

**Board of Director's Meeting
People for Care and Learning
Cleveland, Tennessee
October 16, 2015**

Board Members Present

Bill George- PCL Board Chairman
Fred Garmon- Executive Director
Matt Ryerson- Vice Chairman
Ken Blanton- Treasurer
John Sweet
Ken Pilgrim
Oz Ramkissoo
Fidencio Burgueño
Stewart Roberts
Richard Baker

Others Present

Jake Stum, Assistant Director
Brittany Cox, Staff
Abby Fletcher, Staff
Tyler Shores, Lee University Student Observer

Board Members Absent

Tim Hill, Linda Staton, Fred Toke, Kevin Brooks, Carlos Moran

Opening

The meeting started at 9a.m. Board Chairmen Bill George opened the meeting and greeted the board members. Matt Ryerson opened in prayer.

Board Member Rotations

New board member, Fidencio Burgueño, was asked to give a brief introduction of his background and involvement with PCL. George recognized and gave brief introductions for new members that were not present, Representative Kevin Brooks and Carlos Moran.

George outlined the procedure of board tenure rotation. When a board member completes six years of board service, he or she transitions to the Advisory Council. Past board members who are now on the Advisory Council are Doug LeRoy, Hugh Carver, and Bill Tolia.

Financial Report

1. PCL's external auditors, Scott Hall and Zach Thurman of Arnett, Kirksey, Kimsey, Sullivan, Lay & Hall, PLLC, were welcomed to present the audit findings to the board of directors.

Scott Hall began the presentation by stating that PCL's financial reviews in the past years prepared the organization very well for the external audit that was performed on the 2014 financials. Hall stated the clean opinion received with a limited number of write-ups was directly related to the work done to correct financial policies and procedures during the previous two financial reviews. Hall presented the 2014 Statement of Financial Position and gave an overview of fund balance activity.

Matt Ryerson thanked Hall and his firm for the work completed and commended their teaching spirit. George thanked Scott Hall and Zach Thurman on behalf of the board.

Brittany Cox, Financial Administrator, presented the 2015 financial reports and proposed 2016 budget.

Brittany Cox presented the 2015 financial reports: balance sheet, income and expense statement, and fund balances. She highlighted the cash balances, forgiven bridge loan, and lowered deficit in the Build-A-City fund due to Garmon's and Stum's fundraising efforts. Cox reported the proposed 2016 budget was discussed in detail and approved by the finance committee. An overview of the budget was given to the board for approval. Richard Baker made a motion to accept the financial report and the 2016 budget; Fidencio Burgueño seconded; all in favor; PASSED.

New Budget Structure

Jake Stum introduced the concept of a new budget structure that gives more responsibility to our Cambodian staff and long-term volunteers (LTVs) and will be introduced in the 2017 budget year. The new structure will allow the LTVs to cast their own vision and develop their budget. The goal is to have the budgets submitted by PCL's Khmer staff and the budgets would be negotiated with the director. Stum presented the concept of creating a team of key individuals around each brand to help raise funds for unforeseen expenses or auxiliary items.

Fidencio Burgueño asked if the LTVs would be raising their own budget under this structure. Stum responded that they will be given a baseline budget from the home office and if it is not sufficient for their goals, they will be encouraged to raise funds to fill the financial gap. The baseline budget for all projects is estimated to be \$500,000.

Stum indicated that staff members in the home office and in Cambodia are excited for this change. Ken Blanton stated his support for the new structure and suggested that it will encourage the overseas staff to take more ownership of their projects.

George indicated this is an informational item that requires no motion from the board to accept, but stated the sense of the board is in agreement with this structure.

Possible Staff Transitions: Julie Martinez and Matt Bohlman

Garmon reported that Julie Martinez, Cambodia Country Director, and Matt Bohlman, Pace Children's Home Director, are excellent staff members and valued members of the PCL team. Garmon indicated that both have expressed their desire to transition out of their current roles in the coming years. How or when this might take place is not determined.

Oz Ramkissoon asked if there was a succession plan in place. Stum stated that we are working on a strategy that involves an expat and a Khmer co-leading to further our goal of sustainability. (As what has happened with "Common Grounds Café" where a khmer has taken over the role as manager.

Matt Ryerson suggested the board defer these personnel issues to Fred and Jake. The board can provide wisdom and advice, but no motion is required.

Special Order of the Day

Jake Stum invited Lance Colkmire to share his trip experiences with the board. Colkmire shared that he has led two teams to Cambodia where they held children's camps in both Phnom Penh and Siem Reap. Colkmire stated it is difficult to find effective resources, but he has partnered with various organizations to find tools to communicate in Khmer in the form of picture books and songbooks. They will continue to travel to Cambodia every two years. A group in Yakima, Washington, will conduct the children's activities in the alternate years.

George stated that Colkmire and his team are modeling the way of relating to students. Stum expressed that Colkmire is an excellent team leader due to his preparation and flexibility. The board expressed their gratitude and appreciation for Colkmire's presentation and participation in PCL.

HOSEA III Conference

Garmon updated the board on the results of the third HOSEA III Conference that was held in Siem Reap in May 2015. There were 350 individuals in attendance from 12 countries. Garmon opened the floor for members to comment on their experience or feedback on the event.

Fidencio Burgueño stated the conference was organized and put together well. He suggested that PCL consider having more Asians as speakers, as their material is more likely to translate across other Asian cultures. He also indicated there were issues translating the speeches due to language or cultural barriers and some individuals left not understanding the message of the speaker. Richard Baker suggested having the key speakers send in an outline of their message and having it translated into the necessary languages ahead of time. Then, on the day of the event, translators could at least have an idea where the speaker is heading and can help fill in the blanks if the message does not translate perfectly. Garmon expressed his appreciation for the feedback and indicated it would be taken into consideration when planning the next HOSEA Conference.

Build-A-City Update

Garmon reported that the dedication in May was a climax of the project, but it is not the conclusion. Garmon—using PowerPoint—walked the board through the Andong community before PCL's involvement and showed the progress made by each of the three phases of the Build-A-City project. Garmon described Phase One of the project as having the objective of immediate relief; Phase Two as addressing chronic issues in the community and completing construction in New Andong; and Phase Three as building community. The original plan was to enter this phase after the dedication celebration in May. However, due to unforeseen circumstances phase two is continuing, as more homes need to be completed. Upon the departure of the previous contractor, Isaac was brought to Andong to oversee the final construction, due to his experience with construction in Takam village.

Garmon played a video featuring the Build-A-City dedication that was produced by Arzolla, LLC. Richard Baker gave feedback that the project has truly blessed and impacted many people. He is glad the project was taken on and is proud of the results. However, Baker expressed his serious concern that if there is not a cut-off for home construction there could be significant consequences on the survivability of PCL. Baker recommended that PCL finish its current construction commitments and then any further construction needs to be suspended at this time.

Matt Ryerson stated his agreement with Baker. Ryerson emphasized that PCL needed to finish with current commitments and then take a step back and evaluate. Ryerson stressed the importance of keeping the vision of taking a community from a trash dump to an actual city. There is good wisdom in recognizing the community can develop itself and is heading towards sustainability. Once sustainable, Ryerson suggested pulling back and allowing the people of Andong to take ownership.

Ken Pilgrim expressed his agreement that current commitments must be fulfilled and then there is a need to step back and brainstorm how to move forward given current financial restraints. Ryerson suggested the evaluation might be worth planning a trip with key individuals to assess the project in person.

Garmon presented the vision going forward is community development and some is already taking place organically. George reminded the board the plan of transitioning into community development was already in place prior to the dedication and was labeled Phase 3 of the project.

Ken Blanton requested to make a final comment. Blanton stated the success of Build-A-City is not based on what we have done but rather what we have caused to happen. Building a house is a hand out. Building the culture that the villagers can do for themselves is a hand up. Overall, Blanton stated the project was very successful.

Brands Update

Stum presented an update for the brands of business, agriculture, children's homes, and learning centers.

Abby Fletcher reported that Common Grounds Coffee Shop has won a Trip Advisor award for the fifth consecutive year and the business is completely self-sufficient. Common Grounds has been turned over to full Khmer management, and Dalath is doing an excellent job. Stum indicated that PCL is pushing for sustainability, reproducibility, and health in projects moving forward.

Stum announced that the projects in Takam village are going extremely well. The first Church/Community building was finished and Stum stated that Isaac Lutz's dream is to have a fully functional school in Takam in the future.

Fletcher presented updates on education standards that affect the children's ability to pass high school exit exams. Fletcher announced that Sreimom at Pace Children's Home graduated from high school and has dreams of becoming a doctor. She has chosen to take one year off before attending college, and she interviewed for a teaching assistant position at Hope International School and got the job. The position will pay her a salary, and for her the cycle of poverty is broken.

Fletcher reported that a new computer lab was opened in Siem Reap due to the generosity of an undisclosed donor. The lab will have an English-speaking Khmer as a teacher and all classes are full. Fletcher stated PMI (Phnom Penh Management Institute) is thriving under Julie Martinez and

Justin Knowles' leadership, and students now receive university credit for the time spent in the program.

Garmon announced the development of a new aspect of the education brand called LeaderLabs. Garmon stated the LeaderLabs program aims at developing leaders with top-notch leadership material. Garmon has used leadership training to obtain speaking engagements and to help with fundraising in the past. Garmon showed the board promotional videos created by Arzolla, LLC and Between Pixels. The board was enthusiastic about this venture.

Remedy Flies

Stum presented a new development in partnership with Lee University's Business Department called Remedy Flies. Remedy Flies is a business model that will help empower the poor through teaching them the skill of making fly-ties for marketing to fly fishermen. There is a potential for 200 jobs to be created through the two sites in Cambodia and two sites in Nepal.

Buy a Tree. Change a Life.

Stum stated that Travis and Kelly Johnson capped the number of participating church at 20, but had 40 express their interest for next year. The goal is to raise \$300,000 this year and to raise \$1 million in 2016. John Sweet said the policy of Buy a Tree to give back 15 percent of profits to local projects is wonderful because it benefits PCL and a multitude of projects all over the United States.

Dates to Remember

- a. Buy a Tree at North Cleveland COG: Nov. 22-Dec.13
- b. SE Asia Coalition Trip: January 8-16 (Fred)
- c. South Cleveland COG Trip: June 22-July2 (Jake)
- d. Leadercast: May 5, 2016
- e. BATCAL Partner's Trip: May 2016 (Travis Johnson)
- f. Potter's House Trip: Fall 2016 (Abby)

SOW Gala

George said several members of the PCL board were able to attend the gala, and opened the floor for Baker to give an update on the outcome. Baker reported the gala raised around \$710,000 for the organization and he was very pleased with the outcome.

Spring Board Meeting

The tentative dates for the spring board meeting are April 7 and 8, 2016.

The board was dismissed at 1:45p.m and Fidencio Burgueño closed the meeting in prayer.

[Brittany Cox was requested to record the minutes at this meeting, in lieu of the secretary's absence.]