



Minutes of the 2015-2016 Board of Directors Teleconference April 21, 2016

The 2015-2016 Toastmasters International Board of Directors convened on April 21, 2016, with International President Jim Kokocki DTM, presiding. The other officers and directors present were: Mike Storkey, DTM; Balraj Arunasalam, DTM; Lark Doley, DTM; Mohammed Murad, IPIP, DTM; Crystal Allbritton, DTM; Steven Chen, DTM; Russell L. Drake, DTM; Ede Ferrari-D'Angelo, DTM; Magnus Jansson, DTM; Ross Mackay, DTM; Patrick Oei, DTM; Margaret Page, DTM; Nagaraja Rao, DTM; Gloria Shishido, DTM; Charlie Starrett, DTM; Joan Watson, DTM; and Dennis E. Wooldridge, DTM. Chief Executive Officer Daniel Rex and Secretary/Treasurer Jennifer Quinn were also present. International Directors Teresa S. Dukes, DTM; Magnus Jansson, DTM; Ross Mackay, DTM and Joan Watson, DTM were absent.

1. The Board reviewed and unanimously voted to accept the teleconference agenda.
2. The Board reviewed and accepted minutes of previous Board meetings held on March 23 and March 28, 2016.
3. The Board received a report from the Advisory Committee of Past Presidents (ACPP) Task Force. This task force was established in August 2015 to address the relationship and communication between the Board of Directors and the ACPP. The task force report included appreciation of the Board's February 2016 modifications to Policy 11.4: Board of Directors Committees. In addition, the task force recommended several clarifications to the policy. The Board voted to approve the recommended modifications (attached).
4. The Board reviewed and discussed the Smedley Fund Marketing Plan and approved modifications to Policy 8.5: Smedley Fund (attached). It also directed World Headquarters to further define the processes for use of funds.
5. Chief Executive Officer Daniel Rex provided an update on the organization's performance for the 2015-2016 program year. While club and member growth continue at a slower pace year over year, both indicators are steadily improving and it is anticipated that the year-end results will be favorable.



Pursuant to Policy 11.3, items contained in the minutes of this meeting were classified as "unrestricted" upon distribution of the minutes by World Headquarters, not to include any matters marked "restricted".

A handwritten signature in black ink, appearing to read "Jennifer Quinn", is located above the printed name.

Jennifer Quinn
Secretary/Treasurer

Distribution: Board of Directors
Nonprofit General Counsel
Chief Executive Officer
Past International Presidents
Past International Directors

Board of Directors Committees

1. Executive Committee

- A. The Executive Committee is comprised and its powers and duties are stated in Article V, Section 6, of the Bylaws of Toastmasters International.
- B. The Executive Committee answers to the Board, is subject to its general direction, and has additional powers as the Board delegates.
 - I. The Executive Committee reviews the proposed annual budget and submits a final budget document to the Board and reviews financial reports and recommendations concerning major expenditures and presidential travel.
 - II. The Executive Committee reviews operations and policies that are to be carried out by the Chief Executive Officer and supervises the performance and position of the Chief Executive Officer.
 - III. The Executive Committee serves as the Strategic Planning Committee.
- C. The Board reserves unto itself, from the Executive Committee, all powers and authority except the following:
 - I. The Executive Committee has authority essential to the performance of duties imposed upon it by the Bylaws or assigned to it by the Board.
 - II. The Executive Committee has authority over those processes expressly delegated to it by the Board. Where authority to act on a matter is expressly delegated to the Executive Committee in policy adopted under Article V, Section 4(f) of the Bylaws of Toastmasters International, the phrase "subject to the approval of the Board" in Article V, Section 6(c) of the Bylaws shall mean that the Executive Committee has full corporate authority to act on the matter in a timely manner and need not seek Board approval prior to taking such action. However, the Board may, upon learning of the Executive Committee's action at the Board's next meeting or otherwise, decide to modify, overrule, or reverse the Executive Committee's action to the extent the Board can do so without harm to the best interests of Toastmasters International.
 - III. The Executive Committee has such authority as is necessary in the conduct of the ordinary business operations of the corporation while the Board is not in session.
- D. Meetings may be called by the International President or any other voting member of the Committee by giving reasonable notice of the date, time, and place of the meeting to all members of the Committee.

- E. Minutes of all Executive Committee meetings are provided to all Board members within 30 days after each meeting.
- F. The Executive Committee reviews the proposed budget for the ensuing fiscal year every November, conducts the Chief Executive Officer Performance Appraisal annually every August, reviews district formation and reformation every three years, reviews member dues at least every three years, and reviews the Toastmasters International Reserves policy annually.
- G. All signatories on Toastmasters International's corporate bank accounts, including district bank accounts, must be approved by the Executive Committee, or by unanimous written consent.
 - I. At an Executive Committee meeting, or by unanimous written consent, the committee reviews and approves a list showing, for each account, the district involved, the name and location of the financial institution, and the names of the persons to be added or removed as signatories since the prior committee meeting.
 - II. If necessary, the International President approves the addition or removal of bank signatories between Executive Committee meetings, subject to ratification by the committee at its subsequent meeting.
 - III. Replacement of a previously approved signatory is not effective until the replacement is approved by the International President, whose approval is subject to ratification by the Executive Committee.
- H. The Chief Executive Officer, Chief Operations Officer and Controller, collectively, have authority to establish and maintain Toastmasters International district bank accounts as necessary to enable districts to conduct Toastmasters business. All Board members must be notified within 30 days of the establishment of these accounts.

2. Strategic Planning Committee

- A. The members of the Executive Committee comprise the Strategic Planning Committee.
- B. The Strategic Planning Committee strategically analyzes Toastmasters International's place in the future, including opportunities and threats that might affect the organization; determines goals and strategies for achieving those goals; reviews the purpose, core values, and mission of the organization; develops strategic goals for growth in line with Toastmasters International's mission; updates and produces a Strategic Plan for use by the organization; and identifies broad approaches for achieving strategic goals; and recommends operational objectives to the Board, including, but not limited to, the adoption of appropriate organizational policies and programs.
- C. The Committee gives an official report at the Board meeting concerning all functions referred to above.

- D. The Committee meets at such times as considered in the best interest of the organization, as determined by the International President.
- E. Strategic plans for Toastmasters International and any recommendations for action on programs proposed by the Strategic Planning Committee are reviewed annually by the Board.

3. Board Committees

- A. Committees are established by the Board as needed under the Bylaws of Toastmasters International, Article VII, Section 2.
- B. The Board establishes committees as needed, which are subject to the general direction of the International President and the Board and are accountable to the Board through the committee chair.
- C. The name, strategic purpose, composition, presiding officer and duration of each committee shall be determined by the International President, subject to the approval of the Executive Committee and Board, unless otherwise stated in the Bylaws of Toastmasters International or in the policies of Toastmasters International.
- D. These committees may be assigned special projects outside the scope of responsibility of a standing committee and continue to act until their stated functions are completed or until they are discharged from their responsibilities by the Board.
- E. All committees are subject to the general direction of the International President and the Board.
- F. Committees are accountable only to the Board and report through the committee chair.
- G. Board committees may appoint sub-committees as needed.

4. Advisory Committee of Past International Presidents

- A. The Advisory Committee of Past International Presidents (**ACPP**) is established in the Bylaws of Toastmasters International, Article VII, Section 4. The purpose of the Advisory Committee of Past International Presidents is to submit comments and recommendations for consideration of the Board.
- B. All Past International Presidents who maintain membership in good standing are ex-officio officers of Toastmasters International and remain members of the Committee until their resignation, death, or removal from the Committee.
- C. The Immediate Past International President is the chair of this committee. Each year, the Committee chair briefs the International President on the duties of the chair and the role and processes of the Committee.
- D. The Chief Executive Officer is the liaison to the Committee.

- E. From time to time, the International President may seek feedback from the Committee or assign a topic to the Committee or selected Committee members for consideration and feedback to the Board.
- F. The Committee meets annually during the International Convention. Special meetings are called with the written approval of the International President.
- G. At the August **ACPP** meeting, the International President and Chief Executive Officer present a briefing on strategic and significant issues.
- H. The committee chair presents a report of the August meeting each February—and, at the International President's discretion, provides a report in August—for consideration by the Board. ~~Feedback on topics being addressed by the Board may be submitted periodically.~~
- I. Upon request, as surveyed each year, Committee members for whom World Headquarters has a current Confidentiality Statement on file receive:
 - I. Board meeting and Executive Committee meeting minutes after the minutes have been finalized by the Secretary/Treasurer and the Board and before being made public on the Toastmasters website.
 - II. A briefing document consisting of agenda items to be considered by the Board, Executive Committee and Strategic Planning Committee at its meetings. This briefing does not include personnel issues, highly confidential topics and other highly sensitive items that are excluded at the discretion of the International President.
 - a. The briefing document is distributed prior to each meeting.
 - b. Members of the committee provide individual feedback to the committee chair.
 - c. Individual members of the Committee do not provide feedback **on items contained in the briefing document** to Board members individually or the Board collectively.
 - d. The chair, with the written approval of the International President, may call a meeting of the Committee to discuss the feedback.
 - e. The chair presents a summary of the feedback to the International President before each meeting and to the Board at each meeting.
 - f. Feedback on topics being addressed by the Board may be submitted **from the Committee to the Board** periodically.

- J. All Committee members receive:
 - I. Links to significant updates on the Toastmasters International website including, but not limited to, newsletters and other new or updated publications.
 - II. Selected new printed materials that may be distributed to the Committee members at the August meeting.
 - III. The Chief Executive Officer's Report after it has been distributed to the Board and before it has been made public on the Toastmasters website.
 - IV. A document containing selected talking points used by the Board of Directors during district conference visits.
- K. The role and processes of the Advisory Committee of Past International Presidents are addressed annually at Board member orientation by the Immediate Past International President.

5. Audit Committee

- A. The Toastmasters International Audit Committee acts in accordance with the California Nonprofit Integrity Act of 2004(NIA) and any subsequent or superseding statutes.
- B. The two-person Audit Committee is responsible for engaging an auditing firm according to the requirements of the NIA and upon recommendation of the Chief Executive Officer.
- C. In order to be appointed to the Audit Committee, one must be qualified to serve on the Committee based on the requirements of the NIA.
- D. When selecting Committee members, first preference is given to past international presidents.
- E. Appointments to the Committee are made between January and August of each year by the International President and are subject to the approval of the Executive Committee.
- F. Committee members are appointed to two-year terms.
- G. The first-year Committee member serves as co-chair; the second-year Committee member serves as chair.
- H. Any vacancy is filled by the International President in office when the vacancy occurs, subject to the approval of the Executive Committee.

6. International Disciplinary Committee

- A. A Toastmasters International Disciplinary Committee may be appointed by the Board of Directors in accordance with Article III, Section 13(h) of the Bylaws of Toastmasters International, if the disciplinary matter is complex or difficult.
- B. The Committee follows Article III, Section 13(h) of the Bylaws of Toastmasters International and Policy 3.0: Ethics and Conduct while conducting some or all of the aspects of the disciplinary process with authority delegated to it by the Board of Directors.
- C. The Committee reports the results of its work and any interim steps taken to the Board of Directors promptly in writing.
- D. The Board of Directors reviews the Committee's work product and determines any appropriate action after receipt of the Committee's report(s) as soon as is reasonably feasible under the circumstances. A final decision to take disciplinary action must be made or confirmed by a three-fourths majority vote of the Board.
- E. Appointments to the Committee are made by the International President and are subject to the approval of the Board of Directors.

Ralph C. Smedley Memorial Fund™

1. **Toastmasters International is a 501(c)3 nonprofit organization, but it does not generally solicit or accept charitable contributions for the general, unrestricted support of the organization.** The Ralph C. Smedley Memorial Fund™ (“Smedley Fund”), which is a part of Toastmasters International, is the **only permanently-established sole** repository for charitable contributions to the organization, **and it has restricted purposes. No other foundations or funds are permitted. Only the Board of Directors has the authority to approve the creation of additional funds, from time to time, for the receipt of charitable contributions for specific purposes.**
2. ~~The Smedley Fund was established to accept contributions. The funds~~ **Contributions to the Smedley Fund** are restricted to **certain** educational purposes and ~~may are~~ **not be** used for operating expenses ~~or capital expenditures~~ of Toastmasters International **or its capital expenditures**, nor shall they ever be commingled with the general **or other** funds of the corporation. **Disbursements from the Smedley Fund are made only as determined by a two-thirds vote of the Board of Directors.**
3. ~~Funds are used for the~~ **The Smedley Fund is restricted to the advancement of education through** the research, ~~development preparation~~, and distribution of ~~Toastmasters International educational programs and materials and funding for research of subjects~~ relating to communication and leadership. **These programs and materials are designed to meet the needs of the membership and community in a wide range of cultural, social and economic situations. This restricted purpose replaces the previously-stated purpose of the Smedley Fund as of the date of the Board’s adoption of this policy change, and governs the charitable use of funds received thereafter.**
4. ~~Disbursements from the Smedley Fund are made upon approval of the Executive Committee.~~
- 4.5. World Headquarters is responsible for **recognizing contributors**, communicating information about the **Smedley Fund**, ~~and may~~ **soliciting** contributions and ~~providing~~ **information** about potential tax deductions. ~~Contributors are recognized by Toastmasters International.~~ **Contributors are encouraged to check with their local tax advisor to determine if their contribution is deductible under the laws of the jurisdictions applicable to them.**
- 5.6. ~~In order for Toastmasters International, as a California nonprofit public benefit corporation, to comply with charitable trust law, it~~ must ensure that all activities associated with the Toastmasters organization worldwide, including charitable fund raising, be limited to those authorized by the Board of Directors ~~of Toastmasters International.~~ **in order to protect the organization’s compliance with charitable trust laws and other rules imposed by the State of California, the United States Internal Revenue Service (IRS), and other jurisdictions.**