

# MINUTES

## BOARD OF DIRECTORS MEETINGS

**Teleconference  
5:00 p.m. (Central Time)  
Wednesday, May 21, 2014**

**and**

**Teleconference  
6:00 p.m.(Central Time)  
Wednesday, June 11, 2014**

**and**

**Wednesday, July 9, 2014  
Caesar's Palace Hotel  
Last Vegas, Nevada**

### **WEDNESDAY, MAY 21, 2014**

The following Members of the 2013-14 Board of Directors were in attendance for the entire teleconference meeting on Wednesday, May 21, 2014:

J.C. St-Onge	Immediate Past President	Saint-Jerome, Quebec
Ron Huxley	President	Thedford, Ontario
Kenneth Garner	President-Elect	Fort Worth, Texas
Michael Goldman	Director	Davie, Florida
Paul Lucas	Director	Odessa, Texas
Marlene Phillips	Director	Windsor, Ontario
Rick Quinlan	Director	Bellevue, Nebraska
Marc D. Katz	Director	Berkley, Michigan
Benny Ellerbe	Executive Director	St. Louis, Missouri
Absent:		
James A. Oliver	Director	Valencia, California
Excused:		
Stéphanie Thériault	JOOI President	Saint Ambroise, Québec

**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.**

Immediate Past President J.C. St-Onge called the teleconference meeting of the 2013-14 Optimist International Board of Directors to order at 5:10 p.m. via Go To Meeting. J.C. St-Onge and Ron Huxley took turns chairing the meeting. Ron Huxley was appointed by J.C. St-Onge to be the parliamentarian for the meeting.

## **REPORT OF THE AD HOC TRANSLATION COMMITTEE**

### **Interpretation for the 2014 Convention**

Rationale: The Ad Hoc Translation Committee is presenting a proposal from two companies (one for interpretation and one for technical support and equipment). Immediate Past President J.C. St-Onge stated that the proposals from the new companies will save approximately \$5700 at this year's convention. The equipment proposal is good for five years. The committee will investigate the viability of purchasing equipment and amortizing over five years. It is suggested that future interpretation needs at Governors and Governors-Elect Conferences at the conventions be done by volunteers eliminating the need for the expense of a contractor. Using volunteers and giving them a stipend (such as convention registration or a per diem) will benefit the organization even more.

#### **Motion adopted**

#### **Phillips/Katz**

That the Board of Directors endorse a contract with Bilingua Interpretations and CCR Solutions for interpretation and technical services for the 2014 Convention.

## **REPORT OF THE AD HOC STRUCTURE COMMITTEE**

### **Presentation of Optimist International State of Affairs**

Rationale: The Ad Hoc Organizational Structure Committee would like to have two of the International Board of Directors, present a PowerPoint presentation to the delegates at the 2014 International Convention that depicts the current state of affairs the organization is in and is facing for the future. The presentation will tastefully explain the current situation of membership decline and the necessity of a change in direction. The Committee feels that the membership must be informed and that the Board's constituents be assured that the Board is taking action and doing all it can to reverse the current trend of membership decline. Membership must be informed that a decline in membership means fewer youth served and fewer dollars to serve youth.

#### **Motion adopted as amended**

#### **Goldman/Phillips**

That the President and President Designate ~~To have two current members of the Board of Directors~~ present a PowerPoint Presentation to the membership during the opening business session of the 2014 Optimist International Convention in Las Vegas on the situation the organization faces.

## **Proposed Optimist International Restructuring**

Rationale: After several teleconference meetings, the Ad Hoc Organizational Structure Committee is ready to propose a restructuring of Optimist International that will help communications from Optimist International directly to Optimist Clubs in the hopes of helping Clubs increase their membership thereby increasing the number of youth that Optimists are able to help. While Districts were originally created to provide a communication channel to Clubs and provide a resource of International leadership, the current trend in membership decline and a smaller pool of future leadership clearly demonstrates the current structure is not providing the administrative assistance to Clubs that was originally intended. The Committee has developed a plan that should reverse this debilitating trend. A proposed rendering depicts the basis of this new structure. In essence, the structure will create twelve Territories/Regions/Districts (or whatever name the Board should choose to call them). These twelve sections of Optimist International will oversee the Clubs in its respective area with a Vice President reporting to the Board of Directors.

**Motion adopted**

**Goldman/Quinlan**

**Opposed: Marc Katz**

That the Board of Directors propose the draft proposed Restructuring Plan to the delegates as presented in the proposed rendering and facilitate input from membership.

## **District Statistics for all Optimist Members**

Rationale: In order to move forward with a case for restructuring, the Committee feels that the membership should be informed of the dangerous decline in membership.

**Motion adopted**

**Goldman/Phillips**

To have the statistics available for every member for the last ten years for every District.

**Motion adopted**

**Quinlan/Lucas**

To recess the meeting.

There being no further business, the meeting recessed at 6:41 p.m. with the day and time to continue the meeting to be determined.

## **WEDNESDAY, JUNE 11, 2014**

The following Members of the 2013-14 Board of Directors were in attendance for the entire teleconference meeting on Wednesday, June 11, 2014:

J.C. St-Onge	Immediate Past President	Saint-Jerome, Quebec
Ron Huxley	President	Thedford, Ontario
Kenneth Garner	President-Elect	Fort Worth, Texas
Michael Goldman	Director	Davie, Florida
Paul Lucas	Director	Odessa, Texas
James A. Oliver	Director	Valencia, California

Marlene Phillips	Director	Windsor, Ontario
Rick Quinlan	Director	Bellevue, Nebraska
Marc D. Katz	Director	Berkley, Michigan
Benny Ellerbe	Executive Director	St. Louis, Missouri
Excused:		
Stéphanie Thériault	JOOI President	Saint Ambroise, Québec

Immediate Past President J.C. St-Onge called the teleconference meeting of the 2013-14 Optimist International Board of Directors to order at 6:07 p.m. via Go To Meeting and telephone.

**Motion adopted**

**Goldman/Lucas**

To reconvene the Board of Directors meetings that was recessed on Wednesday, May 21, 2014.

**OPTIMIST INTERNATIONAL DISTRICT 11**

Rationale from President-Elect Ken Garner: Optimist International District 11, aka “Tennessee” currently does not have a governor-elect for 2014-2015 and according to accounts from past governors and other OI Reps, the leadership pipeline within that district does not look good for the near future. Facts: After many discussions with the current and past governors, Vice President Willy Lee, Vice President Elect Lawson Headley, and myself, a Governor-Elect was identified in January 2014 but she was not able to attend the Governor-Elect Training in St. Louis. In May 2014, she had to resign due to health issues. Optimist International Foundation Executive Director went to the 3<sup>rd</sup> Quarter meeting of this district and met with some clubs and other past governors in the district in May. At my request, Steve talked with these past and current leaders about possible district leadership options. The only potential suggestions was to have a past governor serve for what would be a 3<sup>rd</sup> term in the past 20 years with the “hope” of finding someone for 2015-2016. As President-Elect, I met via teleconference with Vice President Lawson Headley and several International Staff regarding the District’s current condition to discuss ways to manage the District and help the current Clubs to flourish. Attached is an outline of how the District can be managed in the 2014-2015 fiscal year and what to do that is best for the future of the current Clubs in District 11. If approved by the Board of Directors, then the following would occur:

- a letter will be sent to all the Clubs of this district outlining the future plans prior to OI Convention.
- Clubs will be able to discuss the plans with the International Representative Mark Weinsoff and Senior Director of Membership Stephanie Monschien at the 2014 District Convention.
- As President Elect, I will be discussing these plans in detail with Governor Elect Glen Pool and Governor Elect Russ Thomas of the Districts 34 and 21 respectively as well as VP Elects Jan-Oord Graves and Deanna Morrow. These governor-elects will be encouraged to also reach out to clubs proposed to be added to their respective district and invite them to begin participating as well as begin consideration for rezoning.

As of the 2012 financial statements, District 11 reported approximately \$26,000 US in its’ bank account. It is suggested that these funds be allocated to scholarship endowments; however, current District leaders should be consulted as to the best way to allocate or distribute these funds. The current \$15 District dues will be collected by Optimist International during the 2014-2015 year to off-set the cost of the meetings and training that will be provided. Thereafter, the Clubs will pay the District dues in their respective new District.

**Motion adopted**

**Goldman/Phillips**

That pursuant to Bylaws Article VII, Section 1, the Board of Directors adopt the proposed plan to provide to support the Clubs of District 11 by the Optimist International Staff in the 2014-2015 year and then redistribute the clubs District 11 into the Districts 21 and 34, (aka Arkansas and Georgia).

**PRESIDENT-ELECT REPORT**

**2014-2015 President's Incentives**

President-Elect Ken Garner offered the following as his Presidential Incentives for the 2014-2015 fiscal year:

Points will be accumulated on a quarterly basis. The Districts and Region that has the most points will receive a paid registration for the New Orleans Convention for the first and second quarters and for the Quebec City Convention for the third and fourth quarters.

- A. Quarterly District & Region Awards-Top District In Each Region & The Top Region
  - 1. 10 points per New Club Built (Adult or JOOI)
  - 2. One point per New Adult Member added including Charter Members (No JOOI members)
  - 3. 120 Day List- 10 points each District that has two or less Clubs on the list at Quarter End.  
Bonus: 15 points for each District with no Clubs on the list at Quarter end.
  - 4. Foundations-One Point for every \$200 of unrestricted funds donated to either the OIF or CFoC during with Quarter with a limit of five points.
- B. Banner Award Program
  - 1. Club Level
    - a. One new roll-up Creed banner per Adult Club Built
    - b. One new roll-up Creed or Purposes banner for adding 15 New Adult Members (JOOI and Friends not included) Bonus: One additional new roll-up Creed or Purposes banner for adding another 15 New Adult Members (total of 30 New Adult Members)
  - 2. District Level
    - a. One new roll-up Creed or Purposes banner for having built three New Adult Clubs.
- C. Builders of Excellence  
New Clubs may be sponsored by two existing Clubs and up to four Builders of Excellence may be named.
- D. 30 Under 30 Program  
The 30 Under 30 Membership program will continue during the 2014-15 Optimist year. A New Member that is aged 30 or under may join Optimist for \$30 International dues and Registration fee for one year. When the year is over, the Member pays full International dues.

**Motion adopted**

**Garner/Quinlan**

That the Board of Director's approve the 2014-2015 President's Incentives as presented.

## Optimist Club of the Year Incentive

Rationale: President-Elect Ken Garner offered the following proposal with the hopes that the Incentive may become part of the Awards Program in the future:

Regional - The Optimist Club of the Year Award would be presented annually to the most outstanding Club in each Region based upon the following criteria:

	Maximum Points
• Service projects sponsored by the club	30 Points
• Member Development Programs a year	25 Points
○ i.e. PGI Program, O.I. Conventions & Summit, etc.	
• Club Growth & Increased Community Awareness Campaigns	25 Points
○ i.e....NOW Program, Marketing Campaign, etc.	
• Increase Volunteer Member Base	10 Points
• New Community Efforts	10 points

Points in each category will be awarded by independent judges based upon community outreach, impact on children & members, new & innovative ideas; and benefits to the individual club members. All clubs wishing to participate, will submit an application to Optimist International no later than 12/31/2015 for the Optimist year ending 9/30/15. Recipients of the “Optimist Club of the Year” will receive one paid Convention Registration, a Banner Patch, an award and the opportunity to compete for the Overall Optimist Club of the Year. Budget: \$2,500 Annually

International - Overall Optimist Club of the Year

The Overall Optimist Club of the Year is the highest achievement an Optimist Club can attain in the Optimist organization. The eight “Optimist Clubs of the Year” will be judged and ranked by multiple judges. The recipient of this prestigious award will be chosen regardless of number of members, or region and will be known as the “Best Overall Club” in Optimist International. Community outreach and impact on children and members from projects throughout the year will be considered as part of the judging (using same criteria as Optimist club of the Year.) The Club named Overall Optimist Club of the Year will receive one round-trip airline ticket to the Optimist Convention, a Banner Patch, an award, Special article in the Optimist magazine and on the Optimist website. Budget: \$600 Annually

### **Motion adopted**

**Lucas/Goldman**

That the Board of Directors adopt the Optimist of the Year program for the 2013-2014 and 2014-2015 fiscal years.

(Budget: FY 13-14 \$3,100; FY 14-15 \$3,100)

## 2014-2015 Leadership Summits

### **Motion adopted**

**Garner/Goldman**

That the Board of Directors approve the following dates and cities for the 2014-2015

Leadership Summits:

February 7, 2015	Tampa, FL
February 21, 2015	Anaheim, CA
February 28, 2015	San Antonio, TX
March 21, 2015	Nashville, TN
March 28, 2015	Richmond or Virginia Beach, VA
April 18, 2014	St. Lawrence Region

April 25, 2015      Kansas City, MO  
May 3, 2015        Minneapolis, MN  
May 30, 2015      Detroit, MI

## **AD HOC ORGANIZATIONAL STRUCTURE COMMITTEE REPORT**

### **Preliminary Restructuring Plan**

Rationale: After several teleconference meetings, the Ad Hoc Committee is ready to present a preliminary plan for developing organizational restructuring. The concept is to offer the membership several options for discussions:

- Option A:      Keep the Status Quo – no change in organizational structure
- Option B:      Restructure Optimist International into a number of territories
- Option C:      To allow Clubs to opt out of their Districts
- Option D:      A structure as yet to be determined

After offering the delegates and membership a chance to discuss and deliberate these options, the Committee will compile as much data as possible to determine what the membership and the committee feels is the best course of action for the Board of Directors to consider at the January 2015 meeting, if not before.

#### **Motion adopted**

**Phillips/Quinlan**

That the Board of Directors approve the preliminary course of action in developing a future proposal of organizational restructuring.

### **Call for the Need of Organizational Restructuring**

Rationale: The Committee offered a draft speech that has been prepared to present to the delegates at the July 2014 convention. This speech presents the basis for a call to action by the membership to request the Board of Directors to develop a change (or not) for the course Optimist International will proceed in to the future.

#### **Motion adopted**

**Goldman/Huxley**

That the Optimist International Board of Directors approve the draft speech to propose a plan for developing the need for organizational restructuring to be presented to the delegates at the July 2014 International Convention given by Immediate Past President J.C. St-Onge and President Designate Ken Garner.

There being no further business, the meeting recessed at 7:45 p.m. to reconvene on July 9, 2014.

**WEDNESDAY, JULY 9, 2014**

The following Members of the 2013-14 Board of Directors were in attendance for the entire meeting on Wednesday, July 9, 2014:

J.C. St-Onge	Immediate Past President	Saint-Jerome, Quebec
Ron Huxley	President	Thedford, Ontario
Kenneth Garner	President-Elect	Fort Worth, Texas
Michael Goldman	Director	Davie, Florida
Paul Lucas	Director	Odessa, Texas
James A. Oliver	Director	Valencia, California
Marlene Phillips	Director	Windsor, Ontario
Rick Quinlan	Director	Bellevue, Nebraska
Marc D. Katz	Director	Berkley, Michigan
Benny Ellerbe	Executive Director	St. Louis, Missouri

In attendance for a portion of the meeting:

Stéphanie Thériault	JOOI President	Saint Ambroise, Québec
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Also in attendance:

David Bruns	2014-2015 President-Elect	Topeka, Kansas
Judy Boyd	Director-Elect	Urbandale, Iowa
Susan Creswell	Director-Elect	Reading, Pennsylvania

**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.**

Immediate Past President J.C. St-Onge reconvened the meeting from June 11, 2014 and called the third regular meeting of the 2013-14 Optimist International Board of Directors to order at 8:30 a.m. There was an invocation by Paul Lucas, the Pledge of Allegiance led by Mike Goldman, and a toast to all countries with an Optimist Club was led by Marc Katz. President Designate Ken Garner led the recitation of the Mission Statement. Newly elected Board members President-Elect Dave Bruns and Board Directors Elect Sue Creswell and Judy Boyd were introduced.

**Motion adopted**

**Huxley/Phillips**

To appoint Past International President Robert Garner as parliamentarian for the meeting.

**ADOPTION OF CONSENT AGENDA ITEMS**

**Motion adopted**

**Phillips/Quinlan**

To adopt the consent agenda as amended.

## **Approval of Board Meeting Minutes**

**March 7-9, 2014**

**Motion adopted**

That the Board of Directors adopt the minutes of the March 7-9, 2014 Board of Directors meeting.

**April 2, 2014 E-ballot**

To extend the due diligence period of the building purchase agreement by 90 days.

**Motion adopted**

That the Board of Directors confirm the action taken on April 2, 2014.

## **Club Merger Request**

**Breakfast Optimist of Flint, MI (17055) into West Flint, MI (17425)**

Rationale: Optimist Clubs Breakfast Optimist of Flint (17055) and West Flint, MI (17425), request that the International Board of Directors approve the merger of these Clubs. The Club Charter of Club Breakfast Optimist of Flint, MI (17055) is surrendered effective as of June 20, 2014 as agreed by each Club's Board of Directors.

**Motion adopted**

That the International Board of Directors approve the merger of Clubs Breakfast Optimist of Flint, MI (17055) and West Flint, MI (17425) - (Charter of 17055 to be dropped without penalty), with its merged Club number as 17425 and adopted name and Bylaws under the West Flint, MI Optimist Club.

## **ADOPTION OF AGENDA**

**Motion adopted as amended**

To adopt the agenda amended.

**Phillips/Goldman**

## **PRESIDENT'S REPORT**

President Ron Huxley addressed the Board of Directors and reviewed his written report.

## **2014-2015 PRESIDENT-ELECT'S REPORT**

2014-2015 President-Elect Ken Garner addressed the Board of Directors and reviewed his written report.

## **2015-2016 PRESIDENT-ELECT'S REPORT**

President-Elect Dave Bruns addressed the Board of Directors and reviewed his written report.

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Benny Ellerbe addressed the Board of Directors and reviewed his written report.

### **Supply Operations**

Rationale: In order to provide for a stable platform for Club and member supplies, as well as to offer creative and competitive offerings, a new system of Club supply should be employed in the USA and Caribbean as per Board Policy ID-24 (currently utilized in Canada). An efficient and stable official supplier that will offer official Club supplies per our requirements, and several authorized vendors that may supply additional Club products with added value and creativity, is a critical need for our Clubs. We also are aware of many regional and local vendors that are engaged in providing products and materials to our Clubs using our logo and trademarks. This system, allowed under Policy ID-24, could also earn revenue for Optimist International by incorporating these suppliers into our Authorized vendor network. Currently, over ten regional type vendors, marketing a variety of products, have expressed interest in becoming an "authorized" vendor. Over the past several years we have utilized three "official" vendors, including Shumsky Enterprises, Promo Coral and Marketing Creative Concepts. Of these vendors, Shumsky, by far, excelled in fewest customer complaints and on time payments of royalty. In 2007, our royalty payment from Shumsky totaled \$37,393.14 on sales of \$351,096.00. Since we ended our relationship with Shumsky, member complaints, product quality, shipping costs, timely delivery, back orders and royalty payments have been areas of concerns. The concern expressed at the time we discontinued with Shumsky was creativity and variety of product line-up. By allowing "Authorized Vendors" combined with an Official Vendor, we would ensure a large very capable vendor for the USA and Caribbean for official Club supplies and several more regional vendors that would offer product variety and creativity.

#### **Motion adopted**

**Phillips/Garner**

That the Board of Directors directs the Executive Director to negotiate and execute an Official Vendor Contract with Shumsky Enterprises effective 10/1/2014 and to execute agreements with multiple "Authorized Vendors" as per Policy ID-24.

### **Board Policy ID-24 Revision**

#### **Motion adopted**

**Huxley/Phillips**

To revise Board Policy ID-24 by removing the strike out of the 10% in Section IV regarding Authorized Vendors paying a 10% royalty.

### **Gateway Brand Solutions Proposal**

#### **Motion adopted**

**Phillips/Lucas**

To approve Gateway Brand Solutions as being an authorized vendor and to encourage the executive director to continue seeking authorized vendors.

## **OPTIMIST INTERNATIONAL FOUNDATION REPORT**

The report of the Optimist International Foundation was presented to the Board of Directors by President Karen Monville. On behalf of the Board of Directors Marc Katz thanked President Monville for the report.

## **MARKETING & COMMUNICATIONS COMMITTEE REPORT**

The report of the Marketing & Communications Committee was presented to the Board of Directors by Committee Chair Ron Whitaker.

### **Reel Optimism Video Contest**

Rationale: A successful marketing program held in cooperation with the Optimist International Foundations for which a total of 20 Clubs submitted an entry. Clubs were asked to finish the sentence “*the greatest thing about being an Optimist is...*” and to include the hashtag #*ReelOptimism* in their video title. Five videos were selected as finalists and were posted on the Optimist International website where Optimist Members voted for their favorite. The finalist videos were also posted on the Reel Optimism Facebook page. Clubs receiving the most votes receive: \$1,000 Club Grant (first place), \$500 Club Grant (second place), \$250 Club Grant (third place). All Clubs that submitted a video are automatically entered into a drawing to receive a \$250 Club grant. Finalists videos will be shown during the Opening Ceremonies of the International Convention and the top three Clubs will be invited on stage to receive their grants as part of the Optimist International Foundation report during the Closing Business Session. Final results will be kept confidential until the actual on-stage presentation.

#### **Motion adopted**

#### **Phillips/Quinlan**

The Optimist International Board of Directors approve the Reel Optimism Video Contest as an ongoing marketing initiative, provided the Optimist International Foundation and Canadian Children’s Optimist Foundation continue to provide the funding necessary for the Club grant prizes.

Budget: None

On behalf of the Board of Directors, Rick Quinlan thanked Chair Ron Whitaker for the report.

## **BOARD POLICY I-138; CRIMINAL BACKGROUND CHECKS**

Board Director Paul Lucas addressed the Board of Directors and offered the following rationale: The Board of Directors of Optimist International has approved a policy requiring all potential nominees for the office of President-Elect to submit a current credit report to the Candidate Qualifications Committee, in recognizing that the information contained in this report is one indication of integrity, which is one of the traits considered by CQ in their review of potential nominees under I-130. This information is also considered relevant with the knowledge that the position of President also serves as

CEO of the corporation. Further, this position places certain personal financial pressures on the individual that they must be prepared to handle along with the other responsibilities inherent in the position. Further, past performance of personal financial obligations is deemed relevant to the requirements of this important fiduciary position. The purpose of the submission of these reports is to make the committee aware of any related areas of concern so that this may be considered in context within their overall deliberations. In order to accomplish this while maintaining the confidentiality of the personal financial information contained in a credit report, the following procedures shall be established by the Board and followed by the CQ Committee.

**Motion adopted**

**Goldman/Quinlan**

That the Board of Directors adopt the following as an addition to Board Policy I-138 as shown below.

- E. Additionally, Optimist International will require that any candidate for the office of President-Elect shall authorize a current credit report for review. Credit reports are considered current for a period of one year from the date of the report.**

**The Chair of the Candidate Qualifications Committee shall review the Credit Reports of finalists and nominees for the position of President-Elect, noting any areas of concern, and notifying the entire CQ Committee of such. Areas of concern would include:**

- **Bankruptcy (prior, current, or initiated)**
- **Foreclosure**
- **Foreclosure proceedings initiated**
- **Repossession**
- **Tax liens**
- **Judgments**
- **Collection action**
- **Charge-off or Compromise/settlement of obligations**
- **Late or delinquent payment of obligations**
- **High levels of personal debt (possibly necessitating further explanation)**
- **Patterns of the above over time**

**All members of the Candidate Qualifications Committee which utilize such information should be advised that such reports only detail information for the previous two to seven years, depending upon applicable laws that can vary by locale. Information contained in these should be considered in such context and in conjunction with the review of all relevant information and factors considered by the Candidate Qualifications Committee in the process of their process and deliberations.**

**The International Board of Directors shall be advised if a report of a potential President-Elect:**

- A. Indicates a problem of concern that requires further investigation; or**

**B. It is determined to have areas of concern sufficient to cause automatic denial of the right to hold this office.**

**In either case, the Candidate Qualifications Chair shall notify such person.**

**The Candidate Qualifications Committee may utilize this information in its deliberations, shall discuss any areas of concern with the candidate for explanation, and provide wise and appropriate counsel to candidates regarding the implications of such directly with the candidates, in the best interests of Optimist International. The Candidate Qualifications Committee (and the Board of Directors when applicable) shall maintain the highest level of confidentiality in such dealings, in accordance with Board Policy I-130 - Candidate Qualifications Guidelines.**

The meeting recessed at 9:35 a.m. and reconvened at 9:56 a.m.

## **CANADIAN CHILDREN’S OPTIMIST FOUNDATION REPORT**

The report of the Canadian Children’s Optimist Foundation was presented to the Board of Directors by President Duane Kelly. On behalf of the Board of Directors, Marlene Phillips thanked President Kelly for the report.

## **NEW CLUB BUILDING COMMITTEES REPORT**

The report of the combined New Club Building Traditional and New Club Non-Traditional Committees was presented to the Board of Directors by Committee Chairs Sandy Larivee and Dwight Phillips.

## **International Development Board Policy Changes**

Rationale: In recent years, there has been no success collecting dues from Clubs in Tier Three countries. Clubs are built and then revoked after a year. This proposed policy revision includes dues and the Charter Fee up front to insure at least one year’s worth of dues are paid by the Sponsor Club if they wish to form a Club in a Tier Three country.

**Motion adopted**

**Phillips/Quinlan**

**Opposed: Katz/Oliver**

That the Board of Directors adopts the revisions to Policy I-102 (International Development) as follows:

International Development

I-102

~~Optimist International’s primary focus for growth and Club establishment will be North America and the Caribbean. Optimist International will not provide materials for groups organized outside of this area of concentration, with discretion given to the Executive Director. If a group is organized in an International area, it is not required to pay a~~

~~Charter fee, insurance fee or International dues. Furthermore, these organizations will not qualify for the Awards and Recognition Program. Existing International Clubs will remain in their respective District until such time as they are no longer sustainable.~~

**Optimist International's primary focus for growth and Club establishment will be North America and the Caribbean. Optimist International will not provide materials for groups organized outside of this area of concentration, with discretion given to the Executive Director. If a group is organized in a developed international area\*, it is required to pay a Charter Fee, Insurance fee and Tier One International dues.**

**If a club is formed in a developing nation\* (excluding developing nations in the Caribbean), it shall be considered a Club Project. The Club or its Sponsoring Club would pay an Annual Franchise Fee of \$450.00 plus \$1.00 per Member each year on the anniversary date of the Club's Charter. In addition, a newly created awards i.e. an "Friend of International Accord award or banner patch or similar recognition) would be bestowed upon the Sponsor Club after one year completion as a Club. These clubs would not qualify for the Recognition Program or the BOE awards. They would be assigned undistricted status.**

**\*As determined by World Bank**

On behalf of the Board of Directors, Mike Goldman thanked Chair Sandy Larivee and Dwight Phillips for the report.

## **AUDIT & FINANCE COMMITTEE REPORT**

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

### **Budget for Fiscal Year 2014-2015**

Rationale: The International Audit and Finance Committee, in consultation with the President-Elect, established initial premises for the draft budget at its February 2014 meeting. The draft budget was presented to the Board in March 2014. As there have been no significant changes regarding the organization's plans for fiscal year 2014-2015, the only changes to the draft budget were to move JOOI activity to the Youth Programs Foundation budget.

#### **Motion adopted**

**Huxley/Goldman**

That the Board of Directors hereby approves the Fiscal Year 2014-2015 Budget as presented.

### **Master Schedule of Dues and Fees**

Rationale: The Budget for fiscal year 2014-15 includes a Cost of Living Adjustment of 1.5% to Base Dues. The proposed Master Schedule has been revised to account for the Cost of Living Adjustment.

**Motion adopted****Phillips/Quinlan**

That the Board of Directors adopts the Master Schedule of Dues and Fees as presented.

**Goods and Service Tax (GST) and Québec Sales Tax Rebates**

Rationale: During April 2010, we filed for Goods and Services Tax (GST) and Quebec Sales Tax rebates because of the determination by Raymond Chabot Grant Thornton, a major public accounting firm in Canada, that the Canadian Service Center operates for the purpose of supporting a United States Corporation - Optimist International. On June 13, 2014, Jacques Pelland had a conference call with Dominic Belley, our lawyer, and Guylaine Dallaire, the tax specialist from Grant Thornton, and they have received an offer they feel we should consider. The amount of the settlement is \$45,325.25 less attorney fees. Additionally, this settlement will impact our claim for the Quebec Sale Tax (QST) that was allowed and reversed after the Federal Government rejected our claim on the GST reimbursement. If we decide not accept this settlement, we run the risk of being offered a lessor settlement or being denied the full amount of our claim as well as negative impact to the QST claim.

**Motion adopted****Goldman/Quinlan**

That the Board of Directors accept the settlement proposal for claim for Goods and Services Tax (GST) input tax credits with the Department of Justice Canada in the amount of \$45,325.25 as presented.

On behalf of the Board of Directors, J.C. St-Onge thanked Chair Bob McFadyen for the report.

**DISTRICT FUNDRAISING REQUEST - QUEBEC EAST & ACADIA DISTRICT (55)**

Rationale by the QEA District: At its last Board of Directors meeting held on May 25, 2014, the East Quebec & Acadia District authorize Claude Cassista, Member of the Optimist Club of Pointe-au-Père (55579), to initiate the process of holding a lottery for the benefit of the District and its clubs. Whereas each year the District loses members and doesn't succeed in reducing its lost membership or in increasing its membership; Whereas the number of clubs diminishes year after year; Whereas these diminutions deprive the District of the necessary funds to provide club services and training; Whereas the number of members attending District Quarter Meetings and Convention is diminishing, which for the District means it reaches less members for information, training and growth support workshops; Whereas these situations are common to many Districts and produce the same results: loss of membership, diminution in leadership and repeat members year after year as Club Officers. Consequently The District believes that by enacting a lottery in which profits would be shared between the Districts and the Clubs would allow revenues to flow from the general public and not exclusively from the Members. The generated funds would be reinvested in Leadership within the East Quebec & Acadia District and in the Clubs. This is why we solicit the authorization of OI so that we can put a request forward to the R.A.C.J. (Régie des alcools, des courses et des jeux) the governing body that control all forms of lottery in the Province of Québec. The application has to be submitted as soon as possible so that this lottery can take place between September 2014 and September 2015, under Jacques Pelletier (55030) term in office, 2014-2015, as District Governor (55).

**Motion adopted**

**Quinlan/Goldman**

That the Board of Directors hereby approves the Quebec East & Acadia District's (55) request to hold a lottery fundraiser.

**AD HOC TRANSLATION COMMITTEE REPORT**

**Simultaneous Translation During Governor-Elect Training Sessions**

Rationale: This would not only save on transportation costs, but translation is not required. Hosting for an Anglophone President would be provided by one of our bilingual Members within the group. Trainers would be chosen from among Certified International Trainers and the Montreal staff could make the appropriate arrangements.

**Motion adopted as amended**

**Goldman/Katz**

That the Board of Directors ~~mandate~~ **allow** that the Francophone Governors- Elect attend their training sessions within their Region.

2014-2015 Financial impact: \$0CND

**Training in St. Louis with all the Governors-Elect**

Rationale: If this is the wish of the President, this option requires the use of simultaneous translation for Francophone members so that they may efficiently understand the tools and expectations of our organization.

**Motion adopted**

**Goldman/Garner**

That the Board of Directors ~~mandate~~ **allow** that two staff members of the Canadian Service Centre accompany the Governors-Elect to help with understanding and the translation of the discussions, which requires renting equipment to allow this.

2014-2015 Financial impact: Approximately \$800CND **plus** for equipment rental instead of \$6000CND for the simultaneous translation service.

**Simultaneous Translation During the Annual Convention**

Rationale: If the convention is so well attended that more headphones are required, it would be possible to rent these headphones. As far as training of Governors and Governors Elect during the convention, we suggest that this take place either the day prior or the day after the convention. This would save on translators having to be paid during the down time between the two events. Financial impact translators: approximately \$8000CND + equipment- rented or purchased. The annual budget for simultaneous translation is \$31,000 US for the Convention and the Governors Elect and Vice-Presidents Elect training. The 2012-2013 translation cost \$27,823US for the Convention and in 2013-2014, \$5,802US for the January 2014 Governor Elect and Vice- President training.

Here are the costs suggested by this Committee:

Training for Governors Elect in the Region: \$0CND

Training for the Governors Elect in St. Louis, MO: \$800CND (equipment rental)

Simultaneous translation at the annual convention: \$8,000CND + \$13,000CND (equipment rental)

Purchasing our own equipment:

At first glance we save approximately \$9,000CND for Optimist International. Obviously the Montreal and Ottawa will attract more francophone members and more equipment will need to be rented. This added cost would be offset by the revenue from the additional registration.

**Motion adopted to table to next Board meeting Lucas/Goldman**

That the Board of Directors ~~mandate~~ **allow** the continuation with *Bilingua Interpretation* and renting the necessary translation equipment.

On behalf of the Board of Directors, Paul Lucas thanked Chair Claire Labreche for the report.

The board recessed at 11:43 a.m. for lunch. The meeting convened in executive session at 1:00 p.m., recessed at 2:40 p.m. so that the Youth Programs Foundation Board of Directors could convene.

The Board of Directors held a Strategic Planning meeting from 3:00 p.m. to 5:12 p.m.

There being no further business, the meeting adjourned at 5:12 p.m.

Benny Ellerbe  
Executive Director/Secretary

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