



Minutes of Annual Meeting September 13th, 2012

- Present:** Board members: Virginia Bartley, Penelope Hopkins, John Rollins, Patricia Simmons, Alvin Starkman, Lynda Wilde
- Present by Skype:** Board member: Duane Webster, Guest: Sandy Thomson
- Regrets:** None

1. Approval of Agenda

Motion by John (Alvin) to approve the agenda as circulated.

Motion carried

2. President's Report

Penny circulated a document entitled "President's Report", and dated September 13th, 2012. This document detailed the highlights of the development of CANFRO since the application for incorporation was submitted in 2011.

Motion by Lynda (Virginia) to accept the report as circulated.

Motion carried

3. Treasurer's Report

John circulated a package of documents, including an income statement (08/01/12 – 09/06/12), account transactions for the School Sponsorship and Food Projects, details of administrative revenue, legal expenses, bank charges, website development and maintenance charges, office expenses and start-up costs, a provider expenses summary report and a supporter revenue summary report.

He indicated that some donations had been made for administrative costs, and some for specific projects, in both cases (of course) without the issue of receipts for charitable donation purposes. "Providers" in the provider expenses summary report will have their initial start-up payments repaid, when possible. "Supporters" in the supporter revenue summary report will eventually obtain receipts.

Lynda and Virginia both indicated that the initial \$250.00 and \$295.84 they paid, respectively, as “providers” should be transferred into income as donations, making them “supporters”. No repayment is expected.

Action Item: John or Penny will send emails to Lynda and Virginia acknowledging this change in status of their start-up donations.

Alvin noted that his initial stake of 10,000 MP has been raised to 11,000 MP, so what is due to him by way of repayment is actually more than suggested on the provider expenses summary report.

Action Item: John will ensure that he correct amount is credited to Alvin.

Motion by Pat (Lynda) to accept the Treasurer’s Report as circulated and amended according to the above-noted changes.

Motion carried

4. New Business

(a) Policies and Procedures

Motion by Penny (John) that the Board of Directors may make and amend policies and procedures in draft form at any regular or special meeting with final approval given at the next AM.

Virginia reported that, strictly speaking, there is no need for the Board to make, amend or formally adopt policies and procedures, only to review and approve of them as it carries out its “responsibility for the overall policy and direction of CANFRO” (see Bylaw No. 1). While documents detailing policies and procedures for CANFRO operations can be useful in guiding activities, these documents need to be flexible to meet situations as they arise. Requiring Board action means requiring Board consideration and approval of any amendments to policies and procedures, be they large or small, temporary or permanent.

Motion withdrawn by mover and seconder

Action Item: Penny will make discussion of policies and procedures a rolling agenda item for Board meetings, to be addressed if and as needed.

(b) Project Reporting

Penny circulated a draft form entitled “Project Report”. This form related to the Food Project specifically, but could serve as a template for reports respecting other CANFRO projects.

Designed to be submitted to the Board by project managers on a yearly basis, the form could provide a standardized, informal but comprehensive overview of current activities and budgetary details for each project, as well as managers' comments, recommendations and details of any motions to be brought forward respecting future issues related to a project.

Penny felt the form could be shared with the CRA and with volunteers, the later via the website. Sandy commented that the form was well crafted and could be both extremely helpful for project managers and Board members and also valuable for submission to the CRA.

Motion by Virginia (Alvin) that this form be approved for use by project managers as it stands, or as subsequently amended.

Motion carried

(c) Project Budgets

Penny reminded Board members that there were some rough, initial estimates for 2012-2013 project budgets drafted at the inaugural Board meeting, on February 13th, 2012. She reported that she has assured the CRA that the Board will be carefully monitoring all receipts, expenses and disbursements of funds until CRA approval is granted and, of course, thereafter.

Changes to the initial estimates for project budgets can receive Board approval between scheduled Board meetings by way of special meetings, to be called by the President or Vice-President in accordance with Bylaw No. 1.

Virginia noted that Bylaw No. 1 is silent as to the requirements for holding meetings. Skype attendance has been approved for Board members, as have meetings held by Skype. She felt that email notices and polls could legitimately constitute special meetings.

(d) Board Governance

Terms of Office: Lynda and Virginia raised the matter of terms of office for Board members. According to Bylaw No. 1, "Board members shall serve two-year terms of office, but are eligible for re-election." There was general discussion about possible benefits and disadvantages of having Board members step down after four years in office to allow others to take up responsibilities and provide new perspectives. Former Board members could, of course, remain active in CANFRO affairs and step back into Board activities after a period of absence.

Sandy suggested that there be no changes to the terms of office at this time, while the Board is facing other, more pressing issues, and noted for future discussion that it is common for boards to have staggered terms of three and two years duration.

Insurance: John reported on recent discussions as to insurance for the Board. Happily, he found quotes that were much more reasonable than originally anticipated: \$600 annually for 1,000,000 in coverage for errors and omissions by directors and officers, and \$800 annually for \$2,000,000 in coverage.

Motion by Alvin (Virginia) that coverage be purchased as soon as reasonably possible.

Motion carried

(e) Bylaw Amendment

Virginia reminded Board members that the Ontario government had required the Board to have a president and Vice-President, rather than a Chair and Vice-Chair. A vote was taken by email notice and poll in June and the Bylaw was provisionally amended to conform to government requirements.

Motion by Pat (John) to approve Bylaw No. 1, as amended June 18th, 2012.

Motion carried

(f) Donor Relations

Website-based donations: Penny noted that the CANFRO website already provides a online donation form, and that it makes clear a 5% administration fee will be deducted from each donation for the 2012-2013 fiscal year. She again raised the two options for assistance in making online donations. One is PayPal, which deducts an additional 1.3% of each donation made, and the other is Canada Helps, which deducts an additional 3.9%. The latter will issue automatic thank-you notes and receipts. John noted that donors could choose to make an additional donation to CANFRO specifically to cover administrative fees, in lieu of having 5% deducted from their donation. Sandy suggested that the Board adopt both options for assistance, PayPal and Canada Helps, and revisit any questions about which is better after a year has passed.

Motion by Lynda (John) to (a) amend the current online donation form to allow additional donations to CANFRO specifically to cover

administrative costs and (b) add the PayPal and Canada Helps online donation options as soon as practicable.

Motion carried

Transparency: Penny reported that she will work on the portion of the website devoted to transparency with respect to donations and donors. It will be linked to the donation page. Board members discussed privacy issues for donors.

Action Item: Penny will bring the issue of privacy and transparency with respect to donations and donors back to the Board.

Thank-You Notes: Board members discussed responses to donations, both by the Treasurer and by project managers. There was general agreement about a standardized thank-you note from the Treasurer, on CANFRO letterhead, with a copy sent to the relevant project manager for personalized follow-up. The letter from the Treasurer would be more formal than the letter from the project manager. No agreement was reached about whether the follow-up letter should be on CANFRO letterhead, or on specially made CANFRO cards (as Penny suggested).

Action Item: The matter of formal and informal thank-you notes will be revisited at the next Board meeting.

(g) Internal Systems

Financial Policies and Procedures: Penny and John circulated a draft document entitled “Financial Policies and Procedures”. This can serve as a template for other policies and procedures that are created from time to time respecting CANFRO operations. Board members made a few comments on the draft document, which Penny and John took into consideration for subsequent amendments. Board members agreed that this document should be internal in nature and not posted on the CANFRO website.

Bank Accounts: There was a wide-ranging discussion about establishing bank accounts in Canada and Oaxaca and managing them as essentially in-and-out vehicles for collecting and disbursing funds. The discussion included ATM cards issued for use in Oaxaca (possibly two – one for Alvin and one for Lynda), and calculation of donation amounts in MP as of the date of deposit in Canada.

Project Management Expenses: There was also a wide-ranging discussion about project management expenses. Penny suggested that any expenses incurred by project managers be charged to their projects directly so that donors are not put off by what seem to be large administrative expenses at CANFRO as a whole.

Action Item: Penny and John will draft policies and procedures respecting bank accounts, donations flow and project management expenses.

Memoranda of Understanding: Board members agreed that there should be an MOU for every CANFRO project. They also agreed that the MOU drafted for signature by CORAL and CANFRO could be a good template.

Motion by Alvin (Pat) that the Board approve the suggested MOU between CORAL and CANFRO and that Alvin sign it on behalf of CANFRO as soon as practicable.

Motion carried

Motion by Lynda (John) to adjourn the Annual General Meeting.

Motion carried