell then called on Carol Losos, Education Director to deliver the Education Report.

Education Report - Carol Losos, Education Director

Carol Losos reported that per the Strategic Plan, the name of British University Summer School (BUSS) program would be changed to Teachers Learning Aboard – UK (TLaB – UK). It was deemed necessary to have a more descriptive name of the program. The program will now

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expand beyond summer study to new opportunities beyond those that were present in the BUSS program. Furthermore, the program will also be open to ESU Members and the public at large to provide educational tourism opportunities for life-long learners, retired teachers, and any who may be interested. ESU will need to advertise in a much broader way, with old mediums and new ones in order to spread this program beyond its previous audience of teachers. In coordination with partner institutions, TLab can stimulate the exchange between US teachers and UK professors and instructors for discussions or lectures, and could provide an evolution of the Wrench Speaker Program.

LLC Status Update – Jeffrey Schnabel, Chair of the Branch Services Committee

Jeffrey Schnabel reported on the phases to the transition Branches to LLCs. The final phase will be developing a procedure to monitor and enforce Branch Compliance with BMOA and MMOA documents. This will be undertaken through the Executive, the National Organization and the Regional Chairs. To date, 51 Branches have been registered as Single Member Limited Liability Companies in Delaware. All Branches must sign on to either an MMOA or BMOA Branch Structure. Dr. Paul Beresford-Hill called for the report of the Strategic Plan Committee.

Report of the Strategic Plan Committee – Hollister Sturges, Chair

As Hollister Sturges had to leave the meeting, Paul Beresford-Hill opened discussion on the Strategic Plan. Christopher Broadwell reiterated the efforts of the entire Board in its creation and drew attention to the final draft version of the plan, and called for its acceptance. A motion was made to implement the Strategic Plan which was seconded and passed unanimously.