

VQHA Board Meeting Notes for December 13, 2023

The Zoom meeting was called to order by Vice-President Tim Cohill at 7:04 p.m. on Wednesday, December 13, 2023. Sixteen Board members were present: Kevin Babcock, Laura Boardwine, Connie Christopher, Tim Cohill, Kristy Drew, Matt Gouthro, Clarence Green, Todd Hulings, Mike Jennings, Shay Nicely, Cathette Plumer, Beth Smith, Debby Steiner, Loretta Tozer, and Scott and Pam Troutman.

As the President Suzanne Gonzales was not in attendance, the President's report could not be read.

Vice President Tim Cohill reported that the annual clinic date has been set for Saturday March 9 at the Meadow Event Park in Doswell, VA. The planning committee will meet by the end of this week to iron out the details. There may be an open show on Sunday March 10. Any suggestions would be appreciated.

Laura Boardwine submitted the Treasurer's report, which she had sent out to the Board members before the meeting. Laura completed backup documents for the general, horse show, youth, VQHA sanctioning, and banquet accounts. Everything is in good shape: \$21,000 is in the banquet/awards account; in the past, we like to keep some money there to get started. VQHA has \$87,092.56 in total assets. There is \$15,000 for the awards (included in the \$21,000). Laura did not update the amateur CD or amateur checking account because she has not received anything from Helen Poland. Laura reported that Cory Balsis transferred \$412 from the Northern Virginia account to the Amateur account temporarily. Beth Smith has placed the money from the Amateur CD into checking to pay for third and fourth place awards. Scott Troutman asked about the Amateur account issues; Tim explained that there was fraud with the account, and it was decided that his question would be discussed further during the Amateur report.

The Secretary, Carol Merritt, has resigned so no report was submitted. The Board approved the unread minutes.

CIO and Webmaster Shay Nicely stated that final points have been posted on the VQHA website. December 23 is the final date for corrections. Shay is waiting for account information from people. Cathy Hebert handles the Mail Chubb, Instagram, and Facebook media. Although Shay hasn't received anything for an update, he feels the Facebook page is doing well to provide information to the members. He said he needs officer information to update. Kristy Drew suggested looking at the points of contact page to find the information. Courtney Kimble is the new Central Region director.

Todd Hulings reported for the Ways and Means committee. He has begun fundraising for the May show. Todd has not had much luck so far. Tim and Cathette Plumer suggested a few ideas, such as contacting Markel Insurance and Mars Equine for sponsorship, which Todd will look into. Tim also suggested if corporations do not want to give money they could donate items for awards.

Cory Balsis, Membership officer, was not in attendance but reported that nothing has changed.

Cathette Plumer, Recreational Activities Committee, reported that the trail ride had 80-90 people. After the reenactors and guides were paid and the money was split three ways (Virginia Horse Council, Culpeper Battlefield, and VQHA), VQHA earned approximately \$252. Cathette is working on brochures for next year's Horseback Riding Program application, which will be put on the website and Facebook page. The venue for next year's ride has not been decided.

Points Officer Debby Steiner reported that the final points for the 2023 show year have been submitted to Shay for publication and approval by members. They have been posted by Shay on the VQHA website. Members have until December 23 to contact Debby with any questions and concerns. AQHA has been disqualifying exhibitors for incorrectly entering classes. This information is not received by the Points Officer, so it is important that members check points so that corrections can be made.

Kyle Hughes, Youth Officer, was not in attendance so no report was submitted.

Beth Smith then reported on the audit. Tim quantified that details from this report will be worked out in committee. The report, recommendations, asking for the Board to act on the recommendations, and then work out the recommendations in committee. The report will be available to all members. (Please refer to this report for complete details of the audit.)

- People involved in the audit were Beth (former CFO) and Jessica Spencer (former ISO auditor). Advisory services were provided by former auditors from Longwood University and Deloitte.
- Beth explained why the audit was done: the goal was to answer the question “do the processes used to manage the money protect the financial stability and security of the organization (VQHA)?”.
- The audit included financial information from January 2, 2022, through June 30, 2023. The Audit Committee worked with Laura, Cory, and Shay. The committee report covers the processes reviewed, analyses completed, and analyses not completed. To understand the size of the VQHA organization, Beth pointed out that the budget for 2022 was \$167,000.
- The committee answered the question “do financial reports fairly represent the financial health of VQHA?”. The short answer is yes. However, the committee would like to see a more detailed report. The Treasurer’s report presented at the Board meetings were the balances at the time of the meeting. The committee believes that an income statement showing where the money is coming from and how it is being spent at any given point in time would be beneficial. Tim believes it is important to understand where the money is coming from. More detailed reports are needed to represent the financial health of VQHA—a detailed income statement with listings of all transactions.
- The findings of the committee are the following.
 - (1) Policies are not in writing. There are many informal procedures. Rules to spend money are not written down. The audit committee recommends the creation of an SOP manual. This will need an amendment to the Bylaws. Tim suggested a special committee create the SOP manual. Beth would like the Audit Committee to work on the SOP.
 - (2) The Treasurer’s role is too large for one volunteer. The Treasurer must have experience in handling the money for an organization the size of VQHA. Also, a second Treasurer should be available, as a backup person is important. Beth presented several recommendations from the committee. Also, a background check should be made for the Treasurer. Shay asked if this is required by the insurance company. Beth did not know, but said that the insurance company has never asked for proof of a background check. Laura said she did not think a background check was ever done for the Treasurer.

Shay recommends option a—contract with an accounting. Tim suggested Debbie Williams. Other possible people were discussed. Shay said Debbie Williams recommended that a CPA be used. Beth said it will be hard to replace Laura.

- (3) The financial software is the current Treasurer’s personal copy. VQHA needs to acquire its own QuickBooks license, which is \$600/year. Tim pointed out that timing is important to get this done. If an external accounting firm is used, this wouldn’t be needed. This would also help the tax preparer. Tim also says this needs to be done before the February meeting.
- (4) The use of credit cards and electronic fund transfer methods need to be revised. Currently, Laura’s name is the only name on the Venmo account. Beth presented two possible solutions.
- (5) Although not financial, the Audit Committee believes the CIO role is too large and presented three options in their report. The current CIO, Shay, believes the role is fine but needs better communication. Information such as passwords can be given to another Board member, such as the President, for back up. Beth wants a backup person who would be prepared to step in to handle the role.

Clarence believes the President should help the Treasurer (be the backup). Tim replied that the President oversees everything. Laura agreed. The Treasurer is the only person responsible at each event so it would be nice to have two Treasurers. Tim reiterated that two would be good. Beth stated that the situation needs improvement. Tim agreed that we need to look forward, how to do better.

- Next steps:

- Draft Bylaw language.
- Address recommendations.
- Background check
- Handling of funds received via Venmo, PayPal, credit cards, etc.
- CIO recommendations: Shay suggested that the Communications Committee report to the CIO. Another option is to host the website externally.

Beth expressed concern about burnout of volunteers and how to best handle this. Tim said it was going to take time and knowledge to get this done. Beth said the Board needs to accept or reject the Audit Committee recommendations. Cathette made a motion to accept. Shay wanted to know about appointing committees. VQHA has been using the Bylaws as a procedural document. Instead, an SOP is needed so that every time a procedure is modified, the Bylaws don’t have to be modified. He also said not to rush—the Bylaws need a major overhaul. Connie Christopher voiced her concern over the cost of these recommendations. Tim stated Board approval is needed and an SOP is needed. Cathette said we don’t need to approve the recommendations. Beth said the recommendations needed to be approved for the Audit Committee to move forward—she wanted the approval on record. Cathette then made a motion to approve the recommendations, and Connie seconded the motion. The Board approved the recommendations from the Audit Committee. Beth thanked the Board. Shay told Beth that she and her committee did a great job. Everyone agreed. Beth said the Audit Committee will set up the committees. Tim, as acting President, gave Beth the authority to set up committees. Shay and Laura will be part of those committees. Shay suggested using Debbie Williams for her

knowledge to help. Tim stated that people need to help and get their feet wet; more people need to be involved.

Loretta Tozer reported for the Amateur Committee. She agreed with Tim about the need for more people to be involved with the association. She explained to Board members not present at the last meeting about the fraud that happened on September 26, 2023, when over \$9000 was transferred to a wire account from the Amateur account. Beth had sent a letter to all Amateur members and asked for help. Thankfully, Jody Ruth stepped up and has helped set up a new bank account and worked on the audit report. Helen Poland, as the Amateur Treasurer, has been in constant contact with Truist Bank, who is not being helpful. Because Helen's name is the only one on the account, she is the only person that can deal with the bank, putting all the load of this on her. The FBI and detectives are involved. Christy Morton, a VQHA member, has reached out to the State organization for Truist and it is possible that the money might be returned within the next week. \$275 was returned earlier. A new account has been set up at John Marshall bank; Jody has been great to work with according to Loretta. This bank has personally contacted VQHA people, so hopefully this bank will be a better situation. Laura mentioned that they moved from Wells Fargo to Truist and back to Wells Fargo because of problems they had with Truist; according to several board members, Truist is the result of the merging of BB&T and other banks. A \$4000 CD was transferred to John Marshall. An account remains open at Truist until the \$9000 is returned; that money will then be transferred to the John Marshall account. Also, Beth and Caroline Leeth are sending letters to all third and fourth placings for awards for Amateurs. They will be coordinating with Denise Duncan and Pam Dyson, who are obtaining the champion and reserve champion amateur awards, so that awards are not duplicated for winners. Beth reported that they are working on a fundraiser to be held at the Spring Breakout show in April 2024.

Kristy Drew than reported for the Virginia-Bred Committee. The committee is making several recommendations. (1) Remove the stallion nomination and have the mare be nominated. The mare must foal in Virginia. The owner can live outside of Virginia. (2) The classes will be open to all breeds, not just Quarter Horses. (3) Classes will be held later in the year (late October or early November), probably at the Jack O'Lantern show. As the length of the show is a concern, Kristy is suggesting the classes be run concurrently with all-breed classes. Shay wondered if the show grounds can support the additional horses; Tim believed it could. (4) There are concerns over the long-term viability/funding for the Virginia-bred classes. Kristy is looking into a grant, probably from the Horse Industry Board, which likes if other breeds are included; the program needs to be sustainable over time. Tim says financial support is necessary. Mike explained that how the entry fees are structured determines the purse. Clarence Green stated the history of the rules and regulations need to be checked. He believes mare nomination is the way to go but there may be some horses that have lifetime nominations and these need to be honored. Kristy says that the committee will explore all options and honor if there is proof. Tim agreed. Shay said there shouldn't be too much of a problem; it's probably best to address this issue as it occurs. Shay suggested asking Sandy Green if she has any information because she ran the program for a long time. Tim would like the committee to try to coordinate for the Virginia-bred classes to be held at the Jack O'Lantern show in 2024. Clarence volunteered Sandy to copy information they had and give it to VQHA.

Pam Troutman reported for the Banquet Committee. Everything is going well. Three or four tables have been reserved so far and a few meals. More are needed. After the holidays, Pam expects the reservations will pick up. She is planning on having a "History of VQHA" table. Cathette will check for information she might have. Tim suggested a VQHA trivia contest, with a prize awarded to anyone who can beat Clarence.

Many positions will be open for 2024. Shay reported that the Nomination Committee only has had a few nominations thus far. Tim, Suzanne, Beth, Scott, and Loretta were among those with nominations. Loretta was one of these, and she declined because she wishes to continue as President of the Amateur Association. December 31, 2023, is the deadline for nominations. Shay encourages members to nominate themselves if they are interested in a position; don't feel that you can only nominate others. There will be nominations from the floor. Tim feels that people will be nominated from the floor at the annual meeting, so we shouldn't worry too much. Shay said if someone is nominated by another member, that person will be contacted to confirm that they are willing to accept the nomination. Shay will type up a letter asking if nominees are willing to accept a position if voted into office. Letters of intent are probably not necessary because of the policy of nominations from the floor. Todd believes most nominations will occur at the meeting; new people need to get involved. Shay reiterated this. Loretta believes that we can't wait for the banquet. Cathette said the President must be on the Board currently. Clarence wants to be certain that people must be AQHA. Cathette stated that any rule change proposals need to be into AQHA by December 31. Shay said it was the responsibility of the nomination committee to weed out people with bad history and those that stomped off. Potential officers should not become members right before the meeting; they need to show commitment to the VQHA organization. Shay recruited Tim, Cory, Connie, and Loretta to help him find members who check off all the boxes for the positions that need to be filled. Tim said that the nominations for Treasurer, Points Secretary, and Secretary need to get going. Connie feels that the Treasurer position needs to be done right away. Laura explained that she has completed all the 1099's and taxes, but other reports such as the State Corporation Committee report are due in January. Shay stated that financials are probably the most important part of the organization. Regional positions also need to be filled, as several regions are not currently active. Tim believes that Chrystal Mehl has expressed interest in becoming the Points Officer. Tim stated that we need to figure things out. Shay wants members to nominate themselves. VQHA needs fresh ideas and weight off people that have been doing most of the work. Tim said to speak up and help out.

Tim asked if there were any other committee reports. He then adjourned the meeting at 9:01 p.m.

Minutes respectfully presented by Debby Steiner