

AERC BOD meeting November 9, 2020, 8 p.m. EST

President Nick Kohut DVM called the meeting to order at 8:05 pm EST.

Board members present- Olin Balch DVM, Michael Campbell, Connie Caudill, Monica Chapman, Jessica Cobbley, Chalice Coward, Gordie Cowan, Dawn Hilliard, Susan Garlinghouse DVM, Andrew Gerhard, Susan Kasemeyer, Nick Kohut DVM, Bob Marshall DVM, Mike Maul, Angie Mikkelsen, John Parke, Maribel Paulson, Naomi Preston, Heather Reynolds, Lisa Schneider, Christoph Schork, Mollie Krumlaw-Smith, Jan Stevens, Vance Stine, and Tim Worden. Also present were Executive Director Kathleen Henkel and Kyra DeMartini and Legal Committee members Marcel Smith and Barbara Baris.

Vance Stine made a motion to accept the agenda, seconded by Connie Caudill. Motion passed.

Lisa Schneider made a motion to excuse Stephanie Palmer-DuRoss due to employment conflict, seconded by Connie Caudill. Motion passed.

Michael Campbell made a motion to approve the October 12, 2020 minutes, seconded by Jan Stevens. Motion passed.

The following statistical report was presented by Kathleen Henkel.

Membership 11/15/19: 4972

Membership 11/9/20: 4315

Sanction fees 11/09/19 – \$ 14,695

Sanction fees 11/09/20 – \$ 11,140

Rider fees 11/09/19 - \$ 69,288

Rider fees 11/09/20 - \$ 27,716

New members as of 11/15/20: 617

New members as of 11/09/20: 495

John Parke updated the Board on the AERC Legacy Foundation (ALF).

He laid out three steps-

Immediate, intermediate, and lastly

1. The first item that needed to be completed was to open a bank account and deposit a check which was approved at the October meeting. Kathleen Henkel confirmed this was currently being handled.

2. Mollie Krumlaw-Smith has been in contact with a person working on a logo. This will go on the stationary and thank you notes. Will be completed by the end of the year.

3. The ALF Board, (Mollie Krumlaw-Smith, Mike Maul and John Parke), will have a meeting sometime by the end of the month or before December.

John Parke reported that the Foundation is ready to accept funds. He will be giving a webinar to interested members about estate planning. He also plans on having an article in Endurance News.

At this time, AERC's California nonprofit attorney, Christopher Delfino, joined the call to discuss and answer questions/concerns on the draft of the revision of the Bylaws.

Lisa Schneider reviewed the specific bylaws, from the August 31st draft, on which the Board had questions during the previous call. Below are some highlights from the discussion.

Bylaw- 4.06 "Policy" shall mean any rule, policy or procedure adopted by the Board or any committee to which such authority was delegated by the Board.

Reference to "policy" which Christopher Delfino explained would keep things open and flexible. No need to put every detail in the bylaws but have in policies which are "adopted by the Board". John Parke would like to see another term used instead of the word "policy". Christopher Delfino stated the word "policy" is used 23 times in the bylaws but could be changed to another terminology as long as it is consistent. He also pointed out that the words "adopted by the Board" could be added in this bylaw.

Christopher Delfino went on to say that the Bylaws are the constitution of the organization which captures the high level of running the organization. Other items which may change from time to time should be in a policy. An example is the Conflict of Interest policy which should be separate from the bylaws as this will need updating more often so needs some flexibility.

Bylaw 7.15 This bylaw explains the removal of a director. Do we want a standard for the removal of a Board member? John Parke said we have rules that are specific on the removal, but questioned if the basic Board could make a motion to remove a Board member or is that going too far? John Parke will come up with some examples that may help the Board before they vote.

Bylaw 11.01(e) This bylaw concerns the P&G Committee. Christopher Delfino would like to see a policy or procedure set forth and adopted by the Board in which a protest would be heard. Such as who attends, time frame with more detail in the policy. John Parke questioned if it is possible for the P&G Committee to impose fines for rule violations like other organizations?

Christopher Delfino recommends that the Board give authority to the committee in the committee's charter. He stated that before a committee is formed a charter should be created and adopted by the Board which would make clear the authority of each committee. Kathleen Henkel stated that each committee currently has a charter which she will send out to the Board on Tuesday. Lisa Schneider recommended the charters to be updated to include more detail on the procedures.

Christopher Delfino added Bylaw 18 which concerns indemnification- California corporate code (5238A). Christopher Delfino recommends putting this in the bylaws as the organization will be governed by it regardless. He explained indemnification- If a Board or committee member, agent or employee is sued and has acted in good faith and reasonably believed to be in the best interest of the organization, then the organization will advance the cost (or pay after) with the agreement that the person will pay it back if they went beyond what they should have done and not met the standard. If the person acted in good faith and in the best interest of the organization, then the organization would accept the cost.

Bylaw 18.02 says the organization will purchase D&O insurance and 18.03 the Directors will not be held personally liable.

John Parke believes members deserve to be educated on the revised bylaws before asking them to vote. He volunteered to work on ways to inform members such as a webinar or another article in Endurance News.

John Parke stated he will work on the following bylaws and will send to Christopher Delfino and the Board his suggestions for 4.06 (consider another word for “policy”); 7.15 Will give examples and also give examples on indemnity; 11.01 A little tweak on P&G authority. He will have this completed by the December meeting.

Lisa Schneider said that moving forward, our next steps are for John Parke to send his suggested tweaks to Christopher Delfino and then for him to send the final version Bylaw draft to Kathleen Henkel, who will then distribute to the Board to discuss changes at the December meeting. Lisa Schneider reminded the Board that work will continue on the policy manual, specifically the COI and the ADA policies.

John Parke moved to adjourn at 9:25 pm, Susan Kasemeyer seconded. Motion passed.

Respectfully submitted by Connie Caudill, AERC Secretary