

TOASTMASTERS INTERNATIONAL
Rancho Santa Margarita, California

Minutes of the Meeting of the 2007-2008 Board of Directors
Westin South Coast Plaza Hotel, Costa Mesa, California
February 13 - 16, 2008

INDEX

Committee of the Whole – Page 4	Strategic Planning Committee – Page 8
Executive Committee – Page 4	Advisory Committee of
MAE Committee – Page 5	Past Presidents – Page 9
DA Committee – Page 6	Nominating Committee – Page 9
GAP Committee – Page 7	

The February meeting of the Board of Directors of Toastmasters International for the 2007-2008 administrative year convened at 8:00 a.m., February 13, 2008, President Chris Ford, DTM, Chairman, presiding. The other officers and directors present were: Barnhill, Schmidt, Johnson, Uy, Albert, Haynes, Holliday, Howard, Kelly, Mull, Murad, Nicholson, Proctor, Rich, Smith, Snyder, Southwick, Thompson, Tinker, Wagenknecht, Wan and Yen. Executive Director Donna H. Groh and Nonprofit General Counsel Greg Colvin were also present.

The Minutes of the August 13-15, 2007 and the August 19, 2007 Board meetings, as well as the August 17, 2007 Annual Business Meeting and the Minutes of the November 10-14, 2007 and the January 2, 2008 teleconference meetings were approved previously by electronic ballot.

It was moved, seconded, and carried, that the Minutes of the December 15, 2007, Board meeting be approved in the form previously distributed to all Board members.

PRESIDENT'S REPORT

President Ford reported on his Presidential activities since August 2007.

Six months ago, you elected me as your International President; six months later, I still have the job. Hopefully you're as happy about this as I am! No one knows for sure when they take on a new position just exactly how it will unfold. Job descriptions, guidance from others, and war stories from predecessors are all very helpful, but it's not until you're actually doing the job that you really find out what it's all about. And what it's all about, in my humble opinion, is the awesome opportunity to help shape the lives of so many men and women around the world, and in so doing, contribute to the shaping of the world itself.

Another thing I've learned about this job is that it's akin to a relay race, wherein each member of the team carries the baton for a set distance, doing as much as is humanly possible to contribute to the team's success. Thanks to those who have carried the baton before me, and those who will carry it after me, Toastmasters International is an extraordinarily successful organization. How do I know? Because I've seen the team in action!

Carole and I have had the privilege of visiting team members in six districts: 11, 21, 33, 40, 43 and 61. If these six districts are any indication of the success of our program, then we're definitely on the right track! Proof is in the fact that everywhere we went, our members showed such energetic commitment to our communication and leadership programs, and such concern for its continued health and growth. It's the health and growth of our organization that is both a source of strength and a huge challenge for us all.

That is why your Board of Directors has spent much of its productive time in recent months on "shaping the future" of Toastmasters International. We know that our organization cannot continue to manage unprecedented world-wide growth in a "same-old, same-old" construct. We also know that change is never easy, that it can be threatening and destabilizing, yet at the same it can open the doors to immense possibilities for the greater good of our organization and its members. You will hear later in this meeting where we are now with our governance re-shaping proposals, and the Board's intentions regarding preparing proposals to bring to the membership at a future annual business meeting.

Our organization is member-centric and volunteer-driven. We are unique in the world. No one else out there does quite what we do: helping men and women become the very best they can be, in a very user-friendly and value-for-money construct. It is not surprising that we have no direct competition, but that does not give us the liberty of resting on our laurels. Again I go back to the change agenda. If we want to remain the very best in the world at what we do, we must be on the leading edge of change or risk becoming irrelevant. I believe the strategic direction set by previous Boards provides both the guidance and the impetus to ensure we attain our "Big Audacious Goal" – to become the world's undisputed expert in communication and leadership skill development.

We, the volunteer leaders, cannot do this alone. On your behalf, I commend the staff at World Headquarters who work tirelessly on our behalf to provide efficient and effective service to our members, clubs and districts world-wide. They have done this though some trying times, for example, the fires of Southern California last fall which came dangerously close to threatening the WHQ building, as well as the properties of some staff members. The staff also supports (or endures?) the "bright ideas" generated by the Board, and that could be dangerous work too! A simple thank you would obviously be insufficient, yet at the same time it says it all: thank you!

At just past the halfway point of the Toastmasters year, it looks like another very successful year in the making. Success of course means different things to different people. For me this year, success is about “shaping ourselves ... shaping our world”. If you’re in better shape, and your world is in better shape, thanks to your Toastmasters experience, then we are indeed successful!

EXECUTIVE DIRECTOR’S REPORT

During the last six months, much of our focus has been on collecting information and preparing materials related to the governance reshaping project. An electronic survey was conducted in October, to determine understanding and support for the various elements of the reshaping project. The survey was sent to approximately 1200 members and 515 responded.

The results of the survey showed strong support for many of the proposed changes, including the extension of regions worldwide and the addition of region advisors to assist district teams. Concerns were expressed about how districts will have a voice in the selection of both region advisors and international directors, as well as how the relationship with the international director may change. The greatest number of questions and concerns surfaced in relation to the proposed changes at the district level. For example, since very little information had been provided about the role for a district governor-elect prior to the survey, there were many questions about how that role would support the current district governor and not create a distraction from the current year’s goals.

A very significant finding related to the difference in how the changes were viewed by different segments of the respondents. For example, while a majority of past leaders were opposed to changing the path to become district governor, the majority of future leaders supported that change. If the organization is to continue to be relevant in the future, it must make decisions based on data that reflects the way different generations want to experience the participation in and benefits of our programs.

We have continued to make progress on a number of our strategic objectives. Our first strategic objective is to consistently achieve membership growth. Membership payments are up from last year, although new club charters are down somewhat from last year.

We have some exciting developments relating to our corporate relations initiatives, which will help us achieve our second strategic objective - Increase the recognition of Toastmasters International as expert in the fields of communication and leadership. Specifically, we are piloting a program with Caterpillar University to provide advanced communication workshop materials to supplement the basic Speechcraft and club participation.

We have taken a renewed focus on exhibiting at relevant training and leadership conferences, such as Training Magazine Conference & Expo, Society for Human Resource Management (SHRM) Conference, and American Society for Training &

Development (ASTD) Conference. Local Toastmasters volunteer their time to represent Toastmasters, along with the marketing team from World Headquarters. All new club leads obtained at these conferences will be given to the appropriate districts to aid in increasing corporate club charters.

In the last few months, we have made some significant progress with the youth project and we will be piloting that program in the summer and fall of 2008. This is directly related to our 4th strategic objective - Provide programs that are adaptable for different generations and cultures, and for emerging technologies.

Another area of focus has been on translation of materials into various languages and we have published a number of new manuals recently, which is directly related to achievement of our 4th (see above) and 6th strategic objective - to achieve excellence in the quality and consistency of programs, products, processes and services throughout the organization.

COMMITTEE OF THE WHOLE

The Board reviewed and accepted the year-end Financial Statements and the independent auditor's report.

EXECUTIVE COMMITTEE

The report of the Executive Committee was presented by Senior Vice President, Jana Barnhill, and covered the following:

1. As required by law, the Committee approved the signatories on district bank accounts, including the districts involved, the names and locations of the financial institutions, and the names of the persons to be added or dropped as signatories since the prior Committee meeting.
2. Senior Vice President Jana Barnhill, as Finance Officer of the Board, gave a report of her visit to World Headquarters, including a review of the World Headquarters operations and the Executive Director's expenses, as required by Organization Guide V 4.
3. The Committee reviewed the report of the independent audit firm for fiscal year 2007 and recommended acceptance of the report.
4. The Committee reviewed requests from Districts 81P, 82P, and 85P to become full districts and recommended approval for each district, effective July 1, 2008.
5. In accordance with the requirements of the California Non-Profit Integrity Act (NIA) of 2004 and the February 2005 Board resolution, the Committee reviewed the compensation of the Executive Director and the CFO to assure that their compensation is reasonable compared to similar organizations. The California

NIA also requires the Board to appoint an Audit Committee which is separate from the Finance Committee of the Board. Past International President Alfred Herzing, DTM, served as the chairman of the Audit Committee for the fiscal year 2007, with Past International President Terry Daily, DTM as committee member. The Committee recommended that Mr. Daily be appointed to serve as chairman of the Audit Committee for the 2008 fiscal year and that Past International President Jon Greiner, DTM, also be appointed to serve on the Committee. The Committee recognized Mr. Herzing's contributions and thanked him for his service on the Audit Committee for the last three years.

8. The Committee reviewed Policies and Procedures Section VI D 12 Toastmasters International Reserves, and requested staff to obtain an expert valuation of replacement costs for the WHQ building and equipment in order to determine adequate allocation in the reserves. This will be reviewed at a future meeting. Additionally, the Committee discussed aspects of future fiscal strategy related to how reserves from the sustaining fund are used.
9. The Committee conducted its annual review of the Executive Director's performance and commended Executive Director Groh for her efforts and outstanding contributions during the past year. The Committee also approved a compensation package for the Executive Director for the 2008-2009 year, relying upon written submissions, including comparative salary data. While the Executive Director was excused from the room, the Board reviewed confidential advice in writing regarding compliance with excess benefit rules under Section 4958 of the United States Internal Revenue Code.

It was moved and carried that all items of the report of the Executive Committee be accepted and the recommendations and actions of the Committee be approved.

MARKETING AND EDUCATION COMMITTEE (MAE)

The report of the Marketing and Education Committee was presented by Chairman, Second Vice President Gary Schmidt, and covered the following:

1. The Committee focused on the continuing development of the Region Advisor concept. The Committee recommended creating an evaluation process for the Region Advisors (RAs) that would be used by the Board as a tool to assist in consideration of future appointment. This process would include:
 - Written evaluation conducted twice a year
 - Evaluation from individuals with whom the RAs work closely. For example, the Region Advisor Marketing would be evaluated by the LGMs, the International Director and the two other RAs.

The Committee also discussed qualifications for service as an RA and determined that candidates must:

- Be a Toastmaster in good standing, of a club in good standing, within the region of appointment.
- Have served as a district governor, or LGET, or LGM, or is uniquely qualified in the area of specialty.

Further, the Committee discussed training of RAs:

- RAs will receive a full day of training on the day preceding the June district officer training.
 - The training will be created by WHQ and conducted by WHQ staff, the International Director(s) and International Officer(s) in attendance.
 - Training may be held during the International Convention.
2. The Committee conducted the triennial review of the Distinguished Club Program. The Committee recognized that many clubs are unaware of the Distinguished Club Program (DCP) and suggested:
- The DCP wall chart be distributed free to all clubs each year.
 - The DCP be promoted to newly-chartered clubs via club mentors.
 - That districts promote the DCP instead of their own programs.
 - That the one of the duties of the proposed district governor-elect position (under the proposed new governance system) will be to coordinate this program.

The Committee did not recommend any changes to the DCP for the 2008-2009 year but directed World Headquarters staff to analyze modifications to the program to:

- Encourage participation and achievement by new clubs.
- Motivate low-member clubs.
- Achieve more distinguished clubs each year.

It was moved and carried that the report of the Marketing and Education Committee be accepted and the recommendations and actions of the Committee be approved.

DISTRICT ADMINISTRATION COMMITTEE (DA)

The report of the District Administration Committee was presented by its Chairman, Senior Vice President Jana Barnhill, and covered the following:

1. The Committee reviewed and validated district officer job descriptions and recommended minor revisions to the district governor role in order to clarify the relationship between the regional advisor leadership and district governor and some enhancements to the district governor-elect role that could include, but are not limited to, oversight of the Distinguished Club Program. The job descriptions

will be finalized by WHQ staff. Additionally, the Committee approved the development of district officer agreements to facilitate in clarifying expectations and defining learning objectives for each district officer position . The Committee also requested that WHQ staff define a template for district use.

2. The Committee explored adding an evaluation component to district officer roles and recommended that WHQ staff determine the feasibility of creating advanced leader manuals for each officer role. Additionally, WHQ staff was asked to conduct further research to identify an online leadership assessment tool that could be used as a starting point for determining an individual's leadership path.
3. The Committee recommended that WHQ staff conduct further research and analysis on enhancing the success metrics of the Distinguished District Program to include but not be limited by:
 - Distinguished Clubs
 - Club growth
 - Membership growth

This would better align district goals with club goals and could remove the limit on the number of President's and Select Distinguished Districts.

It was moved and carried that the report of the District Administration Committee be accepted and the recommendations and actions of the Committee be approved.

GOVERNANCE AND POLICY COMMITTEE (GAP)

The report of the Governance and Policy Committee was presented by its Chairman, Third Vice President Pat Johnson, and covered the following:

1. The Committee reviewed the first draft of proposed amendments to the Bylaws of Toastmasters International related to governance reshaping. Decision points, such as filling vacancies in the International President and International President-Elect positions and areas where transition clauses will be needed, were identified. These issues will be addressed in the next draft.
2. The Committee reviewed over 100 documents contained in the Manual of Management Operations and identified those policies and procedures that will need to be revised, deleted or created to support the governance reshaping.

Major policies requiring attention include:

- Region advisors
- International Leadership Committee
- District Leadership Committee
- Proxies

- Regional conferences
- District Administrative Bylaws
- Reimbursement policies at all levels

Many other policies will require changes in nomenclature and other minor adjustments to be aligned with governance reshaping following a master calendar of work to be completed. Work on policies will begin with Committee assignments starting at the August 2008 meeting.

3. The Committee reviewed a request from District 47 to amend the boundaries of reformed District 47 and District 84, effective July 1, 2008. The Committee recommended the boundaries of these two districts be amended as follows: a) the District 47 boundaries include Hillsborough County, except the segment that embraces the geographical area between State Route 60 on the south and State Route 39 on the west, extending north on SR 39 to Plant City, following the western Plant City border until it rejoins SR 39 north to the southern border of Pasco County; and, b) the District 84 boundaries include that segment of Hillsborough County that embraces the geographical area between State Route 60 on the south and State Route 39 on the west, extending north on SR 39 to Plant City, following the western Plant City border until it rejoins SR 39 north to the southern border of Pasco County.

It was moved and carried that the report of the Governance and Policy Committee be accepted and the recommendations and actions of the Committee be approved.

STRATEGIC PLANNING COMMITTEE

The report of the Strategic Planning Committee was presented by its Chairman, Immediate Past President Johnny Uy and covered the following

1. The Committee continued its discussion around governance reshaping, including a review of feedback from districts and individuals throughout the organization. A timeline for transitional elements was reviewed and a project plan was developed for completion of items needed for successful implementation. In addition to the committee work planned for this meeting, there are a number of elements and materials that need further work. Based on this, the Committee recommended that further work be done prior to any proposals being sent to the membership for approval.
2. Within the context of governance reshaping, the Committee reviewed the purpose of region conferences and recommended that in the future, minimum requirements include training for district officers, and a speech contest be conducted. Regions could be grouped together for purposes of sharing best practices and facilitating a “TLI” style of training. The matter was referred to the MAE Committee for further study.

3. The optimal size of districts and other administrative units was discussed and the Committee identified some components for analysis, such as number of clubs, number of members, financial performance, leadership and geography. Staff will compile the analysis for a future meeting, with the intent of identifying principles for decision making about district formation and levels of organization support.
4. The Committee reviewed the list of mega issues that were generated during the Board orientation session in August. The items relating to governance reshaping were matched against the project and communication plans to assure they are being addressed. The remaining mega issues were matched to the corresponding strategic objectives and will be considered at a future Board meeting.
5. The Committee reconsidered the number of regions to be created and recommended that the number be 14 rather than 15.

It was moved and carried that the report of the Strategic Planning Committee be accepted and the recommendations and actions of the Committee be approved.

ADVISORY COMMITTEE OF PAST PRESIDENTS (ACPP)

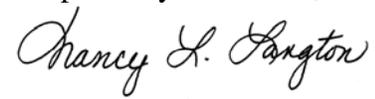
The report of the Advisory Committee of Past Presidents was provided by Past International President Johnny Uy and covered the following. During the August 19, 2007, meeting of the ACPP, a report was presented by International President Johnny Uy, DTM, followed by presentations by Executive Director Donna Groh and Dilip Abayasekara, DTM, Chairman of the Strategic Planning Committee. A question and answer session focused on current definitions of success, the major challenges facing the organization and our growth internationally. The governance reshaping project was discussed with a focus on the organization's capacity to manage change of this magnitude. The ACPP commended the Task Force and Board of Directors for having the courage to take on the major changes suggested in the proposal and expressed their support for the plan.

REPORT OF THE NOMINATING COMMITTEE

International President Chris Ford gave the report of the Nominating Committee on behalf of its Chairman, Past International President Jon Greiner, who was not present at the meeting. The Committee nominated the following international officer candidates for the 2008-2009 administrative year:

For President:	Jana Barnhill, DTM
For Senior Vice President:	Gary Schmidt, DTM
For Second Vice President:	Pat Johnson, DTM
For Third Vice President:	John Lau, DTM
(in alphabetical order)	Michael Notaro, DTM

Respectfully Submitted,

A handwritten signature in cursive script that reads "Nancy L. Langton".

Nancy Langton
Secretary/Treasurer

Distribution: Board of Directors
Past International Presidents
Past International Directors
District Governors
World Headquarters Staff
Nonprofit Legal Counsel