

4/30/65

MINUTES OF U.S. COMMITTEE, ACCION

A meeting of the U.S. Committee for ACCION was held Thursday, April 15, 1965, at the Pepsi-Cola Building, 500 Park Avenue, New York City. Present were Donald M. Kendall, President of the Committee, Committee Members Alphonse de Rosso, Stephen Schoff, George Seybolt; Squire Bozorth, Attorney for ACCION; William B. Crossley, Jr., Director of Information and Finance, and Joseph H. Blatchford, Executive Director.

Mr. Blatchford started the meeting with a brief resume of the current Venezuelan operation. He reported that ACCION now has 100 people working in Venezuela, and 165 financial backers there. The field force is now 60 percent Venezuelan and the staff 70 percent Venezuelan.

Regarding finances, Mr. Blatchford announced that ACCION EN VENEZUELA's budget this year is \$400,000. He reported that Mr. Eugenio Mendoza recently joined the Board of Directors which should help bring strong support for ACCION from the "Dividendo". Even with the increased Venezuelanization of ACCION, the present Junta Directiva in Caracas feels that a certain number of foreigners are still needed for the continued success of the program. Because of this feeling, the Board has requested 25 foreign participants this year, which are currently being recruited.

One interesting fact regarding the foreign workers presently with ACCION EN VENEZUELA is that currently 75 percent of those serving would like to make a career of work with ACCION.

Mr. Blatchford reported that the 48 page annual report should be ready within ten days. It was decided that the initial number for U.S. distribution would be two-thousand.

The 1965 budget for ACCION INTERNATIONAL is set at \$110,000. Mr. Kendall questioned why it had doubled from the 1964 budget. This covers recruitment, training, transportation and operation of the international office, and possibly some "seed" funds. Workers in the international program will join on a long-term basis. They will receive pilot training in Venezuela before being assigned in other Latin American countries. One reason for their using Venezuela for a training ground is that the Venezuelan Board of Directors wants to be closely allied with the international operation.

Mr. George Seybolt stressed that in setting up special projects, such as technical training programs and small businesses, ACCION should be careful that it is not used, and does not end up promoting someone else's projects. In international fund raising this year there will be increased emphasis on acquiring foundation funds for special projects.

It was mentioned that there will be many organizations and government agencies that are interested in the special projects field, such as the A. F. of L. and AID. In conjunction with special projects, ACCION will also work with the Venezuelan Government for example on programs designed to combat juvenile delinquency.

It was estimated, in reference to fund raising, that the cost is and will remain approximately eight percent of the budget. The Board felt this was a fair figure.

Mr. Blatchford reported that the color film of ACCION, being done by Shell, will soon be ready and an excellent English voice is now needed for the sound track. If possible, the sound track of the Spanish version might be done here also.

Mr. Kendall stated that he thought the financial independence of ACCION EN VENEZUELA is excellent. He also feels that for the present the expense incurred by ACCION INTERNATIONAL should remain constant. Mr. Blatchford explained that there will be increased international expenses. He said ACCION needs proficient, professional recruiters, an international staff for information and finance, all in conjunction with a professional development foundation.

It was reported that to date, Mr. Dan Norvell, Assistant to the Director of ACCION doing special research on foundations, had researched eighty foundations. The Mellon Foundation of Pittsburgh voluntarily requested information concerning ACCION's work.

Mr. Seybolt said he felt that ACCION's efforts in the smaller countries of Central and South America, such as Costa Rica, would produce more impressive results than efforts in the larger countries such as Brazil or Argentina. After discussing this point, the general consensus was that success in Argentina, where currently so little is being done, would be of greater importance than success in a smaller country, such as Costa Rica.

Mr. Squire Bozorth, Attorney for ACCION, reported that a certificate for incorporation has been drawn up and is presently at the office of the Attorney General of New York. A 1963 financial report to the Department of Public Welfare is needed before incorporation can continue. It was reported that the 1963 audit would be completed within one week. The Social Welfare Department will give the approval to the Attorney General's office. Bozorth is optimistic, however the exact date of approval is still uncertain. At the time of incorporation a meeting of the Board must be held at which the number of Directors will be determined. An election must be held for the following officers: President, Vice-President, Secretary and Treasurer. Of course, it is understood that ACCION INTERNATIONAL will be a non-stock corporation and must get a favorable tax ruling. The following potential Board Members were discussed: John Lindsay of Corn Products, John Powers of Pfizer and J.P. Delafield of General Foods. It was decided that a request would be made for the continued free legal service of Bozorth. Other persons discussed for the Board of Directors were Alfred M. Vinton of the First National City Bank, or Juan D. Sanchez of the same organization. Mr. Arthur Young of Pepsi International was also mentioned as possible treasurer.

Mr. Blatchford reported that Price Waterhouse will charge about \$1,000 for the two audits being done. Mr. Seybolt will try to get this service donated. Mr. de Rosso feels Mr. Seybolt should make the initial contact.

The general consensus of the committee members was that ACCION must have a program in another country. This will naturally make it easier to enlarge the Board of Directors. Mr. Kendall was very emphatic on this point. Mr. Blatchford was planning to leave immediately for Buenos Aires to lay groundwork for a program for Argentina.

Mr. Blatchford said ACCION INTERNATIONAL needs two researchers, two secretaries, an Administrative Assistant and a Director of Information and Finance. Mr. de Rosso felt that at present a second researcher and secretary were unnecessary. As a result, one researcher and one secretary were approved, along with the Administrative Assistant and Director of Information and Finance.

Seed money from the U.S. was discussed, as a certain amount may be necessary to start a program in a second country. Mr. de Rosso wants maximum national backing. Mr. Blatchford said he suggested 50-50 funding of such a program. Mr. de Rosso thought that a more realistic and appropriate figure would be 80-20, 20 being handled by ACCION INTERNATIONAL and 80 being furnished by the host country. (All the controversy was actually only a misunderstanding of capital funding - domestic and foreign.)

It was mentioned that Koppers to date is giving ACCION no financial backing. Mr. Kendall volunteered to send a letter with his signature requesting the financial support of Koppers. This letter should be addressed to Mr. Fred Foy.

The general ambiance of the meeting was cordial. Everybody seemed optimistic about plans for the second program. As soon as that program is solidified, all of the problems should resolve themselves. As mentioned previously, as soon as the proper legal work has been accomplished, with reference to ACCION INTERNATIONAL, a Board of Directors meeting will be called to elect officers.

April 30, 1965