THE PRAIRIE ENTHUSIASTS
Board Meeting Minutes
Tuesday, May 12, 2009
7:00 pm
via Teleconference

ACTION ITEMS IN RED

The meeting of the Board was called to order at 7:00 pm by President Evanne Hunt.

1. Roll Call

ATTENDEES:
Directors: Evanne Hunt, Jack Kussmaul, Nick Faessler, Clarence Malick, Jim Rogala, Richard Henderson, Karin Strenski, Ann Woldt, Jim Sime, Richard Oberle

Staff: Carol Winge
Guests: Ed Strenski
Directors Absent: Jaime Edwards

2. Appoint TPE Board Secretary

Evanne Hunt announced that the St. Croix Valley Chapter Board Representative, Jan Amberson, has stepped down. The Chapter has elected Clarence Malick to serve on the TPE Board representing the St. Croix Valley Chapter. Evanne Hunt welcomed Clarence to the Board and provided Board members with a brief overview of Clarence's experience.

Jan Amberson also served as Corporate Secretary, leaving a vacancy in that position that the Board needs to fill. Evanne Hunt nominated Clarence Malick be appointed as Corporate Secretary. A motion was made by Rich Henderson and seconded by Jim Rogala to appoint Clarence Malick as the Corporate Secretary until we have an election.

Jim Sime amended the motion that we elect Clarence Malick as Corporate Secretary for a two year term. Jim Rogala seconded the amended motion.

Evanne Hunt stated that right now all officers serve a two year term meaning that there would be a complete turn over of officers every two years. She feels there needs to be staggered terms to provide consistency. She recommended that we start to stagger officer terms with the election of the new Corporate Secretary and address other officer terms as they come up for election.

Rich Henderson amended the motion that we elect Clarence Malick as Corporate Secretary until July, 2009. Jim Rogala seconded the amended motion. The amended motion carried with Clarence Malick abstaining from the vote.

3. Meeting Minutes

Evanne Hunt asked Board members for any comments/changes to the Board meeting minutes. Hearing no comments, a motion was made by Jack Kussmaul and seconded by Richard Oberle to accept the minutes of the February 20, 2009 Board Strategic Planning meeting; the February 22, 2009 Board meeting; and the March 23, 2009 Special Board meeting. Motion carried.

4. Treasurer's Report

Nick Faessler reported that as of March 31, 2009, total TPE cash on hand, which includes all chapter and central funds, is $451,379. This represents $215,000 in savings and $235,000 in checking. The figure does not include the endowments or trust. He noted that typically we have our most revenue during the last quarter of the year during our annual appeal. A motion was made by Jim Sime and seconded by Richard Henderson to accept the March 31, 2009 Treasurer's Report. Motion carried.

Carol Winge reported that the audit is in its final review and will be completed in the next couple of weeks. She indicated that everything appears to be in order, no concerns have been raised that she is aware of. As soon as she receives an electronic copy of the audit, she will distribute it to the board and will have hard copies available at our July meeting.

5. Endowment Fund Financial Reports

Carol Winge reported that she has not received any reports from Jon Traver during the first quarter of 2009 so there is no financial report to present. Rich Henderson said he had recently seen Jon Traver and Jon indicated that things are starting to rebound.

6. Land Management Trust Agency Financial Report

The Trust document specifies that it pay out income to TPE annually. Jack Kussmaul had been charged with investigating if the TPE Board was required to take these funds annually or if the trust was flexible enough that the Board could choose to waive that distribution. Jack reported that the trust document does provide for amendment by the TPE Board of Directors if we feel we want to change this distribution language. He contacted Kristen Lein who is the legal counsel that organized the Trust and she stated that the Board can decline the payout or amend the language.

Jack stated that as he sees it the Board has choices:

1. Amend the Trust
2. Take out the money and then give it back to the Trust. He noted that many large endowments pay out 4 to 5% of their value every year regardless of the income. He is not suggesting that we follow this procedure but merely providing the information.

Ann Woldt asked if there would be any penalty or fees connected with the payout of funds and then the reinvestment. Jack was not sure.

A motion was made by Rich Henderson and seconded by Clarence Malick that Jack Kussmaul write up appropriate language and present it to the Board at our next meeting. Motion carried.

ACTION: Jack Kussmaul will draft language to amend the Trust with regard to payout requirements and present it to the Board at its July meeting.

7. Membership Report

Victoria Oberle was not able to attend the meeting but submitted a written membership report to the Board (see Addendum 1 below). The report reflects membership at 1132. Since our February board meeting we have 29 new members and 114 renewals.

8. Finance Committee

Jim Sime requested that item #17, Proposal to Apply for Group Exemption Status with IRS, be moved to be discussed under this item. Hearing no objection from the Board, it was placed here for discussion.

a. Zero-Based Budget Process. Nick reported that the Finance Committee had met on February 22, 2009. They discussed the zero-based budgeting process and the development of a central capital fund. All Chapter monies not used at year's end would be placed in this central capital fund for distribution based on guidelines that the Finance Committee was charged with developing.

The general consensus was that this process would encourage chapters to spend money at the end of the year whether they needed to or not rather than risk losing it. The Committee did not wish to encourage spending for the sake of spending.

Rich Henderson noted that we already do zero-based budgeting, we start with what our projected expenses will be for the upcoming year and base that on what our projected revenue will be for the upcoming year. However, what isn't spent at the end of the year stays where it is, in chapter or central checking and savings accounts.

A motion was made by Ann Woldt and seconded by Clarence Malick to accept the recommendation of the Finance Committee to rescind the zero-based budgeting process. Motion carried. Richard Oberle voted against the motion.

b. Group Exemption Status Proposal. Jim Sime shared his extensive research with the Board on the concept of group exemption status with the IRS. He hopes to get greater participation by stakeholders by applying for this status with the IRS. Ann Woldt asked what the benefit would be to the local Chapters. Jim Sime answered reduction in paperwork for chapter treasurers, less in audit fees, reduced timeline for bill payment, less paper going back and forth between chapters and the accountant and more chapter ownership in the operations. Evanne Hunt stated that two years ago the Board moved to consolidate organization monies to improve operations. This would seem to be a step backwards. Ann Woldt noted that Chapters would have to develop their own Bylaws. Rich Henderson noted that Chapters would each have to apply for their own separate nonprofit status under 501(c)(3) of the Internal Revenue Code.

Carol Winge reported that she had requested this item be placed on the Board agenda because she had been checking into the process/procedures/criteria for being eligible for group exemption status as requested by the Finance Committee, but felt she had gone as far as she could go without incurring legal expenses. She felt she needed board authority to continue to work on this proposal.

Jim Sime had prepared a draft timeline for the process that he shared with the Board. He recommended this proposal be sent to the Finance Committee for them to research and make recommendation to the Board.

A motion was made by Clarence Malick and seconded by Jack Kussmaul to refer this item to the Finance Committee. Motion carried.

9. Land Protection Committee

Jack Kussmaul presented the Committee's recommendation to accept the agreement to make an annual payment in lieu of taxes to the Town of Millville and county for police and fire protection for 24 acres of land that Walter and Alice Mirk wish to donate to TPE. These payments would increase over time to match inflation and there would be a time limit of probably 50 years in the agreement. Evanne Hunt asked how TPE will afford these payments. Jack replied that the Mirks have committed to making the annual payment in lieu of taxes as long as they are alive. If the application for state stewardship funds for the purchase is granted, the Mirks will donate the sale proceeds to TPE to provide a source of funds to make these payments and to help maintain the property.

A motion was made by Richard Henderson that TPE apply for State Stewardship Funds for the 24 acres in the Town of Millville and that Jack Kussmaul be authorized to act for TPE on the application. The motion was seconded by Jim Sime. Motion carried.

Jack Kussmaul stated for the record that TPE is not committed to anything at this time. He reiterated that the Mirks plan to take care of the payments during their lifetime.

10. Board Development Committee

a. Jack Kussmaul provided a brief report on the Land Trust Alliance conference he attended. He talked about the accreditation program they offer. No land trusts in Wisconsin currently have achieved the accreditation but a few are close. He feels this is something that will be important in the future for land trusts. This recognition gives the land trust enhanced credibility and respect from donors, partners, members and the public.

He noted that 84% of all gifts come from private individuals not corporations. The best gifts come from estates. We need to get a legacy program developed.

b. Evanne Hunt reported that the committee is drafting Board Member job descriptions. This is a first step in filling vacant board positions. Rich Henderson did not recommend how many at-large positions to add but really encouraged that we seek people with board development and fundraising experience to be added to the board. Evanne Hunt stated that the Board Development Committee will discuss candidates and make recommendation to the Board.

c. The Board Development Committee wants to develop a Board member job description, provide it to all Chapters to use as a guide in considering who would be a good candidate to serve on the board and submit names to the Board for consideration.

11. Proposed Membership Committee Charter

Evanne Hunt prepared a Membership Committee Charter she drafted for Board review. Rich Henderson suggested changes. In the second sentence under Purpose, change the word guidance to recommendations. Under Organization, add that at least one board member serve on the committee to act as a liaison. A motion to accept the Membership Committee Charter as amended was made by Richard Oberle and seconded by Ann Woldt. Motion carried.

12. Chapter Assets

Evanne Hunt wanted to clarify what happens to equipment if a chapter dissolves. If a chapter dissolves, all assets go to the corporation. This is the law. Chapters cannot sell equipment and cannot benefit from any sales. All money raised by a chapter under the auspice of The Prairie Enthusiasts is corporation money. Evanne Hunt asked all Board members to be sure to take this information to their chapters and be sure that chapters understand.

13. Approve 2009 Chapter Budgets

Rich Henderson noted that the detail provided in the chapter budgets was great and really helped the Board to have a better understanding of the proposed chapter budgeted amounts. However, there are still some items he wished he had detail on. The more details provided really helps the Board to feel comfortable about approving the budgets. A motion was made by Rich Henderson and seconded by Jack Kussmaul to approve the 2009 Chapter budgets. Motion carried.

For 2010 Chapter budgets the Board wants to see more details and want to review chapter budgets at its meeting held in conjunction with the annual banquet.

14. Approve Whistleblower Policy

Jack Kussmaul reported that the IRS is recommending that nonprofit organizations have policies in place for Conflict of Interest, Whistleblower and Records Retention and Destruction for filing with their annual 990 Tax Return. We have the conflict of interest policy in place but need to approve the Whistleblower and Records Retention policies. A motion was made by Rich Henderson and seconded by Clarence Malick to approve the Whistleblower Policy as presented. Motion carried.

15. Approve Records Retention and Destruction Policy

It was noted that this draft policy does not address records destruction.

ACTION: Jack Kussmaul and Carol Winge will revise this policy to identify what records can/should be destroyed together with a timeline for that to happen and bring a revised policy back to the Board.

16. Plant Database Proposal

Evanne Hunt presented a proposal to host a database being developed by Marci Hess, a TPE member. In researching information about prairie plants, there is no one source with complete information and pictures. There are numerous good, quality sources available, but one must be very diligent, persistent, and frankly, willing to devote much time and energy to locating the information.

This proposal is to compile all information about Wisconsin native plants into one centralized location. The Prairie Enthusiasts (TPE) website would be ideal because of the organization's reputation and mission. This project would dovetail into every aspect of The Prairie Enthusiasts mission and goals, specifically enhancing the educational component.

Is this something that we want to host? It appears to be original; does not duplicate any other database. Rich Henderson asked what it would cost and how do we make sure the information on the database is accurate and current. Evanne responded that there will be a cost to enhance our website to host the database. Jim Rogala noted that most of this information is out there if you know where to look. Of course that is the intent of this project is to consolidate the information in one place. Clarence expressed concern with maintaining the database and its accuracy. We don't want to post an incomplete database on our website. We need to be certain it is developed enough and that it is accurate.

A motion was made by Rich Henderson and seconded by Clarence Malick to keep pursuing this but not spend any money. Motion carried.

ACTION: Evanne Hunt will let Marci Hess know that we are interested in the project.

18. Harry and Laura Nohr Chapter Project

Jim Sime reported that last year the Southwest Chapter provided native prairie seed for use in seeding the riparian areas of two projects the Nohr Chapter of Trout Unlimited was involved with. They have provided us with a copy of the 2008 reports on these projects; Blue River Habitat Improvement Project and Big Spring Habitat Improvement Project. It would be good to provide this information to our membership.

ACTION: Evanne Hunt will write an article for the summer Prairie Promoter. Jim Rogala will put a link on our website to the projects.

19. Strategic Planning

Evanne Hunt reminded the Board to review and work on tasks identified in our February 20 strategic planning session. We don't want to lose site of these important areas we identified.

20. Other Announcements

Evanne Hunt was delighted to announce that The Prairie Enthusiasts was selected the statewide organization of the year by the Wisconsin Conservation Congress. The award recognizes our

efforts in conservation and conservation education activities and projects throughout the state. She attended the award banquet in LaCrosse on Friday, May 8.

Evanne Hunt reminded Board members of our next Board meeting, Sunday, July 19 beginning at 10:00 am. This will be held in conjunction with our Annual Picnic. This year's picnic is being hosted by the NIPE Chapter and will be held at Hanley Savanna near Hanover, Illinois. Our goal is to get 80 people in attendance so please talk this up at your Chapter meetings.

There being no further business, a motion was made by Ann Woldt and seconded by Karin Strenski to adjourn the meeting. Motion carried. The meeting adjourned at 8:54 pm.

Respectfully submitted,

Carol A. Winge
TPE Business Manager

ADDENDUM 1
MEMBERSHIP REPORT
FOR MAY 12, 2009 BOARD MEETING
PROVIDED BY VICTORIA OBERLE
MEMBERSHIP COORDINATOR

1) We've been working to move all renewals between November 1st and January 31st. I sent out mailings in March asking members to move their renewal date to either October 31 or February 28. The goal of this move is to give some distance between membership renewals and the Annual fund. This will help us with accounting and membership confusion as well as help spread out giving opportunities for those members.

2) Last week the renewal notices went out. As well as second notices to people who already received an initial notice.

3) An update on the overdue membership clean up. I reviewed the list of overdue membership and who have given donations instead of renewals. I sent a letter to all overdue members that were move than a year overdue. If they gave last year in a donation, the letter says "your last donation was ___ on ___" and it thanks them for their donation and explains that it's a different fund and asks had they intended for this to renew their membership. People who did not donate and are just overdue, the letter asks if they would like to discontinue their membership and that we have appreciated their support in the past and hope they will renew their membership. Both letters thank them for their past support and ask them to contact me if our records are incorrect or if they have any questions.

4) You can let them know about the complimentary memberships, that I have inactivated all the ones that the chapters no longer wanted and verified the remaining ones until next year.

5) And the attached statistics report of our membership levels.

6) Since our February Board meeting, we've had 29 new memberships and 114 renewals.