Board of Directors Meeting Minutes

January 25–26, 2014

Meeting: Face-to-Face, Denver, Colorado—January 25–26, 2014

Board of Directors: Bonnie Potter, President
Dianna Jordan, Vice President
Laurel Shouvlin, Secretary
Julie Delaney, Treasurer
John Ferrante, Director
Steve Hull, Director
Wayne Jarvis, Director
Andy Merriwether, Director
Scott Miller, Director
Tom Petersen, Director

Executive Director: Darby Vannier

Show & Marketing Division Administrator: Margie Ault

AOA Corporate Counsel: Sheri Visani (joined the meeting on Saturday, January 25th, at 2:45 p.m. MST)

Director Tom Petersen was unable to attend.

1.0 About Darby Vannier: Vannier briefly reviewed his educational and professional background with the Directors, as well as how he is accustomed to running the office. He also reviewed the core values of the Alpaca Owners Association, Inc.:

Integrity

- Honesty and candor in our dealings
- Observe the spirit as well as the letter of our bylaws
- Uphold our reputation for high ethical principles
- Do not compromise truth, ethics, or integrity to avoid controversy

Transparency/Leadership

- No political or personal agendas
- Avoid conflicts, or the appearance of conflicts, between our personal interests and those of the organization
- Avoid activities that may reflect adversely on our organization

Pride in Accomplishments

- Focus on accuracy of data
- Utilize the best science available
- Value high performance by staff and contractors

Service/Responsiveness

- Advocate for best interests of membership

2.0 AOA Team: Vannier briefly reviewed the members of the AOA team, their roles, and which location they are working from.

3.0 Formerly ARI Activities: Vannier reviewed the activities previously handled by ARI, including DNA testing, the history of the testing procedures, the panels that have been used, and the new marker panels that will be going into effect with the new software rollout later this year. He also reviewed the history of the various parentage validation laboratories that have been used through the years by ARI, including the current lab, DDC.

Vannier spoke to the Board about two member issues that the Registry staff has been dealing with for several months.

Discussion regarding the EPD program was tabled due to time constraints.

4.0 Formerly AOBA Activities: Margie Ault, Show and Marketing Division Administrator, provided the Board with a description and update regarding the activities formerly accomplished by AOBA. She related that this is obviously a very busy time of year preparing for the National Show, handling and answering questions about membership renewals, and answering calls from members with show registration questions. The transition to AOA as well as the National Show occurring earlier in the spring has heightened that activity.

Ault reviewed and answered questions regarding both internal and external marketing including National Alpaca Farm Days, the MAP program, the Alpaca Owners Guide, the Breeder Bundle Program, the ability for members to purchase and make use of leads and eBlasts, and *Alpacas Magazine*.

Ault also explained the Benefactor Program. The contributions from the Benefactor Program are used to advance special programs which promote the entire alpaca industry.

She also briefly described the activities surrounding the judge training and certification, show rules development and review, and show certifications.

The Nashville staff continues to facilitate the Student Design contest sending out Student Design kits to 200 universities each year. Approximately 100 students participate annually, and winners come to Nashville for an award celebration in February.

Lastly, Ault explained the communication and support offered to the affiliates with affiliate grants and marketing tools.

5.0 FYI: Vannier reviewed:

- Director expense reimbursement procedures.
- The Board Dashboard report that he provides monthly.
- The 2014 National Conference/Auction schedule.
- Harrisburg facility savings achieved in the last few weeks.
- The Annual Meeting which will be in a separate building and followed by the auction.
- Farm interviews that will be taped by the audio visual company hired for the National Conference and then used to create a 3 to 5 minute promotional piece for the alpaca industry.
- The Camelid Community Fiber Conference will occur August 8–10, 2014. The venue is still to be determined, but probably in Ohio or Pennsylvania. This conference will include all camelid species with focus on the use of their fiber.

AOA President Bonnie Potter started a discussion regarding how the Board will function.

The Directors agreed that they would adhere to the same “Rules of Engagement” that had been utilized during our meetings together when we were two separate Boards. The Directors also agreed that once the Board votes on an issue, we will all support the decision of the Board.

While recognizing that on occasion there will be exceptions, the Directors agreed that agenda items need to be submitted to the President or Executive Director seven days prior to the regular Board meetings.

Regular Board Meetings will occur on the 4th Monday of each month and will begin at 6:00 p.m. Eastern Time.

Logo Design: The original AOA logo that was proposed will not be used. Instead, Vannier discussed the options for development of a new logo. After some discussion Steve Hull made a motion for Vannier to spend up to $5000 to have a new logo designed for AOA. Dianna Jordan seconded the motion and it passed unanimously (9–0).

6.0 Board Communication: Vannier explained how email votes will work for the AOA Board. The 72 hour notice that was required for the AOBA Board is not necessary because email votes are ratified at the next scheduled Board meeting. As an email vote is taken, once the majority vote is met, the email vote will be considered passed.

In terms of communications to the membership, Bonnie Potter explained that anything organizational from Vannier must be approved by the President. Any communications from the President or the Board to the membership must be approved by a majority vote of the Board.

AOA Communication Policy: Vannier and Potter reviewed Policy 03-05 regarding director communication to members. Vannier will email that policy to the AOA Directors.

Communication with Staff: Vannier reviewed procedures regarding communication between staff, Board, and membership.

Organization Newsletter/Industry Newsletter: The current intention is to continue to produce a printed and mailed newsletter to the membership 3 or 4 times a year and perhaps call it the "Alpaca Link." Vannier also said *OneVoice* will be resurrected as an additional digital newsletter, primarily directed to the affiliates.

7.0 Ideas: Vannier described and requested input regarding some ideas to both inform and gain input from our membership. He would like to increase communication in both directions without creating more task forces, advisory groups, or committees, as those can be cumbersome for both staff and Board. He reviewed several potential tools that he is considering:

Biweekly Single Topic Questions on an Electronic Forum: Led by Vannier, this will be a branded forum that is open for 2 or 3 weeks per topic/question, and then closed. Availability will be announced by email or through electronic media. Directors will refrain from posting.

Member Town Hall Meetings: Led by Vannier via teleconference.

Surveying: Judicious use of surveys. An option to encourage participation could be the potential to win something if your submission is the randomly picked winner.

Presentation on Transition at Nationals: The consensus of the Board was that the annual meeting would be the best time to review the activities, both past, present, and future for the transition of AOBA and ARI into AOA.

Executive Director Updates Presented at Regional Shows and Meetings: Vannier will attend approximately four shows over the course of the year as he has in the past as ARI Executive Director, to speak about related AOA topics and communicate with members.

8.0 Transition:

Memberships and Membership Conversion: Vannier reviewed the current status of membership numbers and their conversion in the transition. Voting privileges are independent of either the Association membership or the Registry membership. In order to vote, members pay an additional $15. This added fee helps to cover the expense of the voting packet and election. The free Alpaca Owner membership still exists to allow owners to register and transfer their alpacas, however, as in the past, they will not enjoy any other benefits such as searching the registry databases.

Financial:

2013 Audits: ARI and AOBA 2013 audits will be happening over the next month, however due to the early nature of the show, we may not have audited financials back quickly enough to be printed for the Annual Meeting. They will be posted on the AOA website for members to view there. The books for AOBA were closed on January 13th. Because ALCI continues as a subsidiary of AOA, its books remain open.

2014 Audits: Will hopefully be limited to only AOA and ALCI.

Combining Bank Accounts: Eventually all of the accounts of ARI, AOBA, and ALCI will be combined under AOA. The money market accounts of both AOBA and ARI have already been converted to one account under AOA. Currently AOBA and ALCI each have one checking and one savings account in Nashville. The ARI checking, savings, money market, and investment accounts have already been converted to AOA.

Potential Staff Changes: At this point in time because some AOBA staff have already left the organization, there are only 5 staff members currently working at the Nashville office, and it will remain as such for an indefinite amount of time. Responsibilities of the AOA employees at the Lincoln office will expand to take more calls, relieving some of the telephone burden of the Nashville staff so that they can be freer to focus on their show and marketing responsibilities. Lincoln will eventually take on the fulfillment piece currently handled by the Nashville staff. The former AOBA Library will be moved to Lincoln.

Nashville Office Space: The lease for the current Nashville office space expires in June, 2014. Vannier, Ault, and Nashville staff member, Andrea Harrington, have researched and visited smaller office spaces available in Nashville to move into. They have found some good prospects that will offer excellent savings over the current lease and utility payments now incurred by the organization. These will probably be office buildings where individual offices can be rented, instead of leasing an entire office space.

Software Plan: Vannier informed the Directors that the ARI back office software has been re-evaluated over the last few months for improvements to increase its efficiency. This type of review was overdue for it had been 6 years since the last review. Staff is now beginning to also review the AOBA system with the software developer to begin planning the new website. Ultimately this will translate into combining the 6 AOBA websites with the 3 ARI sites. Vannier is hopeful that this portion of the software transition can be completed by the time 2015 membership renewal begins in the fall.

9.0 Board Expectation & Responsibility: AOA Attorney Sheri Visani joined the meeting at 2:45 p.m. and left at the break at 5:45 p.m. MST. She provided a brief description of her past involvement with ARI and the alpaca industry dating back to 2000.

Due Diligence: Visani reviewed the Directors' obligation to perform due diligence in its decision making processes.

Indemnification: Directors are indemnified by the AOA.

Representation: Visani also reminded the Board that Board Directors are elected to govern the organization. While Directors are elected by the organization membership, Directors do not represent the constituents, but instead represent the best interests of AOA.

Checking Email: To keep the work of the Board moving as efficiently as possible, President Bonnie Potter reminded the Directors that it is imperative that they check, read, and respond to emails as quickly as possible.

10.0 Legal: Significant agreements and contracts between the organization and any outside parties will be completed by staff and reviewed by AOA Attorney Sheri Visani.

11.0 Decisions & Approvals:

Investment Account Signers Approval: A motion was made by Miller and seconded by Shouvlin for Bonnie Potter, Julie Delaney, and Darby Vannier to be named the cosigners to the investment account. Motion carried unanimously (9-0).

Office Hours: After discussing that having two sets of hours for the Lincoln and Nashville offices created confusion for both members and staff, difficulties with Holidays, and that many more calls are answered by the Lincoln office throughout its 10 hour days, the Board agreed that the Nashville office would move to the same schedule as the Lincoln office. Those hours are Monday through Thursday, 7:30 a.m. to 5:30 p.m.Central Time. Those extended hours allow members greater opportunity to reach the office staff.

Ribbon/Award Expenses: The Board discussed the expenses associated with the ribbons and awards for the National Show. Because championship banners are awarded, Delaney moved that for the 2014 National Show, AOA will proceed without awarding the stone trophies, Ferrante seconded. The motion passed 7 to 2 (opposed were Hull and Miller).

Miller moved that AOA establish AOA Breeder Cup Awards to be housed at the AOA office, annually engraved with the winners' names, and brought for display to the National Show each year. In place of receiving a cup, a unique award will be given to the exhibitor to offer recognition for winning the Breeders Cup. Hull seconded the motion which passed unanimously (9-0)

Leadership Council: Jordan moved and Miller seconded the motion to form the AOA Leadership Council to include various affiliate and industry leaders, as well as AOA Committee chairs. The motion carried unanimously (9–0). It is hoped that Tom Petersen will serve as Board liaison to this council and run the meetings.

12.0 Board Related:

Meetings: Regular meetings will occur on the 4th Monday of each month at 6 p.m. Eastern Time. The goal will be to keep the meetings to less than 3 hours (ultimately less than 2 hours). The next scheduled meeting will be Monday, the 24th of February. The following meeting will be a face to face meeting at the National Show and Conference.

Ratification of Email Votes: Miller moved to ratify the email vote regarding the election of officers. Hull seconded and the motion carried (9–0).

Board Member Pledge: President Potter is going to put together a pledge for the Directors to sign.

Minutes Approval: The motion to approve the minutes of 13 January, 2014, was made by Miller and seconded by Jordan. Motion passed (9–0).

The AOA Magazine President's Message: Potter circulated her letter for inclusion in the next issue of AOA Magazine. The motion to approve publication of that letter was made by Jarvis and seconded by Hull. Motion carried (9–0).

Committee Evaluation: The Directors discussed the committees that previously served AOBA and ARI. Due to changes in staff and Executive Director Vannier overseeing the work of AOA, it was determined that some past committee work will now be handled by staff.

Merriwether moved, Jordan seconded, and the motion passed unanimously (9–0) to approve the following committees:

Show Rules Advisory Committee (SRAC)

Judge Training and Certification Advisory Committee (JTCAC)

Judges Advisory Committee (JAC)

Government & Industry Advisory Committee (GIAC)

Petitions & Appeals Committee: Miller moved, Hull seconded, and the motion passed unanimously (9–0) to approve the Petitions & Appeals Committee with Jarvis, Potter, and Merriwether seated as its members.

Marketing Advisory Committee: The Board discussed the formation of a Marketing Advisory Committee. No decisions were made and this will be discussed further at the next Board meeting.

Membership and Grants Committee: The Board reached consensus that the work of the Membership and Grants Committee will now be handled by AOA Staff who will compile the grant request information for the Board of Directors to approve/disapprove. The Directors discussed that while we will no longer have this committee, it is still very important to give members value for their membership. Vannier affirmed that every program and policy he, Ault, and staff are addressing has value for our members as its focus.

Fiber and Finished Products Advisory Committee: The Board discussed the formation of the Fiber and Finished Products Advisory Committee. No decisions were made and this will be discussed again at a future meeting. There was brief conversation about creating an updated version of the Fiber Resource booklet.

The Board discussed member education and decided that no committee or task forces are necessary for educational pieces at this time. Educational pieces will be handled by staff with suggestions for topics to come from directors and members.

Committee Liaisons: Hull moved and Jordan seconded that the Board appoint Miller and Delaney to serve as Board Liaisons to the Show Rules Advisory Committee, Judge Training and Certification Advisory Committee, and the Judges Advisory Committee. Motion passed (9–0). Jordan made the motion to appoint Potter to serve as Board Liaison to GIAC. Hull seconded and the motion carried (9–0).

Other Things to Approve: There were several items from activities formerly handled by AOBA that required AOA Board approval. Miller moved, Ferrante seconded, and the motion carried (9–0), for the Board to approve the three items below:

The updated 2014 Show System Handbook;

The list of AOBA Certified Judges who are now called AOA Certified Judges;

The Judge Agreement, Disclosure, and Consulting Contract forms that were given to the Board for review.

James G. King Award and Shining Star Awards: Miller moved and Ferrante seconded that the James G. King be awarded to both Gordon Anderson and Bill Coleman. The motion passed unanimously. Miller made the motion to award the Shining Star Award posthumously to Fred Obenchain. Ferrante provided the second and the motion carried unanimously (9–0).

2015 Nationals: Vannier passed out a spreadsheet developed by the staff demonstrating the available dates, venues, their costs, and conflicting alpaca shows to the Board. He reiterated the need to select a sight as soon as possible for next year's show. There were 2 venues that showed the most promise. Vannier and the Nashville staff will investigate these further and have something for the next meeting.

2016 Nationals: Vannier hopes to have a similar spreadsheet for the Board to review for the location of the 2016 National Show. There is always difficulty resolving the cost of the venue, the best location to bring high attendance to pay for that venue, and the need to have something reasonably located for members from all over the country. Vannier hopes that the Board will be able to decide upon a location for 2016 soon after the Nationals this spring, and then immediately begin work researching a venue for 2017.

Budget: Vannier related that he and Ault have been reviewing and consolidating the AOBA accounts. This consolidation must occur before the AOA budget can be developed. He hopes to have that completed by the time the Board meets for Nationals, so that there is a Budget for Board review and approval.

Vannier also updated the Board on the process that will be used to expand the accounts in the AOA books to include the necessary accounts for the addition of the activities previously accomplished by AOBA and ALCI.

Miller moved to adjourn 11:11 p.m. MST.

Respectfully submitted,
Laurel Shouvlin, Secretary