

**Lions Foundation of North Dakota Meeting Minutes**

October 22, 2021

State Convention, Watford City, North Dakota

**Members Present:** President Kirk Tingu, Vice President, Kristi Swenson, Treasurer Jed Geer, Mac Beaudry, Terry Oxendahl, 5NE 1<sup>st</sup> VDG Scott Hildre, 5NE 1<sup>st</sup> VDG Jeanette Bean, Janice Sowokinos, Gary Morel, Doug Rothe and Executive Director Lois Reiersen.- Secretary Mark Western appeared electronically. Also present was Pat Vannett, Lewellyn Rustan, 5 NE PDG Grant Kahlbaugh, and DG Joe Sowokinos. The Chair noted that a quorum was present and the Board could transact business.

**Call to Order:** The meeting was called to Order by President Tingu at 1:16 pm.

**Secretary’s Minutes-** Motion made and seconded and motion carried accepting the Secretary’s Minutes as presented.

**Treasurer’s Report-** Treasurer Jedidiah Geer provided the treasurer’s report:

The Quarter ending balances were as follows:

|                                |             |              |
|--------------------------------|-------------|--------------|
| Administration Accounts:       |             | \$           |
| Consisting of:                 |             |              |
| Permanent Funds:               | \$41,152.82 |              |
| Newspaper Balance              | \$10,072.41 |              |
| EyeBank/Vision Grant           | \$64,027.79 |              |
| Operating Funds                | \$3,024.28  |              |
| <br>                           |             |              |
| Grant Checking Account         |             | \$14,697.42  |
| <br>                           |             |              |
| Wells Fargo—Investment Account |             | \$150,366.04 |
| <br>                           |             |              |
| LPL Investment Account         |             | \$232,170.80 |

There were \$0 in donations received for the 1<sup>st</sup> Quarter (through September 30, 2021). The Grant checking account was \$14,697.42 at the end of the quarter. Of that amount, \$3,674.36 is available for regular foundation grants for this meeting/quarter.

Doug Rothe moved and Terry Oxendahl seconded, Motion carried to accept the Treasurer’s report as presented.

**Old Business**

Report on LFND Website Modification

Executive Director Lois Reiersen reported on website modification for the LFND website. Her plan was to start fresh and only archive about 1 ½ years. Lion Butch Frank advised that he would like to turn over responsibilities to another Lion. No formal action was taken.

#### Report on Replacement of Investment Advisor

Treasurer Jed Geer reported that David Schlafman of Ameriprise of Bismarck would be taking over all accounts for LFND. He will be available to report via zoom and follow up with the Board more than the Board has recently experienced.

#### Update Signature Authority on Accounts

At this time, the President and the Treasurer will have signatory authority on any and all LFND bank accounts.

#### Brochure

Pursuant to board resolution from last meeting, Vice President Kristi Swenson had created a brochure for clubs for greater awareness for LFND. The President and the Board were extremely appreciative of the Vice President's work. A copy of the brochure is part of the permanent record of the Board.

#### Audit Update

Treasurer Geer advised that an "informal" audit is all that is needed for the purposes of a foundation on this size. Based on the size of the foundation, monetarily speaking. By consensus, the Board agreed that it would follow up with our accounting firm to get price estimates on a compilation report and a financial review, rather than a full on audit.

#### **New Business**

##### Grant Applications

###### i. Regular Grant Applications

The Board considered a request for Grant from the Chafee Lions Club for picnic tables. A motion was made and properly seconded to award \$1,200.00 to the Chafee Lions Club. The Motion carried.

The Gateway Lions Club made a Grant application for reimbursement for a donation made to the Spirit of the Sandbagger monument in Fargo, ND. A Motion was made, and seconded by Mark Western, that the Gateway Lions receive \$2,474.36 in grant funds. The issue here is whether the donation made by Gateway is considered a "project" under the definitions set forth in the

bylaws. After discussion, the Motion was withdrawn and the Board will consider the issue in greater detail during the next meeting in January.

ii. Vision-Related Applications

There were no vision related applications for the board to consider for this quarter's meeting.

Conflict of Interest Issues

Motion was made and seconded to approve the "conflict of interest" policy as set forth below.

**Lions Foundation of North Dakota Conflict of Interest Policy**

**Article I. Purpose.**

The officers, board and management of The Lions Foundation of North Dakota (hereinafter LFND), a tax-exempt organization, recognize a shared responsibility to ensure that they conduct themselves in an unbiased manner and serve the goals of the Lions of North Dakota. It is the responsibility of the association to guard against conflicts of interest, which might compromise the integrity and objectivity of the association's operations. Therefore, LFND adopts this Conflict of Interest Policy to protect its interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of LFND or might result in a possible excess benefit transaction. Any director, officer or member of a committee with governing board delegated powers, may not enter into a This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Article II. Definitions.**

1. **Interested Person.** Any director, officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, or who is a member of a Lions Club which applies for a grant or who is a member of a Lions Club that has submitted another matter for consideration by LFND is an interested person.

2. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which LFND has a transaction or arrangement,
- b. A compensation arrangement with LFND or with any entity or individual with which LFND has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which LFND is negotiating a transaction or arrangement.

d. Compensation includes direct and indirect remuneration as well as gifts or favors that aren't insubstantial.

A financial interest isn't necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### **Article III. Procedures.**

1. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

#### **3. Procedures for Addressing the Conflict of Interest.**

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether LFND can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement isn't reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest of LFND, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

#### **4. Violations of the Conflict of Interest Policy.**

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### **Article IV. Record of Proceedings.**

The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present,

and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### **Article V. Compensation**

1. A voting member of the governing board who receives compensation, directly or indirectly, from LFND for services is precluded from voting on matters pertaining to that member's compensation.

2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from LFND for services is precluded from voting on matters pertaining to that member's compensation.

3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from LFND, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

#### **Article VI. Annual Statements**

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflict of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands LFND is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

#### **Article VII. Periodic Reviews**

To ensure LFND operates in a manner consistent with charitable purposes, and doesn't engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to LFND's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and don't result in inurement, impermissible private benefit, or in an excess benefit transaction.

#### **Article VIII. Use of Outside Experts**

When conducting the periodic reviews, as provided for in Article VII, LFND may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## **Reports**

Past Board Secretary and Lion Lewellyn Rustan will be meeting with Vice President Kristi Swenson will be taking over his responsibilities during this next quarter.

Executive Director Report- Executive Director Reiersen had no report, other than that the Newsletter is continuing to be provided to the membership as a whole.

The Video Magnifier Program, Eyeglass Recycling Program, and Sight for Kidz Program reports were received by e-mail and disseminated in the same way. Specifically, with regard to eye screening, 100,000 children in North Dakota were screened by Lions and more than 12,000 were referred to eye doctors.

The January 2022 meeting will take place via Zoom.

By motion from Mac Beaudry and second from Terry Oxendahl, meeting adjourned at 2:51 pm.

Respectfully submitted,

/s/

Mark Western  
Secretary of the Board