

TOASTMASTERS INTERNATIONAL
Rancho Santa Margarita, California

Minutes of the 2004-2005 Board of Directors
Westin Harbour Castle Hotel, Toronto, Canada
August 22-24, 2005

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The third and final meeting of the Board of Directors of Toastmasters International for the 2004-2005 administrative year convened at 1:00 p.m., August 22, 2005, President Jon Greiner, DTM, presiding. The other officers and directors present were: Corcoran, Abayasekara, Uy, Ford, Baker, Bienia, Diehl, Doley, Edstrom, Garber, Gupta, Johnson, Jordan, May, Miles, Natasha, Schmidt, Starr-Cassidy, Taylor, Thomas, Wood. Executive Director Donna H. Groh was also present. International Director Dick Poirier was not present at this meeting.

It was advised that the minutes of the February 17-19, 2005 board meeting were approved by electronic voting ballots in the form previously distributed to all Board members.

President Greiner reported on his visits and activities since February 2005, stating:

“Being President of Toastmasters International this year has been an exciting and exhilarating experience. During our visits to 11 districts, three regions and numerous clubs, Belinda and I met hundreds of Toastmasters dedicated to helping others change their lives for the better. Everywhere we went, from St. Louis to New York City, Roanoke to Santa Ana, Sacramento to Dallas, San Antonio to Omaha, Cleveland to Oakland, Tokyo to Memphis or Saskatoon to Burbank, we were met with exceptional hospitality and kindness. We sincerely thank all the Toastmasters who made those visits so memorable. The commitment, excitement and dedication displayed during those visits characterized the entire organization this year. Our overall accomplishments have been outstanding. Here are the results of this year compared with last year:

- Total membership – more than 211,000, with an increase of total membership payments of 4.4%
- Total clubs –10,500, an increase of 4%
- Club growth – 901 new clubs
- CTMs earned – 19,714, an increase of 0.5%
- ATMs earned – 8,681, an increase of 3.8%
- Leadership awards earned – 8,413, an increase of 5.6%
- Distinguished Districts – 48, the most since 1980
- Distinguished Divisions – 65.7% of all divisions were Distinguished

- Distinguished Areas – 85% of our areas were Distinguished, compared to 69.3 % last year
- Distinguished Clubs – 4,541, an increase of 3.6%

Our member, club, area, division, district and Board of Directors accomplishments have been out of the ordinary this year. Leaders at all levels have excelled and deserve a big thank you for all they have done to make this a highly successful year. The new technology at World Headquarters has also progressed and become even more effective in helping clubs and districts meet member needs. Our dedicated World Headquarters staff continues to add to the list of services and programs that help clubs and districts. They, too, deserve a tremendous thank you for their ongoing efforts. The overall results speak for themselves, not just in numbers. More importantly, a sense of excitement and enthusiasm is driving success throughout our organization. As we look forward, we see even greater opportunities. Now more than ever, the public is aware of our programs and how people benefit from them. The Toastmasters communication and leadership program continues to improve. I'm especially excited about the new Leadership Program manual to be introduced later this year! And to top it off, our level of customer service has never been better. This bodes well for the future; our challenge now is to manage the opportunities presented to us. Let's always remember that Toastmasters is about serving the needs of our members, about "Changing Lives, One at a Time."

And last, a personal note. My "stretch goals" for the organization this year were to reach 210,000 members and 10,500 clubs. As noted above, we met or exceeded those goals. That didn't happen without a big commitment from many dedicated leaders around the Toastmasters world. I thank each of you – this year's success wouldn't have happened without you. I also wish to thank my wife Belinda for all her support and help this year; she has gone well beyond the call of duty.

Good luck! May you always be dedicated to "Changing Lives, One at a Time."

Executive Director Groh provided a summary of the progress of Toastmasters International from January 1, 2005, through June 30, 2005.

I am constantly amazed at the power of the Toastmasters program to bring change into people's lives and at the same time create stability. In this time of uncertainty in the world, Toastmasters remains a constant and unifying force for many. Around the world this year, as many of our members and volunteers faced adversity in the form of natural and man-made disasters, our organization has continued to thrive and grow.

During this year of change, we have leveraged the new technology platform by implementing more and more features for members and volunteers to conduct business via the website and enhance the speed of transactions. We have provided more training to our staff to enhance their ability to better service all of our members. We have created a new leadership manual that will be introduced later this year.

Because of some change in personnel, we took this opportunity to review our strategic direction and evaluate our organizational structure to assure we have the appropriate structure to carry out

the strategy. With that in mind, we have re-organized. I am pleased to report that, as part of this reorganization, Dan Rex has agreed to increase his level of responsibility to serve as the Deputy Executive Director in addition to his duties as the Director of Communications and Marketing.

On the strategic front, we have further explored the corporate market by investigating what features and services top level corporate executives would like us to provide, as well as testing their response to many of our products. We are also in the process of commissioning some market research on how best to serve the youth market.

As we continue to grow and extend our network in more and more countries through the dedicated service of our volunteers, there is no way to adequately thank everyone who contributes to this on an ongoing basis, but you know who you are. Thank you for the opportunity to continue to serve all of you and this great organization.

EXECUTIVE COMMITTEE

Senior Vice President Dilip Abayasekara reported for the Executive Committee, presenting items considered at its August 18-20, 2005 meeting:

1. The Committee reviewed and approved the proposed schedule of Presidential visits to districts for the year 2006-2007.
2. The Committee reviewed and approved the revised orientation program for the Board of Directors.
3. The Committee reviewed and approved the district signatories for bank accounts, as required by policy.
4. The Committee reviewed districts with fewer than 60 clubs, of which there are now five. The Committee will review their status again at the next meeting.
5. The Committee reviewed two budget proposals for fiscal year 2006, one that includes the proposed dues increase and one that is based on no dues increase. The Committee recommended adopting the budget with dues increase, contingent on proposal A passing. If the proposal does not pass, the 2005-2006 Board will convene to determine the next steps.
6. The Committee reviewed Policies and Procedures V1 A 14 and recommended changes as reflected in the attachment.
7. The Committee was updated on progress made by staff on exploring the corporate accounts strategy.
8. The Committee reviewed historical growth data and discussed trends and implications for the organization's service model.

9. The Committee reviewed a proposal for a qualitative research project to explore opportunities for the youth market and recommended approval, not to exceed \$160,000.00. This funding will come from the Smedley Memorial Fund for research and development activities.
10. The Committee received training on use of a web based knowledge network to facilitate Executive Committee discussion and exchange between formal meetings. The system will be piloted beginning in September 2005.

Item No. 6 recommended a change to policy. A separate vote was taken on this item and the item was moved and carried by the required two-thirds vote that the change to policy be adopted.

It was moved, seconded and carried that the remaining items of the report of the Executive Committee be accepted and the recommendations and actions of the Committee be approved, with the addendum that the amount allocated for the market research be increased to \$170,000.

COMMITTEE OF THE WHOLE

The Board reviewed and unanimously approved the proposed budget for fiscal year ending December 31, 2006.

GOVERNANCE AND POLICY COMMITTEE

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

1. The Committee reviewed the proposed boundary change between District 38 and District 18 and recommended that, effective July 1, 2005, Adams County, Pennsylvania, be removed from the District 38 boundaries and added to the District 18 boundaries.

The Committee also reviewed the proposed boundary change between District 62 and District 60 and recommended that, effective July 1, 2005, the Algoma Club 2648 be removed from District 62 and moved to District 60. The District 60 boundaries do not require any change because the county in which Algoma Club exists is already within the District 60 boundary description.

2. The Committee reviewed the policies on disciplinary procedures to ensure they are consistent with Proposal C, Disciplinary Proceedings, which will be presented to the delegates at the Annual Business Meeting on August 26, 2005. If approved, Proposal C will incorporate the disciplinary procedures within the Bylaws of Toastmasters International. The Committee recommended rescinding Policies and Procedures VI F 4.1 "Procedures for Disciplinary Actions Relating to Good Standing with Toastmasters International of Individual Member Clubs" and revising Policies and Procedures VI F 5 as attached, including changing the name of the policy to "Procedures for Disciplinary Actions." The Committee further recommended that the

change to policy be effective after the Annual Business Meeting on August 26, 2005, and subject to the approval of Proposal C by the delegates.

3. The Committee reviewed the use of the word “chairman” and recommended that the organization officially adopt the explanation regarding the word “chairman” as set out in the 10th Edition of *Robert’s Rules of Order, Newly Revised*, namely, “a person presiding at a meeting is addressed as Mr. or Madam Chairman by long established usage. Several variations of this form, such as chairperson or chair, are now frequently encountered, however, and may be in use as the general practice in particular assemblies.”
4. The Committee initiated a brainstorming process to identify what changes need to be made to the organization’s governing documents in order to enable progress towards our strategic objectives. This brainstorming process will continue for several future GAP Committee meetings.

Item No. 2 recommended changes to policy. A separate vote was taken on this item and the item was moved and carried by the required two-thirds vote that the changes to policy be adopted.

It was moved and carried that the remaining items of the Report of the Governance and Policy Committee be accepted and the recommendations of the Committee approved.

DISTRICT ADMINISTRATION COMMITTEE

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

1. The Committee reviewed Policies and Procedures VI H 4 to determine if the policy should be revised to allow districts to post directory information in a pass word protected area. The Committee recommended no change to the policy. Because district officers are now able to receive membership information from World Headquarters at no cost, the Committee encourages districts to access those resources.
2. The Committee reviewed Policies and Procedures VI B 7, District and Club Officer Training, Executive Committee Meetings, Council Meetings, and Conferences, which does not allow videoconferencing or teleconferencing. The Committee recommended no change to policy. However, the Committee recommended that a pilot study be conducted to evaluate the feasibility of conferencing in the future. The pilot will be confined to district executive meetings, division and area council meetings.

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

MARKETING AND EDUCATION COMMITTEE

The report of the Marketing and Education Committee was presented by its Chairman, Second Vice President Johnny Uy, and covered the following:

1. In keeping with the Board of Directors' strategic vision to make Toastmasters International as well known for leadership as for communication, and to make our educational designations clearer and more meaningful, the Committee recommended the following changes to the educational recognition system:
 - Rename all communication track awards by replacing the word "Toastmaster" with the word "Communicator." The new award names are as follows: Competent Communicator, Advanced Communicator Bronze, Advanced Communicator Silver, and Advanced Communicator Gold.
 - Rename the *Communication and Leadership* manual the *Competent Communication* manual and rename the Advanced Communication and Leadership manuals the Advanced Communication manuals.
 - Incorporate the new leadership manual, to be called the *Competent Leadership* manual, as the first step in the leadership track. The new Competent Leader award will be the recognition for completing this manual.
 - The previous Competent Leader award will be renamed the Advanced Leader Bronze. The previous Advanced Leader award will be renamed Advanced Leader Silver.
 - Add the new Competent Leader award as a requirement for the new Advanced Leader Bronze award.
 - The Distinguished Toastmaster award will be earned by achieving the Advanced Communicator Gold and Advanced Leader Silver awards.
 - All other award requirements remain unchanged.
 - Future leadership manuals will be called *Advanced Leadership* manuals.

The new system will go into effect on July 1, 2006. A grace period will be in effect from July 1, 2006 through June 30, 2008, during which members will have the option of earning their educational awards under either the previous or the new system.

The Committee recommended that future enhancements to the leadership track awards be considered, with the goal of optimizing the leadership track to align with the full range of leadership possibilities within Toastmasters.

2. The Committee brainstormed ways to market selected Toastmasters products to corporations to increase brand awareness and to foster membership and club growth. The Committee recommended that World Headquarters conduct a needs assessment to determine which products would be most beneficial to non-Toastmasters groups and which marketing methods would be most successful.

It was moved, seconded and carried that the report of the Marketing and Education Committee be approved.

STRATEGIC PLANNING COMMITTEE

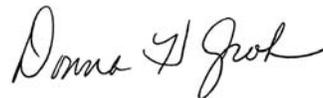
The Strategic Planning Committee reviewed historical growth trends and discussed the implications for how the organization provides service to districts and clubs. World Headquarters will conduct further analysis, including population and census data, for the Committee to review at its next meeting.

The Committee also reviewed the current strategic objectives and progress made toward each objective. A document outlining the planning process, the big audacious goal, strategic objectives and strategic principles will be distributed and posted on the Web site.

The Board accepted the report of the Strategic Planning Committee as presented by its Chairman, Immediate Past President Ted Corcoran.

All items contained in the Minutes of this meeting shall be “unrestricted” upon distribution of the minutes by World Headquarters. The results of the Board meeting described in the Board Briefing, written and orally presented in open session on August 24, 2005, are “unrestricted.”

The meeting was adjourned at 3:00 pm, on August 24, 2005



Donna H. Groh
Executive Director

Distribution: Board of Directors
Past International Presidents
Past International Directors
District Governors
World Headquarters Staff
Nonprofit General Council