

AMERICAN ASSOCIATION OF WOODTURNERS
Board of Directors Meeting
September 19, 2019

CALL TO ORDER

A regular meeting of the AAW Board of Directors convened via video conference, at 11:01 a.m. EST on Thursday, September 19, 2019, with President Greg Schramek presiding.

The following Board members participated in the conference: Rick Baker, Jeff Brockett, Andy Cole, Janet Collins, Joe Dickey, Kathleen Duncan, David Heim, and Ken Ledeen. 2020 Board member-elect John Beechwood III monitored the call. Additionally, Managing Editor Josh Friend and the following staff members joined: Linda Ferber, Phil McDonald, and Kim Rymer.

APPROVAL OF MINUTES

Greg Schramek called for corrections to the minutes of the August 22, 2019, Board meeting. Jeff Brockett made a motion to approve the minutes with one correction. Kathleen Duncan seconded the motion and the minutes of the August meeting were unanimously approved with one correction.

FINANCIAL REPORT

2018 Tax Returns

Joe made a motion to direct AAW's independent auditor to finalize and submit the 2018 tax returns as presented by the auditor:

"Be it resolved that the AAW Finance Committee unanimously recommends the AAW Board of Directors approve the 2018 IRS Form 990 tax return as prepared and presented by Olsen-Thielen, our independent auditing firm."

David Heim seconded the motion which was unanimously approved as presented.

Financial Reports

Joe Dickey summarized the financial reports for August 2019 and noted the following points:

- Income Statement unadjusted year-to-date: \$290k (\$50k favorable to budget)
- Income Statement adjusted year-to-date: \$129k (\$57k favorable to budget)
- Income Statement, 2019 year-end forecast: \$164k (\$56k favorable to budget)
- August 31 "Cash-on-Hand": \$974.9k
- Year-end Forecast "Cash-on-Hand": \$1,204k

Joe noted the following points:

- The year-end income forecast is becoming more precise.
- Estimated operating performance for the Raleigh Symposium is \$164k.
- July membership acquisitions and dues are on target.

Year-End Results

Phil McDonald explained two variables not included in the forecasted year-end financials which will affect year-end results: 1) endowment performance, and, 2) valuation of the Kaplan donation.

Joe indicated the Finance Committee will discuss valuation of the Kaplan donation in October. He is confident that there will be a valuation figure for the donation available for the November face-to-face Board meeting. He would also like to discuss the financial implications of a membership plateau, a potential national recession, and future symposia at the November meeting.

ED REPORT

Membership

Phil McDonald explained there are no membership-related red flags and AAW is well-positioned to complete the year on target. 35-45% of AAW membership renewals are due during the next three months.

AAW has seen marginal additional dues as a result of the six-month incentive.

Phil stated the Chapter "Affiliate" classification has not yet been implemented and will launch with the new software/website. He expects to see a significant increase in short-term marginal membership as a result of the Affiliate membership. AAW will have direct access to club members. Messaging to Affiliates will focus on encouraging them to upgrade to the benefits available with full AAW membership. Affiliates will initially have limited-time access to all online resources and receive printed copies of *American Woodturner*. Metered access to specific resources will not be available at launch.

Chapter Scholarship Program

Phil reported that he intended to discuss reallocating the earnings from the endowment away from the Chapter Scholarship Program. The funds for the program were not budgeted in 2019. A motion would be needed to approve the expenses if the Chapter Scholarship Program is to be continued. Additionally, he noted the following points:

- Grants dispursed this year from 2018 funding were the AAW's seventh year of the Chapter Scholarship Program.
- Both Scholarship Program craft schools are in the southeast.
- The program has goodwill value but only serves about only 1% of AAW members.
- Only 30% of Chapters typically participate.
- The scholarships continue to be unattainable for some members because they do not include expenses for room, board, and transport.

Phil revisited the rationale when not budgeting funds for 2019, which was to reallocate money toward dissemination of our online content through the new software investment to impact more members. He explained that if the Chapter Scholarship Program is to be continued, a decision must be made in October (or sooner) to set up the scholarships and place the information in the *American Woodturner* journal.

Greg Schramek indicated the Chapter Scholarship Program would be put on the October agenda for action.

Technology Testing

Phil explained that the Board will be asked to offer user feedback on design, aesthetics, and navigation for the new website/software including the general homepage, member homepage, partial webpage buildout, member profile pages, and searches. Additionally, others will be asked for feedback including selected individuals, Committee chairs, and Chapter officers. A Survey Monkey form for collection and consolidation of user feedback will be provided.

Rick Baker indicated that he has been asked by the New Jersey Chapter to run through the new technology in early October. Phil suggested follow-up discussion with Rick about an orientation prior to sharing it with the Chapter.

Budget Process Preview

Phil previewed the calendar that has been devised to accumulate all the information needed for the 2020 Budget.

Joe Dickey stated that any additional items for the 2020 Budget are needed by October 8 for the Finance Committee meeting.

PROPOSED ELIMINATION OF ROTATION #11

Jeff Brockett stated it is becoming more difficult to get Symposium volunteers and the number of Symposium rotations has a direct impact on volunteer stress levels. On Symposium Sunday, many attendees leave at noon leaving low room attendance for the remainder of the day. He suggests eliminating Rotation #11, which would be a net loss of just four demonstrations.

Janet Collins explained that eliminating Rotation #11 would decrease the perceived value of the Symposium for the members who attend. Some of the Sunday Rotations are among the very best. She suggested offering an incentive that could be offered to volunteers or moving lunch hour to after Rotation #11.

Jeff made a motion to vote on elimination of Symposium Sunday Rotation #11. Andy Cole seconded the motion. Discussion ensued.

Greg Schramek conducted a roll call vote. With three "Yays" and five "Nays," the motion did not pass.

Yays

Rick Baker: Yes

Jeff Brockett: Yes

Joe Dickey: Yes

Nays

Andy Cole: Nay

Kathleen Duncan: Nay

David Heim: No

Janet Collins: No

Ken Ledeen: No

POP MERIT AWARD

Andy Cole made a motion to approve William Hunter as a 2020 POP Merit Award Recipient. Janet Collins seconded the motion, which was unanimously approved.

2020 SELECTED DEMONSTRATORS

Ken Ledeen read a list of the Selected Demonstrators for the 2020 Symposium. He indicated the focus has been to select demonstrators who cover all the major topics and techniques. There are a total of 16 Invited Demonstrators and 12 Selected Demonstrators.

Greg Schramek indicated that a confidential list of 2020 Demonstrators will be provided to the Board members and the list should not be distributed beyond the Board until contracts are issued.

GOVERNANCE POLICIES

Greg Schramek informed the Board that they will be required to complete the conflict of interest questionnaire during the November face-to-face meeting. He noted that membership on the board of a local Chapter is not considered a conflict, however Board members should not serve in a Chapter officer role because it could be perceived as a conflict.

Rick Baker reported that he has reviewed the governance and ethics policy several times and neither indicates AAW Board members cannot be officers of local chapters. He stated the document should be revised because it is vague and makes it difficult to determine whether a conflict exists.

David Heim made a motion that Janet Collins, as liaison to the Ethics Committee, requests that the Ethics Committee review the questionnaire and recommend revisions to the Board. Joe Dickey seconded the motion, which was unanimously approved.

UNFINISHED BUSINESS

None

NEW BUSINESS

2020 Symposium

Jeff Brockett reported that it will cost \$40k more to put on the 2020 Symposium in Louisville. He said the Board should focus on getting at least 1,500 attendees.

Greg Schramek indicated concerns with Omaha as well, however with significant lead time available it is premature to suggest that financial performance will be lacking.

October Meeting Time

Rick Baker asked that the October Board meeting be moved from 2:00 p.m. EST to 3:00 p.m. due to a conflict. All agreed.

UPCOMING MEETINGS

(All Times Eastern)

October 24, 3:00 p.m. EST

November 16 & 17 (November 15 Fly-in Day)

December 19, p.m. 2:00 p.m. EST

January 17, 18, 19 in Louisville (January 17 Fly-in Day)

ADJOURNMENT

Andy Cole made a motion to adjourn the meeting. Kathleen Duncan seconded the motion and the meeting was unanimously adjourned at 12:59 p.m. EST, on Thursday, September 19, 2019.

Respectfully submitted,
Kathleen Duncan, Secretary