

Minutes of the IBMA Board of Directors Meeting
September 26-27, 2016
IBMA WOB – Raleigh, NC

Monday, September 26, 2016

Board Members in Attendance: The following Board Members were present: Ben Surratt (Chair), Steve Martin, Stephen Mouglin, Joe Mullins, Jamie Deering, Bob Webster, Regina Derzon, William Lewis, Denise Jarvinen, Marian Leighton Levy, John Goad, Wayne Taylor, Alan Tompkins, Alan Bartram, Mike Drudge, Becky Buller (joined late), Bree (via telephone) and Angelika Torrie (via telephone). No Board Members were absent.

Staff Members Present: Executive Director Paul Schiminger attended.

Others Present: The following persons attended at the invitation of the Board: Holly J. Gregory (Counsel to the IBMA Board of Directors, Sidley Austin LLP), Jeremy Darrow (IBMA Board Member-elect for Artists, Composers & Music Publishers), Ken Irwin (Guest Observer).

A meeting of the IBMA Board of Directors, upon due notice and with a quorum present, was called to order at 10:15 a.m. on September 26, 2016 in Raleigh, NC by the IBMA Chair Ben Surratt.

Ben Surratt reported on activities of the Executive Committee since the last Board meeting.

Upon motion duly made (Alan Tompkins) and seconded (Jamie Deering), the Board decided by unanimous vote to ratify the decision of the Executive Committee for a revised procedure designed to provide Award recipients with engraved trophies at the Award Show, by allowing the names of recipients to be shared on a highly confidential basis in advance with the trophy engraver.

Approved via teleconference meeting on December 20, 2016. RWD

Upon motion duly made (Joe Mullins) and seconded (Mike Drudge), the Board decided by unanimous vote to ratify the decision of the Executive Committee, upon the recommendation of Dan Hays, to award Special Recognition in the form of a Certificate of Achievement for 50 Years to the Nitty Gritty Dirt Band, with Paul Schiminger to present the award during the Red Hat event on Friday night.

Executive Director Paul Schiminger provided an update on the plans for a roundtable discussion of rights in recorded material, convened and facilitated by the IBMA. The initial roundtable is expected to take place near the end of 2016, and plans are for David Crow (Nashville-area entertainment attorney) to be invited to serve as the moderator. It is contemplated that this initial discussion will serve as a starting point for broader exploration and potential guidance regarding the potential tensions that can arise between the different interests in recorded material. Discussion was had regarding potential participants, with the aim of having 4 labels, 4 producers and artist representation as well in the initial group. Discussion was also had regarding the potential output of the panel. The goal is to use the initial discussion as the starting point for a broader dialog on the issues, and a white paper may result. Stephen Mouglin volunteered to suggest possible artists to participate.

Ben Surratt acknowledged Tim Surrett's contributions to IBMA and to the Board in particular. The Board thanked Tim for his service. Tim resigned from the Board in September 2016 due to illness.

Bree Tucker-Myers reported on the status of ideas for western outreach. She acknowledged that IBMA's resource constraints have impeded the ability to make progress, but that it would be beneficial to explore ways for the IBMA to be able to attend and participate in more events in the western United States in the near future. One potential is for Leadership Bluegrass alumni to take on the role of IBMA ambassadors in the community at various events. A plan will need to be developed so the staff can assess resources required and set priorities to begin the process.

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Stephen Mouglin reported on plans for bluegrass music scholarships. He has been in conversations with the Foundation for Bluegrass Music about creating a scholarship fund and develop a fundraising strategy to collect monies to be used to recognize and support deserving students in collegiate bluegrass programs. Scholarships would be merit-based, not need based. The Foundation is a 501(c)(3) and the scholarship program would need to be attached to the Foundation's 501(c)(3) designation for the donations to be tax-deductible to donors. Stephen will report to the Board in the near future on next steps to be taken.

Paul Schiminger reported on the response to IBMA's Request for Proposal (RFP) for the Festival Producer. This open RFP process was designed to provide an arms-length and transparent means of soliciting and assessing expressions of interest and proposals to serve as Festival Producer. Three event producers expressed interest and requested copies of the RFP. However, only the current Festival Producer, Pinecone, submitted a proposal in response.

IBMA Treasurer Joe Mullins reported that IBMA made a donation of \$38,992 to the Bluegrass Trust Fund per our agreement. Joe reported that the Trust Fund has expressed its gratitude for the donation.

Upon motion duly made (Ben Surratt) and seconded (John Goad), the Board decided by unanimous vote to enter into a closed Executive Session with our attorney, Holly Gregory of Sidley Austin , Executive Director Paul Schiminger and Board-member-elect Jeremy Darrow invited to remain in the meeting. Additionally, Mike Clark (partner in the Chicago office of Sidley Austin LLP and a co-leader of the Non-Profit Institutions practice area team) joined via telephone. Paul expressed IBMA's gratitude for the generous *pro bono* services provided by Sidley Austin LLP.

After approximately one hour in Executive Session, upon motion duly made (Alan Tompkins) and seconded (Mike Drudge), the Board decided by unanimous vote to leave Executive Session.

Approved via teleconference meeting on December 20, 2016. RWD

Following a break of approximately 15 minutes, the Board Meeting reconvened. Becky Buller joined the meeting.

Executive Director Paul Schiminger presented the report on Membership. Total membership stands at 2,538 as of September 26, 2016 a change of 6% down from 2015. The total includes 1202 Individual Members; 263 Organizational Members; 123 Lifetime Members; and 950 Grass Roots. (The decrease in membership is due primarily to a decrease in the Grass Roots category.) Paul discussed the efforts by staff to increase professional membership by improving understanding of members and potential members regarding the benefits of IBMA membership. One component of the campaign is a series of videos entitled "I am IBMA" that will appear on the website and through social media. A discussion ensued over strategies to improve audience attention to such videos including the use of "live" videos on Facebook, and about using social media and other methods for both marketing purposes and for staying connected to our members. Discussion was also had of staff efforts to update the membership database to improve communication and data retrieval. The Chair suggested that the IBMA's IT Committee could be a helpful resource to Paul and the staff on such issues.

A discussion ensued over IBMA membership and whether it is given consideration in how bands are selected for the Red Hat and showcase events. William Lewis explained the process and considerations that go into selecting bands, including an emphasis on showing the full range of the bluegrass genre as well as including "mentor bands" (bands in the business a long time) to help educate newer bands.

Paul Schiminger provided a report on communications efforts and provided materials including press releases, examples of use of social media and advertising examples.

Paul Schiminger presented the financial report and a discussion ensued of the Board material that had been provided in advance relating to the period from July 1, 2015 to June 30, 2016.

Approved via teleconference meeting on December 20, 2016. RWD

Upon motion duly made (Becky Buller) and seconded (John Goad), the Board decided by unanimous vote to enter Executive Session to discuss office operations and staffing. (Paul Schiminger, Jeremy Darrow and Holly Gregory were invited to remain for the Executive Session discussion).

After approximately 15 minutes in Executive Session, upon motion duly made (Joe Mullins) and seconded (Becky Buller), the Board decided by unanimous vote to leave Executive Session. No action was taken during Executive Session.

Paul Schiminger and William Lewis reported on the preliminary data for World of Bluegrass 2016 in comparison to 2015. A discussion ensued of factors that impact attendance and sponsorship and including ideas to continue to grow attendance and to encourage more sponsorship.

John Goad volunteered to investigate the possibility of conducting a sponsor appreciation concert event (IBMA Board Band) during next year's event.

Holly Gregory presented an overview of the legal framework in which Board Members operate and the fiduciary duties they owe to the IBMA. A discussion was had of Board Member duties of care, loyalty and obedience to mission and how they relate to fiscal oversight and the handling of potential conflicts of interest that may arise from time to time. A discussion ensued of how to continuously improve board effectiveness, efficiency and transparency and communications with constituents. Discussion was had of the benefits to decision-making of holding closed Board discussions and the importance of ensuring that Board communications are coordinated regarding Board actions and decisions. Ideas for improvements included: providing a timed agenda to give Board Members an estimate of the time to be devoted to topics so that they can assess when items are running long and make adjustments; and including the annual 990 filing on the website together with a condensed financial statement.

Approved via teleconference meeting on December 20, 2016. RWD

Upon motion duly made (Ben Surratt) and seconded (Stephen Mougín), the Board decided by unanimous vote to enter Executive Session to discuss Board governance issues.

After approximately 30 minutes in Executive Session, upon motion duly made (Ben Surratt) and seconded (John Goad), the Board decided by unanimous vote to leave Executive Session. No action was taken during Executive Session.

The Chair adjourned the meeting at 5:15 p.m. to be reconvened the following morning at approximately 9:00 am Tuesday, September 27, 2016.

Tuesday, September 27, 2016

Board Members in Attendance: The following Board Members were present: Ben Surratt (Chair), Steve Martin, Stephen Mougín, Joe Mullins, Jamie Deering, Bob Webster, Regina Derzon, William Lewis, Denise Jarvinen, Marian Leighton Levy, John Goad, Wayne Taylor, Alan Tompkins, , Mike Drudge, Becky Buller, Bree Tucker-Myers (via telephone) and Angelika Torrie (via telephone). Alan Bartram was absent (excused).

Staff Members Present: Executive Director Paul Schiminger attended.

Others Present: The following persons attended at the invitation of the Board: Jeremy Darrow (IBMA Board Member-elect for Artists, Composers & Music Publishers), Ken Irwin (Guest Observer), Mark Panfil (Chair, Foundation for Bluegrass Music), Nancy Cardwell (Administrator for the Foundation for Bluegrass Music), Rick Spratt (Treasurer for Foundation for Bluegrass Music), and a representative of the Trust Fund.

The meeting of the IBMA Board of Directors that was adjourned on September 26, 2016 was reconvened with a quorum present by a call to order at 9:10 a.m. on September 27, 2016 in Raleigh, NC by the IBMA Chair Ben Surratt.

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Chair Ben Surratt welcomed the guests and asked Mark Panfil to give a presentation on the Foundation for Bluegrass Music, with Nancy Cardwell and Rick Spratt. The Foundation is a 501(c)(3) not-for-profit organization created in 2007 to support bluegrass-related educational, literary, artistic and historic preservation activities. Mark Panfil provided up update on the activities of the Foundation and its plans for fundraising going forward. It was stated that the IBMA will continue to educate its members (through the IB publication) about the roles of the Foundation, Trust Fund, Museum and the IBMA organization. The Board thanked the folks from the Foundation for their presentation.

Jeremy Darrow left the meeting.

Upon motion duly made (Stephen Mougin) and seconded (Jamie Deering), the Board decided by unanimous vote to enter Executive Session to discuss Board governance issues.

After approximately 30 minutes in Executive Session, upon motion duly made (Stephen Mougin) and seconded (Becky Buller, the Board decided by unanimous vote to leave Executive Session. No action was taken during Executive Session.

Joe Mullins presented for discussion the possibility of offering college credit for attending IBMA sessions. John Goad will work with the Education Committee to pursue the possibility of offering teacher in-service credit for next year's Business Conference .

A discussion ensued of the possibility of holding the WOB Board Meeting at a nearby location outside of the convention center in order to save money. A conference room has been offered to the IBMA Board for this purpose (at no charge). The cost saving could be between \$1700 and \$2000. While no vote was had, the general consensus view was that the offer should be further explored. IBMA Staff will inquire about the feasibility of moving the Board meeting off-site to save money.

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Board Member Election:

The following Board Members were elected by the Board for the Board-appointed seats: International Member - Silvio Ferretti; At Large Member - Mike Simpson.

Board Officer Election: Joe Mullins was elected by the Board to serve as Chair and Ben Surratt was elected to serve as Vice Chair. Regina Derzon was elected to serve as Secretary and Denise Jarvinen was elected to serve as Treasurer.

Executive Committee: Alan Tompkins was elected as the fifth member of the Executive Committee.

The Board discussed filling the seat vacated by Joe Mullins due to his election as Chair. It was decided that the Board would fill the seat vacated by Joe Mullins' election to Chair (Artists and Composers – 1 of 3 seats – term expires 2017). Upon motion duly made (John Goad) and seconded (Jamie Deering), the Board decided by unanimous vote to appoint Becky Buller to fill the unexpired term vacated by Joe Mullins. The motion passed unanimously.

Upon motion duly made (Steve Martin) and seconded (Stephen Mouglin) to adjourn. The meeting was adjourned at 12:40 p.m.

Respectfully submitted,



Regina Warner Derzon
Secretary

Approved via teleconference meeting on December 20, 2016. RWD