

**BOARD OF DIRECTORS' MEETING
MINUTES
June 26 and 27, 1992**

SEP 26 1992



Directors present: Randy Jones, Tim Banner, Walter Johnson, Bob MacFarlane, John Burnett. Other trusted servants present: Tom Logan, Tom Rush, Mitchell Soodak, Bob Feneran, Mary Kay Berger, Garth Popple, Ron Sheppard. WSO staff present: Joe Gossett, George Hollahan, and Anthony Edmondson.

Randy Jones, Interim Vice Chair, called the meeting to order by asking all those present to join in the Serenity Prayer. The consensus of the board was to complete the board election process before proceeding to any other business items in the agenda. With this change in the agenda, it was M/S/C (Tim B./Bob MacF.) that the board of directors ratify the WSC's elections of Chuck Lehman, Tom R. and Tom L. to one-year terms. It was then M/S/C (Bob MacF./Tim B.) that the board elect Mary K. B. from the pool for a three-year term. It was then M/S/C (Tim B./Bob MacF.) to elect Walter J. from the pool for a three-year term. A BOT member was elected by the WSC to serve on the WSO BOD. Chuck Lehman was elected by the board of trustees to serve as that member.

After further discussion of available terms, it was M/S/C (Randy J./Tim B.) to elect Chris Chambliss from the pool for a three-year term. It was then M/S/C (Tim B./Walter J.) to elect Bob F. to complete the one-year remaining on Bob McDonough's term.

Becky Meyer joined the meeting at this point after completion of another committee meeting. Tom L. then raised the question as to whether it was appropriate to honor proxies in board of director voting. After a substantial discussion on the issue, Tim B. made a recommendation to the board that the staff seek the advice of a California attorney prior to accepting proxies. Staff was then instructed to obtain this legal advice and report back later in the meeting. It was also noted that the board of directors needs to utilize the CAR to identify and communicate to the WSC specific pool membership needs and clarify the use of the pool for filling vacancies and electing members to the board.

After a brief discussion of the need to revise our bylaws, the board proceeded to the election of the officers. Tim B. nominated Mary Kay B. to be elected as chairperson of the board of directors. John B. seconded that motion. The election was by acclamation. Bob MacF. then nominated Randy J. for vice chairperson. Tim B. seconded that motion. Tom L. then moved that this position be elected by acclamation, Tim B. seconded that motion, and it passed unanimously. Randy J. nominated Tim B. for secretary, Bob F. seconded that nomination. Tom L. moved that Tim be elected by acclamation. Bob F. seconded that motion and it passed unanimously.

Tim B. nominated Walter J. for treasurer, Randy J. seconded that nomination. Tom L. moved that Walter be elected by acclamation, Bob MacF. seconded that motion and it passed unanimously.

The board then considered the board of directors' conference call minutes of April 7. After some discussion, the following changes were made:

Delete the word "should be" and replace it with the word "was" in the first sentence of the fourth paragraph of the minutes; change the word "moves" to past tense to read "moved" in the third sentence of the fourth paragraph; and add the phrase "without dissent by those on the conference call," to the end of the sentence reading "Tim Banner seconded that motion and it passed unanimously," found in the fourth paragraph of those minutes.

There being no objection, these amendments were accepted by the board. It was then M/S/C (John B./Tim B.) to accept April 7 board of directors conference call minutes as amended.

The board then considered the minutes of the 7:30 P.M. meeting of the board on April 26 at the conference. There being no recommended changes, it was M/S/C (Tom L./Randy J.) that we accept the minutes.

Tim B. then noted the practice in previous years has been to identify board actions to be addressed at an upcoming meeting by use of bold, or italics, or underlining in the minutes. After brief discussion, it was the consensus to continue this practice with preference expressed to underlining phrases referring to future board actions. There being no changes recommended, the minutes were accepted as presented.

The board then considered the May 1st minutes of the board of directors with the following corrections offered for consideration.

In the first paragraph of the minutes, the word "vice" should be added immediately prior to the word chairperson. In the seventh paragraph near the bottom of the first page, the word "tips" should be changed to "trips" to correct the spelling error. In the sixth paragraph on the second page, the word "vice" should be added immediately prior to the word "chairperson." On page three of these minutes, an additional paragraph should be inserted between the first and second paragraph which reads as follows: The board of directors unanimously elected John Burnett to fill the unexpired term of Oliver Stanley. Tom L. then made a motion to ratify the minutes as the minutes of May 1 board of directors' meeting with the amendments offered, Tim B. seconded that motion, and it passed unanimously.

The board then considered the minutes of the WSO Executive Committee call on 6/15/92. Randy moved to accept those minutes, Tim B. seconded that motion, and discussion ensued as to whether acceptance of executive committee minutes also included ratification of executive committee actions. Bob MacF. moved to ratify the executive committee's actions as outlined in the minutes of 6/15/92. After further discussion, it was the consensus of the board to table the decision of these minutes until discussion of WSO-Europe.

The board was then asked to comment on the Basic Notebook. After brief discussion, it was the consensus of the board that each section be addressed to determine the

information it contained was current WSO policy or merely informational. While there were no comments on the welcome letter, there were comments noting that the insert titled "A Guide to the World Service Office" contained dated information. It was noted that this is an informational piece and intended to provide only a general overview. The Trusted Servant Information section was then addressed by board members present, submitting any additions or corrections to the listing presented, with instructions to staff to compile those corrections and provide an updated list. Trusted Servant Job Descriptions were discussed briefly, noting that not all board of directors' meetings are necessarily scheduled on weekends. It was also noted that more in-depth review of board of directors' job descriptions would be appropriate at a later date. It was also mentioned that all board of directors should attend the annual World Service Conference. On the Expense Reimbursement Procedure, it was noted that the titles rather than individual names of world service office employees were more appropriate and thus, Bob McDonough's name should be changed to accounting manager. There was also a request that all memos state an author's name so that trusted servants could more easily obtain additional information from the writer of the memo. The Articles of Incorporation presented are incomplete and will be replaced by a complete copy.

At this time, it was noted that the Basic Notebook provided information on WSO policy as well as general WSO information and that future editions may be organized into separate policy sections and information sections. The board did not spend extensive time on the travel policy since it would be assigned for revision to a board of directors' committee. It was noted that the history section related only to WSO and was not an attempt to create a history of NA. This section was compiled directly from WSO records with all factual information contained in this section being supported by those documents. WSO Legal Documents section contains the WSO Bylaws and the WCC Bylaws will be added by the next board meeting. The 1991 WSO Annual Report section contains the annual report as distributed at the conference.

The business plan will be distributed later in the meeting to be placed in the section titled Business Plan. The section titled 1992 Operating Budget should also contain the operating budget established at this board meeting. The section titled 92-93 Work Plan is reserved for the annual work plan which is to be provided prior to the next board meeting. The section titled General Office Guidelines is a somewhat dated but still useful general overview of internal office operations. The section titled Financial Management Policy contains the financial management policy revised last year. The Sales Policy section contains our current sales policy which will be replaced upon approval of a revised sales policy by the board of directors.

The next section contains Equipment Distribution Policy and equipment distribution contract, both of which were developed last year. The next section contains WSO Credit Card Policy which was developed last year. Under the section Translations Policy, it was noted that this policy would be revised this year by the Translations Committee. The section titled Tape Policy is current having been revised within the past year. The section titled Newsline Editorial Policy states the current operational process of current development and editorial process of the Newsline. The section titled *Newsline* contains a

copy of the April edition. Order forms are currently being revised and examples will be provided for this section titled Order Forms. TWGSS is currently under revision to incorporate changes by WSC'93 and will be provided prior to the next board meeting. Personnel Policies are on the agenda for review at this meeting and revised policies will be forwarded prior to the next meeting. Position Analysis section is reserved for job descriptions of WSO organizational chart which should be developed prior to the next board meeting.

The board then considered two requests presented to the board of directors at their April meeting regarding reference to debt relief. The first came from Philadelphia Regional Service Committee. It was noted that at the time, the office owed the WSO approximately \$24,000.00 and was unable to repay on the originally agreed upon schedule due to other financial difficulties within the region. Since the board did not have any written request from the Philadelphia Regional Service Office, no action could be taken at this time. The board had also received a written request from the New England Regional Service Office for restructuring of their debt repayment plan, but some question was raised as to whether the written communication we had received was a personal request from the RSR or a request from the entire regional service committee. With that consideration, the board decided to defer action on any debt restructuring until written regional requests were made.

Anthony then presented a financial report followed by a lengthy period of questions to bring all board members current on our financial status. At this time, the board asked for a receivable aging analysis for review. While a detailed analysis is circulated at every board meeting, the board expressed a preference for a one page summary as a more useful financial analysis tool. The staff indicated that summary would be available at the next board meeting along with a comprehensive mid-year analysis report. Anthony further noted that our financial status had remained essentially unchanged. The office has been able to achieve a high level of payables, but does not anticipate significant long term reduction of those payables until the beginning of the fourth quarter of the year. Anthony also recommended that *Just for Today* be provided to Hazelden at a maximum 35% discount which is 5% less than their current maximum discount. There was no objection from the board.

The board members then raised questions about reduction in our inventory levels over the past two years and a brief historical review was provided by Anthony. It was noted that the WSO had been able to deal with short term reduction in sales through reduction in inventory and increasing our levels of payables. The board then considered the budget presented in Book 3, page 22-26. After in-depth review, the only change recommended by the board was to move \$10,000 from Contract Labor to travel to accommodate anticipated NA video travel expenses. There being no other changes recommended to the budget as presented, Tom moved that we adopt the budget as presented, John B. seconded, and it passed unanimously.

At that time, staff presented the results of legal research regarding to use of proxies in non-profit public benefit corporations. It was the opinion of our legal counsel that no

provision for proxies is made for California Public Benefit Corporations. Based on this advice, the board of directors developed a consensus not to use written proxies at future board of directors' meetings.

Mary Kay then gave the chairpersons' report beginning with a summary of conference actions that impacted WSO. Mary Kay noted there had been conference action to make tapes of conference available for sale. Production of these tapes can be done in-house, but based on the history from last year, few, if any copies are projected to be sold. Mary Kay also noted that the conference passed a motion to establish a trial one year dual membership on the board of trustees and board of directors. She further noted that Tim would be the board of director member assigned to the board of trustees and that Chuck would be the board of trustees member assigned to the board of directors. Mary Kay then noted that the *Twelve Concepts of Service* booklet had been completed and was in our inventory and that a sample had been distributed to all board members with Book 3. Retail sales price of this piece had been established at \$1.00. Mary Kay then noted that *In Times of Illness* was scheduled to be in our inventory by July 17 and would be selling for \$.55. She then noted that *Just for Today* was on schedule to be in our inventory by August 1 and would sell for \$6.95 in paperback or \$25.00 in the numbered limited edition volume. It was also noted that the limited edition would be made available without discount and would be limited to a maximum purchase of two books per individual until October 1. The limitation was to assure that all members of the NA fellowship would have a reasonable opportunity to obtain one of the 2,000 books published. It was also noted that the Introductory Guide which now will include IP#6 should be in our inventory by August 1 and will continue to sell for \$2.50. Mary Kay further noted that the entire board of directors will have a seat on the floor of WSC'93 with one collective vote expressed by the chairperson of the board of directors.

Mary Kay then reviewed the motions committed to the board of directors by the WSC. Regarding the motion to relocate the WSO, John B. was appointed to develop a report for the CAR. The board was also asked to explore the formation of electronic bulletin boards and report back to the conference. It was noted that staff would prepare recommendations to be reviewed at the next board meeting. A motion to establish one standard price for literature was reviewed to the board of directors. It was the consensus of the board that this issue be addressed as part of the development of the sales policy. The board also discussed a motion recommending the direct election of the board of directors' chairperson and vice chairperson by the World Service Conference. Tim B. was asked to develop a recommended response by next board meeting. Tim asked that any written input board members could provide would be appreciated prior to September 15. A motion was also discussed regarding elimination of WSC attendance requirements for election to the WSO board of directors or to the WCC board of directors. Tim B. was asked to develop a recommended response for the board to consider. Tim then requested that any input would be appreciated in writing prior to September 15.

The next item on the agenda was the establishment of WSO work plan priorities. After brief discussion, it was the consensus of the board to defer this item until all other

business items of the board had been addressed. Mary Kay then noted that fellowship communications were outlined in Book 1, page 41-51, and also in Book 3.

The WSC report and WSB report were deferred until Ron and Becky returned from another meeting. Tim B. was then asked to present a legal report. Tim began that report by providing status of WSO vs. David Morehead case, noting that we had received an order dated June 23 from the United States District Court for the Eastern District of Pennsylvania, stating that the defendant's motion for preliminary injunction was denied as moot and that the defendant's motion for expedited proceedings was denied as moot. The court has not ruled on Morehead's motion to enforce or vacate the final order of January 4, 1991 and there is no indication as to when the court may provide a ruling on that motion. Other strategies to obtain closure in this matter could be discussed at the September board meeting if the Court has not ruled by then.

The board then reviewed a written communication from a trustee which recommended the formation of combined world services legal review committee. After substantial discussion, it was the consensus of the board that it would be appropriate to utilize the skills of existing board members to review and comment on legal activities, but that it would not be the best interest of WSO or world services to create a highly visible combined world services legal committee.

The board was then asked if it was their desire to establish an RSR working group to assist in sales policy development. After brief discussion, there was a consensus of the board that such a working group would be valuable and should be created to review drafts as they are developed. There was also discussion that the sales policy development timetable may be optimistic and may need to be revised to complete the sales policy development process outlined.

The board then considered which directors should attend the Orlando workshop to discuss sales policies and conventions. It was then noted that the sales policy ad hoc committee would consist of Mary Kay B., Walter J., Bob F., Tom R., and Chuck L. The board then discussed the most cost effective ways to obtain maximum feedback in reference to sales policy development from this workshop. After brief discussion, it was M/S/C (Tim B. Walter J.) that the board reimburse Chris C. for driving, travel, and meals to attend the Orlando workshop. After brief discussion, Randy J. called for the vote and it passed 7-yes; 1-no. Tim B. then moved that we send Mary Kay B. and Walter J. as participants to the Orlando workshop. No vote was taken and discussion continued. Tim then moved to rescind the motion to reimburse Chris to attend the workshop, Bob MacF. seconded that motion and it passed unanimously. It was M/S/C (Randy J./Tim B.) that the board of directors fund Walter J., Mary Kay B., and Chris C. as their representatives to the Orlando workshop.

Becky then gave a report from the World Service Board of Trustees noting that Chuck L. had been elected as the dual member from the trustees to the board of directors. Becky also noted that the trustees had completed an in-depth project prioritizing effort at their last board meeting. Becky also noted that a video tape of the steps and traditions

have been completed in American sign language. Becky also noted that the staff team approach is working well from a trustee perspective.

The World Service Office also received a first draft of the Basic Text in Korean and noticed what appeared to be inappropriate differences or additions to the Korean Basic Text. In conjunction with this draft was a request for acknowledgement of the translator to be placed in front of the Basic Text. It was the consensus of the board that any such acknowledgement would be inappropriate and would, thus, not be granted.

It was also brought to the attention of the board that the wife of the New Jersey RSR-Alt was proficient in Korean and has volunteered to assist in reviewing the Korean translation. While the board felt that volunteer translation services could be of value, there was consensus to obtain a professional evaluation of the Korean Basic Text to determine conceptual fidelity. It was M/S/C (Tim B./Walter J.) that we authorize up to \$1,000 to obtain a professional evaluation of the conceptual fidelity of the Korean Basic Text.

Ron S. then gave the WSC report noting that our first quarterly is tentatively scheduled during the last half of October in either Cincinnati, OH, Columbus, OH, or Pittsburg, PA. The staff is still researching dates and locations and an announcement will be made as soon as we obtain sufficient information to make a commitment. Ron also noted that September 5 was established as Unity Day at which time members around the world would be asked to join with the members attending the World Convention in reciting the Gratitude and Serenity Prayers. Also at this time, the basket may be passed to obtain funds to support the World Service Conference. Ron further noted the November 15 deadline for the January Conference Report and a December 5 deadline for the Conference Agenda Report. Ron also provided the board with financial status of WSC, noting that income to date was ahead of projections.

Randy then gave a report on the WCC, noting that there was substantial discussion at the Toronto board meeting to develop a self-supporting World Convention Corporation. It was noted that the goal of the WCC is to be out of debt to the WSO at the end of the Toronto convention. Cash flow funds from the WSO may still be needed to facilitate cash flow for the Chicago convention, but after the Chicago convention, a sufficient cash reserve should be developed to meet not only total expenses, but to address the WCC and cash flow needs. Randy also noted that at the recent board meeting in Toronto that expenses were cut wherever possible, insuring a quality convention can be conducted at the least possible expense. Randy also noted that there had been substantial discussion about terms of office of members of the board of directors that also serve as members of the WCC Board. In response to this discussion, Tom Logan presented the following motion:

In accordance with Section 3.03(b) of the World Convention Bylaws, any member of the World Service Office Board of Directors who is designated as a WCC Board member whose term expires on the WSO Board expires at the annual meeting of the WSO Board in any year is hereby authorized to complete such term as WCC Board members until the annual meeting of the WCC Board in such year.

John B. seconded that motion and it passed unanimously.

Randy also provided a recommendation that the board of directors appoint only three members to the World Convention Corporation until November, thereby allowing the current chair to complete his term under the provisions of the above motion.

Randy also suggested that the diverse population of the World Convention attendees would be an appropriate place for an introductory promotion of *Just for Today*. In response to WSO's new product promotion needs and WCC's need for low cost recovery-oriented items, Randy requested 120 copies of *Just for Today* copies be made available to the World Convention Corporation at no cost to be distributed by the World Convention Corporation in an equitable manner. In response to that request, it was M/S/C (Bob MacF./John B.) that the board of directors grant this request for 120 copies of *Just for Today* free of charge to the World Convention Corporation. Randy also noted that the World Convention Corporation plans to initiate a one-half price sale on all merchandise from previous world conventions at the alternate store in Toronto and that after the convention in Toronto that previous convention merchandise be advertised and sold through the office at one-half the original established retail price. Randy further noted that WCC Board of Directors has established three working groups to complete an analysis of WCC's operational scope, develop a more effective administrative plan, and develop recommendations to make the World Convention more special..

The board then discussed appointments to the World Convention Corporation. It was the board's wish that Randy J. be reappointed to the board. After brief discussion, John B. and Bob F. both expressed the willingness and desire to serve on the Convention Corporation Board. The appointment of the 4th BOD member to the WCC Board was specifically postponed until the term of Bill Winterfield has been completed.

Walter then gave a business plan report beginning with the distribution of the initial input draft copy of the business plan. Walter then requested input by August 10, and noted that at least one face to face meeting of the business plan committee would be required to integrate input into a revised document that could be presented to all conference participants for further input.

Walter then presented the concept of a multi-lingual medallion consisting of the basic design of the current medallion with all wording removed, the advantage of this approach being that it would be equally appropriate for any language group in the world without the expense associated with translation of the medallion. After brief discussion, it was the consensus of the board to incur the expense to develop a sample for the board prior to the September board meeting. WSO staff were also asked to explore this concept with participants of the EEC to determine if the general concept would be acceptable to the fellowship.

Tim then noted that an overhaul of the bylaws would be a priority project of the legal committee and this task needs to be accomplished prior to refileing our bylaws with the IRS.

Joe then noted that we had received a report back from our attorney on a specialist review of the personnel policy. Communication from the attorney is listed on Page 14 and 15 of Book 2 with the specific recommendations from the consultant listed on Page 16 and 17. Joe also noted that these recommendations had been incorporated into the draft of the personnel policies beginning on Page 18 and continuing to Page 56. Concern was also raised that several sections throughout the policy could be better worded to communicate the intent of the policy to WSO employees. It was the consensus of the board that input into personnel policy could be received on an ongoing basis, but that additional expenditure of financial resources for consultants or internal personnel resources to further refine the policy would not be a priority project at this time. It was then M/S/C (Tim B./Randy J.) that we accept and implement the personnel policies as presented in Book 2. The motion passed by a vote of six in favor, one no, and one abstention.

Due to the lateness of the hour, the board decided to recess for the night and reconvene at 9:00 A.M. Saturday morning.

Saturday, June 27, 1992

Mary K. reconvened the board and asked the board to review the letter from a trustee that recommended the creation of the combined world services legal committee. The board first noted that legal costs would continue to be substantial over the next few years due to events associated with international trademark protection. As the number of countries and the number of products increases, expense associated with trademark registration and protection will also increase. The board also noted that while it is always important to emphasize or to place a priority on open communication with any segment of the fellowship, we should not place greater emphasis on attention-getting oriented input as opposed to review input. It was noted that in WSO v. David Morehead, that all reasonable avenues of communication had been explored, but fundamental differences still remained in the perspective of the appropriate role of world services. Concern was also raised that a high profile combined world services legal committee could attract litigation and, thus, may be counterproductive. After brief discussion, it was the consensus of the board to not pursue a pro bono approach to our legal expenses since the risk of inferior or untimely legal services was judged to be greater than the benefit of decreasing or eliminating legal fees.

Legal strategies concerning the WSO vs. the David Morehead case were then discussed. Mary K. then summarized the discussion of legal committee, noting that there was value perceived in having members of the board of directors with legal expertise review all substantial legal matters. In reference to a question as to whether we are formally establishing and seeking participation in a combined world services legal committee, it was the consensus of the board that was not in the best interest of world services.

Tim was then asked to provide a report on the development of the Literature Trust Document. Tim recommended the addition of the following new language on the top of page 12 in the approval form as follows:

The trustee has no power to encumber, mortgage or pledge the name "Narcotics Anonymous," the copyrights and/or trademarks.

He also raised the issue as to whether it was preferable to have two-thirds or three-fourths of the conference to adopt the trust document or to cancel the trust document. After substantial discussion, it was the consensus of the board that the importance of this document would indicate the need for overwhelming decision by the conference and, thus, should require three-fourths majority to either pass or cancel the Literature Trust Document. With that consensus developed, it was M/S/C (Randy J./John B.) that the BOD recommended to the board of trustees that three-fourths majority be required to approve or revoke the Literature Trust Document. The motion passed unanimously. Tim then noted that it would be the responsibility of the board of directors to develop the use policy to accompany the Literature Trust Document.

Joe then provided a brief summary of our personnel-related actions, noting that a two-day training session with employees that work directly with trusted servants had been completed. As part of that exercise, the employees are currently in the process of developing a list of commitments they feel would be appropriate to make to trusted servants and also a list of requests for commitments from trusted servants to further enhance the efficiency and productivity of the special worker/trusted servant relationship. Joe also noted that the book entitled *How to Make Meetings Work* had been used as a primary piece in this two-day training session and that book is available to all members of the board of directors.

Joe also noted his intention to establish WSO as a nonsmoking workplace effective September 1. There was discussion as to a potential impact that this action would have on WSO productivity initially as well as the potential for personnel-related problems associated with the change. It was M/S/C (Randy J./Bob F.) that we establish the WSO as a nonsmoking environment. Consensus was then developed that this was an internal management decision and, thus, the responsibility of the executive director. With that consensus, the motion was withdrawn.

The board was then asked to consider the makeup of the group starter kit. It was noted that the present contents of the group starter kit consisted of PI folder, group booklet, white book, one copy of each IP, one copy of the most recent edition of *NA Way Magazine*, group check list, one WSO order form, *Group Treasurer's Workbook*, and the most recent copy of the *WSO Newsline*. After some discussion, it was the recommendation of staff and the consensus of the board to leave the contents of the group starter kit the same with the exception of eliminating the PI folder due to expense. It was also noted that PI maybe able to use these folders more appropriately in other settings and that a supply could be provided to the PI committee prior to exhausting our current inventory in developing starter kits.

George then noted that the team approach was working well in the services division. While some adjustment transition time would still be required, the long term benefits of team approach have already become apparent to both trusted servants and special workers.

The board then discussed personnel issues related to World Service Office-Europe. After discussion of legal strategy and anticipated costs involved, Tim B. then made the following motion:

"The board of directors empower the executive committee to contact Gordon Day or another appropriate solicitor or barrister in London to inquire about the basis and validity of the claim filed by the previous WSO-Europe employee and ask that solicitor to counsel as to cost of defending against that claim if the claim is judged to have validity." Bob F. seconded that motion and it passed unanimously.

The question was then raised as to whether the board of directors had ever passed a formal resolution creating the executive committee. The consensus of those staff and directors present that if such a resolution had been adopted in the past that it was no longer readily available and, thus, may want to be reconsidered. It was M/S/C (Tim B./John B.) that the board create an executive committee consisting of the chairperson, vice chairperson, secretary and treasurer and that this committee operate under the guidelines expressed in our bylaws in Section 6.14 of the WSO Bylaws and instructions of the board of directors. It was also noted that since the board of directors had approved all previous executive committee actions that no separate motion would be required in that regard.

George then provided an overview of recommended office space for the WSO office in Brussels. Tim B. then recommended the following three corporate resolutions.

1. That the board of directors empower the vice chair and/or secretary of the board of directors to execute a lease for WSO-Europe office in accordance with the parameters set out on Page 3-51-55 of Book 3 of the June 1992 board of directors annual meeting.
2. That the board of directors empower the vice chair and/or secretary to review the hiring of WSO employees for WSO-Europe office in accordance with the parameters set out on Pages 3-49 and 3-50 of Book 3 of the June 1991 board of directors annual meeting.
3. That the board of directors empower the secretary of the board of directors to take necessary action to set up the international nonprofit organization for WSO-Europe in Brussels and lay groundwork for formation of the European Branch Operations Committee.

Bob Feneran seconded that motion for the above three corporate resolutions. A vote of the board was taken and they passed it unanimously.

It was then M/S/C (Tim B./John B.) that the board of directors affirm the action taken by the executive committee on our June 15 conference call. The motion passed unanimously. (Minutes of this call are contained in Book 3, page 27).

The board then discussed the need for directors and WSO staff to travel to Europe to help facilitate the relocation of WSO-Europe from London to Brussels to complete a WCC visit of potential sites for the 1995 World Convention and to participate in the European Conference and Convention. After substantial discussions, it was the consensus that the board authorize travel, lodging and meals for Randy J., Tim B., George H., and Anthony E. as a minimum number of people that would be required for the responsibilities outlined. It was also mentioned that Uschi Mueller will be in Europe on personal business during the same time frame as the ECC. Therefore, no reimbursement of travel expense will be provided, but one week of regular compensation will be provided to obtain her assistance at the ECC.

The board then recessed for lunch and resumed in the afternoon with a motion from Randy J. (seconded by Tom L.) that the board accept the literature sales agreement listed in Book 3, Page 3-58 and 3-59 with revised expiration date of January 31, 1992 and changing the reported starting date from June 10 to June 27. It was noted that this literature sales agreement was a temporary measure until a comprehensive sales agreement could be developed later in the year. Also since this agreement has a stated expiration date of January 31, 1992, no long term commitments are implied. The motion passed unanimously.

The next item to be discussed was a Portuguese Sales Agreement. The Board reviewed the agreement proposed by the Portuguese Fellowship and decided to treat it as input to the sales policy ad hoc committee. The staff was instructed to send the Portuguese Fellowship a letter thanking them for their proposal and to thank them personally during the ECC.

In considering other branch office issues, it was noted that a WSO branch office in South America or a branch office relationship with the FSO in Australia would be well received. More input is required before creating any final proposal for review of the board, but a proposal in relation to both South America and Australia as potential branch locations will be developed by staff and presented to the board at a future board meeting.

Anthony then presented the administrative and support division report. He began with the presentation of the document titled "1992 WSO Corporate Resolutions," which were the resolutions required to establish authorized check signing. The board noted that a third resolution name K. Jose Gossett should be changed to K. Joe Gossett and also in the last sentence of the sixth resolution, the phrase "of the board of directors" should be added after the phrase "concurrence of the chairperson" and the word "there" in that same sentence should be changed to "the." With these changes, it was M/S/C (Tim B./Bob MacF.) that the board accept the six corporate resolutions presented in this document.

Anthony then raised questions about the extent of board involvement and development in establishing of prices for all items sold by WSO. After brief discussion, there was a consensus that the board should be involved in the establishment of the price for every item sold by the WSO.

Anthony then reviewed production time lines noting that all previously stated production timetables were still on schedule. Anthony then noted that while substantial interest had been expressed in the production of a basic pen, at present, the minimum production cost was \$2.28 per unit which may be prohibitively expensive after distribution costs are added. Anthony indicated he was continuing research into less expensive production of the basic pen and would report back at a later board meeting the findings of this research.

Bob MacF. then gave a report on the development of the NA video, beginning with a brief history of the development of that project. The concern over cost escalation was also discussed with a note that close monitoring of costs was being done by the committee. To more accurately reflect the costs incurred, Anthony recommended that we move \$10,000 from the contract labor line item in the budget to the travel line item in the budget to reflect the costs associated with development of the NA Video. There being no objection from the board, the chair instructed that adjustment to the budget be made.

Anthony then presented a tax-sheltered annuity proposal for board consideration noting that this is an employee benefit that could be made available to WSO employees at no additional direct cost to the WSO and only minimal addition of administration time. There being no opposition from the board, it was M/S/C (John B./Bob F.) that we offer a tax-sheltered annuity program to our employees.

At that time, the board discussed the pressing need to update our copyright registrations. George noted that additional staff would be required to fully implement a comprehensive copyright registration program and while this need was urgent, concern over funds available to obtain additional staff was substantial. The consensus of the board was to not hire any additional personnel until projected income sources sufficient to overcome our previous negative financial situation were identified and documented. Once actual evidence of income impact at or above our projected levels is obtained, additional hiring commitments could be considered. It was then M/S/C (Tim B./Bob MacF.) that the board empower the executive committee to review the income status on a weekly basis beginning August 15 to determine the impact of sales of *Just For Today* between August 15 and the scheduled board meeting at the end of September. It passed unanimously. As a point of information, it was also noted that in anticipation of additional personnel needs that that search process can begin now to identify candidates, but hiring commitments cannot be made until finances are determined either by the executive committee or the full board to be sufficient.

The board was then asked to consider the expenditure of \$2,650 from the existing WSO budget to address the following translation needs:

1. Three or four trustee bulletins to be translated into French and Spanish. Estimated Cost: \$450.
2. Funding for one paid translation of I.P. #1 into Hindi. Estimated cost: \$200.

3. Paid evaluations of existing translations of IP #1 and glossary into Dutch, Danish, Farsi, and Urdu. Estimated Cost: \$1,000.
4. Professional evaluation of the Korean Basic Text for conceptual fidelity. Estimated Cost: \$1,000.

After brief discussion, John B. recommended that we authorize funding those requests, Randy J. seconded that motion and it passed unanimously.

The compiled results of all board members ranking priority projects was then reported to the board of directors as follows:

1. Publish conference-approved literature.
2. Copyright registration.
3. Sales policy development.
4. Intellectual property trust.
5. Standardization of WSC accounting.
6. WSO technology update.
7. WSO business plan development.
8. Translations.
9. Revision of personnel policies.
10. Implementation of staff training program.
11. Development of offshore printing proposals.
12. Communication study.
13. Disaster Plan.
14. WSO procedures manual.

At this time, the board compiled a list of committee assignments, that list being attached to these minutes.

It was also noted that in the development of this list that the board would need to request two members from the trustees to participate on the ad hoc business plan committee and also to request participation from WSC Admin Committee in appointing an admin committee person and one RSR. After establishing committees and reviewing committee assignments, it was M/S/C (Randy J./John B.) that the board approve this list.

The board then established meeting dates for September, November, and January board of director meetings as indicated on the attached document titled "WSO Board of Directors' Meeting Dates and WCC Meeting Dates."

There being no other items to come before the board, Bob MacF. moved to adjourn, Tim B. seconded that motion, and the board of directors' meeting was adjourned.

The next meeting will begin at 8 a.m., on Saturday, September 26, and will end at noon on Sunday, September 27.

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WSO BOARD COMMITTEES ASSIGNMENTS

Executive Committee

Mary Kay Berger
Randy Jones
Walter Johnson
Tim Banner

Admin Liason to BOT

Mary Kay Berger

Translations

Chris Chambliss
Walter Johnson

(WCC) World Convention Corp.

Randy Jones
John Burnett
Bob Feneran
Bill Winterfield

NA Video

Tom Rush
Bob MacFarlane

Corporate Matters Ad Hoc

Tim Banner
John Burnett
Tom Logan

Tape Review

John Burnett

Sales Policy Ad Hoc

Mary Kay Berger
Walter Johnson
Bob Feneran
Tom Rush
Chuck Lehman

Correspondence

Mary Kay Berger

Interim Committee

Mary Kay Berger
Randy Jones

Business Plan Ad Hoc

Walter Johnson
Bob Feneran
1-RSR (Dan Bekin)
2-Trustees (Bob McKendrick, Stu
Tooredman)
1-Admin Comm (Mitchell Soodak)

Guide to Service

Tom Logan
Walter Johnson

Dual Member

Tim Banner

WSO BOARD OF DIRECTORS
Meeting Dates

September 26, 1992 (Saturday)
September 27, 1992 (Sunday)
Van Nuys, CA
8:00 A.M.

November 14, 1992 (Saturday)
November 15, 1992 (Sunday)
Van Nuys, CA
8:00 A.M. - 8:00 P.M.

January 15, 16, 17, 1993 (Fri., Sat., Sun.)
Van Nuys, CA
9:00 A.M. - 9:00 P.M. (Fri. & Sat.)
9:00 P.M. - 12:00 P.M. (Sun.)
Location to be announced

WCC MEETING DATES

September 3, 4, 5, 6, 1992 (Thurs. - Sunday)
Toronto, Canada

November 6, 7, 8, 1992 (Fri., Sat., Sun.)
Chicago, Il.

1992 WSO CORPORATE RESOLUTIONS

It was M/S/C (Tim B./Bob MacF.) "To authorize the establishment of a principal checking account at Capital Bank of California, 16600 Sherman Way, Van Nuys, CA 91406, with the following signers, any two acting together as one: Mary Kay Berger, Walter Johnson, K. Joe Gossett, Anthony Edmondson, George Hollahan, Steve Sigman, Robert McDonough and Robert Stewart."

It was M/S/C (Tim B./Bob MacF.) "To authorize the establishment of a savings account at Capital Bank of California, 16600 Sherman Way, Van Nuys, CA 91406 with the following signers, any two acting together as one: Mary Kay Berger, Walter Johnson, K. Joe Gossett, George Hollahan, Anthony Edmondson and Robert McDonough."

It was M/S/C (Tim B./Bob MacF.) "To authorize the establishment of a savings account at the Bank of America, 6600 Van Nuys Blvd., Van Nuys, CA 91406, with the following signers, any two acting together as one: Mary Kay Berger, Walter Johnson, K. Joe Gossett, Anthony Edmondson, George Hollahan, and Robert McDonough."

It was M/S/C (Tim B./Bob MacF.) "To authorize the establishment of a principal checking account at the Royal Bank of Canada, Downtown Operations Center, 180 Wellington Street, Toronto, Ontario, with the following signers, any two acting together as one: Mary Kay Berger, Walter Johnson, K. Joe Gossett, Anthony Edmondson, George Hollahan, Robert Stewart, and Robert McDonough, with Anthony Edmondson and Robert Stewart having single signature authority up to \$1,000.00."

It was M/S/C (Tim B./Bob MacF.) "To authorize the establishment of a principal convention checking account at Capital Bank of California, Van Nuys Airport Branch, 16600 Sherman Way, Van Nuys California, with the following signers, any two acting together as one: Janis Edwards, K. Joe Gossett, Anthony Edmondson, and George Hollahan."

It was M/S/C (Tim B./Bob MacF.) "To allow the following individuals to have the authority to conduct the business affairs of the World Service Office, Inc. which specifically includes, but is not limited to, the movement of corporate assets between authorized accounts, the opening of ancillary accounts as may be necessary or the closing of accounts or other functions as may be necessary during the year, with the concurrence of the chairperson of the board of directors or executive committee designee: K. Joe Gossett, Anthony Edmondson, George Hollahan, and Robert McDonough."