

**DESTINATION IMAGINATION, INC.
BOARD OF TRUSTEES OPEN MEETING
Knoxville, Tennessee
May 24, 2009**

CALL to ORDER

9:05 a.m. EDT The meeting was called to order by Board Chair, Brownie Mitchell.

ROLL CALL

Present: Karen Anderson, Val Conroy, Andy Loftis, John Maloney, Brownie Mitchell, Sue Oclassen, Pamela Schroeder, David Thomason, Bruce Urban, Johnny Wells, Nancy Wingenbach, Eric Wolff and Interim CEO John Fiegel.

Guests: Newly-hired CEO Chuck (Charles) Cadle, Chris Groberg, Lara Kopf, Ryan Udell.

OLD BUSINESS

The agenda was amended to move the Alumni Report ahead of the University Report and to add Chuck Cadle to speak before the Committee Reports

Motion: Karen Anderson moved to approve the agenda as amended and the BOT minutes from January 29-31, 2009 and April 1, 2009.
Second by Bruce Urban.

Action: **Motion Passed.**

Chair Brownie Mitchell introduced Attorney Ryan Udell and thanked all in attendance, with special gratitude to those of the allied organizations for their hard work throughout the year.

ALLIED ORGANIZATIONS REPORTS

DI Alumni Association (DIAA) -- Lara Kopf

- See attached report and newsletter

University, Chris Groberg

- See attached report

DISC -- Chris Groberg

- Complete report will be submitted electronically by Charles Crompton
- Shared appreciation for assistance from Headquarters
- Gave almost \$9000 in scholarships this year
- Resources offered at <http://diresources.wikispaces.com>

DIAD -- Eric Wolff, President

- Passed new bylaws and formed workgroups
- Summit held March 13, 2009 on ways to improve DIAD/BOT/Staff communication
- Created International AD liaison position

Global Finals Web

- No report

STAFF REPORTS -- John Fiegel, Interim CEO

- See attached report

Vice Chair Andy Loftis complimented the staff on a fantastic job. John Maloney added his thanks to Interim CEO John Fiegel.

On behalf of the Board of Trustees, Chair Brownie Mitchell thanked John Fiegel for his efforts and presented him with a Destination ImagiNation® portfolio.

John Fiegel expressed his thanks: he had greatly enjoyed his time with us and had been very impressed with people so dedicated to giving time and resources for kids. He found our passion “mind-boggling” and envied how everything came together with staff and volunteer efforts to give kids a wonderful, rewarding experience.

Chair Brownie Mitchell asked whether our volunteer hours have been tracked and whether we knew which businesses have programs to match volunteer hours. President Rusty McCarty responded that the recently hired volunteer coordinator will start tracking our volunteer hours.

Newly-hired Chief Executive Officer Chuck Cadle stated how much he appreciated the kind welcome and vote of confidence he had received. He is excited about the opportunity to serve and is grateful for the concern shown to him and his wife during his sudden hospitalization and recovery while at Global Finals. He found Global Finals to be “awesome” and super-organized and felt that, if DII is run as well as that event, this is an organization that everyone will be talking about.

Chuck Cadle delineated his business philosophy: all are accountable, each person’s actions support our vision, and he seeks to bring all together as a whole.

At Global Finals, he was impressed with the super energy of the kids and never saw any unhappiness. The sponsors saw it and were pleased to be a part of it. He thanked the BOT for inviting him and thanked and praised the staff for an “awesome” job.

Chuck Cadle then affirmed that the CEO is the only BOT employee. He asked the BOT to determine what matters most, to set priorities, accountability and milestones while working together as a team. The BOT and staff priorities need to be strategically combined and committees within may be used to help focus the goals. “You don’t get to the goal if you are not focused on it.”

Chuck Cadle emphasized his belief in transparency and he sees governance as the key component of success: while not every vote will be part of the majority, he asked that the majority be supported. He quoted Abraham Lincoln: “a house divided cannot stand.”

While he has heard much of the organization’s history, he believes we must learn from it, but where we go from here is our future; we must know where we are and focus on where we are going.

Chuck Cadle asked John Fiegel to enlarge the copies of the budget for ease in reading; expenses over budget and revenues under budget should be examined. Once priorities are found, one can see where the budget goes and what it allows. Chuck Cadle again thanked the BOT for allowing him to attend the meeting. He looks forward to all getting DI to the next level.

Bruce Urban reminded us that Chuck Cadle’s employment starts June 2, 2009; therefore, his attendance has been as a volunteer. Bruce Urban thanked Chuck Cadle for extending himself during Global Finals.

COMMITTEE REPORTS:

Management Committee – Eric Wolff, Chair

- Worked on CEO assessment tool with objective and subjective assessments
- Chuck Cadle has asked that five or fewer priorities be established
- Chair Brownie Mitchell has asked the committee to establish a BOT self-evaluation instrument

Finance Committee – Pamela Schroeder, Chair

- See attached report

Chair Brownie Mitchell asked John Fiegel to give an update on the property concerns at Headquarters. The building owned by DII is small, in poor condition and in a redevelopment area, so options are being considered.

Chuck Cadle suggested that DII, as a 501(c)(3) organization, apply for relief or abatement from real estate taxes to reduce costs.

Interim CEO John Fiegel answered questions on the budget, Simon Dodd asked why the budget seemed out of sync; John Fiegel answered that it was purposely a slightly deficit budget. Karen Taylor stated that many organizations are looking at using outside resources; she asked whether the BOT could reduce auditing costs and whether affiliates could share its auditing service; John Fiegel gave reasons it probably would not help affiliates, since the DII auditor is based in New Jersey. Chuck Cadle noted that DII is a service organization and could help the affiliates in areas such as buying in volume and in IT, such as hosting websites. After looking more closely at affiliate structures, HQ will examine ways of easing affiliate burdens.

10:03 a.m. Meeting recessed

10:17 a.m. Meeting resumed

Governance Committee – Karen Anderson, Chair

- **See attached**
- The Governance Committee recommended that the revised bylaws as posted since April 2, 2009 be approved.

Motion: Eric Wolff moved that the revised bylaws posted since April 2, 2009 be approved.
Second by Pamela Schroeder.

Action: Motion passed.

- The BOT Policy Manual has been reviewed and updated by previous BOT votes. In addition, Interim CEO John Fiegel has made some recent grammatical modifications; he and Chuck Cadle would like to suggest further changes. Chuck Cadle asked that the employees be given the opportunity to see and have input in the Policy Manual before it is posted; the request was granted.

- The Governance Committee recommended that the Graphic Use Policy be revised as follows:
 1. To be titled and numbered as: 7.0
DESTINATION IMAGINATION, INC.
GRAPHIC USE POLICY
 2. The revised policy would read, “Licensed Affiliates of Destination Imagination, Inc. are granted the use of all Destination ImagiNation Inc. trademarked and registered graphics. These graphic(s) must be utilized in the format delivered and may not, in any fashion, be altered and/or transferred to anyone, group or entity. The policies enforced will be those that are attached as an addendum to the current affiliate License agreement.

Motion: Eric Wolff moved to approve the revised Graphic Use Policy.
Second by Bruce Urban.

Action: **Motion Passed.**

- There are ten nominees for three BOT seats, with the election to be held at the July meeting. The nominees are to be interviewed by a team consisting of the BOT Chair, the President of DIAD and the Chairs of the Governance and Finance Committees.
- In response to a question asked by John Maloney, it was stated that the bylaws allow a maximum of seventeen trustees; the present number is twelve.

Development Committee – Val Conroy, Chair

- See attached report
- The Camerlo Award was instituted and presented to Tom Camerlo, along with one thousand flowers designed by children, at Global Finals; Val Conroy thanked all for their support.

Motion: John Maloney moved to accept all committee, staff and allied organization reports.
Second by Pamela Schroeder .

Action: **Motion Passed.**

OLD BUSINESS Chair Brownie Mitchell stated that she will assign the task of examining policies and procedures that are to be reviewed annually to a committee via email.

With a positive recommendation from the Finance Committee, projectOUTREACH was approved for one more year.

Next Meeting Date: Thursday, July 23 – 25, 2009 in the Philadelphia area
(Travel days: Wednesday, July 22 and Sunday, July 26, 2009)

- For the October meeting, held in Irving, Texas at the Wyndham Hotel, non-DIAD BOT members should arrive on Friday, October 2 or by noon on Saturday, October 3, 2009. BOT members should expect to meet until 3 p.m. on Monday, October 5, 2009 and should plan flights into DFW airport accordingly.
- John Maloney commented that the cost of meeting space can be quite high. Through his research, he had discovered that booking the BOT meeting on a cruise ship would actually be significantly cheaper than a land site, yet the BOT feared the perception that work would not be accomplished at sea. Peggy Middendorf suggested that the cost savings of such arrangements for future meetings be placed in the BOT minutes to dispel such perceptions.
- In January, the travel days will be January 27 and January 31, 2010.

NEW BUSINESS Ad Hoc Committee:

- After discussions with Chuck Cadle, Chair Brownie Mitchell decided to form an ad hoc committee, of John Maloney, Val Conroy, David Thomason and Chuck Cadle, to create an organizational chart. Nancy Wingenbach asked to include Vice Chair Andy Loftis; the request was granted.

Future Glassboro Summit II Meetings

- Eric Wolff asked BOT approval to schedule at least one more summit meeting. Andy Loftis asked for a budget. Eric Wolff will prepare a proposal for the Finance Committee.

Next BOT Teleconference: June 17, 2009 (if needed)

10:49 a.m.

Motion: Karen Anderson moved to adjourn the meeting.
Second by David Thomason.

Action: **Motion passed.**
Respectfully submitted

Susan R. Oclassen