

Minutes for MFF Board Meeting of Feb 09, 2020

All board members in attendance: Timothy Wood (Woody), Toby Muroso (Perro), Ian Layton (Rama), Lara Lester (Datahawk), Vince Lopez, Cheetah Goletz, and Robert King

Guests Online: Kale, Piper, Chad

Guests: Theome

Absent: none.

AGENDA

- Roll call and Quorum check
- Approval of Minutes
- Bylaw change to separate Chairman of the Board and President
- Election of Board members (Due for election are Robert King, Woody, Perro)
- Election of Officers
- Board Member Search (Lara)
- SEI Search
- Contract Review
- Old Business
- New Business
- Code of conduct update to correct classification of minors at MFF

Meeting start time – 10:37 am

Welcome!

Roll call and Quorum

full attendance

Approval of Minutes

Data sent in the missing info.

Approved - unanimous

Bylaw Change

Discussion of division of current President's role into Chairman of the Board and President/CEO.

Chairman of the Board handles Policy, Direction, and Governance. President/CEO handles the executive functions, executes the business of the corporation, and ensures legal compliance with the state and federal government.

The Board of Directors' primary responsibility in a corporation is the establishment of policies and direction for the corporation. But only executive staff (officers) are legally able to bind the corporation (and thus do business). Board members legally have three duties – including duty of loyalty (to act in the best interest of the corporation). Corporate executive staff serves at the pleasure of the board. The split of COB and President allows the work to be spread between two people.

(example discussion of the executive work involved with maintaining our charity status with the state, plus several other heavy bureaucratic burdens: Workman's comp, Dunn and Bradstreet, Septigo, etc.)

If the Chairman of the Board and President/CEO role is combined, the responsibility is very heavy. While we as convention runners are most concerned about the convention, the outside world is most concerned about our corporate paperwork.

Note: there are two kinds of Illinois charities: those that collect funds from within their membership and those that collect funds from outside – we need to be the former. We cannot take money from anyone who is not a convention member.

(further discussion of the complex behavior responsibilities of a charitable corporation) This is not just about contracts.

We don't have to do this. But it gives us more flexibility.

Note: Cheetah received a letter from his insurance company that his personal liability insurance does not apply because he is an executive officer in a corporation. So executive officers need to be aware that their personal liability insurance can be impacted.

Regarding elections: Perro has agreed to stay on. Perro will help us with the new business, specifically filling new board seats and shouldering the considerable executive load. This will also give us additional time to do our due diligence and evaluate the new board members carefully. (We need a description of what it is like to be on the board – including little facts like you will probably at some point have to go against the positions of your friends, you could wind up in court, you can be sued, much of your life can be exposed to the public and put into public record, and you can be vulnerable to malevolent external agitators) Cheetah suggests deferring adding new board members.

Perro: He is deeply concerned. He is getting better, fewer panic attacks. He doesn't want to block new members from joining the board due to his presence. He feels he can see some unique opportunities for improvement. Cheetah is doing a lot of work. We need to corporatize Vince's job and Cheetah's job. Too many of us are untrained, under-trained, or self-trained and we need to hire professionals with credentials. We need a tax accountant that is more capable.

Cheetah – we need an outside counsel. Professional expert counsel.

Perro: This is us. We need to streamline. We are figuring out all of this as we go. Sometimes we shoot from the hip. But we can't solve everything that way and stay sane.

Cheetah – we need to farm out any work that CAN be farmed out. Perro is very insightful on this and he can spearhead this.

Robert – we are still technically on agenda item “Bylaw Change”, can we bring the discussion back to the agenda?

(discussion of how the bylaw change influences the workload that will fall on the president and thus what measures are needed to try to offload the current president role – all is related)

Robert – gave an explanation of proposed division of President/CEO role and Chairman of the Board role

Cheetah – note that the Chairman of the Board has the Bully Pulpit.

further discussion of roles of President/CEO and COB. For example, we are implementing the policy that “Anything that requires a signature and contains any verbiage must be cleared by contracts and risk.” This is an example of new policy originating from the board that must be put into execution by President/CEO.

Theome – The Bylaws need a clear description of COB role vs President/CEO role.

(discussion that this bylaw change was designed as an option to offload Cheetah. But Cheetah is going to go strictly corporate this year and set aside his convention work which should make the need for this bylaw change less urgent)

We need legal and accounting help. We may have a serious audit coming up soon (if we have bad luck). John Fam will be taking over much of Vince’s con side work. But the bylaws currently require the Treasurer to serve on the concom. A minor bylaw change may be needed. Perro is going to work to address all the areas where we need outside assistance. We must harden the corporation. Cheetah will continue in his role of contract review and he has a head of Amazon risk who will be assisting him which should be of significant help.

Action item Cheetah: Bylaw change to allow the treasurer to not have to be on the concom in person.

Perro – In addition to Cheetah, He expressed his thanks to Robert, to Woody, to Rama, to Data, and to Vince.

Cheetah now believes he can do the historic combined President role (Prez/CEO/COB) with the offloading of his convention responsibilities. (with the board’s agreement)

Perro – if we can successfully offload Cheetah with “hired guns”, keeping the President role as-is seems more efficient.

Rama – we don’t want a repeat of last year with Cheetah burning out. But if we can push this towards hired guns, we don’t need the bylaw change.

Vince – It needs to split. Worried that the hired guns thing might not pan out.

Rama – If we can't get the hired guns solution to work in four months, then we should reexamine the bylaw change to offload Cheetah.

Vince – I'd rather see proof that it can be done by the end of the quarter (end of March). (too soon?)

Woody – Not in a hurry to split the position until we need it.

Motion to table. Passes unanimously.

Election of Board members

Members up for re-election: Timothy Wood (Woody), Robert King, Toby Murono

(Toby Murono is NOT resigning. But he agrees to speak up if he suffers due to this load. Discussion)

Nomination of these three board members for re-election. All nominations accepted.

Motion for slate re-election of these members. Ballots distributed and collected.

Slate re-election unanimous

Election of officers

Discussion of who wants what roles. Woody is willing to take VP Operations. All but President uncontested. Woody considering it, but he also sees advantage to leaving it with Cheetah.

Two candidates for president: Timothy Wood and Cheetah Goletz. We will attempt to resolve by seeing if either candidate will get a majority in the election.

Election of officers by paper ballot. Ballots distributed and collected.

Treasurer – Vince Lopez – unanimous

Secretary – Robert King – unanimous

VP Contracts and risk – Cheetah – unanimous

President – 4 votes for Cheetah, 1 vote for Woody, 2 abstains. Cheetah wins. (4 out of 5 is 80%, which is greater than 75%. Abstains do not count in computing the fraction)

VP Operations – Woody – unanimous

SEI Search

Tabled – unanimous

Contract Review

Thank you everyone who read and discussed the proposal that went out by email – it says there needs to be a general corporate requirement that anything that has verbiage and a signature, must go up to contracts and risk. We have not had sufficient tracking and oversight of all contracts in the past and we need to correct that. We need to review and mark up terms and conditions and right now that all goes exclusively through Cheetah.

We are discussing bringing on Judd Schapiro (Rattnip) as Assistant Director of contracts and risk. He has worked for Citibank and Amazon. This will require a board vote and a resolution to institute the aforementioned policy. Judd has helped other non-profit events outside of furry.

This would give Cheetah a second. We just need to consider any possible conflict of interest with Amazon.

Potential Motion in two parts – First, adopt the resolution that anything that requires a signature in the conduct of operations and contains verbiage (beyond an amount due) must be first reviewed by contracts and risk. General agreement was expressed, but we need to see the final wording.

Motion – table this to email – unanimous

Second part – Judd Schapiro. It is noted that he will have to recuse himself from reviewing cases involving Amazon.

Motion – bring on Judd Schapiro as assistant director of contracts and risk.

Motion passes – unanimous

Old Business

Ban letters – they will go out with tracking in the next few days. No new issues.

New Business

Code of Conduct update

The wording is unclear? (discussion) Woody says the wording on the website is confusing. There is a slight difference between it and Registration wording.

Motion – Table to email — Unanimous.

Bylaw issue

Proposed revision to bylaws to not require the treasurer be on the concomm. This does not scale.

We want to correct this and add a sentence to say “The convention chair shall appoint a convention finance director and that individual must be a member of the corporate Treasurer’s staff and the individual must also be approved by the Treasurer”

Table to email – unanimous.

Board Member Search

Board Search (Data) – resumes now available online to board members. Questionnaires are now out and we are collecting answers to the questions. We still need the Board member warning document.

We need to have board applicants speak at the next in-person meeting and we need to inform the candidates what is expected of them at the next meeting.

Action Item Robert – follow up with Crypto to get the Board member responsibility document.

Action Item Cheetah – explain why it is very difficult to be both corporate counsel and a board member and publish this.

Budget Preview and Financial Update

Treasurer – We have 364,730 dollars (up 63,000 from same time last year). We could give all the work to a hired gun, but we already have a migration plan with Xero in motion as well. We have almost finished the numbers for 2019 and then we'll give the final data to our CPA to finish up this year.

Cheetah – we should consider that we bump out our Fiscal year. (discussion)

Cook County Taxes – looks like we will not be required to pay for 2019.

Action Item Cheetah – Follow up on this.

Meeting closed at 12:46 PM