

DESTINATION IMAGINATION, INC.
BOARD OF TRUSTEES
TELECONFERENCE
August 25, 2009

CALL to ORDER

8:42 p.m. EDT

The meeting was called to order by Board Chair, Brownie Mitchell.

ROLL CALL

Present:

Andy Loftis, Brownie Mitchell, Sue Oclassen, Pamela Schroeder, Bruce Urban, Johnny Wells, Eric Wolff, CEO Chuck Cadle and guest Rosemary Bognar Pinney.

Absent:

Karen Anderson, Val Conroy, John Maloney, David Thomason and Nancy Wingenbach

APPROVAL of AGENDA

Motion:

Eric Wolff moved to approve the Agenda.
Second by Pamela Schroeder.

Action:

Motion Passed.

APPROVAL of MINUTES

Motion:

Andy Loftis moved to approve the Minutes of July 23 – 25, 2009.
Second by Johnny Wells.

Action:

Motion Passed.

Chair Brownie Mitchell has requested that the secretary begin to digitally record all BOT meetings. The BOT also discussed various alternatives, such as Go To Meeting, to teleconferences or one or more of our future face-to-face meetings; the staff is researching options. Some charters will need further changes and additions; they will be addressed in October.

CEO REPORT

Staff:

- New Hires –
 - Matthew Arts – hired as Marketing/PR Coordinator;
 - Andrew Whitmire – hired as Operations Project Manager.
- Positions unfilled –
 - Training Coordinator interviews but no viable candidates;
 - Staff Accountant resumes being received;
 - Shipping/Receiving is still open;
 - Advertising Sales and Sponsorship Development – not open until November 09;
 - International Coordinator – see below.

Employee and Policy manuals: Completed and issued to employees.

Business Planning/budget for 2010/11:

- Business plan adopted and Budget presented to Finance for approval.

International (Rusty is leading these efforts):

- Roger Garriock repositioned as Director of Canadian Operations;
- UK DI Coordinator identification to begin in new fiscal year;
- DIHQ International Coordinator position established and posted;
- Funding for China received from Motorola

Marketing Update (Rusty has been busy!):

- The following priorities have been established and are in process:
 1. Attack the awareness problem. PSA campaign developed – to be launched after Labor Day.
 2. White Paper completed and posted on DI website.
 3. New Website launched 8/21/09.
 4. Start a Team initiative launched and a webinar was held for ADs.
 - a. Target market charter schools, libraries and district public schools that are not using DI with a recruiting effort and brand awareness campaign. DIAD has received favorable support for this effort. Goal is to add 3,000 teams in this upcoming fiscal year and 5,000 the next year.
 5. Revive Alumni passions and volunteerism.
 - a. Ginger Green hosting Alumni Board in Glassboro this month.
 6. Target new sponsor/partnering/endorsement opportunities. Add financial sponsor to challenges.
 - a. Rosemary Becchi arrangement restructured to accomplish above.

Sponsorships:

- No new sponsorships since my last report.

Proposals made:

- Canadian Governmentt – still pending;
- SME – delayed until 2010/11 by client;
- National Dairy Council accepted new proposal for this new fiscal year;
- The Air Force proposal is being awarded to DI for 2010.

Global Finals: Nothing new to report.

Financial:

- July statements were delivered to the Finance committee on August 10th. I believe that this is the first time DI has received statements this timely – Joe is doing excellent work.
- Current projection is that we will experience a loss due to the less than expected attendance at Global Finals.

Office relocation:

- The Bank has approved us for a mortgage subject to contingencies.
- The Economic Development Agency has agreed to take 50% of the transaction which will give us a blended rate of 5%.
- Our target closing date is mid September.

Fall Conference:

- I have spoken with Eric Wolff relative to the Fall Conference – The staff is now preparing for certain agenda items in training and brand awareness.

Board of Trustee Bios:

- We still need pictures/bios for posting to our website
- CEO Chuck Cadle explained the new role of Roger Garriock, as Director of Canadian Operations, and potential team recruitment by personnel previously involved in the Construction Challenge.

CORRESPONDENCE

A letter, dated August 16, 2009, regarding International Challenge Masters for Instant Challenge was received from Judy Dadah and Robbie Reasoner; the staff will follow up.

COMMITTEE REPORTS

Management Committee – Eric Wolff, Chair

- No report

Development Committee – Val Conroy, Chair

- No report

Governance Committee – Karen Anderson, Chair

Governance had 3 items on the Annual Review to oversee:

- Risk Management – see attached report from CEO.
- Determine the need for Board Development or training for the next year.

Attached please find from Rosemary Bogner's Company a list of suggest Board Development topics. Rosemary has said she will do the training for free if we choose one of these. The January Board meeting seems to be the appropriate time for a training (1/2 or full day) It is suggested we look at Capacity Building - this is the hot topic in Non Profits, and I do not think many of us understand this or how it applies to DI. Brownie and Chuck will make the final determination for the training topic.

- According to the Bylaws, Governance is also supposed to ensure that the Governance Documents of the Corporation are reviewed and updated annually. I have sent this to Chuck and I am sure he will respond.

- In addition, the Governance Committee is currently reviewing all the Election Procedures and Policies dealing with elections and will bring to the Board at the October meeting the revised documents for approval.

Finance Committee – Pamela Schroeder, Chair

- The 2009 – 2010 Budget is presented as a reflection of the organizational goals and investment plans approved in July and is unanimously recommended for approval. This very detailed budget directly follows the recently adopted business plan. We agreed that we must grow our team count and reverse the downward trend of the past 10 years. In order to do so, we will need to make some investment in our future. This mission is reflected in the budget.
- The Committee recommends passage of the following in replacement of current language for the authority to execute instruments:

RESOLUTION OF THE BOARD OF TRUSTEES

Authority to Execute Instruments – August 25, 2009

WHEREAS, pursuant to Article 7, Section 1 of the Bylaws of Destination ImagiNation, Inc. (the "Company"), the Board of Trustees (the "Board") has deemed it advisable and in the best interests of the Company to authorize any two of the following five individuals to together execute and deliver any contract or any instrument in the name of and on behalf of the Company: (i) the Chairman of the Board of the Company, (ii) the Vice-Chairman of the Board of the Company, (iii) the Chief Executive Officer, (iv) the Controller of the Company, and (v) the Chief Operating Officer of the Company; and

NOW, THEREFORE, BE IT AND IT IS HEREBY:

RESOLVED, that any two of the following five individuals are hereby authorized, empowered and directed to together execute and deliver any contract or other instrument in the name of and on behalf of the Company: (i) the Chairman of the Board of the Company, (ii) the Vice-Chairman of the Board of the Company, (iii) the Chief Executive Officer of the Company, (iv) the Chief Operating Officer of the Company, and (v) the Controller of the Company.

Motion: Andy Loftis moved to authorize an electronic vote by September 8, 2009 to approve the proposed 2009--2010 budget.
Second by Johnny Wells.

Action: **Motion passed.**

Motion: Pamela Schroeder moved to adopt the resolution for the authority to execute instruments as stated above and dated August 25, 2009.
Second by Bruce Urban.

Action: **Motion passed.**

Motion: Sue Oclassen moved to accept the Committee Reports.
Second by Johnny Wells.

Action: **Motion Passed.**

OLD BUSINESS

Chair Brownie Mitchell reviewed the schedule for the fall meeting. Trustees should plan to arrive sometime on Friday, October 2, 2009, in order to meet with ADs on Saturday, and leave the hotel no earlier than 3 p.m. on Monday, October 5, 2009.

NEW BUSINESS

With a look toward strategic investments and in light of increased trustee access to corporate information, CEO Chuck Cadle suggested that the BOT might consider cost savings to be gained by eliminating one of its regularly held face-to-face meetings. The meeting schedule will be set at the October meeting.

CEO Chuck Cadle reviewed the staff response to the correspondence received. Our lack of volunteer guidelines and policies, such as the new code of conduct, sometimes leads to inaccurate assumptions and seeming lack of appreciation for volunteer efforts and program passion. Rotation of roles, with 'understudies' trained and ready 'in the wings,' is encouraged for program stability and volunteer satisfaction, yet it has not been consistently enforced. We also need better information on our volunteers, e.g., who they are, other skills they may have, and how they might best be shown appreciation. Volunteer policies will be considered.

Motion: Johnny Wells moved to adjourn.
Second by Andy Loftis.

Action: **Motion Passed.**

The meeting adjourned at 9:50 p.m.

ELECTRONIC VOTE

As noted above, an electronic vote was held August 25 – September 8, 2009, to approve the 2009-2010 budget as presented by the Finance Committee.

The budget passed by unanimous vote.

Respectfully submitted,
Susan R. Oclassen
Recording Secretary