

USNMC Board Meeting Minutes for July, 12, 2011

Attendance: Joe Attaway, Peggy Wolfe, Rachel Hosking, Heidi Brown, Wendy Gieske, Ciaran McCloskey, Lena MolesTroy Stroud, Susan Vann-Spruill, Dr. Robin White and Dr. Pierluigi Scalia (at 9:16PM EST),

Meeting called to order at 9:05 PM EST by Joe A, President

Motion made to accept minutes from June30, 2011 as printed made by Troy S. and seconded by Susan V.. All in favor – motion passed

President's Message: Joe thanked everyone for coming and stated that he was looking forward to a productive time with all attendees. He commented that we had a heavy agenda and had a lot of work to do ahead of us.

Secretary's Report

Peggy reported that she had received one file box of folders with information on different topics for the club's records.

Peggy also received four 3-ring binders, one for each year,

- Binder 1: July 2007-June 2008
- Binder 2: July 2008 – June 2009
- Binder 3: July 2009 – June 2010
- Binder 4 July 2010 – June 2011

Each binder contains the agenda for each board meeting, the minutes for each board meeting and copies of correspondence received or sent for each month in that period.

Donna has stated that she has many other boxes of items but hesitates to ship them due to the cost. She suggests that Sharon could bring these boxes to the 2011 National and Peggy could meet her there and take them home then. This sounds acceptable to Peggy.

Peggy has been reviewing the information in the folders and reviewing what's been going on the past 4 years at the board level.

Priority for Peggy right now:

Review Board Procedures Guide to see what changes have been instituted over the past 4 years

Get the procedure guide to the new board members so they have a better handle on how the USNMC has decided to run itself (USNMC procedures are rules put in place by the board of directors to run the club. These procedures are just as binding on the board and on the club as the club's bylaws and Roberts Rules of Order, AKC rules and so forth.

The difference is that the USNMC Board can vote to change procedures or introduce new ones. It is much harder to change the club's bylaws and, of course, only the AKC can change AKC rules.

Peggy also reported that she would be working on the website contact information, and would get ahold of the club's webmaster, a Barbara Laird, to get information updated. There was a general discussion of the website and the need for current information and updating.

Treasurer's Report:

Rachel reported that she had not yet received the final June statement for the accounts in New Jersey from Sharon, so the following represents the status of the 3 accounts held by the USNMC as of May 31. (same report as in the June 16 board meeting minutes)

UNITED STATES NEAPOLITAN MASTIFF CLUB BASIC BUSINESS CHECKING May 1,-31, 2011

Activity summary

Beginning balance on 5/1	\$3,260.68
Deposits/Credits	+ \$271.14
Withdrawals/Debits	- \$896.42
Ending balance on 5/31	\$2,635.40

Summary of checks written

Number	Date	Amount	Payee
1164	5/27	\$600.00	Equisure, Inc(Club Liability Insurance for AKC Events for USNMC members)
			Donna Welty(Printing & Postage 2011 Election ballots)
1165	5/26	\$296.42	

BUSINESS PERFORMANCE SAVINGS

Activity summary

Beginning balance on 5/1	\$13,012.00
Deposits/Credits	+ \$0.55
Withdrawals/Debits	-0.00
Ending balance on 5/31	\$13,012.55

PUTNUM INVESTMENT ACCOUNT 2011 YEAR-TO-DATE STATEMENT 01/01/2011 - 03/31/2011

Beginning Balance 01/01/11	\$3,991.53
Change in Value	.02
Ending Balance 03/31/11	\$3,991.55

Rachel reported that she'd received two file boxes which included various financial documents (bank statements, tax returns, Putnum statements, deposits slips, membership renewals) from 1996 to present, a flash drive with current accounting/bookkeeping information (via quickbooks), and Wells Fargo check book (Sharon Costello kept one check #1167 for transfer of funds from Wells Fargo to Chase, also waiting on June 2011 Wells Fargo bank statement).

Priority for Rachel right now:

- Changing the USNMC bank from Wells Fargo in New Jersey to a bank she can access locally. She had wanted to use Chase Bank but . Currently, waiting to hear from Mr. Cunningham, CPA on USNMC tax classification. Chase Bank requests a tax filing classification and certain classifications may require USNMC Secretary to open bank account and not USNMC Treasurer.

Rachel had contacted Regions Bank, a widely used bank in the South, and they would have no problem allowing her, as treasurer, to open an account for the club. Their monthly fees appeared to also be more attractive than Chase. Peggy made a motion to let Rachel open the USNMC checking account at Regions. Seconded by Susan. All favorable. Motion passed.

- Rachel asked if the club wanted a second signer on the account stating that it was usual to have two signers, and the 2nd signer was usually the President or the Secretary. Peggy made a motion to have a 2nd signer on the account and to have the 2nd signer be the President. Seconded by Heidi. All favorable. Motion passed.

- Reviewing USNMC tax filing status for 2010
USNMC tax year 2010 has not yet been filed with IRS. Rachel has let messages with Sharon (former Treasurer) and with the CPA used by the club (Mr. Cunningham) to see if an extension has been filed yet. She has not yet heard back and if doesn't hear back within the week will contact the IRS directly to find out. She will then (work with Sharon and Cunningham as necessary) get the 2010 forms filed properly.
- Reviewing USNMC Tax filing status overall as an entity
 - All club records show that from 1996 through 2006 the USNMC has filed federal income tax forms every year as a 501C7 corporation. This is a non-profit status issued by the IRS. 501C7 corporations must file tax returns, but do not have to pay taxes on income.
 - The USNMC forms have been accepted every year since the beginning of the club without problems.
 - However, when the 2007 form was received (Spring, 2008) the IRS returned it stating that according to their records, the USNMC was NOT a 501c7 (form 990) and needed to re-file as a regular corporation (form 1120, C-corp). According to the IRS person, they had no records showing that the USNMC had ever been a 501C7. (despite having accepted that filing status every year.)
 - Since the USNMC's records pre-dating 1996 have been lost (long sordid story) the USNMC also has no proof documenting that it HAD correctly received 501c7 status from the IRS. (When the USNMC was forming the Rescue function, there was a letter written by the club's CPA club member Fred Michini) stating that the USNMC was a 501C7 but that letter isn't documentation acceptable to the IRS.)
 - Since 2007, the USNMC has filed as a C-corp, form 1120. C-corp's DO pay income tax on their profits but since the USNMC has had a financial loss for the past 4 years, the USNMC has not had to pay anything to the IRS.
 - Rachel will be finding out from Sharon and the CPA, if they know of any particular reason the USNMC did not pursue filing correctly for 501C7 status. (note: most AKC dog clubs are indeed 501C7 although there are a couple of other similar statuses, like 501c4 or 501c5, that some clubs appear to use.)
 - There is a fee to receive 501c7 status. The fee varies by average income of the organization. It appears that for the USNMC the fee would probably be something like \$850.

Committee Reports

Given that there was a New Business item to review all committee membership, Peggy made a motion to skip this section of the agenda at this time and instead to do it as part of the committee review (agenda item I1.) Seconded by Heidi. All agreed

Old Business

Agenda Item H-1 Eukeneuba Communication from the AKC requesting parent clubs to consider having specialties (national or regional) at the Eukeneuba, held this year in Orlando, Florida on December 17 and 18th.

After discussion, Pierluigi moved to not have a specialty in Florida this year at the Eukeneuba but to revisit it for future years. Seconded by Lena. All agreed. Motion passed. Peggy will contact the AKC to convey our regrets.

Additional discussion occurred about the Meet The Breeds booths held as part of the AKC Eukeneuba every year. These booths are tremendously popular with visitors and can be a great way to promote a breed and educate the public. The challenge is always finding someone who can take the time out to staff the booth and can bring dogs to be in the booth too.

Pierluigi moved that the board survey the club members to see if there was anyone who would be willing to take on this task in Florida this year. Seconded by Lena. All agreed. Motion passed. Action: all board members to search through the membership list, contact members they know, to try to find

someone who might be willing to take this task on.

Lena suggested that the board might allocate some \$ fee to help offset the cost for the attender, suggesting \$200. Peggy mentioned that in the past the board had done this, set an amount with a limit, that the club would pay toward expenses of events like Meet The Breeds and Judges Ed seminars. The topic was agreeable to most board members but the discussion was tabled until we can find someone who might be willing to do the work.

Agenda Item H-2 2011 National Specialty Report

(deferred to be done as part of Committee Review, Agenda Item I-1.)

Agenda Item H-3 December, 2011 Regional Specialty

Status USNMC will be holding a Regional Specialty in early December, 2011 in East Lansing, Michigan.

Specialty Show Chair: Joe Attaway

Judge: Peggy Wolfe

Working with Ingham County Kennel Club VP (Troy Stroud)

Paperwork finally filed with the AKC

(a little late due to transition of old to new board but it's filed!)

Note: Last couple of years this show brought breed entries of nearly 30

Next steps: to determine trophies and to solicit entries.

Note: Last year this specialty brought an income to the club of \$600 (from \$ per entry from the host all-breed clubs, and donations to the specialty funds.)

A discussion followed of specialties vs supported entries, how many regional specialties the club could have or should have. Peggy will look up an old write-up that might be useful for future reference.

Agenda Item I-1 Review of USNMC Committee Membership.

Every year in the July / August timeframe, the board tries to review the progress and composition of our standing committees. The objective in this exercise is to, as much as possible, prevent committees from existing which do nothing and to prevent inertia from keep people on committees who are no longer productive or contributing.

Typically the board actions are:

- Reviews who is on each committee
- If necessary, reviews the objective of each committee
- The board may:
 - Suggests additional persons who might want to work on that committee and arrange for them to be contacted
 - If necessary, contact existing committee member to see if they want to continue or to let them know if the board wishes them to step down.

Judges & Public Education

Committee Members: Sharon Costello, Rita Biddle & Pl. Scalia

Committee Head: Sharon Costello

Lena Moles volunteered to be part of this committee too.

Historian

Committee Members: Peggy Wolfe

Lena Moles and Wendy Gieske volunteered to review materials as they are developed, and provide input as they too come from "the old days."

Fundraising committee This committee appears to have been merged with the National Specialty Committee at this point. It is no longer a separate committee. There were comments that in the past some members had done a lot of fund-raising for the club. It was noted that many of these members now had other distractions, hopefully temporarily and that perhaps some of the enthusiasm for this needed to be and could be re-built.

Membership Committee

Committee Members Joe Attaway, Peggy Wolfe

Committee Head Cathy Deluca

Wendy Gieske, Lena Moles, Pierluigi Scalia, and Susan Vann-Spruill volunteered to join this committee.

Peggy will contact Cathy DeLuca to see if she will remain as part of the committee and continue as committee chair.

MHF Liaison Dr. Robin White

Because MHF is now a separate group there is no longer a USNMC committee

Ethics Review Committee

Previously there were four members on this committee, but two of those did not renew their membership and the other two have resigned from this committee.

There was a brief discussion of the old Ethics Committee and how it differed from this Ethics Review Committee. Note that per the current bylaws this committee requires an application filled out before being allowed to be on the committee. Per the bylaws the committee is only in session when a complaint is referred to it by the Board of Directors.

The general concensus was that as there was no complaint before the board at the moment, and as the bylaws needed revision, especially in the area of this committee's definition, there was no need to establish membership for this committee at this time.

Lena Moles commented that the current Code of Ethics (the one voted in by the membership in 2001) was sufficient, and should remain as the club's code of ethics without change. The board need do nothing at this point to make that happen. The 2001 Code of Ethics is the club's current code of ethics.

Neogram

Editor: Troy Stroud

Peggy offered to work with Troy to make sure he got articles and information and such for the Neogram

Website

Contact: Board Secretary

(per Donna W. after the new website went up the committee sort of disbanded and she alone remained contact with the webmaster, Barbara Laird.)

Ciaran offered to work on this committee as did Wendy Gieske

By-Laws Review Committee

Committee Members: Peggy Wolfe

Heidi Brown voiced an interest at one time.

Lena Moles volunteered to work on this committee as did Wendy Gieske and Pierluigi Scalia.

Peggy made a motion to adjourn at this point and re-convene at another day, noting that the meeting had gone on for 2 hours, it was nearly 11pm EST, and we still had some big items to discuss on the agenda.

Motion seconded by Ciaran. All agreed.

It was agreed to reconvene on Monday, July 18, 2011 at 9pm EST (8pm CST 6pm PST)
In order to complete the agenda.

Adjourned at 10:57 PM EST

Meeting Re-convened on Monday, July 18, 2011 at 9:10pm EST (8:10pm CST 6:10pm PST)

In attendance: Joe Attaway, Peggy Wolfe, Rachel Hosking, Heidi Brown, Wendy Gieske, Ciaran McCloskey, Lena Moles, Troy Stroud, Susan Vann-Spruill, Dr. Robin White and Dr. Pierluigi Scalia

Continuation of review of Committees:

Legislation:

Current members is Donna Welty and Rita Biddle. Rita would report on legislative issues raised affecting the sport of purebred dog breeding around the country at board meetings and Donna would place links to pertinent issues on the club's website. Resolution: Joe will contact Donna to see if she wishes to continue in this role.

2011 National Specialty Committee:

Committee Members: Dr. David White (chair), Dr. Robin White, Joe Attaway, Susan Storms, Peggy Wolfe, Cathy White, Sharon Costello.

This committee is active and all members will remain. The next time the committee meets is July 20 and will report back to the board after that meeting. The next action items for the committee are to confirm the banquet dinner menu and construct announcements for internet posting, emailing and mailing.

Awards Committee:

Website states the contact for this function is the whole board of directors. Peggy submitted that this is not so much a committee as it is a function the board performs as part of preparing for the annual awards dinner which is part of the national specialty event. By the next meeting Peggy will provide to the board an outline of the awards programs as defined by the USNMC and an outline of what needs to be done for the 2011 national.

Local Clubs Committee

Website states that contact for this function was the whole board of directors. The purpose of this "committee" was originally to provide assistance to those who might be interested in starting a local specialty club. Peggy suggested that this is also not a true committee but more of an on-going support function provided to club members by the club. An outline of what a local breed specialty club is, and of how or why someone or a group might want to enact such a venture should be part of the club's educational materials available on the website and elsewhere for club members. Peggy will look up and provide to board members some materials that might be suitable for the starting point of providing this education.

(at 9:35pm EST Troy Stroud left the meeting. He reported later that his new cell phone went dead and as he was traveling to another meeting he couldn't charge it and call back in for the remainder of the meeting.)

Agenda Item I-2 Review and Decision regarding the Putnum MM Account

(details to the situation were provided with the agenda and are attached to the minutes separately.)

After a discussion of the various options, Peggy W. made the motion to turn over all monies in the Putnum MM Account (approximately \$3900) to the NeoRescue, Inc. Motion Seconded by Wendy G. Motion passed. (Voting: Affirmative: Peggy, Pierluigi, Rachel, Heidi, Wendy, Lena, Susan, Robin, Nay: Ciaran. Absent Troy)

Peggy made a second motion that a set of expectations between both USNMC and NRI be written up and agreed to by both parties to enhance communications and cooperation between both organizations. Seconded by Wendy. Motion passed (all affirmative) (peggy offered to prepare a draft for the board. Robin offered to provide a copy of the agreement between Mastino Health Foundation and USNMC as well).

Agenda Item I-3 AKC Meet The Breeds in New York City November 19-20

It was suggested that the club members who staffed this event in 2011 be contacted and if they will agree to do it again, that the USNMC contact the AKC agreeing to participate in this event. Peggy will contact Cathy White and Susan will contact George Small, both of whom participated in last year's event.

Agenda Item I-4: Membership Booklet

The board having reviewed the membership booklet draft it was agreed that:

- This item be finalized and emailed to all club members who have indicated they use emails in their membership renewals
- That the item be printed and mailed to those club members who have indicated they do not use emails on their membership renewals (ensure that the mailer will not exceed 1 postage-stamp in weight)
- That the board be emailed a copy of the final before emailing to the rest of the club members.

Peggy committed to have this done before the end of July.

Agenda Item I-5: 2012 National Specialty

In the Spring, the board had been presented with an offer from Troy Stroud proposing that the 2012 National be held with Ingham County Kennel Club's show:

Discussion ensued.

Lena made a motion to reject this offer. Seconded by Rachel. Vote: Motion did not pass (Affirmative: Pierluigi, Heidi, Wendy, Lena, Susan; Nay: Peggy, Rachel, Ciaran, Robin, Joe)

Susan suggested the club pursue holding the 2012 show in St. Louis Missouri and offered to work with some unnamed club member to develop a proposal. Pierluigi made a motion to hold off voting on a site for the 2012 National until Susan had developed such a proposal. Seconded by Heidi. Vote passed (all unanimous)

Susan asked for until Sept 1 to develop the proposal.

Peggy made the motion to adjourn the meeting.

Meeting adjourned at 10:43 EST (9:43 CST 7:43 pst)

Background to the Putnum MM Account.

- The USNMC first defined Rescue as a Club Function in late 1997. The effort was initiated by club members Rosemary Rosensteel and Fran Layton with help from many others in the club (board members David Buldini, Janet Hospodar, Sue Luedemann and many more club members.)
- Part of the criteria in establishing this function was that the \$ dedicated to and used by Rescue would be held in an account separate from the general club funds account.
- Rosemary Rosensteel was the “treasurer” for the Rescue Function \$ from 1997 until late 2006, making deposits, paying bills, and keeping records. Irene O’connor became Rescue “treasurer” in 2006 and Cathy DeLuca took over that function in 2007.
- The USNMC placed \$2500 in the club Rescue checking account as start-up funds for this club function. The stated criteria was that Rescue would support itself after that. There was no requirement or expectation of the start-up funds being paid back.
- All subsequent \$ in the Rescue checking account came from donations to the USNMC named for Rescue or from adoption fees. Similarly, all expenses incurred by the Rescue function were paid for from that checking account.
- Sometime in 1999 donations to the Rescue funds had resulted in the Rescue Checking to be over \$6K or so. Rosemary withdrew money (approximately \$2800?) from the Rescue Checking Account and placed it in a MM for Rescue’s future growth. This was the beginning of the Putnum MM Account.

In August, 2007, the then-new USNMC treasurer reported that there was a bit over \$14,000 earmarked for the Rescue Function (\$10,957.17 in the Rescue checking account and another sum (at some point later determined to be about \$3800) in the Putnum MM Account.)

The NeoRescue, Inc group (NRI) was announced as a newly formed 501C3 in 2007.

In August, 2007 the USNMC board voted:

- To recognize NRI as the USNMC’s recognized official Rescue group
- To disband the USNMC club Rescue function and to turn-over all dogs to NRI
- To give NRI the Rescue funds held by the USNMC in \$2500 increments
- The board meeting minutes do not indicate that any performance conditions were set on NRI in order to receive the money.

What happened next:

- Over the next 1.5 years, \$10,000 was given to NRI in \$2500 chunks, the 1st being the end of 2007 the last being mid-2009.
- Rescue bills had continued to be paid for by the USNMC from the Rescue funds until the end of 2007 so \$10K is probably validly what was left from the original checking account.
- The \$ in the Putnum MM remained and still remain in USNMC hands.

Two more notes:

- 1) The June, 2009 board meeting minutes is the last time the Putnum MM is mentioned as part of the Treasurer’s report. Until 2011 The next time mention is made of the Putnum account appears to be April, 2011. There may indeed have been a discussion and explanation between board members but this is not reflected in the club’s official record, the board meeting minutes.
- 2) Rachel reported that as of an April 30, 2011 statement the Putnum MM account held \$3,991.55.. The current total may be a bit more