

Minutes from Board of Directors Meeting October 9, 2008

The 3 pm meeting was held at the CFTT's office, in Sayre, PA with the following members present: Joe Picco, Frank Comfort, Bill Ransom, Dora McCarty, Barbara Lester, Deb Bastian, Leo Parchesky, Tom Shannon, Lowell Coolidge and Marilyn Bok. A quorum was present. Susan Storch and Robert Hogan were unable to attend. Marilyn asked everyone to put name cards at their spot at the table and explained the information in the packet was for today's meeting (financials).

Approval of Minutes: Bill Ransom, moved the approval of the minutes and Board report of August 14, 2008. It was seconded by Deb Bastian and carried.

Board Governance Issues: Action Items

1. Cleanup Issues – By-laws – Marilyn passed around the official copy of the By-laws for Lowell, Tom Shannon and Barbara Lester. Board member pictures & write-up – Marilyn took pictures of Dora and Barbara and just needs a write-up from Barbara and Dora. Marilyn passed out Balance Wheel forms for Joe, Frank, Dora and Lowell to fill in and hand back today. She will send another one to Bob Hogan. Bob Hogan still hasn't signed the Confidentiality & Conflict of Interest forms.

2. Audit Issue – Two Signature on Checks – Marilyn stated the Audit Committee recommended that since the C&N Bank is no longer checking for two signatures on checks that we have someone from the Board who is not authorized to sign checks review the monthly checking account statements either on line or paper copies. Frank Comfort agreed to review the statements and preferred to do it on-line. Marilyn will get the necessary authorization for him to do so.

3. Adoption of Guidelines for Grants – Marilyn explained she incorporated the Grant Guidelines given to us by Bill Somerville with our present guidelines and that is how she came up with the set she sent to Board members. Leo Parchesky moved the adoption of the new Guidelines to replace those we presently are using. It was seconded by Tom Shannon and carried.

4. New Contracts – Marilyn explained she has contracts for French Azilum (Agency Endowment), Tioga County Rural Ministries (Donor Designated-Kerrigan Estate) and Waverly Scholarship (Kerrigan Estate) that are on our present agreement forms that she has not signed because we are considering changing them. Joe Picco moved Marilyn have the contracts placed on the new forms before signing. It was seconded by Dora McCarty and carried.

5. Issues from the Jordan Wilcox Fund Developments – Marilyn stated that our national association advised we consider addressing two issues this fund brought forth. First is the issue of the eligible recipients being too small and should be broadened. Bill Ransom moved that the service area be increased to all four counties, that the needs based criteria be dropped and that we revisit this fund in one year to see if further changes were needed. It was seconded by Lowell Coolidge and carried. The family agreed with these changes but were not amenable to broadening the diseases covered from cancer to any catastrophic childhood illness. Marilyn reminded the Board of its Variance Power and went over what this means and reminded the Board that if we don't give out any grants from this fund this year we will have to broaden the criteria further with or without the families agreement. The CFTT is required by IRS to give grants out from this fund at least every couple years and preferably every year. Board members suggested that we contact the social workers in each of the school districts in the four counties for potential recipients. Joe stated he knew of at least three or four potential families in the Waverly School District.

6. Honoring Senator Madigan – Bill stated he thought it would be good for the Foundation to start a scholarship fund in Roger Madigan's name to honor him on his retirement. He felt we could join with other non-profit groups in setting this up. He felt the CFTT was an appropriate organization to do this since it covers two counties he presently serves and a third he formally served. The Board instructed Marilyn to contact Ernie Krinner, Roger's assistant, and run this idea by him. It could be a scholarship for internships for government, political science, history, etc. majors. We could then plan an event to announce the scholarship fund.

7. Board Orientation – Marilyn stated she thought it would be a good idea to hold a Board orientation since we have so many new Board members. She passed around a print out of a Power Point presentation she had received from our national association that she suggested we hold in two sessions of one hr each to be

held before the next two board meetings. The Board agreed an orientation would be a good thing. Marilyn will proceed with planning the orientation.

8. Adoption of Revised Agreements – Marilyn stated that in response to the problem discovered with the language of our adopted agreements concerning payouts, a COF attorney directed Marilyn to sample contracts with the appropriate language and she used these documents to rewrite our present agreements (Unrestricted, Field of Interest, Donor Designated, Agency Endowment, Donor Advised, Legacy Fund, Scholarship, and Pass-Through Funds). Joe Picco moved the adoption of the revised agreement contingent on a positive review by our local attorney. It was seconded by Frank Comfort and carried. Our national attorney also stated we would need to renegotiate all our present contracts. The Board agreed with Lowell Coolidge's suggestion that Marilyn ask our local attorney if that would be necessary.

9. Succession Planning – Marilyn stated she will be leaving the Board in May of 2009 and the Board will need to find her replacement for the Board and will also be electing a new Board chair. She stated she would still be filling the role of acting CEO/Executive Director. She was asked to separate out her roles of Board Chair from CEO so present Board members would understand the duties of Board Chair (time, expectations, duties, etc.) if they were to agree to step into this position. Marilyn also stated the Board should develop a succession plan that would address emergency situations (if something were to happen unexpectedly to present leadership) and how to go about hiring their first paid CEO and subsequent CEOs.

10. Fundraising for Operating & Unrestricted Funds – Vehicle Donation Program – A Bradford County Advisory Board member presented the idea of raising funds for the Foundation by running a vehicle donation program. The Board was interested in learning more about the program (Charitable Auto Resources, Inc.) and asked Marilyn to see if a representative could be at our next meeting.

DISCUSSION ITEMS – Board Governance Issues

1. Correspondence Report – Tom stated that most of the information was generic and there was nothing he wanted to bring to the Board's attention. Due to Bob's absence there was no report from him. Frank Comfort took the correspondence for December.

2. Operating Fund Solicitation for 2008 – The letter Marilyn drafted was acceptable to the Board. Marilyn stated she had not received any updates on the invitation lists she handed out in August and asked Board members to get them to her ASAP since letters will be mailed out the week of the 20th. It was decided to continue with the same advertising buys that we used last year. The updated Cable TV ads will have streaming video for all counties and the pictures of present Board members.

3. Changing Name of Twin Tiers Legacy Society – Marilyn suggested the Board consider changing the name of our Twin Tiers Legacy Society to the Ben Franklin Legacy Society that would allow us to use our Ben Franklin story. It will be discussed again in December.

4. New Way of Sharing CFTT Knowledge – Marilyn stated she gave permission to the Indiana University-Purdue University Indianapolis (IUPUI) to place our Annual Reports in their permanent online archive of reports published and funded by U.S. Foundations. It is called Foundation Literature Online (FOLIO) and provides free online access to these documents and publications.

5. Update on Capital Campaign for Operating Funds – Bill Ransom reported we have 31 pledges to date and \$46,110 in pledges (15.4% of goal). Payments to date amount to \$21,691. He once again asked for Board members help in obtaining pledges.

6. 2008 Profit & Loss, Balance Sheet, Accounts Receivable, Investments, Budget vs. Actual Income and Expenditures to Date – The Profit and Loss Statement for all transactions since we started shows total income of \$803,000 and net ordinary income of \$727,390. For 2008 the total income was \$318,217 and net ordinary income was \$297,817. The Balance Sheet as of 10/9/08 showed total Current Assets of \$656,693 with \$408 in our C&N checking account, \$10,022 in our C&N operating fund savings account, \$86,252 in our C&N endowment fund account, \$262,253 in our Vanguard & American Endowment Accounts, \$12,681 in Vanguard Money Market Account, and \$260,659 in CDs. Accounts Receivable totaled \$24,419. Total Income received in 2008 was \$362,413. Operating expenses for 2008 total \$20,190. The Budget vs. Actual report shows that for 2008 to date we have raised 126.7% of budgeted income and spent 63.6% of budget expenses. The Board accepted the reports as presented and filed them for audit. Marilyn reported the recommendation from the Finance/Investment Committee was stay the course. All present funds are beating their benchmarks and our allocations are right on the mark.

Adjournment: The meeting adjourned at 5:00 pm.

Next Regular Meeting Date: Will be on Thursday, December 11, 2008 at CFTT Office, 104 W. Lockhart Street, Unit 2 starting at 4:00 pm.

Respectfully submitted as a true and accurate copy of the minutes of the October 9, 2008 Board meeting.

Joseph Picco, Secretary

Date