

**Minutes of Board of Directors Meeting
Society for the Preservation and Encouragement of
Barber Shop Quartet Singing in America, Incorporated
March 26, 2011**

Meeting called to order by President Alan Lamson at 8:30 a.m. on Saturday, March 26, 2011.

The meeting was opened with:

The Star Spangled Banner, directed by Bill Biffle

O Canada, directed by Dwayne Cooper

The Old Songs, directed by Jim Sams

Reading of Mission and Vision Statements by Shannon Elswick

Invocation led by Ted Devonshire

The following action was taken:

Quorum – The secretary confirmed the presence of a quorum to President Lamson.

The following were present:

Officers

Society President Alan Lamson

Society Executive Vice President Shannon Elswick

Society Treasurer Dwayne Cooper

CEO and Secretary Ed Watson (non-voting member)

Society Immediate Past President Bill Biffle

Board Members

Rick Ashby

Clarke Caldwell, Harmony Foundation President/CEO (non-voting member)

Ted Devonshire

Don Fuson

John Miller

Gary Parker

Jim Sams

Society Staff

Patty Leveille, Executive Assistant/Office Manager/HR

Lorin May, Harmonizer Editor

Rick Spencer, Director of Operations

Heather Verble, Director of Finance

Paul Wietlisbach, Director of Education

Special Guests

Becky Harrell, CPA of Kraft CPAs PLLC

Bob Brutsman, Chairman of the Harmony Foundation Trustees

President Lamson recognized Executive Vice President Shannon Elswick. Motion made, seconded and unanimously adopted for the Board to go into Executive Session to discuss a Barbershop Harmony Society personnel matter.

Executive Session

The Board entered into Executive Session and then reconvened in open session.

President Lamson resumed the agenda.

Meeting Appointments

President Lamson appointed:

Don Fuson as Sergeant-at-arms

Rick Ashby as Keeper of the Keys

Jim Warner as Parliamentarian

Chris Buechler as Assistant Parliamentarian

John Miller as Parking Lot Attendant

Gary Parker as Governance Advocate

Minutes

Motion made, seconded and unanimously adopted: to approve the minutes of the January 26-27, 2011 Board meeting.

ADDITIONS to the AGENDA

Motion made, seconded and unanimously adopted to add the following additional agenda item which was not received at least two weeks prior to the Board meeting per Policy Manual 111A6:

- Ontario Harmony Brigade Subsidiary

Treasurer's report

Treasurer, Dwayne Cooper introduced Ms. Becky Harrell, CPA of Kraft CPAs to review, for the Board, her firm's audit results of the consolidated Barbershop Harmony Society/Harmony Foundation International for the calendar year of 2010. After Ms. Harrell's presentation to the Board a motion was made, seconded and unanimously adopted: for the Board to go into Executive Session to discuss the presented auditor's report.

Executive Session

The Board entered into Executive Session and then reconvened in open session.

The Treasurer introduced Society CFO Heather Verble who presented a review of the Society's February Financial Report and a summary report of the Midwinter convention.

Treasurer Dwayne Cooper presented his Treasurer's report to the Board. Discussion of how accounting procedures relating to the timing of dues payments was held (regarding non renewals and Easy-dues payments). The treasurer will update the Board on this topic at the 2011 Annual Board meeting at the International Convention.

Additional topics covered or discussed during the Treasurer's Report which calls for further action on the part of the Treasurer are:

- Request for a quarterly liquidity report given to the board prior to board meetings.
- Treasurer will offer to the Board an understandable explanation of consolidated cash flow.
- Treasurer will offer to the Board a consolidated Barbershop Harmony Society and Harmony Foundation International financial statement to give the Board a holistic look at the Barbershop Harmony Society financial structure.
- The Treasurer and others appointed will look at the three loan offerings to see if we may borrow more money from the banks in addition to the refinancing mortgage for the headquarters building.

Motion made, seconded and unanimously adopted that: the President will appoint a Management/Finance Task Force to examine the organization, structure and practices of the Barbershop Harmony Society and Harmony Foundation International which will define issues of financial management that do, or potentially could, create financial difficulties.

Motion made, seconded and unanimously adopted: to receive the Treasurer's report as presented.
Treasurer's Report (attachment #1)

Receipt of Reports

Motion made, seconded and unanimously adopted to receive the following reports:

- Operations Team
 - Chapter Support & Leadership Development Committee
 - Chorus Director Development Committee
 - Contest & Judging Committee
 - Events Committee
 - Marketing & PR Committee
 - Membership Committee
 - Music & Performance Committee
 - Youth In Harmony Committee
- Board Standing Committees
 - Annual Planning Cycle Committee
 - Board Education Committee

- Ethics Committee
- Governance & Bylaws Committee
- Hall of Fame Committee
- Honorary Membership Committee
- Joint Audit Review Committee
- Nominating Committee
- Chief Executive Officer
 - CEO report
- Reports of Liaison Board Members

OLD BUSINESS

Preliminary Contests Timing

The frequency and method of qualifying preliminary contests was discussed. The CEO reported that the topic of preliminary contest timing is ongoing between the Society, OT Events Committee and Districts. The CEO will continue discussions with the Society Events Committee, Districts and SCJC as to the option of Districts having the option to not hold Spring Prelims.

Strategic Planning Task Force progress

The Strategic Planning Task Force recommends to the CEO the following three strategies:

1. Implement a plan that demonstrates that Membership Growth is Job One.
2. Assist districts in developing a process for planting new chapters.
3. Develop a new external focus outreach that focuses on reputation improvement and also engages local chapters.

A discussion of when the TAG program will begin was held. Harmony Foundation funding will affect the starting date of the program's start date. The Society intends to begin the TAG program as soon as funds are available.

Board Education

Discussion of the Board education received earlier in the weekend was held. Overall the education was pointed towards improving the interaction and strengths of the Board's effectiveness. Committee Chair, Gary Parker asked the Board for suggestions for future Board Education topics. John Miller offered to present to the Board, at its fall Board meeting, a workshop on the topic of: How the World Views the Society. This will be reviewed with the Board Education Committee for possible implementation.

Affiliation of SABS

The CEO informed the Board that the Spanish Association of Barbershop Singers (SABS) has indicated their desire to affiliate with the Society. Paul Wietlisbach, Society Education Director is scheduled to attend the SABS spring convention this April. Mr. Wietlisbach will present to SABS leadership information regarding commitments to and from the Society should they choose to apply for Affiliation with the Society.

CEO

CEO Ed Watson presented his report to the Board. The following topics were covered: MPL's of Aims, Barbershop Harmony Society upcoming events, staff issues, Operation Team reports, 2010 Audit, Affiliate expenses versus cost, refinance of the headquarters mortgage, Chapter Achievement Program (CAPS), convention sites through 2019 and Executive Limitations.

NEW BUSINESS

Annual Planning Cycle

Rick Ashby presented the Annual Planning Committee's report which consisted of suggested additions to the current metrics of Society Aims. After discussion it was decided that the committee will continue its work defining the Aim's metrics. No formal action was taken.

Districts Liaison/Convention Representative

Shannon Elswick reported on the process of a reporting tool to be used uniformly by Society Board members while reporting on the districts as a Board Liaison. The differences between Board Liaisons to districts and Board Convention Representatives to districts was discussed and defined.

Cash Flow - Barbershop Harmony Society / Harmony Foundation International

President Lamson recognized Treasurer Dwayne Cooper who brought to the Board's attention an \$85,000 discrepancy between the Barbershop Harmony Society and Harmony Foundation International 2011 budgets. The Management/Finance Task Force, which is to be appointed by the President, will be addressing this continuity issue and will report back to the Board on its findings and recommendations.

Subsidiary - Ontario Harmony Brigade

President Lamson brought before the Board a request from the Ontario Harmony Brigade to become a subsidiary of the Barbershop Harmony Society. Discussion was held.

Motion made, seconded and unanimously adopted to approve the formation of the Ontario Harmony Brigade as a Society subsidiary, subject to the review and approval of Articles of Incorporation, Bylaws and other governing documents by the Society G&B Committee.

Governance and Bylaws

Jim Warner presented the committee's report to the Board. A discussion of ethics concerning chapter's having "permanent guests" was held. The President will reactivate the All Ages Task Force for the purpose of looking at the "permanent guest" ethics issue.

CEO Executive Limitations

Ed Watson presented his report on the Executive Limitations. The following Executive Limitations were reviewed and discussed with the Board: Financial Conditions, Asset Protection, Compensation and Benefits, Conventions, Expansion/Development of Barbershop Singing in the World and Membership Trends. Board members signed the CEO Monitoring Report indicating their acceptance of the report.

Governance Process

As called for in the Board Policy Manual, the following Governance Process policies were reviewed and it was determined by the Board that the Board was in compliance with these policies:

- Governing Style
- Board Job Description
- The Role of the Society President as Chairman
- Board Committee Principles
- Board Committee Structure
- Annual Board Planning Cycle
- Delegation to the CEO

CLOSING

Governance Advocate

Gary Parker reported that the entire Board meeting was exceptional, especially in light of difficult topics covered. Mr. Parker noted that in the face of the more challenging issues the Board went into areas of operation. Over all Mr. Parker reported that the Board did adhere to policy as defined in the Board Policy Manual.

Parking Lot

John Miller reported the following Parking Lot items:

1. Request for a quarterly liquidity report given to the board prior to board meetings.
2. Treasurer will offer to board an understandable explanation of consolidated cash flow.
3. Treasurer will offer to board a consolidated BHS and Harmony Foundation financial statement to give the board a holistic look of the Barbershop Harmony Society ecosystem.

4. Treasurer will get back to the board on accounting procedures relating to the timing of payment relating to dues – this relates to non renewals on a time payment. Report due for review by the Board at its July 2011 meeting.
5. We will look at the three loan offerings to see if we can borrow more money from the banks in addition to the mortgage for the headquarters building.
6. CEO will come back to the board with information regarding district's rights to not do a spring convention.
7. Continuing Board Education: Consider some level of optional sharing information on the strengths and weaknesses relative to personality test characteristics.
8. Continuing Board Education: The task force will discuss with John Miller the possibility of presenting to the Board at its fall Board meeting a workshop on the topic of: How the World Views the Society.
9. Review AIMS from the planning cycle committee at the summer board meeting with an eye on simplified focus.
10. President to appoint Management/Finance Task Force. Task Force to meet to address the pressing budget issues particularly pursuant to the disparity between the Harmony Foundation contribution to the BHS and the annual budget plans for the Society.
11. All Ages Task Force will be reactivated to look at the issue of permanent "guest" members.

Sergeant-at-arms

Don Fuson presented to the Board a humorous, thoughtful, and thorough report.

Adjournment

The meeting was adjourned with the singing of Keep the Whole World Singing, directed by Ed Watson.

Respectfully submitted,

E. D. Watson, Secretary