

**MONDAY, DECEMBER 20, 2004**  
**THE WAGNALLS MEMORIAL FOUNDATION**  
**BOARD OF DIRECTOR'S SPECIAL MEETING**

The Board of Directors held a special meeting on Monday, December 20, 2004, at 8:30 p.m. with the following board members present: Mr. David L. Wynkoop, Dr. William M. Haynes, Dr. Robert O. Jepsen, Mrs. Nancy E. Fisher, Mr. Nathan A. Kingery, Mr. John H. Rogers, Mr. James L. Long, and Mr. Russell A. Osborn. Other attendees were Mr. Carl Spencer, Executive Director, and Mrs. Sandra Hall, Assistant Director.

Mr. Wynkoop called the meeting to order at 8:30 p.m. and silent attendance was taken by Mrs. Hall. There was one addition to the Agenda proposed by Mr. Rogers, that being an update on the Stebelton loan, which was added to the Reports/Action Items section of the Agenda.

**MINUTES AND FINANCIAL STATEMENTS:**

Chairman Wynkoop asked the Board to review the minutes from the December 8 meeting and Special Foundation Newsletter that each Board Member had in front of them. There was some discussion regarding the newsletter and the minutes. After discussing the minutes, these corrections were submitted: On page 2, paragraph 2, strike "it passed unanimously" and replace with "the motion was tabled for the mandatory five-day waiting period, to be acted upon at the next convened Board meeting". On page 2, paragraph 8, strike "Mr. Long" from the vote on the motion to pay off the National City debt and apply the balance to the Fairfield National Bank loan principal, and replace with "Dr. Haynes". On page 3, paragraph 2, strike "had been trying to" and replace with "should". Dr. Haynes motioned to accept the corrected December 8 minutes, seconded by Mr. Rogers. Motion passed.

There was no new Financial report this meeting.

**REPORTS/ACTION ITEMS:**

Chairman Wynkoop then called for a vote on the proposed resolution to amend the Code of Regulations, such amendments having been presented in writing during the December 8, 2004 Board Meeting, to be acted upon after the mandatory five-day waiting period, according to the Code of Regulations Article IV, Section 6.01.

**PROPOSED RESOLUTION OF THE DIRECTORS OF THE WAGNALLS MEMORIAL FOUNDATION**

WHEREAS, the Attorney General's office has recommended amendments to The Wagnalls Memorial Foundation (the "Foundation") Code of Regulations;

WHEREAS, the Board of Directors of the Foundation find it necessary, desirable and in the best interest of the Foundation to make the amendments as suggested;

NOW, THEREFORE, BE IT RESOLVED, by the Directors of the Foundation to amend the Code of Regulations of the Foundation as follows:

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ARTICLE VIII. Prohibited Activities.

Notwithstanding anything to the contrary in the Articles of Incorporation of The Wagnalls Memorial Foundation, the Board of Directors shall not approve any loan or advancement of funds, or otherwise donate Foundation assets to any person, entity, or organization that is not in furtherance of the charitable purposes of The Wagnalls Memorial Foundation, Inc. as those purposes are described in Article Third, Paragraphs A, B, C, or for scholarship purposes are described in Paragraph D of the Amended and Restated Articles of Incorporation of The Wagnalls Memorial Foundation dated October 27, 1999.

ARTICLE IX. Conflict of Interest.

No member of the Board of Directors may vote with respect to any matter which will directly or indirectly inure to the financial benefit of, or otherwise present a conflict with the personal interests of the member and/or the spouse, parent, brother, sister, son, daughter, grandson, or granddaughter, or a spouse thereof, of the member. In the event such a matter comes before the Board of Directors for a vote, the affected member shall fully disclose the existence and nature of the financial benefit or conflict and, thereafter, shall abstain from voting in the matter and/or from influencing or attempting to influence the outcome of such a vote. Unless the affected member's presence is necessary to provide information to other members on the matter to be voted upon, the affected member shall not participate in any discussion with respect to the matter nor be present in the room during the vote.

After some discussion, the motion to amend the Code of Regulations by adding these (2) Articles passed unanimously.

Mr. Spencer then updated the Board on his attendance at the December 13 LAFAA (Lithopolis Area Fine Arts Association) meeting. A copy of the minutes from that LAFAA meeting had been distributed to each Board Member prior to this meeting. He recommended that the Board approve the payment of \$5,000 for the 04/05 Annual Support (\$3,000 in support of their series and \$2,000 for the school programs) to be paid now in December, which the Board did, since the funds were already committed.

Mr. Rogers then updated the Board on the Stebelton loan negotiations, which the Board then discussed, along with the verbiage about this loan in the Special Foundation Newsletter.

**OTHER BUSINESS:**

Chairman Wynkoop then moved on to the application received from Mr. George Sheehan for consideration to become a Board Member, a copy of which had been sent to each Board Member prior to this meeting. There was some discussion regarding the current position that needs to be filled by a Lithopolis resident, and the two positions that may need to be filled in March. There was also some discussion regarding the process of selecting Board Members and some changes to this procedure were suggested.

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Chairman Wynkoop then moved on to the last item of the Agenda that being the clarification of Mrs. Hall's role at meetings. Mrs. Hall had requested this be done, since she held two positions: those being Assistant Director for the Foundation, and Recording Secretary for the Board. She needed clarification if her role at Board Meetings pertained only to Recording Secretary, which in the past has been a non-active role, or as Assistant Director, which could be considered to be an active role. After some discussion regarding this, Mr. Long motioned, seconded by Mr. Osborn, that Mrs. Hall be an active participant in discussions during Board Meetings as Assistant Director. The motion passed unanimously.

Dr. Haynes then informed the Board that Boy Scout Troops 241 and 142 had merged to form a larger Troop 241. He stated that Bruce Olson had been elected Scoutmaster and Bill Cipparone had been elected Committee Chair of the new Troop. He also stated that since the Foundation sponsored Troop 241 they needed to approve these officers. Dr. Haynes motioned to approve, seconded by Mr. Long, the selection of these officers. Motion passed.

At this time, a discussion ensued that Chairman Wynkoop perceived could be a possible conflict of interest on his part, therefore, he excused himself, as did Dr. Haynes and Dr. Jepsen, at 10:30 p.m. Mr. Kingery, Secretary/Treasurer, being the only remaining officer, was appointed *chairman pro tem*.

The Board then went into Executive Session to discuss this issue. After this discussion, Mr. Rogers motioned, seconded by Mr. Osborn, to allow Mr. Kingery to preside at another meeting as *chairman pro tem* to be held before February 9, 2005, of the remaining five Board Members present at this meeting. After some additional discussion, the motion passed.

Mr. Kingery then distributed a memo he had received from the Foundation's Investment Manager, Kevin Kale.

With that, Mr. Long made a motion to adjourn the meeting, seconded by Mr. Kingery. The motion passed.

Meeting adjourned at approximately 11:45 p.m.

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Sandra K. Hall  
Recording Secretary

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David L. Wynkoop, Chairman

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Nathan A. Kingery, Secretary/Treasurer