

**WAHSET State Meeting
September 13, 2008 7:00 pm
Lacey Fire Station 34, Lacey, WA**

CALL TO ORDER	Per Article 6, section 2, item C, Chairperson Bev Matney, Judy Schwartz, Linda Turnbull, and Tira Hancock called the special meeting to order at 7:08 pm. <i>District 1</i> present with 2 adult rep and 1 student rep; <i>District 2</i> present with 2 adult rep and 1 student rep; <i>District 3</i> present 2 adult rep and 1 student rep; <i>District 4</i> present with 2 adult rep and 1 student rep. Eligible vote count: 12
Audio Taping	Six objections noted to public audio taping – Chairperson Matney announced that the only audio taping allowed is the official tape recording per the bylaws.
Sergeant of Arms	Matt Oregon designated as Sergeant of Arms for this meeting.
Purpose	<p>This meeting is to address several issues that have come to the State Officer’s attention.</p> <p>First: To correct the error in our voting procedures, and place us in compliance with our by-laws.</p> <p>Second: To address a statement and demand from Candy McCaige that Chairperson Matney received September 9, 2008.</p>
WAHSET special meeting email sent by McCaige	Chairperson Matney addressed an email that included an attached document sent by Candy McCaige September 12, 2008 to various people involved in WAHSET. Chairperson Matney briefly covered some points of the document, noted the inappropriateness of the document, and stated that all aspects of that document and other documents will be covered in detail at this meeting.
Chairperson Matney Statement	The inflammatory and inaccurate information being disseminated to the membership at large needs to cease immediately or it will result in disciplinary action.
Bylaws Concern	Candy McCaige submitted a statement to Chairperson Matney that reads, “WAHSET is in violation of the following Constitution and Bylaws and need to correct its inadvertent mistakes,” presenting a solution by repealing all rule changes that have been wrongfully voted on and present only the correctly formatted and submitted rules per our bylaws and to remove from the constitution the wrongfully added votes to the

Vice Chair, Secretary and Treasurer.

Public Comment

Question of nonprofit status posed (private organization vs. foundation).

History/Pertinent information

At the January 21, 2007 State Board meeting Joann Debes discussed her research on fund raising. She informed the board that WAHSET needed 15 voting members to be able to hold a raffle. At the August 2007 State Board Meeting, the State Board voted unanimously and without objection to change the voting structure allowing the State Board Officers to vote. All four districts were unanimous in this vote. The violation was not in voting to change the procedure, rather when we voted. Rule changes can be done anytime, but bylaw changes can only be done in December at the annual meeting.

Without any member realizing the error, we continued to have the State Board Officers vote on each motion presented to the board. This action created a violation of our own bylaws, which we will be corrected at this special meeting.

WAHSET legal counsel was consulted in order to confirm the proper course of action to take to correct our error. We have been advised to take a new vote on every issue that was decided since the error was made, and to include the state board elections. Elections should have occurred in June; however, they occurred in July and the board correctly took their positions. To comply with that advice, and to place us in accordance with our bylaws, we will take a re-vote at this special meeting to correct and confirm this board's actions.

Point of Order

A point of order was made identifying the bylaw violation (Article 6, Section 6, Item E) requesting the board take corrective action to comply with the bylaws.

Chairperson Ruling

Chairperson Matney immediately suspended and voided the vote made to enable the Secretary, Treasurer and Co-chair to cast a vote. All items voted on at each meeting since the September 30, 2007 meeting were declared null and void. All issues will be voted on at this special meeting, with the exception of 2008 rule changes.

Rule book change

Chairperson Matney will instruct Russ Adair to remove from the rulebook the language created by the inadvertent vote of "*and is a voting officer of the board*" from 1-01-8, Section 7. Board of Directors and their duties, paragraph A subparagraph (2)a, (3)a and (4)a.

Rule change submission

All rule changes must be submitted in the proper format 30 days prior

to the November board meeting. Copies will be given to all District Chairs for proper distribution. All rule changes properly submitted will be voted on at the December board meeting.

**501(c)3 status Statement
from McCaige**

Candy McCaige submitted the following submitted statement about WAHSET liability, 501(c)3 status, and audits. “Upon Legal consultation with a Corporate Law and Public Trust attorney, Steven M. Sowards and Jan Jutte, Director of Legal Affairs for the Washington State Auditors office, we have been advised that the WAHSET State Board has wrongfully delegated authority to its officers in violation of its own Constitution and By-Laws which will endanger it status as a 501(c)3 and risk audits, in addition if the state board officers take charge and violate wahsets own by laws they personally take on the risk and liability of the WAHSET corporation for themselves and all WAHSET board members. Per 1-01-10 Article VII – IMMUNITY OF MEMBERS. Neither the members of the Association, nor standing committee members, nor members of the State Board of the Association shall be personally liable for any of the debts, liabilities or obligations of the Association.”

**Chairperson Matney
Statement on 501(c)3
Accountant Determination
Audit Concern**

The accountant has determined that we have not violated any Federal requirements in regard to our non-profit 501(c)3 status and that we are in good standing. We are an open and public organization – audits are not a risk they are a requirement.

**Member Accountability
Concern**

The attorney confirmed that Article VII – Immunity of Members is in effect and does offer the protection it was intended to. Our Articles of Incorporation, also containing an immunity of members clause, are in compliance with Title 24, Washington State RCW 24.06.043. This has been confirmed with the Washington State Attorney General’s office and the Secretary of State’s office. RCW 24.06.043 states that articles of incorporation cannot protect “a director for acts or omissions that involve intentional misconduct by a director or a knowing violation of law by a director.” When all board members voted unanimously to change our bylaws too early, it was an inadvertent error. There was no “knowing violation of law” or any “intentional misconduct.”

Officer Tenure Concern

Candy McCaige’s submitted statement quotes Rule 1-01-07 Section 4. Tenure, and offers a solution as follows: “Ask for resignations from Secretary and Treasurer and hold emergency election at next State meeting to replace ½ the State board this year with volunteers Pam Marini, Treasurer and Cindy Harris, Secretary. They have both volunteered provided they are not given a vote in State matters, as they

feel this upsets the voting balance of the districts by giving any one district more votes than another. This was clearly demonstrated when the wrongfully submitted Stewardship committee was passed with only 1 district voting in favor.”

Chairperson Statement on Tenure

In the opening paragraph of Candy McCaige’s submitted statement, it reads “rules are not suggestion or guidelines, they are rules that we all must follow they are not meant for interpretation.” The presented solution is reinterpreting a rule. The section located in Article VI – Structure – The District and State Board of Directors, as Section 4 Tenure deals with “adult representatives” and “youth representatives” who are defined under Section 1 Membership, paragraph C, (1) and (3). These are the voting Adult Representative and Youth Representative of our Districts, not the State Board Officers. Rule 1-01-07, Section 4, as written does not include officers of the State Board.

The opening paragraph of Candy McCaige’s submitted statement continues with “if they (*the rules*) don’t work well, then we fix them legally, democratically and according to parliamentary procedure and hopefully as leaders we present them without bias, emotion or favoritism.” Chairperson Matney stated that this reinterpretation is a dichotomy and in direct contradiction to the statement itself as it is bias – pre selecting new officers without proper nomination or democratic consideration with clear and unabashed favoritism.

Treasurer Concern

Candy McCaige’s submitted statement lists definition of Treasurer, 1-01-9, and requests a full disclosure of WAHSET’s financial information per IRS pub 557, and an independent audit because she believed there are “discrepancies in our books and missing receipts and records per IRS regulations.”

The duties of our Treasurer as outlined in Section 7, Subparagraph (4) as listed on 1-01-9, have been followed by the Treasurer, Linda Turnbull. This board has complete and total faith in her abilities and in the manner in which she has conducted her office. The Treasurer is not responsible for merchandise, especially merchandise not belonging to the State.

WAHSET finance information is available at every State Board meeting, and will continue to be available. In accordance with the bylaws, a CPA completed an independent audit. Candy McCaige’s submitted statement requests full disclosure as required under IRS publication 557. That specific publication deals with Section 501(c)3, in Chapter 3, pages 19-25, 27 and 44, containing and outlining requirements for Application, Contributions, Application of

Recognition of Exemption and forms required, as well as the Organizational Test, which is available on the IRS website.

**Additional Treasurer
Concerns with Feedback**

Candy McCaige called for Linda Turnbolls resignation and cited 3 reasons why she feels Linda must be terminated (*italicized*). Chairperson Matney responded to each reason.

1) *“the wrongful stewardship meeting and vote at State competition.”* Linda did not call the stewardship meeting; Chairperson Matney called that meeting at the request of Larry Mielke. JoAnne Debes then informed us we had not had all the correct persons vote (ie: the points chair and the arena chair). With that information, a corrected vote was taken at State.

2) *“the wrongful attempt to change the stewardship bylaw.”* Linda sent by email the bylaw change at the request of her district at their district meeting; however, it was authored and suggested by Gwen Mielke, who is prepared to testify to that in a court of law. This bylaw was voted on at the last state board meeting; however, in reviewing it after the meeting and preparing to send the votes and rule changes to Russ Adair for publishing, it was realized that it was a bylaw change and deleted from the group. It was never forwarded and will be sent forward with the bylaw changes that will be voted on in December. Since care is taken to ensure that everything is done in open public meeting, Chairperson Matney will be advising the members of this action at the next regularly scheduled meeting on October 4, 2008. Chairperson Matney reminded members that any member could submit any change for consideration to the board per our bylaws.

3) *“the appearance of fiscal mismanagement in state merchandise.”* Linda Turnbull in her capacity as treasurer is not responsible for state merchandise. She is only responsible for receiving and depositing the monies earned from such merchandise. JoAnne Debes collected the merchandise money, counted it, and turned it in to Linda. Linda verified JoAnne’s count and deposited it. Linda’s records show that all funds she verified were deposited.

Unauthorized Use of Name

Chairperson Matney expressed that she was outraged as a chair, and as an individual, that Candy McCaige’s submitted statement had her name and Judy Schwartz’s names attached to it indicating a signature, without knowledge or consent. Candy McCaige sent the document to individuals not listed as signatures on the document allowing the assumption that Judy Schwartz and Chairperson Matney supported the contents. Chairperson Matney stated, “The action was unconscionable

and not acceptable behavior for any member, let alone a State Board Chair. We do not support the manner in which this document was submitted, we do not support the threats made in the document, and above all, we have never lost any faith in WAHSET. This organization is strong because of its mission and belief in openness and honesty, both of which are missing in document submitted by Candy McCaige.”

**Re-vote on items from
September 2007 through
August 2008**

The following are all old items and no changes can be made to them. They must be voted on exactly as they were in the past minutes. If anything does not pass, it will be forwarded to the October 4, 2008 meeting for further review.

**Motions for Previous
Decisions**

September 2007:

Motion to approve Treasurer’s report - **Motion carried 9:2:1**

Motion to approve new schools – **Motion carried 12:0**

Motion to drop WIAA references in the rulebook – **Motion carried 9:0:3**

Motion to accept registration deadlines - **Motion carried 12:0**

Motion to accept co-ops - **Motion carried 12:0**

Motion to proceed with program for 2008 state meet - **Motion carried 12:0**

Motion to make exception to allow top 4 and 10% to qualify for state - **Motion carried 12:0**

Motion to accept logo use policy – **Motion carried 12:0**

Motion to adjourn meeting – **Motion carried 12:0**

October 2007:

Motion to approve minutes – **Motion carried 12:0**

Motion to approve treasurer’s report – **Motion carried 9:2:1**

Motion to approve pending coops – **Motion carried 12:0**

Motion to approve investigation of interstate meet – **Motion carried 12:0**

Motion to adjourn – **Motion carried 11:1**

December 2007:

Motion to approve minutes – **Motion carried 12:0**

Motion to approve treasurer’s report – **Motion carried 11:1**

Motion to maintain wagon wheel maneuver as is – **Motion 12:0**
Motion to approve a Rochester rider co-oping with Adna (*failed in original vote*) – **Motion failed 0:12**

Motion to approve coops – **Motion carried 12:0**

Motion to approve Orting rider to ride with Yelm – **Motion 11:0:1**

Motion to move Rochester from Dist 3 to Dist 4 – **Motion carried 12:0**

Motion to approve expenditure for saddle – **Motion carried 11:0:1**

Motion to raise judge's fees – **Motion carried 11:1**
Motion to reimburse judge's travel at IRS mileage rate and provide meal stipend of \$30 per day – **Motion carried 12:0**
Motion to adjourn – **Motion carried 12:0**

January 2008:

Motion to approve minutes as corrected – **Motion carried 12:0**
Motion to waive state fees the first year for all newly formed districts – **Motion carried 12:0**
Motion to bill districts for their medals – **Motion carried 10:0:2**
Motion to accept co-ops – **Motion carried 12:0**
Motion to adjourn – **Motion carried 12:0**

February 2008:

Motion to approve minutes – **Motion carried 12:0**
Motion to adjourn – **Motion carried 11:0:1**

March 2008:

Motion to approve minutes – **Motion carried 12:0**
Motion to adjourn – **Motion carried 12:0**

May 2008:

Motion to approve minutes – **Motion carried 12:0**
Motion to approve medical exception for Rochester team – **Motion carried 12:0**
Motion to adjourn – **Motion carried 12:0**

June 2008:

Motion to approve minutes – **Motion carried 12:0**
Motion to approve coops – **Motion carried 12:0**
Motion to pay Robin Chase hotel for workshops – **Motion carried 12:0**
Motion to adjourn – **Motion carried 12:0**

July 2008:

Motion to approve minutes – **Motion carried 12:0**
Motion to approve addition of risk management alert to application process – **Motion carried 9:3**
Motion to provide incentive to team that sell highest volume of ads for state program in 2009 – **Motion carried 9:3**
Motion to accept 2008-09 WAHSET budget – **Motion carried 9:3**
Motion to adjourn – **Motion carried 12:0**

August 2008:

Motion to approve minutes – **Motion carried 12:0**
Motion to obtain banner for WAHSET at state – **Motion carried 12:0**
Motion to approve coop's pending paperwork – **Motion carried 12:0**
Motion to adjourn – **Motion carried 12:0**

**Statement by Chairperson
Matney**

The last vote to correct is the election of officers. We incorrectly

extended the nominations to July instead of voting in June. We correctly took office in July. Therefore, to correct this error, we must revote those elections from the persons nominated previously.

Motions for State Board Officers

Motion to elect Bev Matney as State Chair - **Motion carried 9:2:1**

Motion to elect Judy Schwartz as Vice Chair - **Motion carried 12:0**

Motion to elect Linda Turnbull as Treasurer- **Motion carried 8:3:1**

Motion to elect Tira Hancock as Secretary – **Motion carried 9:1:2**

Appointment of Rules Stewards

The State Board recognizes that there may be other inadvertent errors that have not been discovered in this process. The action tonight is intended to acknowledge those and to assure the membership that going forth we realize that we must take every precaution to ensure that our organization is never endangered again.

Chairperson Matney **appointed** *Pam Skillman* and *Russ Adair* to act in an unofficial capacity as a rules steward. They will look up each rule before we take action and ensure our actions are in compliance.

OPEN FLOOR

(Numerous comments from attendees - comments were captured as accurately as possible & condensed where possible)

Statement about all people having WAHSET's best interest at heart made.

Trying to make heads of tails of decals sold at state – individual worked at table at state, indicated that feels WAHSET should not be held responsible for decals. Described an error with hotel reservations as an analogy.

Thank you to WAHSET for all that is done for the students.

Reminder that we are all volunteers for WAHSET. This meeting seems to be all about the adults and not about the kids. Discussed the purpose of bylaws.

Comment about focus of program to help student improve skills, have fun, and that is where the focus should be.

Appreciation expressed of officers for doing the right thing. Brought up email communication and potential for miscommunication.

Thank you (to the executive officers) for the work done for the kids.

Comment & thank you regarding Linda Turnbull's commitment, integrity, and involvement. Bring this back to the focus of kids –

mistakes happen, dust yourself off and try again (just like we tell the kids).

Belief expressed that we have process and corrected errors. This organization is for the students and would like to keep that focus.

Question about bylaws vs. rules changes (clarification) – December vs. any time of year.

Rules changes have to be resubmitted on correct form.

Expression “déjà vu” of 4H – appreciation of WAHSET distinction from 4H – Questioning why we are going through this process when this appears to be something that could be settled somewhere else.

Confusion why the executive board is being questioned/attacked – expressed sorrow for the reason this meeting was convened.

Appreciation expressed of the executive board by parent, student, and former WAHSET member.

Concern regarding manner of communication (specifically the recent email) - blindside feeling. Support for the executive board verbalized. Feels that Candy was trying to right a wrong. We're (WAHSET) about trying to teach life skills to the kids.

Current riders expressed thankfulness for exec board.

One comment regarding communication not always transmitted positively (being treated). Important to go back to the way we used to vote to avoid District crossover. Let us not become 4H. Avoid emotionally charged manner to approach others – remain civilized. To continue in this organization without our own children involved is related to how we treat each other. Please allow people to speak and have opinions.

Jo-anne Debes apologized for suggesting the bylaw change. She explained why it was requested for fundraising efforts and stated we have a rulebook so everybody can be on the same page.

Request for treasurers report at each meeting - suggested to attach them to the agendas.

Need to work out differences in a respectable manner – respect each other's opinions whether you agree or not. Kids state they love the organization and want to keep it that way.

Request to publish the independent audit on the books.

WAHSET was the best experience of high school for the child from parent perspective.

Proud of executive board.

Bylaws, constitution, and rules are essential.

Treasurer's role as stated in bylaws indicate the treasurer has satisfied the role.

Keep it about the kids but at the same time teach them about the rules. It looks like things are getting fixed and proud to be part of this organization.

Do not want to see this like 4H but if there are rules, we need to follow and uphold them.

If somebody feels there is a rule violation it should be brought forward and taken care of publicly.

Another student perspective on WAHSET that this is a good organization – reiterated the need to bring forth perceived rule violations and to be aware of communication methods to avoid misunderstanding.

Statement that WAHSET is a good experience for students

Coach of Adna team thanked the state board and corrective action. Commended Candy for coming forward. Stated that she does not have kids on the team – she works with and for other people's kids. She expressed appreciation that John and Candy stepped up to be chairs of District 4 and noted District 4 great year and that everything went smoothly, particularly when they listened to all the other problems from other districts and they are looking forward to having them at the helm again next year. Reiterated that they do not want to be like 4-H and inundated with rules and/or micro managed but stated the rules in place should be followed to the letter, not just when it suits the different districts. Further, she stated that as a district chair, it was difficult when they tried to go by the rules as they were written, and when they had a question and called Bev for a determination, she did not back up Candy on the rule as it was written. She concluded with the statement that she stands behind John and Candy in their quest to have the rules followed, even if speaking out places a target on their backs.

Chairperson Matney explained that she followed the rules as written, which state the judge's decision is final, regardless of how he or she interprets the rules.

Candy explained the process she went through to convey the information (phone call first to Bev & Judy, email, than an in-person meeting). 1-01-5 rule brought up and confusion of rulebook. Chair's role is to be unbiased regarding voting.

Vice Chair Schwartz responded to information regarding email and phone calls.

Ridegefield money (decals) is a sideline – reasonable care expectation. Explanation will be provided at next meeting. Concern regarding “rules are guidelines” statement at meetings and liability of organization. Testimonial not part of Robert's Rules of Order.

WAHSET has not officially adopted Robert's Rules of Order.

Question about executive board vs. state board and timing of elections.

Past practice has been to elect officers every year.

Feeling that meetings are a hostile environment and suggest adopting Robert's Rules of Order to alleviate that feeling.

Student thanked all volunteers for the organization. Comments made about fundraising and the decal issue. Asked for higher reimbursement for decals.

Tim Wigren announced he was the source of funding for Ridegefield for the attorney to investigate the issues put forth by Candy McCaige. Discussed appearance of organization and potential for scholarships - if make a mistake, acknowledge it and move forward.

Parent discussed difference between WAHSET and 4H, benefit of WAHSET, and that organizations make mistakes – there are bigger issues to deal with and feels that this meeting is similar to 4H.

Appreciation for the catching of “boo boos” and correction of those mistakes. Questions regarding procedures for fundraiser at state, volunteers, and who was responsible.

Teams were told they could sell at state but WAHSET was not responsible for items.

Appreciation for board expressed.

LaCenter stated if their team was selling decals, it would have been their responsibility, not WAHSET.

Statement that Linda is very accurate with the books and double-checks everything.

The bylaws need to be followed and revised to reflect practices that are in the best interest of the organization, which includes clarification, clean up, and incorporation of past practices that have worked.

When a problem is discovered it was suggested not to go to an attorney first.

Next Meeting Date

Treasurer's books are available at each meeting.

Statement about decals will be made at October meeting.

ADJOURNMENT

WF West donated \$25 to Ridgefield to help with decal cost.

Suggestion to take the money from District 4 funding since District 4 received \$3,000 from other Districts already (as start-up funds).

Hope that we can all move ahead and focus on the kids.

Chairperson Matney expressed her love for WAHSET and described the process to get the organization going in Washington. She reminded all she is a volunteer and doing the best she can. We have made mistakes and have made every action to correct them. We are the solution and we can all work together to keep this organization great.

October 4, 2008, 9:00AM at Lacey Fire Station #34

Motion to adjourn meeting seconded, passed 12:0 at 9:12PM.

/s/ Bev Matney
Chair

/s/ Tina Hancock
Secretary