

Friday November 1, 2019

**MEETING OF THE NATIONAL BOARD OF DIRECTORS OF
THE ENGLISH-SPEAKING UNION OF THE UNITED STATES
FRIDAY, NOVEMBER 1, 2019 at 9 AM
COSMOS CLUB, WASHINGTON D.C.**

DRAFT MINUTES

Present: Paul Beresford-Hill, Donald Best, Ralph Wyndrum, Jeff Schnabel, Noel Sloan, Donna Miller, Cheryl Albuquerque, Karen Blair-Brand, Julia Hansen, Karen Karpowich, Quinn Peeper, David Martinelli, Daryl Mc.Cormick, Julia Van de Water, John Raffaeli, Susan Robin Siclair, Bettie Miller, Mary Alice Phelan, William Maschmeier,

On the Phone: Janet Haedicke, Duncan Karcher, Charles Reaves

Excused:

Welcome – Paul Beresford-Hill

Dr. Beresford-Hill welcomed the Board of Directors to the Semi-annual Fall Meeting of the English-Speaking Union. Secretary of the Corporation Karen Karpowich conducted a roll call. The Minutes of the meeting on 14 June, 2019 were discussed, with Members of the Board asking that more detailed information be provided on the Strategic Planning Committee recommendations. The minutes would be reviewed and presented to the Board at a subsequent meeting.

Comments of the Chairman – Paul Beresford-Hill

Dr. Beresford-Hill opened his comments by describing his deliberately laissez-faire approach to Board matters during a year of transformative consolidation. Without exercising strong executive power, he afforded the Board and Working Committees the necessary latitude for determining the objectives, mission, and direction of the ESU as an organization.. He then expressed enthusiasm towards the upcoming centennial celebration and the opportunities that it will present.

Report of the President – E. Quinn Peeper

Mr. Peeper expressed similar enthusiasm for a “new day at the ESU” and the new administration’s work in shepherding the ESU in a new direction. He provided metrics on Board Giving over the past years and provided a reminder that the goal for 2019/2020 has been set at \$90,000. He then encouraged the Board to show organizational strength, both for prospective funders and members of the ESU, by attempting to reach this year’s goal. He reported that, while it was early, the campaign had raised \$15,750.

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Report of the Executive Director – Karen Karpowich

Ms. Karpowich expressed gratitude towards the Board Members for their guidance, friendship and their work in the committees. She updated the Board on staffing changes in the National Office that provided mobility and increased responsibility to middle managers. Additionally, she was pleased to report that obtaining the Certificate of Occupancy from the NYC Department of Building was, after years of effort, nearing completion. Ms. Karpowich reported that a fundraising strategy is being formulated with new Development Director Bill Edelstein and that staff in the Andrew Romay New Immigrant Center had a very successful meeting with the Andrew and Marietta Romay Foundation.

Ms. Karpowich was pleased to share with the Board news that the ESU had received a \$282,000 donation and suggested the division of those funds between the Shakespeare Fund, the Wrench Speaker Program and general operating funds. \$100,000 would be designated to both the general funds and the Shakespeare Fund, which, at that point, had approximately \$400,000 in funds, with the remainder being used for the Wrench Speaker Program. These donations will help the ESU reach its centennial fundraising goals for 2020 and provide leverage for seeking additional funds. Additionally, the Board was presented with a new health insurance payment split for National Staff that would change the amount the organization paid from 60% to 70%. The Board voted to accept and approve the distribution of the bequest's fund as well as to accept the executive directors report.

Report of the Nomination Committee – Duncan Karcher

Mr. Karcher presented candidates for the National Board of Directors. Seven candidates were up for re-election in addition to six new candidates. Re-election candidates were Dr. Paul Beresford-Hill, Julia Hansen, Donna Miller, Daryl McCormick, John Raffaeli, Charles Reeves and Susan Sinclair. The Nomination Committee recommended that Charles Reaves' term would be extended by one year so that a new audit committee chair could be identified and trained.

From the new candidates, David Martinelli, Noel Sloan and Ralph Wyndrum were accepted previously to fill vacancies in June 2019. Three other new candidates joined them on the slate: Barbara Hughes, Frederick London and Jill Richardson. The motion was made, seconded, and unanimously approved to present the Nominating Committee's slate to the Membership at the Annual General Meeting on Sunday, November 3. Mr. Karcher reminded the Board that the bylaw of the ESU allows for 20 - 35 Board Members and, as the Board was at 25 Members, there should be an active effort to increase the number of Board Members by adding four new candidates each year as a minimum.

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The Board then discussed the possibility of setting an attendance requirement for Board Members at 75%. Mr. Karcher also noted that Mathew West and Lisa Kressbach had resigned from the Board. The Board then agreed that, after being elected to the Board of Directors, the members should identify in which committees they would prefer to serve. After submitting their committee preferences, the Chairman would organize committees for the coming year and the Executive Director would be asked to schedule and organize meetings for the calendar for the year. The motion was made, seconded and unanimously approved.

Report of the Finance Committee – John Raffaeli

Mr. Raffaeli presented the financial records of 2018/2019. He stated that the market decline, continued spending on National Headquarters and slowing revenue growth caused the net assets decrease from \$18.4 million to \$13.1 million.

Operations Revenue grew slightly due to an increase in the Board designated funds as a result of positive market growth and a successful fundraising event that raised 75K.

Mr. Raffaeli stated that the Finance Committee estimated that after reconciling all the accounts and cash the ESU will end the year with an operating loss of \$53K. Overall expenses increased slightly to \$2.44 million from \$2.32 million.

He then reported that the Morse Asset Management's report showed a strong performance from the ESU portfolios. He noted that funds from Branch Membership dues were declining and suggested that a committee dedicated to Branch matters could be an option to increase Branch Memberships.

Report of the Audit Committee – Charles Reaves

Mr. Reaves reported that the audit for the last year was underway and that the auditors hope to have all information before December 2019. He noted that the audit for the year has been clean and the auditing company is content. The problem of the audit fees between Branches was addressed and Mr. Reaves assured the Board that the committee will discuss changes that will be proposed to the accounting firm. An audit Committee meeting will be scheduled for January 2020. Mr. Reaves then presented a plan in which the Audit Committee would ask the accounting firm to audit the Branches with significant assets only once every two years.

Report of the Bylaws Committee – Jeffrey L. Schnabel

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Mr. Schnabel reminded the Board that Matthew West resigned and a new committee chair will be assigned. Due to these changes, the committee only met once in May and was unable to proceed on or finalize any of the discussions and progress made.

Mr. Schnabel highlighted committee discussions on the review of the mission statement, membership dues and their presentation in different documents, and the presence of regionality in the current Bylaws. He also added that the committee saw issues relating to the language of filling vacancies and the term limits of Regional Chairs as presented in the Regional Manual. Mr. Schnabel suggested that if the committee had another term it could continue looking into these issues but other committees might need to take part in solving them. He added that the Board should also address some of the issues before they could be managed by the Bylaws Committee. The Board then discussed the possibility of the Bylaws Committee becoming a permanent committee. Dr. Julia Van de Water submitted that the idea that any evaluation of the Bylaws being “premature”, as stated in Mr. Schnabel’s report, was never mentioned and asked that it be removed.

Mr. Beresford-Hill stated that, looking at the *raison d’être* of the Bylaws Committee, there might not be need for it as a continuous standing committee. However, the Bylaws Committee will have an additional year to finish its report to the Board.

Report of the Education Committee – Karen Blair-Brand

Dr. Blair-Brand reported that the Education Committee has been a very productive committee this year. It developed a Shakespeare Committee that consists of ESU Branch members around the country. The Shakespeare Committee removed the fee of \$75 in an effort to make the competition accessible and expand outreach. Dr. Blair-Brand reported that only Member-Managed Branches that are unable to pay the \$600 participation fee, will be required to pay the \$75 school participation fee. She then highlighted that fundraising on a national as well as on the local level is necessary for the stability of the competition. She also submitted that the committee is working to increase social media visibility of the education programs as well as the Branch scholarships. Dr. Blair-Brand also introduced the Board Members to an acapella group which would like to work with the ESU.

Report of the Development Committee – E. Quinn Peeper

Mr. Peeper reported that the Centennial Working Group has been very active and productive in recent months. The Centennial celebration which takes place in New York in 2020 is expected to draw significant international interest. He expressed that participation in the Board Giving Campaign is extremely important because foundations often demand a 100% giving record of the Board of Directors from organizations receiving donations.

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Mr. Peeper then provided an update on the 2019 Annual Appeal, which will include customized letters to five different constituencies: Secondary School Exchange, Luard-Morse Scholarships, English in Action/ARNIC, Shakespeare, and a general appeal to those not affiliated with any specific program. In addition, National Patrons will be able to attend a special reception at this year's conference at the DACOR Bacon House.

He then reported the findings of the Centennial Branch Working Group and thanked branding agency Odgis +Co for gathering and considering Branch Members opinions on how the ESU would like to be presented.

Mr. Peeper affirmed that the Evelyn Wrench Speaker Program will be supported so that it will be financially stable in the future. The program has a centennial funding goal of \$600,000. He stated that one of the most important goals is to secure the Shakespeare Competition's future and to reach its centennial funding goal of \$800,000. Fundraising for the programs will be an essential part of the centennial campaign.

Mr. Peeper also reported that in June 2020 there will be an event hosted by ESU France, Celebrating the Centennial of ESUUS and he has offered to perform in the event. He invited everyone to participate. Mr. Peeper then reported that in November 2020 there will be a Celebration and Concert at the United Nations and The Princess Royal has been invited. In addition, the Centennial Working Group is planning an event for the Branches to celebrate the centennial together.

Report of the Strategic Planning Committee – Julia Hansen

Dr. Beresford-Hill reminded the Board that the recommendations of the Strategic Planning Committee will be addressed by the Executive Committee and, therefore, any binding decisions will not be made at this time.

Ms. Hansen presented the Strategic Planning Committees goal was to review the 2016 plan and create a new document to guide the organization. She stated that the committee had made nine recommendations for an updated long-range plan that were presented at the previous Board Meeting. Ms. Hansen then proposed to move for an approval of the committees report and its recommendations.

The Board discussed whether the report could be fully approved at this time as the recommendations therein affected a broad scope of other committees' work and functions. The Board then passed a motion to commend the Strategic Planning Committee on their work and accept the report and recommendations pending review by the Executive Committee. The Board also set a timeline that the final report would be submitted at the June 2020 Board Meeting. The

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motion was seconded and unanimously approved. The minutes of the Board of Directors meeting on June 14, 2019 were addressed and the details on the Strategic Planning committee recommendations would be added for review at a subsequent meeting.

Dr. Paul Beresford-Hill thanked and commended Mary Alice Phelan for her six years of service in the ESU. He also thanked Dr. Karen Blair-Brand for revitalizing the Washington D.C. Branch for the conference.

The Board then unanimously approved Dr. Beresford-Hill to continue a final term as the ESU Chairman pending his re-election at the Annual General Meeting.

Dr. Beresford-Hill announced that Karen Karpowich will be continuing as the Executive Director of the ESU.

For his final remarks, Dr. Beresford-Hill proposed the Board to establish a 2020 scholarship for the 2019 public speaking award winner in London to come to New York and perform internationally.

The meeting was adjourned at 12:22 PM.