Board of Directors Meeting Minutes - Cover Sheet

**Date:** Sunday, August 14, 2011  
**Time:** 9PM EST  
**Meeting Type:** Teleconference (Digitally Recorded)   
**Length:** 6 Pages (Including Cover Sheet)  
**Called by:** Board of Directors Vote  
**Minutes Recorded by:** Michael S. Castiglioni, Secretary, REACT International Inc.

**Corporate Officers Present:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Knott</td>
<td>President</td>
<td>OT</td>
</tr>
<tr>
<td>Charles Hardy</td>
<td>Executive Vice President</td>
<td>NP</td>
</tr>
<tr>
<td>Michael S. Castiglioni</td>
<td>Secretary</td>
<td>OT</td>
</tr>
<tr>
<td>Michael Cauley</td>
<td>Assistant Secretary</td>
<td>OT</td>
</tr>
<tr>
<td>Lee Besing</td>
<td>Treasurer</td>
<td>NP</td>
</tr>
<tr>
<td>Frank Jennings</td>
<td>Asst. Treasurer</td>
<td>OT</td>
</tr>
</tbody>
</table>

**Board of Directors:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Region</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stan Walters</td>
<td>Region 1</td>
<td>OT</td>
</tr>
<tr>
<td>Norman Kaplan</td>
<td>Region 2</td>
<td>OT</td>
</tr>
<tr>
<td>Roy Drury</td>
<td>Region 3</td>
<td>OT</td>
</tr>
<tr>
<td>Ed Kerby</td>
<td>Region 4</td>
<td>OT</td>
</tr>
<tr>
<td>Laurence Fry</td>
<td>Region 5</td>
<td>OT</td>
</tr>
<tr>
<td>Thomas Jenkins</td>
<td>Region 6</td>
<td>OT</td>
</tr>
<tr>
<td>Charlie Land</td>
<td>Region 7</td>
<td>OT</td>
</tr>
<tr>
<td>John Capodanno</td>
<td>Region 8</td>
<td>OT</td>
</tr>
<tr>
<td>Kenny Jagdeosingh</td>
<td>Region 9</td>
<td>OT</td>
</tr>
</tbody>
</table>

**Assistant Directors:**

Michael S. Castiglioni – Region 1

**Guests:**
ITEM 4 9:15 MEETING CALLED TO ORDER
Roll Call taken, Quorum met. All Directors present, Treasurer Besing unable to attend. Guests were accounted for and introductions made.

ITEM 5 9:21 ANNOUNCEMENTS
Chairman Walters makes all present aware of the Agenda as well as forms President Knott sent via email.

ITEM 6 9:27 MINUTE APPROVAL
Chairman Walters talks about the need to approve minutes from 9-25-2010. Advises all Directors that if the minutes need to be discussed in detail, that it must be done in closed session due to content of executive conversations.
President Moves to approve minutes of 9-25-2010, R7 Seconds.
Discussion: R5 asks if their is Compliance with item 4. President says “Yes”.
R2, is the person in question in the inactive database. If so then item 4 is not completed.
President withdraws motion.
President Moves to table vote in executive session until the end of meeting. R2 Seconds.
Disposition: MOTION PASSES

ITEM 7 9:35 REPORTS: DIRECTORS & OFFICERS
Region 9 - Sending in reports on Trinidad business. Working with delinquent teams at this time.
Region 8 - Nothing to Report at this time.
Region 7 - Working with 2 prospective new teams.
Region 6 - Nothing to Report at this time.
Region 5 - Bypass, due to meeting time constraints
Region 4 - Working with a team 30 miles North, Team may be starting up.
Region 3 - Currently working with 3 perspective teams, 1 team is new.
Region 2 - Nothing to Report at this time.
Region 1 - Successfully prevented a convicted felon from starting a team. New team starting in NY, New team in Hartford CT. Another team may be re-chartered in NY.

Corporate Officers - Bypassed, per Chairman.

ITEM 8 9:50 MINUTE APPROVAL
R2 Moves to Approve July 10 2011 Minutes, R4 Seconds.
FINAL Version – Board Approved November 13, 2011
ITEM 9 - 10:01 TREASURER REPORT
Report conducted by the President. Mr. Besing and Land, forwarded a report via email on July 30, 2011. This report was from the Excel spreadsheet and produced from Quick books. The "Budget" column was added in by Mr. Land.

ITEM 10 - 10:10 COMMITTEE LIASON REPORT
Bypassed, per Chairman.

ITEM 11 - 10:11 OLD BUSINESS

A.) DUES:
R7, states, we are almost breaking even due to our lower insurance costs. RI should increase dues to counteract insurance premiums.
President states that by taking the “REACTer” to a fully digital format, expenses will drop even further in 3rd and 4th quarter.
R7, Moves to decrease insurance by $5.00, raise RI dues by $5.00 and impose a $5.00 penalty per member to start on January 1st, 2012 and every year thereafter until such time as the Board changes this schedule. Only to affect US, Canada and Puerto Rico teams. R2, Seconds.
Disposition: MOTION PASSES

B.) LIFETIME DUES:
R2, Moves to increase Lifetime Member dues from $300.00 to $375.00. President Seconds.
Disposition: MOTION PASSES

C.) LATE FEE ASSESSMENTS:
R7, Moves to eliminate current team late fees, new fees would take effect. President Seconds.
Vote Record: President-Y, R1-Y, R2-A, R3-A, R4-Y, R5-N, R6-A, R7-Y, R8-N, R9-A
Disposition: MOTION FAILS

ITEM 11B - 11:15 MEMBER BENEFITS

A.) President advises, Members only website now shows discounts on HERTZ rental cars and WORKING ADVANTAGE which allows Members to get discounts on various types of entertainment. This service is completely free of charge to RI.

B.) R3, TECHSOUP, Moves to table until next regular meeting. R2 Seconds.
Chairman bypasses item in place of motion.

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ITEM 12 - 11:23 NEW BUSINESS

A.) PRESIDENTS ACTION AWARD COMMITTEE
Bypassed, by Chairman.

B.) REACTer PRINTING PROPOSAL
Chairman advises on, MagCloud.com, Printing "On Demand" that allows PDF format of REACTer to be printed.
R1, Moves to dispense with Valley Offset and bulk mail permit in favor of Magcloud.com, R2 Seconds.
R3 recues himself on discussion due to his relationship with the Editor (a contracted employee of RI).

C.) CPA
President advises that he has been speaking with CPA, Thomas Puryear about the possibility of request for proposal of quotation for financial review and/or audit.
R3, Moves to accept proposal as written, of Mr. Puryear to conduct financial review and/or audit, as presented by President Knott. R8 Seconds.

AMMENDMENT 1: Conditional upon meeting statutes of VA, IL, and that of the IRS in so far as fiduciary responsibility and compliance. R3 & R8 Agree.
Disposition: MOTION PASSES

AMMENDMENT 2: R7, Moves to request the CPA include the "activities" of the past President, within the scope of his financial review. R2, Seconds.
Disposition: MOTION PASSES

D.) 50TH ANNIVERSARY PATCHES
President would like to order additional patches. RI current count is at 75.
R3, Moves to allow President to order 300 patches at published rate. R2, Seconds.
Disposition: MOTION PASSES

E.) OTHER NEW BUSINESS
R3 advises on North Carolina team, which is on the IRS list of entities losing their 501(c)3 status for failure to file a 990N “postcard” with the IRS for 3 years. The team in question is looking for way to
dissolve and reform their team under a new Charter. Questions have been raised as to the "new" team retaining their original team number.

ITEM 12 - 12:54 NEW BUSINESS (Continued)

F.) RHODE ISLAND STATE REACT
Chairman advises that if a former team wants to come back, RI will issue same Charter number and name as long as 3 original members return. Currently there are 2 original members that are returning and are looking for reinstatement with an exception to reinstitute them with their former Charter number and team name, due to financial considerations.

R1, Moves to allow the former "RI State React" to keep their former name and charter number. R2, Seconds.
Disposition: MOTION PASSES

R6, Moves to have Bylaws Committee look into incorporating Electronic notification. R4, Seconds.
Disposition: MOTION PASSES

ITEM 13 - 1:13 EXECUTIVE SESSION

A.) COMMENCE EXECUTIVE SESSION
R2, Moves to go into Executive Session. R3, Seconds. R5, requests Mr. Thompson join this session. Mr. Jennings to also attend.
Disposition: MOTION PASSES

B.) MINUTE APPROVAL 9-25-2010
R7, Moves to approve the minutes of 9-25-2010 as written. R3, Seconds.
Disposition: MOTION PASSED

C.) DISMISS EXECUTIVE SESSION
R3, Moves to come out of executive session. R2 Seconds.
Disposition: MOTION PASSES

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ITEM 14 - 1:48 NEXT MEETING

A.) August 25, Workshop, 9pm on Skype.

B.) RECESS OF MEETING

R2, Moves to recess meeting until August 21, 2011 at 9pm EST. R6, Seconds.


Disposition: **MOTION PASSES**

MINUTES SUMMARY

**SUGGESTIONS:** To cut down on meeting time, it may be prudent **not** to ask guests to identify themselves until such a time as they speak on an issue. Over the past 2 meetings, we have spent 15 minutes on each occasion for this one action.

We may also want to have the official "On call" time to start at 8:50pm as to relieve delays.

| MOTIONS MADE | 14 |
| MOTIONS PASSED | 13 |
| MOTIONS FAILED | 01 |

**MINUTE APPROVAL Tabling, 9-25-10** - **MOTION PASSED**
**MINUTE APPROVAL, 7-10-11** - **MOTION PASSED**
**DUES** - **MOTION PASSED**
**LIFETIME DUES** - **MOTION PASSED**
**LATE FEE ASSESSMENT** - **MOTION FAILED**
**CPA** - **MOTION PASSED**
**AMMENDMENT** - **MOTION PASSED**
**50th ANNIVERSARY PATCH** - **MOTION PASSED**
**RI STATE REACT** - **MOTION PASSED**
**BYLAWS COMMITTEE** - **MOTION PASSED**
**COMMENCE EXECUTIVE SESSION** - **MOTION PASSED**
**MINUTE APPROVAL 9-25-2010** - **MOTION PASSES**
**DISMISS EXECUTIVE SESSION** - **MOTION PASSES**
**MEETING RECESS** - **MOTION PASSES**