

ACCION INTERNATIONAL

Minutes
of
Special Meeting of Board of Directors

A Special Meeting of the Board of Directors of ACCION INTERNATIONAL was held at No. 500 Park Avenue, in the Borough of Manhattan, County, City and State of New York, on the 12th day of December, 1966, at 12:30 o'clock in the afternoon.

There were present:

Messrs. James P. Delafield
Alphonse de Rosso
Guillermo Espinosa
Berent Friele
Donald M. Kendall
Rodman Rockefeller
Milton C. Rose
Albert G. Sims

being a majority of the Directors of the Corporation and a quorum.

Messrs. Joseph H. Blatchford, Executive Director of the Corporation, and J. Curtis Herge were present by invitation.

Mr. Kendall, President of the Corporation, presided at the meeting and called it to order. Mr. Milton C. Rose, Secretary of the Corporation, served as Secretary of the meeting.

The Chairman welcomed Mr. Berent Friele to the Board of Directors and thanked him for the pioneering work he had done in establishing an ACCION program in Brazil.

The Secretary presented to the meeting a copy of the Notice of Meeting of the Board of Directors and an Affidavit of Service of Notice, which certified that notice of said Special Meeting had been mailed to the last recorded address of each Director in accordance with the By-laws. Said copy of the Notice of Meeting and Affidavit of Service were approved and ordered filed in the Minute Book of the Corporation.

The Chairman then presented the Minutes of the Special Meeting of the Board of Directors held on June 27, 1966, which had been circulated among the Directors. The Minutes were approved and ordered filed in the Minute Book.

The Chairman stated that the next order of business was to consider, and take action upon, the proffered resignations of Mr. John E. Gross and Mr. George C. Seybolt as Directors of the Corporation. The Chairman reported that he was in receipt of a letter, dated October 18, 1966, in which Mr. Gross explained, with regret, that his transfer to another branch of Mobil's International Division would make it impossible for him to continue as a Director of the Corporation. The Chairman also reported that he was in receipt of a letter, dated February 1, 1966, in which Mr. Seybolt explained that his other civic and charitable responsibilities had made it impossible for him to devote the necessary time to the Corporation's affairs. The Chairman explained that, at the request of the Executive Director, Mr. Seybolt

had agreed to extend the effective date of his resignation to November 21, 1966.

After discussion, and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the resignations of Mr. John E. Gross and Mr. George C. Seybolt be, and they hereby are, accepted; and, that the letters of resignation of Mr. Gross and Mr. Seybolt, dated October 18, 1966 and February 1, 1966, respectively, be filed with the records of the Corporation.

The Chairman stated that it would be in order to fill the two vacancies on the Board of Directors occasioned by the resignation of Messrs. Gross and Seybolt. Upon a call for nominations, Mr. Crocker Nevin, President of Marine Midland Grace Trust Co., and Mr. Forrest Murden, Jr., of Allen & Murden, Inc., were, thereupon, duly nominated as Directors of the Corporation. No other nominations having been made, upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that Mr. Crocker Nevin and Mr. Forrest Murden, Jr., be, and they hereby are, elected Directors of the Corporation to serve until the next Annual Meeting and until their successors shall have been elected and shall have qualified.

The Chairman stated that it seemed desirable to amend the By-laws of the Corporation to increase the number of Directors to fifteen (15).

After discussion, and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the first paragraph of Article II of the By-laws of the Corporation be, and it hereby is, amended to read as follows:

The Board of Directors shall be fifteen (15) in number but may be increased to no more than thirty (30) and may be decreased to not less than three (3) by amendment of these By-laws.

The Board then considered the election of Mr. Hans Neumann, the new President of ACCION en Venezuela, as a Director of the Corporation. The Chairman explained that it has been the policy of the Board of Directors to invite the Presidents of ACCION en Venezuela to serve on the Board of Directors of the Corporation.

After discussion, and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that Mr. Hans Neumann be, and he hereby is, elected as a Director of the Corporation to serve until the next Annual Meeting and until his successor shall have been elected and shall have qualified.

The Chairman then expressed the wish of the Board of Directors that Mr. Guillermo Espinosa, the former President of ACCION en Venezuela, continue to serve as a Director of ACCION International. Mr. Espinosa thanked the Board and stated that he would be pleased to continue as a Director.

Discussion then ensued with respect to further expansion of the Board of Directors, with particular consideration given to the possible election of a representative of ACAO COMUNITARIO DO BRASIL. Mr. Rockefeller suggested that it was premature to consider the election of a representative of ACAO COMUNITARIO DO BRASIL until that organization's programs and activities are established. After

discussion, the consensus of the Directors was that no representative of ACAA COMUNITARIO DO BRASIL should be elected to the Board of the Corporation until the former's programs and activities are established. Consideration was then given to a proposal to elect to the Board of Directors representatives from the academic, governmental and political areas. The Executive Director reminded the Board of the existence of the Advisory Board, which was established to assist the Board of Directors with program planning and recruitment and on which serve a number of representatives from the academic area. It was suggested, however, that further consideration be given to the election of one or more representatives from the academic world. Among the names suggested were Dr. John S. Dickey, President of Dartmouth College, Dr. Robert Goheen, President of Princeton University and Dr. Harry Ransom, Chancellor of the University of Texas. In concluding this aspect of the discussion, the Chairman suggested that the Directors submit the names of top level corporate executives and academicians to the Executive Director, who should then schedule a luncheon meeting in the latter part of January for the purpose of meeting the interested candidates and of explaining to them the programs and activities of the Corporation.

The Chairman then suggested that it would be in order to elect a Treasurer, that office being vacant. Upon a call for nominations, Mr. Crocker Nevin was, thereupon,

duly nominated Treasurer of the Corporation. No other nominations having been made, upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that Mr. Crocker Nevin be, and he hereby is, elected Treasurer of the Corporation to serve until the next Annual Meeting and until his successor shall have been elected and shall have qualified.

The next item on the agenda was a report by Mr. Espinosa on the programs and activities of ACCION en Venezuela. Mr. Espinosa reported that the Executive Director had been of significant help in reorganizing the budget and staff, which has resulted in a saving of Bs 230,000 and an increase in spirit and productivity. He reported that a Management Committee, comprised of himself, Dr. Anzola, Mr. Neumann and Mr. Agar, had been organized. The Management Committee will be dissolved on January 1, 1967 and Mr. Agar will assume the duties of General Manager. Mr. Espinosa thanked the Board for its grant of \$5,000, which was authorized at its meeting held June 27, 1966, and reported that the funds had been used to pay for the orientation, language training and cost of living of five field workers for the last three months of 1966. Mr. Espinosa also reported that a proposed new law in Venezuela, which would have the effect of discouraging individual and corporate contributions to private charitable organizations in that country, has necessitated a conservative approach toward programing for next year. The budget for 1967 has been set at Bs 1,235,000,

which, based on current predictions, would permit ACCION en Venezuela to pay its debt and still have an emergency fund of Bs 20,000. Mr. Espinosa also reported on the program for 1967, including the preparation of field evaluation reports, the partial remodelization of several barrios, the preparation of manuals and the training, for a fee, of volunteers of the U.S. Peace Corps in Venezuela. Mr. Espinosa then distributed to the Directors copies of a November 1, 1966 supplement of "El Universal", which described the programs and activities of ACCION en Venezuela. He explained that the forty page supplement, which had been printed and distributed at no cost to the Corporation, had produced approximately \$25,000 in additional contributions.

Mr. Espinosa reported that two experts on Community Development from the United States, Mr. and Mrs. Cahn, were sent to Venezuela by AID. During their trip, the Board of ACCION en Venezuela arranged for them to make an evaluation of the work of ACCION en Venezuela. Their report, while critical of many aspects of the organization, made an overall positive evaluation and, in the summary, was very praiseworthy of the work being done and the potential for the organization in Venezuela. It stated that, dollar for dollar, it is the best organization of its kind in Venezuela. The Chairman asked that copies of the report be made available to the Corporation and its sponsors.

The Chairman stated that the next item of business

to come before the meeting was to consider, and take action upon, a proposal to increase the Executive Director's salary. At the Chairman's suggestion, Mr. Blatchford left the meeting. The Chairman presented to the meeting a salary and personnel practices survey, which compared the Corporation with a number of other comparable non-profit organizations. After discussion, and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the annual salary of the Executive Director be, and it hereby is, set at \$18,000; and, that such salary remain at \$18,000 per annum until, in the judgment of the Board of Directors, the programs and activities of the Corporation warrant and justify a further increase.

Thereupon, Mr. Blatchford rejoined the meeting and Mr. Rockefeller left the meeting. The Chairman reported that a quorum was still present.

The next item on the agenda was a report of the Executive Director on the proposed program of ACAO COMUNITARIA DO BRASIL. The Executive Director reported on the board organization, recruitment of staff and field workers, fund raising and proposed operations. A copy of his report was ordered filed with the minutes of the meeting.

Thereupon, Mr. de Rosso and Mr. Delafield excused themselves from the meeting. The Chairman observed that a quorum was still present.

The Chairman then requested the Executive Director to present the proposed budget of the Corporation for 1967. The Executive Director submitted the following budget for consideration:

ACCION International
1967 Budget

OPERATIONS	<u>1967 Proposed Budget</u>	<u>1966 Expenditures</u> (Ext. on Basis of 3rd Quarter Exp.)
1. Recruiting	\$35,640	\$67,521
2. Fund Raising, Public Relations	36,471	42,584
3. Administration Overhead	17,967	27,141
4. International Travel, Project Development	47,519	11,854 (+8,000 tickets)
	<u>\$137,597</u>	<u>\$149,100</u> (+8,000)
 SPECIAL PROJECTS		
5. ACAO COMUNITARIA	\$31,550	\$12,900
6. Venezuelans to U.S.	4,630	--
7. Technical Training & Small Business Development	62,120*	5,000
	<u>\$ 98,300</u> -----	<u>\$ 17,900</u> -----
	 \$235,897	 \$167,000 (+8,000) <u>\$175,000</u>

He explained that less had been budgeted for recruiting in 1967 because ACCION en Venezuela could now bear the princi-

* Not committed unless special funds become available.

pal amount of that expense and that it had been possible to reduce college campus recruiting and close the Cambridge and Berkeley offices. He explained that the proposed figure was designed to provide funds for the recruitment and salaries of qualified individuals, who would train in Venezuela and be available for assignment to programs in other countries. The Executive Director also explained that the \$31,550 budgeted for ACAO COMUNITARIA DO BRASIL was to be supplemented by the \$200,000 which the latter organization hopes to raise from grants from individuals, corporations and foundations in Rio and Sao Paulo. He also explained that the \$62,120 budgeted for technical training and small business development was to be raised by special fund raising appeals for that particular purpose. The Chairman suggested that, in view of the fund raising problem in 1966 and the uncertain economic situation in 1967, the budget should not be increased from year to year until the Corporation had accumulated an emergency reserve. He observed that this could be accomplished in 1967 by eliminating the \$62,120 budgeted for technical training and small business development.

After discussion, and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the following be and it hereby is, adopted as the budget of the Corporation for 1967:

Recruiting	\$ 35,640
Fund raising, public relations	36,471
Administration overhead	17,967
International travel, project development	47,519
ACAO COMUNITARIA	31,550
Venezuelans to U.S.	<u>4,630</u>
Total	<u>\$173,777</u>

The Chairman, thereupon, presented to the meeting a report of the Corporation's activities, as required by Section 46 of the New York Membership Corporations Law. This report had been approved and signed by the President and Assistant Treasurer of the Corporation. The Chairman explained that, pursuant to the provisions of said Section 46, a copy of the report would be filed with the records of the Corporation and that a conformed copy thereof would be filed with the minutes of the meeting.

No other business coming before the meeting, it was, upon motion duly made and seconded, adjourned.

MILTON C. ROSE

Secretary