

## **Board Meeting**

**November 7, 2020, 10am CST**

**Zoom**

*Attendance:*

*Board members:* Linda Nutt, Cara Young, Paige Ward, Maggie Fansher, Danielle McDaniel, Sally Bebawy, Wisty Pender, Pat Moody, Natalie Cuicchi, Nick DeFord

*Chapter representatives:* Jessica Hagar, Pat Chaffee, Synthia Clark, Roberta Bell, Reneau Dubberley, Christi Teasley

*Staff members:* Kim Waag

### **Approval of August 2020 Minutes**

*Wisty motions to approve the minutes of the August 2020 board meeting. Synthia seconds. All in favor.*

### **Review Meeting Courtesies, President's Report + Farewells**

Linda thanks Natalie (7 years) and Nick (four years) for their service to Tennessee Craft. They are rolling off the board in December. Nick will remain on as nominations committee chair until a new chair steps up.

### **Executive Director's Report**

Kim thanks the board for their confidence in her new role. She and staff are excited about the next chapter, and she is honored to carry on the mission and deep history of the organization. She encourages board members to reach out, her door is always open.

### **Treasurer's Report**

Reneau reviews the statement of financial position. Cash assets are slightly above hundred thousand dollars, grant funds promised are at eighty thousand. Nine months of operation expenses can be covered to date.

There are several liabilities, including the PPE funds which are still recognized as loans. Overall, the organization is in a good financial position.

Reneau covers the statement of activities, focusing in particular on actual vs. budget, other words the operating profit and loss. Contribution support is forty-one thousand dollars behind, primarily due to the timing of receiving grant funds. Expenses are in line with budgeted amounts, and overall expenses are 98% of total budgeted amounts.

*Reneau moves to accept the Treasurer's report. Wisty seconds. All in favor.*

### **Updated FY 2021 budget**

Linda brings to light issues with the August approved budget. The following were omitted from the 2020-2021 budget: full cost of salaries, cost of hiring auditor, and miscellaneous small amounts. Linda tasked staff to review the budgets in their various programs, which was then reviewed at large by Kim. Corrected omissions

soaked up the forty thousand dollar projected revenues at the previous August board meeting. The corrected budget shows a revenue of two thousand, six hundred dollars to date.

Wisty asks about budgeted staff salaries, and how this affects new staff configurations. Linda says Kim will address this later when her staffing plans are discussed.

*Reneau moves to accept the updated budget, Nick seconds. All in favor.*

### **Vanguard authorization**

Linda comments that there have been administrative issues with accessing the Vanguard accounts. She calls for a motion to authorize specific individuals to act with full authority as organization representatives.

There are a little over one hundred thousand dollars invested in a money market account. This motion would give authority for the president of the board and executive director to invest monies, review assets, receive account statements electronically and execute any necessary documents in conjunction with the investment.

Danielle asks if any movement of funds would require both or one signature. Reneau comments that historically only one signature is required but the full board must approve all activities. Danielle comments that only signature gives one person a lot of power over our investments. We need to think of a policy for future activities.

Vanguard requires documentation of formal authorization of two signatories by the board, i.e. board-approved minutes.

Linda comments that use of Vanguard funds in the past have always come to the board for approval.

*Danielle moves to authorize Linda Nutt and Kim Waag be granted authority as signatories to the Vanguard accounts and transactions. Pat seconds.*

Wisty comments that she would like to see the Treasurer as an authority in the decision making. Given that the organization receives state and federal funding, Wisty suggests that there are three signatories for checks and balance, and proposes a monetary limit to transactions.

Reneau comments that the organization's checking account only requires one signature currently.

Linda suggests a modification to the three person signator suggestion. Treasurer added as a third signator once a full time treasurer is committed to the board.

*All approved. The board will investigate creating a policy requiring three authority signatories and funding thresholds.*

Break until 10:49am.

### **Consent Agenda: Chapter and Committee Reports Approval**

Linda reports on the fundraising committee activities. The main objective has been the annual giving campaign, with a letter to be mailed mid-November. It will be our first attempt at a brief annual report, with some data included in graphs in the letter. Some of the time at the February retreat will be devoted to discussing each board member's participation in fundraising.

Part of Kim's staff plans includes a dedicated fund development staff member. Our AGC goal for this year is sixteen thousand dollars, which is small given our statewide presence. To date, Tennessee Craft has received five thousand dollars primarily from regular donors. Staff has been working on updating our website giving platforms.

Sally reports on the community engagement committee activities. Committee met to brainstorm ideas. There have been a few conversations with community partners. Sally will be rolling off as leader of the committee, and will be available to new leadership as a resource. Linda thanks Sally for her guidance and work on this committee.

Wisty gives a report on Tennessee Craft Week. Overall, the event went well, especially as kick-off to the virtual fair. Our spokesperson, Ketch Secor, was a crucial in connecting the organization to new communities. There were 24 events (hybrid, in-person, and totally virtual), compared to 88 last year. On par with other states craft weeks. The Southwest Chapter won the most creative event concept for Veteran artists. The committee is still waiting on survey results for more information. Wisty points board members to her written report for further details.

*Wisty motions to accept chapter and committee reports. Reneau seconds. All in favor.*

## **Old Business**

### *Amend By-Laws*

- Item one: increase in the number of at-large members on the executive committee. Remove 'two' before 'Board members elected' to allow for more flexibility in the number of at-large members. Edited below.

*The president of the Board, upon assuming office, shall convene an executive committee to serve for the duration of the president's term of office. Members of the executive committee shall be the president, who will chair the committee, vice president, secretary, treasurer, and Board members elected by the Board at the beginning of each year.*

*Reneau moves to accept the edit increasing the number of at-large executive committee members. Wisty seconds. All in favor.*

- Item two: electronic meetings allowed in current wordage. Reneau suggests no change to wordage. Linda asks if it is appropriate to request a vote via electronic means. Reneau comments that gathering the opinion of the board via electronic means, but that the executive committee would keep authority to make decisions in times of emergency.

*Reneau moves to preserve current wording. Nick seconds. All in favor.*

- Item three: what constitutes a quorum? Changes in wording to require  $\frac{2}{3}$  of the board as quorum. Reneau thinks this extreme and unnecessary. Pat Moody seconds.

Maggie comments that given our ability to meet electronically, reaching a quorum should be easier.

Wisty agrees that establishing a quorum is a best practice, even if the number for a quorum is less than  $\frac{2}{3}$  participation.

*Add under Article VII Section 5. At all Board meetings of this organization 2/3 of all filled Board positions constitute a quorum.*

*Wisty motions to accept the change in wording to reflect a  $\frac{2}{3}$  of all filled board positions as a quorum. Maggie seconds. 13 for, 3 against. No objections. Motion carries.*

- Item four: mandatory attendance at all board retreats. Reneau comments that the wording of 'mandatory' is extreme. He comments that this could be a board policy, rather than a by-law change.

Synthia comments that this discussion at the February meeting was started by the discussion to allow virtual participation at board events.

Danielle comments that this discussion might be best tabled until post-pandemic. Reneau comments that the by-laws allow for this flexibility at this time.

*Wisty motions to accept Reneau's suggestion to leave wording as is rather than tabling the discussion. Natalie seconds. All in favor.*

- Item five: General membership meetings. Change to reflect the annual meeting by electronic means.

*At least one general membership meeting shall be held annually by electronic means to vote on members of the Board and other membership votes as required. Special meetings may be called by the president and/or on petition of 10 percent of the members in good standing.*

*Reneau motions to make the above change to the by-laws. Sally seconds.*

Pat asks for clarification on specific membership meetings. The August board meeting is open to the entire membership, and then the membership votes on the board slate and other membership items in December. Linda comments that this by-law change is a retroactive effort to reflect the practice that has been happening for years. Linda comments that these are two different items. Danielle asks if this is a necessary by-law change versus board policy?

*Reneau motions an amendment to the wordage in his previous motion to "by electronic or other means." Sally agrees to the change.*

Pat calls to table this discussion. Linda calls for objections to this idea.

Reneau comments that we have to have a general meeting to be in agreement with our by-laws.

*Pat Moody moves to table this discussion for further investigations. Reneau and Linda seconds. All in favor.*

- Item six: remote participation at board meetings. Perfectly acceptable in current wording.

*Wisty motions to make no change. Nick seconds. All in favor.*

Linda thanks Reneau for his work on these issues.

Break until 11:45am.

#### *eCommerce site*

Maggie starts by thanking the committee for all their hard work investing time and effort into developing this new program. Since board approval to pursue an eCommerce site in June, the committee shopped and received 4 proposals, canvassed the membership for interest, and researched other arts organizations eCommerce sites. We hired Muletown Digital to perform a technical discovery of an eCommerce site for the organization for fifteen hundred dollars. A link to the prototype site was distributed to the board for review.

Muletown's proposed eCommerce site would take 14-18 weeks to build, and cost thirty eight thousand, five hundred dollars. Tennessee Craft has already received ten thousand from a foundation grant for the project and has another fifteen thousand committee as a matching grant from interested donors.

Roberta asks about monthly costs. \$350 a month for hosting, ongoing maintenance.

Maggie would like the board to approve the use of investment monies to pay for immediate development of the site with intention to 'reimburse' accounts with raised special appeal funding. There is thirteen thousand five hundred dollars remaining to raise for the project.

This eCommerce site will allow us to offer a new marketplace to craft artists and consumers at a crucial time. Initial investment will create a self-sufficient program, and hopefully monthly revenues will offset monthly hosting and maintenance costs of \$350.

Reneau asks about staffing for the program. Kim explains that this is not a full-time position, and mainly a data entry. Kim has already found a volunteer with interest in the program.

Linda comments that this platform would require drop shipping. TN Craft would not handle products, strictly administrative.

Reneau asks about restricted retail funds. Linda comments that all of those funds were already reallocated into general operating funds.

Wisty asks about the different strategies for the Eventeny and eCommerce platforms. Maggie comments that it is the committee's intention that the eCommerce site would take the place of the Eventeny site, and has the capacity to offer event type opportunities.

Synthia asks about specific policies. Maggie mentions that the committee is aware of policy issues and are still developing logistics for approval from board.

Roberta asks about commission to TN Craft, payment to artists. Kim mentions that this will be formalized once the site is under development.

Kim comments that Muletown is creating integrations to Mailchimp and payment processing.

Paige asks about the longevity of this initial investment. Maggie responds that this is the reason we choose this proposal, and the WooCommerce platform. This eCommerce build allows Tennessee Craft to own all code, and keep management of the site in house. It would also integrate with any future website changes .

*Sally moves to table discussion and vote before the next meeting. Reneau moves to vote on funding. Not details but funding initiatives. Reneau comments that monies released for a retail store be applied to this project.*

*Maggie moves to approve the use of Tennessee Craft monies to begin development with Muletown Digital on an eCommerce site, with the intention to 'repay' investments with raised funds. Pat Moody seconds. All in favor.*

## **New Business**

### *Nominating Committee Recommendations*

Nick hopes that everyone has had a chance to review the report. Nick highlights that there are two points for discussion and vote: 4 new board members, and the officer slate.

*Nick motions to accept all new board members and refer to membership for vote in December. Roberta seconds. All in favor.*

*Nick motions to accept officer slates and refer to membership for vote in December. Reneau seconds. All in favor.*

Nick comments that it was a pleasure to serve as leadership of this committee, and calls for more board participation. Linda thanks Nick for his leadership.

### *2021 Meeting Schedule*

Meetings set for the following dates in 2021: February 13-14, June 12, August 14, November 13. Plan for all to be virtual meetings, pending change in Covid-19 situation.

*Reneau moves to approve dates. Maggie seconds. 14 in favor. Nick and Natalie abstain. Motion carries.*

### *Getting to Know the New ED – Q & A with Kim*

Kim points the board to her report and welcomes any questions. She has served in every position at Tennessee Craft, and is eager to use the experience to guide her as executive director.

She sees the organization in four parts: those who support Tennessee Craft, those who Tennessee Craft serves, administrative responsibilities, marketing and advancement. During individual meetings with Bonnie and Julia, Kim discussed career objectives, skill sets, and interests with each person, and

tailored new staff allocations and responsibilities accordingly. From this larger discussion, Kim fleshed out detailed job descriptions for each position.

She highlights the importance of fund development and hopes that the creation of a new strategic plan is a goal of the next board retreat.

The executive director position will be a community liaison and face of the organization, hold all grant responsibilities. Suggested changes in staffing are all within approved budget. The budget also allows for hiring a part-time marketing consultant to create a robust marketing campaign for an in-person May fair and eCommerce site.

Reneau asks if Bonnie and Julia have already agreed to the proposed staffing change. Kim comments that she listened to their comments and suggestions first, and then shared her proposed staffing changes with them both. She has not made any formal offers, pending board approval. Both Bonnie and Julia are excited and eager about the new positions.

Wisty comments that the executive director has the jurisdiction to structure staff responsibilities. Her concern is for the budget bandwidth for two new full time positions. Kim responds that the expenses for staffing increases are within the current budget. The organization is going from 2 FT, 2PT to 3FT positions with monies leftover for consultant work.

Reneau comments that this reallocation of staffing is an even transfer of expenses.

Wisty asks about the marketing monies; is that separate from the Tennessee Craft Week consultant fees? Yes, funds would come from the salary line. There is a savings of one-month of ED salary.

Danielle asks about prioritizing programs moving past pandemic. Kim responds that this is a topic for further discussion for the strategic plan. Current programs that have been pivoted to new formats can pivot back to historical models.

Wisty revisits the creation of two new full time positions. Linda asks Kim to expound on benefits offered by the organization. Tennessee Craft does not currently offer health insurance. The past ED declined health insurance, and we will not be applicable to decide until August 21. No other benefits, medical, 401K, are offered organization wide.

Reneau comments that this new staffing structure covers eCommerce management.

Maggie comments that Kim's overall restructuring makes sense for the organization, and is a nice way to thank the staff for their commitment over the past year.

Cara comments that our staff is working more than the hours they track.

Wisty asks if there are other informal benefits we can offer the staff as compensation.

Pat comments that this all boils down to money: the more money the board can raise, the more money we can offer as compensation to our staff.

Linda reminds that board that it is annual giving time!

Sally seconds Pat's appeal for the board to invest in the organization. She encourages the board to continue to listen to staff and support their work. She is encouraged by Kim's leadership, and calls for transparency.

Reneau comments that the organization is financially tight, but there is a history of compensating staff during fiscally prosperous years.

*Reneau motion to approve Kim's staff planning of two new full time positions with Kim to negotiate salaries. Once salaries are negotiated, the board can reassess the use of extra monies for contract work. Maggie seconds. All in favor.*

Linda speaks for the board in thanking Kim for stepping into the leadership role, and looks forward to Kim's continuation and innovations in fulfilling the mission.

Adjourn at 1:02pm.

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*Minutes prepared by Maggie Fansher*

*Linda M Nutt*

*Linda M Nutt, President, 12/11/2020*



*Maggie Fansher, secretary, 12/10/2020*