

**Minutes of Board of Directors Meeting
Society for the Preservation and Encouragement of
Barber Shop Quartet Singing in America, Incorporated
March 22, 2015**

Meeting called to order by President Don Fuson at 7:00 p.m. Central Time on March 22, 2015.

The following action was taken:

Quorum: President Fuson confirmed the presence of a quorum.

The following officers were present:

Officers

Society President Don Fuson
Society Immediate Past President Shannon Elswick
Society Executive Vice President Skipp Kropp
Society Treasurer Dwayne Cooper
Society Executive Secretary Marty Monson

The following Board Members were present:

Gerry Borden
Doug Brown
Clarke Caldwell, Harmony Foundation President/CEO (non-voting member)
John Donehower
Dick Powell
John Santora

The following Board Members were absent:

Ed Bittle

Society Staff

Erik Dove, CFO
Chip Gallent, Director of Operations
Patty Leveille, Executive Assistant/Office and HR Manager

Guests

President Fuson recognized guests:

- Noah Funderburg, Chair of Governance and Bylaws Committee
- Chris Buechler, Bylaws Committee

Waiver of Notice Requirement

Motion made, seconded, and passed to consider the following reports:

- February Financials
- BHS/HFI overview
- G&B Status Reports

These documents were not received within the two-week window before the Board meeting, to be discussed and considered for action.

Additions to the Agenda

There were no additions to the agenda.

Minutes

Motion made, seconded, and passed to approve the February 22, 2015 Society Board WebEx minutes as amended.

OLD BUSINESS

Financial

CFO Erik Dove presented and reviewed financial reports for the Years ending December 31, 2014 as well as February Financial reports. Discussion was held.

Mr. Dove requested the Board adhere to the submission of expenses within a 30 day period of the expense.

Motion made, seconded, and passed to receive the CFO/Treasurer Reports as presented.

Program Funds

In January CEO Marty Monson reported to the Society Board on his discussions with the Harmony Foundation Board of Trustees and his subsequent meeting with the BHS Finance Committee held by teleconference on January 19, 2015. Specifically Mr. Monson discussed the

Harmony Foundation's desire to revisit conversations held at the end of 2014 regarding BHS's offer of support to assist in HFI's debt reduction plans. Following discussions with the Finance Committee, the committee expressed its support to pursue discussions with HFI and recommended that the two CEOs of BHS and HFI as well as the Society President and HFI Board Chair convene to discuss options and ensure the parties' interests were aligned, bringing in their respective counsels, Noah Funderburg and Jim Warner, as needed to help word the potential proposals.

The meeting as described above was held and a resolution was developed and presented to the BHS Board of Directors for adoption. The Board voted at its February 22, 2015 meeting to adopt the resolution as presented. Following the adoption of the resolution the resolution was shared with the auditing firm of both BHS and HFI. The firm suggested a few changes to the resolutions wording which would offer greater clarity to the resolution.

The Board discussed the new proposed resolution to gift to Harmony Foundation International up to \$775,000 and the following motion was made. Motion made, seconded, and passed to adopt the Resolution to Gift up to \$775,000 to Harmony Foundation International, Inc.

The resolution adopted at this meeting (March 22, 2015) is worded as follows:

Restated Resolution Regarding Use of the BHS Program Fund

WHEREAS, on February 22, 2015, the Board of the Barbershop Harmony Society (BHS) passed a resolution asking the Harmony Foundation Inc. (HFI) to agree to dissolve the Program Fund, which consists of funds of the Society held by agreement by HFI and,

WHEREAS, upon reflection and advice of counsel and the BHS's auditors, certain wording in paragraphs 1 and 4 of the original Resolution needs to be modified to make clear the intentions of BHS and HFI regarding the use of the proceeds of the aforesaid Program Fund, BE IT

RESOLVED, that this Resolution shall restate, supplement, and replace the Resolution of February 22, 2015 to more clearly establish the intentions of BHS and HFI regarding the termination of the Program Fund and the distribution of its proceeds as follows:

Resolution to Gift Up to \$775,000 to Harmony Foundation International, Inc.

Whereas the Barbershop Harmony Society (the "Society") and Harmony Foundation International, Inc. ("HFI") desire to restructure their combined financial statements to reduce outstanding indebtedness; and

Whereas HFI has managed a program fund for the Society that has been unused for several years with no strategy or plan to optimize its uses; and

Whereas the elimination of HFI indebtedness will allow HFI to invest additional funds in Society outreach programs and accelerate HFI's fundraising efforts for the benefit of both organizations; now, therefore, be it

Resolved, that the Barbershop Harmony Society ("Society"):

1. Approve use of the Program Fund in an amount up to \$775,000 to be structured as a gift to HFI (the "Gift"). The Gift will be conditioned upon HFI using such Gift to pay down HFI's indebtedness: [(a) bank line of credit; (b) individual notes; and (c) HFI's long-term architect fees payable to BHS] with the balance to go to HFI's Investment Account holding HFI's endowment funds to satisfy the HFI endowment loan.
2. Recommend that the HFI Board of Trustees approve and consent to such use of the Program Fund at its earliest opportunity;
3. Direct the Society CEO and CFO to take such steps as are necessary to effectuate the completion and accounting for the Gift; and
4. Direct the Society CEO and CFO, together with HFI, Noah Funderburg, Jim Warner and such other parties as are necessary to take steps to dissolve the Program Fund and that the remaining assets in the Program Fund will continue to be held by HFI (and invested) for the benefit of BHS until further direction for disbursement is received from BHS.

Small Board Resolution

Governance and Bylaws Chair Noah Funderburg present for the Board's discussion a resolution pertaining to Small Boards. Discussion was held and the following motion was made. Motion made by the Governance and Bylaws Committee that the Society Board adopt the Small Board Rules as the same as set out in the most recent edition of Robert's Rules of Order until such time as the Society Board votes to use the standard Robert's Rules or otherwise amends the Society Bylaws to adopt another form of governing procedure.

Motion passed.

The Small Board Resolution adopted is as follows:

Special Rules for Small Boards Robert's Rules of Order, Newly Revised, 11th Edition

"In a board meeting where there are not more than about a dozen members present, some of the formality that is necessary in a large assembly would hinder business. The rules governing such meetings are different from the rules that hold in other assemblies, in the following respects:

- Members may raise a hand rather than standing when seeking to obtain the floor, and may remain seated while making motions or speaking.
- Motions need not be seconded.
- There is no limit to the number of times a member can speak to a debatable question. *Appeals, however, are debatable under the regular rules – that is, each member, (except the chair), can speak only once on debate on them, while the chair may speak twice.
- Informal discussion of a subject is permitted while no motion is pending.
- When a proposal is perfectly clear to all present, a vote can be taken without a motion's having been introduced. Unless agreed to by unanimous consent, however, all proposed actions must be approved by a vote under the same rules used in larger meetings, except that a vote can be taken initially by a show of hands, which is often a better method in small meetings.
- The chairman need not rise while putting questions to a vote.
- If the chairman is a member, he may, without leaving the chair, speak in informal discussions and in debate, and vote on all questions. **

* However, motions to close or limit debate, including motions to limit the number of times a member can speak to a question, are in order even in meetings of a small board, although occasions where they are necessary or appropriate may be rarer than in larger assemblies.

** Informal discussion may be initiated by the chair himself, which in effect, enables the chairman to submit his own proposals without formally making a motion as described on pages 33-35 [§4 of Robert's Rules] (although he has the right to make a motion if he so chooses.)

Year-long Governance Advocate Position

Mr. Funderburg discussed with the Board the language being proposed to the Board by the G&B committee for possible adoption by the Board for a new position to the Board, a Year-Long Governance Advocate. Discussion was held and the Board will discuss the topic again at its April 2015 Board WebEx meeting.

District Dissolution

Mr. Funderburg discussed with the Board existing wording of Society Bylaws which would cover the dissolution of a Society district. Discussion was held. No action was taken.

House of Delegates Rule Change

Mr. Funderburg discussed with the Board existing wording of the Society Bylaws which cover required District House of Delegate meetings. G&B will develop wording to address House of Delegate meeting requirements and will bring that to the Board for discussion and possible action at its April 2015 meeting.

Annual Planning Cycle

Skipp Kropp, Chair of the Annual Planning Cycle committee reported on the committee's recent progress towards establishing and implementing the metrics for the 2015 Society AIMs. The Committee is tasked with bringing a "first draft" to the Board's Annual Meeting to be held in June of 2015 and then a final package at the Board's November 2015 meeting.

CEO Report

Marty Monson updated the Board on the status of operations at headquarters. Staff members Chip Gallent and Erik Dove assisted in the presentation of the CEO's update to the Board. The report covered the following: American Chorus Director Association (ACDA), The Harmonizer magazine, introduction of Polecat II, Harmony University Online, CBQC video qualifications, BHS Member-at-Large (MBL), new membership cards, Pittsburgh convention, contest administration cost, HQ staff capacity management, Philanthropic Architecture Project, Leadership Development OPT, BHS insurance policy, IT project, district projects, AIC, and BHS building.

Mixed Harmony

President Fuson reported that Ron Morton of the Mixed Harmony Affiliate is working to develop district wide engagement regarding Mixed Harmony groups. BinG!(Barbershop in Germany), an affiliate of BHS is holding their Mixed Harmony contest in March of 2016. The Society hopes to send a Mixed Harmony representative.

The Board discussed the 2015 spring district conventions which have included mixed harmony groups within the district's conventions. Feedback indicates that the inclusion of mixed harmony groups at district conventions has been favorably received by Society participants, mixed harmony participants and audiences alike. In addition to Society contest participants, Society judges assigned to division and district contests have been offering evaluations to mixed harmony groups participating in district conventions.

Future Schedule

The next scheduled Society Board of Directors Meetings is as follows:

4/19 and 4/26 WebEx Calls – Spring Meetings and full reports

5/17 on the calendar

6/21 on the calendar (if needed)

6/28 Sunday arrive in Pittsburgh by dinner (on your own) – 7-8pm Social with spouses and Candidates; 8-10 informal Board discussions

6/29 Monday – 8:30-4:30 p.m. Board meeting; dinner break; potential 8-10 informal discussions

6/30 Tuesday – 8:30-12:30 p.m. formal Board meeting; elections; formal business; lunch break; 1:30-4:00 pm if needed

CLOSING

Parking Lot

The following items are unfinished Parking Lot items from previous Board meetings:

1. The Executive Limitation Task Force recommends the Board discuss the appointment of a permanent Governance Advocate to insure issue-to-issue, year-to-year continuity. If taken this action would require modifications to Society Bylaws. (See ELTF final report-dated Dec.19, 2014)

2. The Executive Limitations Task Force report included several questions posed by the Task Force that need additional analysis to resolve.
3. Per Ethics Committee, ethics complaint matters need to be formalized and streamlined at the District and International levels. Ethics committee seeks feedback. Districts need to establish or identify District Ethics Chair.
4. International Competition policy passed with discussion to continue. Some aspects need to be filled in with greater specificity (admin fee).
5. G&B to bring potential HOD rule changes to Society Bylaws for possible Board consideration and action.
6. G&B to develop guidelines for Society Board teleconference vote procedures.

The following Parking Lot items were reported from this meeting (Feb. 22nd) by President Fuson:

7. Caldwell/Monson to update Board on status of BHS/HFI Resolution (updated status due prior to March 22nd WebEx)
8. Caldwell/Monson to provide update on the communication package regarding the BHS/HFI Resolution. (Two weeks prior to March Board meeting if not sooner)
9. Monson to provide the Board with convention updates for 2021-2022; Midwinter 2017-18/19. (two weeks prior to the April 19th Board meeting)
10. Fuson to include in future Board agenda: Board discussion on “Outreach”: No Strings vs. Philanthropic vs. Investment/R&D (April 19th)
11. Kropp to provide update on APC Metrics Mapping to 2015 AIMS. (two weeks prior to March 22nd Board Meeting)
12. Monson/Phillips provide the Board with an update on district Mixed Harmony activities; C&J review; 2016 Prelims (two weeks prior to March 22nd Board meeting)

13. Monson/Gallent provide the Board with an update/status on the At-Large Membership Process (Two weeks prior to March 22nd Board meeting)

The following Parking Lot items were reported from this meeting (March. 22nd) by Gerry Borden:

14. Powell to review the process of conference call notification
15. Dove to report on the accounts payable to chapter/districts
16. Dove to report on the Mid-Winter final income/expense report
17. Fuson/Monson/Dove to discuss the possibility of changing the Board WebEx meetings from the 3rd Sunday of a month to the 4th Sunday.
18. Monson to offer an update as to the closure of related follow-up to the HFI/BHS Resolution
19. Fuson/Funderburg Year-long Governance Advocate resolution (April 2015)
20. Monitoring of the 2015 AIMs and programs – monthly
21. Monson to offer updates on the Mixed Harmony Affiliate program – April
22. Annual Planning Cycle Committee to present to the Board, at its fall 2015 Board meeting, their proposed 2016 AIMs and Metrics.

Adjournment

The meeting was adjourned at 9:11 p.m. Central Time.

Respectfully submitted,

Martin L. Monson, Executive Secretary