

**6 June 2016**  
**National Board Meeting Minutes**

**MEETING OF THE NATIONAL BOARD OF DIRECTORS**  
**THE ENGLISH-SPEAKING UNION OF THE UNITED STATES**  
**NATIONAL HEADQUARTERS, NEW YORK, NY**  
**MONDAY, JUNE 6, 2016 3:00 PM TO 4:45 PM**

**MINUTES**

Present: Paul Beresford-Hill CBE KSt.J, Chairman; E. Quinn Peeper, President; Hollister Sturges, Treasurer; Christopher Broadwell, Secretary & Executive Director; Susan D. Sinclair, Region II Chair; Karen Blair-Brand, Region III Chair; Ellen LeCompte, Region IV Chair; Jeffrey L. Schnabel, Region VI Chair; James W. Kerr, Jr., Region VII Chair; Donald A. Best; Polly W. Cox; Peter Frey; Julia Hansen; Darrell W. Hill; Christopher Medalis; Donna M. Miller; Charles D. Reaves; Roger F. Stacey

By Phone: Laura J. Phelps, Vice Chair; William B. Maschmeier, Region VIII Chair; Loveday Conquest; Christopher Hodgkins

Excused: Jan D. Slee, Region I Chair; Mary Alice Phelan, Region V Chair; M. Christine Carty; Paul J.S. Haigney; Philip Sjogren; George T. Williamson

Observing (Invited Guest): A. Elizabeth Watson, Strategic Planning Consultant

Observing (ESU Staff): Edward Mohylowski, Deputy Executive Director; Carol Losos, Director of Educational Programs; Grant Hamel, Operations Manager; Dorothy Fiedler, Assistant to the Executive Director/Recording Secretary

Presiding: Dr. Paul Beresford-Hill, Chairman

Dr. Beresford-Hill called the meeting to order at 3:00 PM (EDT).

Welcome – Dr. Beresford-Hill welcomed members of the Board of Directors to the spring semi-annual board meeting which was being held immediately following the National Board’s third strategic planning retreat. Christopher Broadwell, Secretary of the Corporation, called the roll and announced a quorum. The Chairman called for the approval of the draft minutes of the fall semi-annual meeting of the National Board held on October 10, 2015 and the Special Meeting of the National Board held on January 9, 2016. A motion to approve was made, seconded and the motion was approved.

Comments from the Chairman – Dr. Paul Beresford-Hill

Dr. Beresford-Hill commented that the 2016 International Council Meeting (ICM) will be held from September 7-11, 2016 in Tbilisi, Georgia. He noted that two delegates other than the

**6 June 2016**  
**National Board Meeting Minutes**

Chairman, who will serve as International Council Vice Chairman, may attend the working sessions of the ICM and vote, but that the social events and tours surrounding the ICM are open to all ESU members. He asked interested Board members to contact Christopher Broadwell for registration information.

Report of the President – E. Quinn Peeper

Dr. Peeper reported that the Board giving campaign was very successful this fiscal year at \$56,800, exceeding the goal of raising \$50,000 from National Board members. Only one Board member has not yet responded to requests to meet the required minimum annual contribution. Dr. Peeper continued that the number of members participating in the National Patron Program has increased this fiscal year to 265 patrons (13% increase over last year) with the New York Branch having the most National Patrons, 33. Dr. Peeper noted that he attended regional meetings this spring in Lexington, VA and Dallas. Dr. Peeper would like to start a capital campaign for the ESU 100<sup>th</sup> anniversary in 2020 with a Centennial Committee.

Report of the Executive Director – Christopher Broadwell

Mr. Broadwell reported on the status of the remediation work on the Headquarters building by Acheson Doyle Architects and Gilman Consulting, Inc. which was approved by the Executive Committee at its meeting on February 18, 2016 based on the recommendations of the House Committee. Acheson Doyle has completed Phase 1 of the work. The primary remediation task during the summer months will be to replace the boiler in the basement which has been cited as an urgent need. Mr. Broadwell noted that the application process and remedial work for the needed Certificate of Occupancy could be more complicated and costly if the ESU must follow the current building codes rather than those in effect at the time of the initial renovation. Gillman Consulting, Inc. is negotiating that determination with the NYC Dept. of Buildings.

Mr. Broadwell reported that the National Board had just completed its third strategic planning retreat. He noted that Hollister Sturges would report further on the results of the work of the Strategic Planning Committee later in the board meeting.

Christopher Broadwell noted that the Andrew Romay New Immigrant Center graduation reception on Wednesday, May 18, 2016 at the Open Societies Foundation was a beautifully staged, very moving and well attended event drawing more than 125 ARNIC members, family and friends. Andrew Romay, one of the funders along with Open Societies Foundation, and George Irish of the Hearst Foundations, another funder, made moving presentations. Hasan Minhaj, Senior Correspondent on the *Daily Show with Trevor Noah*, gave a heartfelt, amusing speech on encountering the American Dream as a first generation American of Indian descent.

**6 June 2016**  
**National Board Meeting Minutes**

Mr. Broadwell commented that he had attended all 2016 spring regional meetings: Region III May 7 in Philadelphia, PA; Region IV March 11-13 in Lexington, VA; Region V February 19-20 in Miami, FL; Region VI April 15-17 in Louisville, KY; Region VII May 13-15 in Dallas, TX; and Region VIII May 20-22 in Denver, CO. Attendance was generally poor with the exception of Region IV in Lexington, VA.

Report of the Deputy Executive Director – Edward Mohylowski

Mr. Mohylowski reported that membership was at 5,256 members as of May 27 down by 375 from last year at this time. He noted that the first round of the 2016-17 membership renewal campaign will begin on July 1 with online email membership renewals as well as follow up paper membership renewals. Members in 55 Branches participated in the National Patron Program in the current fiscal year, including 82 new patrons. A year end mailing appeal including the annual report was distributed to 8,000 recipients and generated \$2,120 from 25 donors. A segmented mailing appeal to alumni generated almost \$22,000 for the Luard Morse scholarship program while the Secondary School Exchange program received \$24,000 in donations. A major foundation funder of the Andrew Romay New Immigrant Center, the Open Society Foundations, made a second three year pledge in funds totaling \$578,823 continuing the program for another three years. The other major funder, Andrew Romay, is matching the funding from Open Society Foundation. The Hearst Corporation has provided \$75,000 in overhead support for the ARNIC program. The Henry E. Niles Foundation donated \$5,000 and the David D. Donchian Foundation donated \$3,000. In addition Board member Paul Haigney made a one-time contribution of \$5,000 in support of the Shakespeare Competition.

Report of the Director of Educational Programs – Carol Losos

Mr. Broadwell noted that the written Education Report for the National Board from Carol Losos was included in the board folders. He urged everyone to read it (see attached).

Mr. Broadwell reported that registration materials were mailed to members for the ESU 2016 Annual Conference in Orlando, FL on October 14-16. He continued that the Louisville Branch has offered to hold the next Annual Conference in Louisville, KY in the fall of 2017. Dr. Paul Beresford-Hill proposed to hold the 2018 Annual Conference on the weekend of November 11, 2018 to coincide with the centennial of the ending of World War I and the founding of the ESU in the United Kingdom in 1918.

Report of the Branch Services Committee – Jeffrey Schnabel, Chair

Mr. Schnabel reported on progress of the reorganization of the governance and legal structure of ESUUS and its Branches. He noted that, to date, 29 Branches have returned their signed operating agreements to ESU headquarters to transition to LLC status. The Regional Chairs have been contacting Branches in their regions to remind them of the deadline to return their

**6 June 2016**  
**National Board Meeting Minutes**

signed copies of the Board-Managed LLC Operating Agreement or Membership-Managed LLC Operating Agreements. The signed operating agreements from the Branches are due by the end of the fiscal year, so that filing all at once with the Delaware Secretary of State to form the new LLCs can take place as early as possible in the new fiscal year.

Report of the Treasurer – Hollister Sturges

Mr. Sturges reported on the unaudited financial statements for the ten months ending April 30, 2016. The Statement of Financial Position showed cash and equivalents at \$625,281. The Endowment at fair market value was at \$12,272,076, compared to \$13,538,510 at June 30, 2015. The substantial change in the portfolio was due to the drawdown during the current fiscal year and fluctuations in unrealized capital gains. Under Liabilities, the Line of Credit debt was at \$101,000 at April 30 compared to \$150,000 at June 30, 2015 and Total Net Assets were at \$15,781,020. In the Statement of Activities for the ten months ended April 30, 2016, Total Revenue was at \$1,462,824 compared to the budgeted \$2,056,663 due to BUSS funds not yet received by April 30. On the expense side, costs have been contained and operating loss was at (\$14,403) compared to a budgeted (\$127,332). The Change in Net Assets for the current year to date was at \$698,919 primarily due to changes in the investment portfolio. Mr. Sturges projected a fiscal year end estimated deficit of (\$75,000) and noted that financial conditions were stable.

Dr. Beresford-Hill continued that there was a vacancy on the Finance Committee resulting from the resignation of its Chair, Anne DuPont Westbrook. Dr. Beresford-Hill noted that Board member Charles Reaves volunteered to join the Finance Committee and agreed to serve as its Chair. Dr. Beresford-Hill asked for a motion from the Board to elect Charles Reaves to serve as Chair of the Finance Committee, which was made, seconded and passed.

Dr. Beresford-Hill called on Charles Reaves to present the report of the Finance Committee.

Report of the Finance Committee – Charles Reaves, Chair

Mr. Reaves commented that the duty of the Finance Committee was to safeguard monetary policies with Board responsibility for the endowment funds. He recommended that investment advisor Robert Morse, CG Asset Management LLC, speak to the full Board at a future meeting. He noted that the investment account was reasonably allocated at 70% in equities and 30% in fixed income and has done well over time. Concerning the proposed reserve fund for operations, Mr. Reaves noted that the sense of the committee's discussion was to take the reasonable approach and determine endowment funds in the investment account and what would be available to pay bills (current liabilities) from the investment account.

Dr. Beresford-Hill noted that there were two current vacancies on the Audit Committee and that two current Board members have agreed to serve on the Audit Committee, Judge James Kerr and

**6 June 2016**  
**National Board Meeting Minutes**

Roger Stacey. He called for Board approval for the inclusion of James Kerr and Roger Stacey on the Audit Committee. A motion was made, seconded and approved for their election to the Audit Committee. The Audit Committee comprises Darrell Hill, Chairman; Loveday Conquest; Mary Alice Phelan; Roger Stacey and James W. Kerr.

Report of the Audit Committee – Darrell W. Hill, Chair

Mr. Hill commented on two discussion items for the committee:

- Review of the audit plan and fees for 2016 and vote on approval; and
- Audit and bookkeeping implication going forward with the auditors under the new corporate structure.

The Audit Committee will meet in late June and bring its recommendations to the National Board at its next meeting.

Report of the Strategic Planning Committee – Hollister Sturges, Chair

Mr. Sturges noted that the Strategic Planning Committee with strategic planning facilitator Elizabeth Watson identified education program priorities for English in Action, the Andrew Romay New Immigrant Center, the Shakespeare Competition and the Middle School Debate Program. Many good ideas were generated during the process including developing the National Board and a proposed name change to English-In-Action – ESU.

Any Other Business

Chairman Paul Beresford-Hill noted that President Emerita Marie Dora (Doe) Thornburg is withdrawing from active participation on the National Board. Dr. Beresford-Hill read her letter of resignation to the members of the Board. Dr. Beresford-Hill noting her grace and spirit asked Christopher Broadwell to read the following proclamation:

“Whereas: Marie Dora Thornburg OBE has dedicated her personal and professional life to forging global understanding and has vigorously advanced the work of the English-Speaking Union of the United States through more than 50 years as Member, Regional Chairwoman, Delegate to the ESU International Council, National Board President and now President Emerita.

Whereas: As a National Board Member since 1989, Doe, with grace, poise and resolve, has served as an ambassador representing the organization to its members across the country and to scholars, educators, diplomats and men and women like herself interested in establishing peaceful common bonds across international boundaries.

Whereas: The indefatigable Doe has announced that she can no longer be present at all ESU National Board events.

**6 June 2016**  
**National Board Meeting Minutes**

Now, therefore, be it resolved that: The English-Speaking Union of the United States National Board of Directors recognizes Doe Thornburg's ever present spirit as President Emerita and acknowledges Doe as the epitome of the ideal ESU member dedicated to celebrating English as a shared language to foster global understanding and good will."

Dr. Beresford-Hill asked for the nomination of Mrs. Thornburg to receive the honor, the motion was made, seconded and approved. A framed copy of the proclamation on poster sized parchment paper, was signed by the Chairman, President and Executive Director, and will be personally presented to Mrs. Thornburg by Christopher Broadwell in Chicago.

Christopher Broadwell commented that the preliminary draft 2016-2017 budget was a work in progress and included in the board folders. Mr. Broadwell noted that a final draft would be available by the end of the month after all of the committees have met and have included their recommendations in the draft budget. Board members commented that another issue for future board discussion is the recommendation to reconsider the minimum level of giving for ESU Board of Directors membership and to revisit the issue of the process for compliance. Dr. Paul Beresford-Hill believes that, to achieve its goals, the ESU should compare with similar organizations that require a relatively significant threshold of annual giving by their Board members. He recommended that the idea be taken up by the Executive Committee and the Nominating Committee and that they come up with a proposal before the next semi-annual national board meeting in October 2016.

The Chairman called for all Staff and Observers to leave the room so that the Board could meet in Executive Session.

**Executive Session**

Adjournment - The Board meeting was adjourned at 4:40 pm (EDT).

**Future Dates:**

Special Meeting of the National Board, Wednesday, August 17, 2016 at 4:00 pm (EDT)  
2016 International Council Meeting September 7-11 in Tbilisi, Georgia  
Semi-Annual Fall National Board Meeting, Friday, October 14, 2016 in Winter Park, FL  
2016 Annual Conference, October 14-16 in Winter Park, FL