



Vietnam Veterans of America

8719 Colesville Road, Suite 100, Silver Spring, MD 20910 • Telephone (301) 585-4000
Main Fax (301) 585-0519 • Advocacy (301) 585-3180 • Communications (301) 585-2691 • Finance (301) 585-5542

www.vva.org

A Not-For-Profit Veterans Service Organization Chartered by the United States Congress

Vietnam Veterans of America National Board of Directors Meeting October 5, 2012 Approved By the Board

President John Rowan called to order the meeting of Vietnam Veterans of America National Board of Directors on Friday October 5, 2012, at 9:06 pm, at the Crowne Plaza Hotel in Silver Spring, MD. National Treasurer Wayne Reynolds recognized those who were ill and in need of prayer; and he remembered our military personnel. Treasurer Reynolds delivered the opening prayer which was followed by a moment of silence and the Pledge of Allegiance.

The National Secretary conducted the roll call of the National Board of Directors. Present were:

John Rowan, President	Joe Jennings	Jackie Rector
Fred Elliott, Vice President	Allen Manuel	Dick Southern
Bill Meeks, Secretary	John Margowski	Dan Stenvold
Wayne Reynolds, Treasurer	Sara McVicker	Nancy Switzer *
Bob Barry	John Miner	Pastor Toro
Richard DeLong	Charlie Montgomery	Sandie Wilson
Marsha Four	Tom Owen	
Ken Holybee	Felix Peterson	

** AVVA President is a non-voting member of the National Board of Directors*

Excused: Pat Bessigano, Herb Worthington, and Judith McCombs
Also present: Joseph A. Sternburg, CFO, and Mike Swift, Parliamentarian.

Secretary Meeks conducted roll call of the State Council Presidents. Present were:

Alabama	Present	Montana	Present
Alaska	Present	Nebraska	Present
Arizona	Present	Nevada	Present
Arkansas	Present	New Hampshire	Absent
California	Present	New Jersey	Present
Colorado	Present	New Mexico	Present
Connecticut	Present	New York	Present
Delaware	Absent	North Carolina	Present
Florida	Present	North Dakota	Present
Georgia	Present	Ohio	Present

Idaho	Present	Oklahoma	Present
Illinois	Absent	Oregon	Present
Indiana	Absent	Pennsylvania	Present
Iowa	Present	Puerto Rico	Absent
Kansas	Present	Rhode Island	Present
Kentucky	Present	South Carolina	Present
Louisiana	Present	South Dakota	Present
Maine	Absent	Tennessee	Present
Maryland	Present	Texas	Present
Massachusetts	Present	Vermont	Present
Michigan	Present	Virginia	Present
Minnesota	Present	Washington	Present
Mississippi	Present	West Virginia	Present
Missouri	Present	Wisconsin	Present

Preliminary Business

Secretary Meeks submitted the following motions:

Motion 1

**To accept the BOD meeting agenda.
Without objection motion passed.**

Yes: 21

No: 0

Non Vote: 1

Not Present: 2

Motion 2

**To accept the BOD meeting minutes from August 7, 2012 in Irving, TX.
Without objection motion passed.**

Yes: 21

No: 0

Non Vote: 1

Not Present: 2

Presentation

Board Member/CSCP President Charlie Montgomery presented a framed series of photos of former National President George Duggins to be placed in the Duggins Conference Room in the National office.

National President/J. Rowan

President Rowan submitted a written report:

On **August 23rd** I attended a briefing on the 50th Anniversary of the VN War Commemoration with Gen. Kicklighter. We discussed the roll out to communities large and small all across the country.

On **August 24th** I attended an “End of Summer Veteran’s Breakfast” sponsored by the Haitian America Veterans Association and City Council Member Leroy Comrie. The President of HAVA is Fritz Fils-Aimee, RDH, PhD, who is a Vietnam veteran. It was attended by over 200 people, including several elected officials and various veteran leaders.

From **August 26-31** I attended the Republican National Convention with National Treasurer Wayne Reynolds, Rick Weidman, and Jim Kuhn. We spent a fair amount of time at Politico.com’s headquarters. They did a web cast at lunchtime every day with various elected officials and corporate leaders. Rick and Wayne sat in on three of these events and were able to get one of the few questions in, which let everyone know VVA was there. It was there that we met Rear Admiral Donald Loren, USN (ret.), who is head of Romney’s vets committee and is the Chairman of the Board for NAUS.

Unfortunately, there were no veterans’ events; however, we did attend an event run by the National Association of Home Builders, where they highlighted their “homes for heroes” program. What makes this group interesting is that they rely on local builders and contractors to obtain the homes for severely disabled veterans. They presented two veterans with homes at this event.

While attending a Republican Jewish Conference party honoring Governors, Wayne made friends with the daughter and wife of VA Gov. McDonald. The daughter is an Iraq veteran and Wayne talked to her about the Veterans Health Council and encouraged her to go to the VA. Her mother was very grateful. On the way out of that event I met Mario Rubio, Sen. Marco Rubio’s brother, who is a Vietnam vet and works for the government of Jacksonville, FL, which is building a large veteran center. Also at this event I met Howard Winkler, a Commissioner with the LA Narcotics and Dangerous Drugs Commission. He is a Vietnam vet with the CID. He is a diabetic and was unaware that he could file a claim for compensation. I am getting him a SR. In the convention hall we met a number of media and elected officials, as well as regular delegates, including VVA member Ralph Garcia from Indiana. One group of delegates was Republican women from Texas. They are very interested in the VHC and I hope to reach out to them.

At another event on education run by Bloomberg.com with Condoleezza Rice, Gov. Jeb Bush, and Javier Palomarez, Pres. & CEO of the US Hispanic Chamber of Commerce. Again Wayne got to ask a question and got into a dialogue with Gov. Bush. Later I spoke to Mr. Palomarez with Rick about veteran owned businesses. He was very interested and got emotional when he told us he lost a nephew three years ago in Afghanistan.

September 5-7th I attended the Democratic National Convention. Carl Tuvin, Rick Weidman, and Joe Wynn had arrived a few days earlier. Again we attended an event run by the National Association of Home Builders, where they gave another veteran a house. And again we hung around Politico.com and met several political and corporate leaders, including the Military Warriors Support Foundation.

The DNC had a big veterans’ event with Mrs. Biden, Beau Biden, Delaware Attorney General and Iraq veteran, and several retired military and elected officials. I ran into leaders from the Legion and VFW at this event. We were able to give out a lot of VHC flyers.

In the convention hall we met several leaders, including the NY Speaker of the Assembly and several Members of Congress. I also met an old friend Geoffrey Eaton, who is Rep. Rangel's Deputy Chief of Staff. He is head of the Manhattan NAACP and I intend to get him involved with the Veterans Health Council in NY.

September 11-13th I visited the office to catch up on some things. While there I had a good meeting with Jim Vale and Joe Sternburg about the state service rep grant program.

September 21st I participated in a POW/MIA ceremony with my chapter, Chapter 32.

On **September 27th** I attended a NYC Veterans Advisory Board meeting.

September 28 and 29th I attended the VVA NY State Council meeting in Owego, NY. The guest speaker was Jim McDonagh, the former NYS Dir. Of Veterans Affairs, who now works for the NYS Health Foundation. We discussed getting a grant for the VHC to do a program in NYS with the major health care providers around the Health IT program.

On Saturday evening **September 29th** I attended the annual dinner of the NYS Daughters of the America Revolution, where I was awarded the Founder's Medal for my service to veterans. This is a very prestigious award from their national organization.

National Vice President/F. Elliott

Vice President Elliott provided a written report:

August 7 - 11: Attended the National Leadership Conference.

August 23: Met with officials at Monroe Community College to finalize arrangements for the Agent Orange Town Hall meeting on September 22nd

Met with the Director of the Monroe County Veterans Service Agency to discuss their participation in the Agent Orange Town Hall meeting

September 5: Attended the monthly meeting of DAV Chapter 15 to talk about Agent Orange and the upcoming AO Town Hall meeting in Rochester

September 7: Attended the Monroe County, NY County Executive's Veterans Advisory Committee meeting

September 13: Attended the Chapter 20 membership meeting to talk about Agent Orange's intergenerational effects and the upcoming AO Town Hall meeting

September 15: Attended the annual Chapter 20 Honor Guard and Marching Unit picnic

September 16: Participated in the annual "Run for the Colors" cruise to raise funds for Oasis, a local non-profit that provides activities for disabled veterans (sailing, archery, snow skiing, horse riding)

September 20: Held the quarterly staff meeting in Silver Spring

September 20: Attended Chapter 227's membership meeting in Vienna, Virginia

September 22: Held an Agent Orange Town Hall meeting in Rochester at Monroe Community College

National Secretary/B. Meeks

Secretary Meeks provided a verbal report which contained an update on past or current VVA disciplinary actions as required by an approved BOD motion and an update on the Texas property which was a past donation to VVA.

National Treasurer/W. Reynolds

Treasurer Reynolds provided a written report:

I am fulfilling my commitment to the Board of Directors to report the status of all contracts. This is part of my obligation which is specified in the BOD assignment to me as the Contract Compliance and Oversight officer.

I passed out a copy of a report on all of our contracts, reviewed a number of items and answered questions. These have already been given to the members of the CSCP and the Finance Committee.

The results of the Leadership Conference in Irving Texas has been reviewed which includes Financial and reports in each seminar. I was a presenter with Joe Sternberg and we received very good comments.

My attendance to the Republican National Convention was very productive and John Rowan has included a number of anecdotal stories in which I was involved. The meeting was very productive.

The Budget oversight subcommittee has been busy and I have worked with the Finance Department. We have modified the Budget to Actual report from an accrual to a paid expenses report. We have been reviewing the reports and taken action on a few instances where the cost center manager needed to be provided information and guidance. All of my actions were taken in consultation with President Rowan. There have been issues with the over expenditures of payments to Orange Factory and this matter is being resolved through the Finance Committee with recommendations to the BOD.

Mr. Vale and I are working together to assure our VVA contracts with the States conducting Service Officer programs are compliant with the VVA MOU with VSF. We are making it clear that the contracts with the States are with VVA and not VSF. Mr. Margowski has been part of these discussions.

The Household Goods contracts are with the States and Quentin Butcher is overseeing those contracts. He and I have talked about how National VVA will enforce these contracts and enforce the penalties for failure of any State Council to fulfill their obligations.

I continue to confer with President Rowan on all matter by both emails and frequent telephone calls. The National Officers met together for several hours on Wednesday, October 3, 2012.

Announcement

President Rowan spoke about the New York City 2012 Veterans Day Parade.

Reports

Associates of Vietnam Veterans of America/ N. Switzer

AVVA President Switzer provided a verbal report and here were a few highlights from that report: President Switzer talked about the “Faces of Agent Orange” town hall meetings held in five cities in Florida which drew about 800 veterans. She expressed a thank you to the VVA Florida State Council and Tom Hall for the successful events. She also noted how the VA may bring the Paper Safe in as a document for distribution. There was a presentation of the AVVA challenge coins to former AVVA President Mary Miller.

Conference of State Council Presidents/C. Montgomery

CSCP President Charlie Montgomery gave update on the CSCP Meeting which had forty-one Presidents in attendance and Director Southern spoke about the CFC Campaign. The VVA National Officers spoke to the CSCP and the election of the new officers was held: Dottie Barickman, Vice Chair; Darrel Martin, 2nd Vice; and Avery Taylor, Secretary.

Household Goods Donation Program/O. Butcher

HGDP Manager Quentin Butcher noted that the HGDP liaisons met to discuss business model for program to raise revenue and a new method for soliciting goods.

Veterans Health Council/Dr. T. Berger

Represented VVA at the Tri-national Military Mental Health Symposium at the Canadian Embassy and met with mental health leaders from the Canadian, British and US armed forces to discuss PTSD assessment and treatments.

National Action Alliance for Suicide Prevention and the “National Strategy for Suicide Prevention” launched Sept 10 at the National Press Club.

Partnership with Lung Cancer Alliance re: November 12 Lung Cancer Screening Campaign.

Only VSO rep to attend and present at the IOM Committee on the Assessment of Ongoing Efforts in the Treatment of PTSD, which has started the second phase of its four-year mandated study.

VHC presentation at UAW Veterans Conference.

Review proposed legislation re: creation of a Mental Health Discharge Review Board sponsored by Rep. Tim Walz.

Essential Health Benefits letter to Secretary Sebelius: article in *Politico* on Oct 2 noting the VHC along with 57 other groups, to urge HHS to reverse the policy laid out in its essential health benefits bulletin. The groups argue that the prescription medication coverage “was done in such a manner that it would be completely unworkable for patients, particularly for those with serious chronic health conditions.” It argues that it is “imperative that patient cost-sharing be limited.” It also says access to treatments should not be restricted by utilization management techniques, including step-therapy, prior authorization and quantity limits.

USPTFS legislation from Reps. Blackburn and Barrow: HR 5998 legislation provides appropriate balance to enhance transparency and accountability in the USPSTF process regarding recent recommendations on screening mammography and prostate specific antigen (PSA) screening and the effects these recommendations have on limiting access to preventive care for Americans; 16 groups signed on with the VHC.

NO Veterans Health Screening event at Redskins FedEx field.

Letter to CMS re: With the Centers for Medicare and Medicaid Services preparing to finalize the Home Health Prospective Payment System (HHPPS) for 2013, we urge the agency to put into place a final rule that excludes further cuts to the Medicare home health benefit. As a cost-effective, clinically advanced and patient preferred setting for post-acute care, home healthcare is vital to our nation’s healthcare delivery system. Considering the home health community has experienced deep Medicare cuts of \$71.7 billion since 2009, stable funding for this sector is especially critical for the 3.5 million seniors who rely on the Medicare home health benefit for care. Rather than hurt innocent seniors and honest providers by cutting the home health benefit, we urge CMS to achieve savings by implementing policy solutions that stop waste, fraud and abuse before it starts. More cuts to home health will impact seniors by affecting access to clinically advanced care, especially in rural areas where the nearest medical facility may be miles away.

Veterans Benefits Program Director’s Report/J. Vale

Director Jim Vale provided a written report and here were a few highlights from that report:

Director Vale provided detailed outline on the Veterans Benefits Program: 1) Appellate Advocacy Statistics; 2) VVA National Claims Statistics; 3) Staff Changes; 4) VVA Litigation; 5) Service Officer Training; 6) VVA Accredited Representatives List; 7) VetPro Database; 8) VBP Policy Change; 9) Service Officer Suspensions/Revocations; 10) MOA With the Blinded Veterans Association; 11) New VVA Service Officer Training Site; and 12) VSF Grants.

Government Affairs Executive Director/R. Weidman

Director Weidman noted ongoing discussions with Congress about priorities, service providers and the back logged claims process.

Nominations of VVA Committee Chairs/J. Rowan

Motion 3

To approve Richard DeLong as Chair of POW/MIA Committee.

Without objection motion passed.

Yes: 21
No: 0
Non Vote: 1
Not Present: 2

Motion 4

To approve Herb Worthington as Chair of Agent Orange/Dioxin and Other Toxic Exposures Committee.

Without objection motion passed.

Yes: 21
No: 0
Non Vote: 1
Not Present: 2

Motion 5

To approve Dick Southern as Chair of Resolutions Committee.

Without objection motion passed.

Yes: 21
No: 0
Non Vote: 1
Not Present: 2

Meeting recesses: 10:59 am – Board meeting recesses until 9:00 am Saturday morning.

Saturday, October 6, 2012 (con't)

The meeting of VVA National Board of Directors reconvened at 9:05 am on Saturday, October 6, 2012. National Treasurer Wayne Reynolds officiated the opening prayer followed by a Moment of Silence.

The National Secretary conducted the roll call of the National Board of Directors. Present were:

John Rowan, President	Joe Jennings	Dick Southern
Fred Elliott, Vice President	Allen Manuel	Dan Stenvold
Bill Meeks, Secretary	Sara McVicker	Nancy Switzer *
Wayne Reynolds, Treasurer	John Miner	Pastor Toro
Bob Barry	Charlie Montgomery	Sandie Wilson
Richard DeLong	Tom Owen	
Marsha Four	Felix Peterson	
Ken Holybee	Jackie Rector	

** AVVA President is a non-voting member of the National Board of Directors*

Excused: Pat Bessigano, John Margowski, Judith McCombs, Herb Worthington and Mike Swift, Parliamentarian

Also present: Joseph A. Sternburg, CFO

Secretary Meeks conducted roll call of the State Council Presidents. Present were:

Alabama	Present	Montana	Present
Alaska	Present	Nebraska	Present
Arizona	Present	Nevada	Present
Arkansas	Present	New Hampshire	Present
California	Present	New Jersey	Present
Colorado	Present	New Mexico	Present
Connecticut	Present	New York	Present
Delaware	Absent	North Carolina	Present
Florida	Present	North Dakota	Present
Georgia	Present	Ohio	Present
Idaho	Present	Oklahoma	Present
Illinois	Absent	Oregon	Present
Indiana	Absent	Pennsylvania	Present
Iowa	Present	Puerto Rico	Absent
Kansas	Present	Rhode Island	Present
Kentucky	Absent	South Carolina	Present
Louisiana	Present	South Dakota	Present
Maine	Absent	Tennessee	Present
Maryland	Present	Texas	Present
Massachusetts	Present	Vermont	Present
Michigan	Present	Virginia	Present
Minnesota	Present	Washington	Present
Mississippi	Present	West Virginia	Present
Missouri	Present	Wisconsin	Present

Finance Committee Report

Committee Chair Ned Foote presented the following motions out of committee:

Motion 6

To authorize the Communication Department to exceed the previously approved budgeted expense total by \$20,000. This approval is to address the under budgeted expenses to continue VVA web site maintenance and continued publication of the VVA Web Weekly.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Motion 7

To approve the Budget Oversight Policy as amended.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1
Not Present: 3

BUDGET OVERSIGHT POLICY
(Approved Motion #9, 4-21-01)
Amended Motion #7, October 6, 2012

PURPOSE

Concerns about cost overruns in the past have led the VVA National Finance Committee, with the approval of the VVA Board of Directors, to create a Budget Oversight Sub-Committee, which will be responsible for monitoring, and, when necessary, taking action concerning actual or potential cost overruns or other financial anomalies revealed in the Budget to Actual reports for the cost centers. In 2008, the VVA Board of Directors directed that all consultant monthly reports would be reviewed by the Finance Committee's Budget Oversight Sub-Committee and reported out as part of the Finance Committee's quarterly report to the Board of Directors. The Board of Directors further directed that consultants who do not submit monthly reports to the Finance Committee's Budget Oversight Sub-Committee will have their payments suspended until the reports have been submitted.

BUDGET OVERSIGHT SUB-COMMITTEE STRUCTURE

The Budget Oversight Sub-Committee will be a sub-committee of the Finance Committee; will consist of three voting persons, the VVA Treasurer and two members of the Finance Committee; and will have the VVA Chief Financial Officer (CFO) as a non-voting ex-officio member.

BUDGET to ACTUAL REPORT

The Budget to Actual report will be the primary financial report used in this oversight process. The Budget to Actual Report is a financial report comparing the actual expenses of a Cost Center with its budget as of a specific end of month period. This report will consist of two percentages:

- * percentage of the fiscal year to date (i.e. # of months divided by 12);
and
- * the actual expenses to date compared to the total budget (i.e. \$x spent divided by \$yy allocated in the budget for the year).

Ideally, these two percentages should be equal. For example, in the sixth month (50% of the fiscal year) a Cost Center would be expected to have expended 50% of its yearly budget. Less than 50% would be under-budget and more than 50% would be over-budget. The Budget Oversight Process will be implemented when a Cost Center is over-budget in any given reporting period. The Budget Oversight Process will also be implemented when the current rate of expenditures plus future obligations (salaries/benefits and contractual obligations) place the Cost Center at risk of exceeding the approved budget.

MONTHLY REVIEW

On a monthly basis, the Budget Oversight Sub-Committee will be provided with the Budget to Actual reports for all cost centers. The Sub-Committee will review the Budget to Actual for each cost center to determine if there is a cost overrun or other anomaly. When the Sub-Committee members have each completed their reviews, they will confer and produce an Oversight Report. This Report will then be forwarded to the Finance Committee Chair for distribution to the CFO and Controller for their review and input. If appropriate, the Oversight Report will be revised based on the input provided by the CFO and Controller. The final Oversight Report will be distributed to the Finance Committee, the President, and to the appropriate Cost Center Manager(s) when a cost overrun or other anomaly has been noted.

BUDGET OVERSIGHT SUB-COMMITTEE ACTION

The Budget Oversight Sub-Committee members will communicate via fax, e-mail and/or phone on a monthly basis as needed to review the reports, analyses and the CFO's recommendations to determine whether further action is necessary with respect to each Cost Center. They may:

1. accept the Budget to Actual report for the Cost Center and take no action
2. notify the Cost Center manager via copy of the Monthly Subcommittee report of the need to monitor future Cost Center expenditures and to take necessary steps to ensure the center's costs remain within budget. See sample letter A below.
3. suspend or curtail all or part of the spending authorization of the Cost Center (other than critical expenses such as payroll, rent, etc.) pending development of an acceptable Corrective Action Plan. See sample letter B below.

APPEAL

Any action taken by the Budget Oversight Sub-committee may be appealed to the full VVA Finance Committee at its next meeting.

CORRECTIVE ACTION PLAN (CAP)

A Corrective Action Plan or CAP is simply a written explanation submitted to the CFO and the Finance Committee by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.

SAMPLE LETTER A

On a monthly basis, the Budget Oversight Sub-Committee reviews the Budget to Actual reports for all cost centers to determine if there is a cost overrun or other anomaly. As you will see from the attached Budget to Actual report for XXXXX, your Cost Center has exceeded expected year-to-date expenditures.

If the excess expenditures resulted from a one-time situation that is not likely to affect your overall budget compliance by the end of the fiscal year, no action is needed. However you should closely monitor future Cost Center expenditures and to take necessary steps to ensure the center's costs are within budget at the end of the fiscal year. Continuing to exceed your budget may result in suspension of your spending authority.

If you anticipate that you will exceed your budget by the end of the fiscal year, please provide the Chair, Finance Committee with information explaining the reason for excess expenditures to date, why you will not be able to modify your expenditures to remain within your authorized budget, and how much additional funding you wish to request in order to complete your organizational responsibilities.

If you have any questions, please feel free to contact me.

SAMPLE LETTER B

On a monthly basis, the Oversight Sub-Committee is provided with the Budget to Actual reports for all cost centers.

As you will see from the attached Budget to Actual report for XXXXX, your Cost Center has significantly exceeded expected year-to-date expenditures. *[Note if this Cost Center has previously been notified of excess expenditures.]*

Therefore, your spending authority is hereby suspended for all expenditures other than *[specify critical expenses such as payroll, required expenses to attend BOD meetings, etc]* until such time as you have submitted a Corrective Action Plan and it has been deemed acceptable by the Finance Committee. (A Corrective Action Plan or CAP is simply a written explanation by the Cost Center manager detailing what action the manager will take through the remainder of the fiscal year to bring the Cost Center spending in line with the approved budget.) Any unauthorized expenditures after receipt of this letter will be deducted from the Cost Center Manager's paychecks.

Please provide a written Corrective Action Plan to the Chair, VVA Finance Committee and the VVA CFO no later than close of business XXXXX.

This action taken by the Budget Oversight Subcommittee may be appealed to the full VVA Finance Committee at its next meeting.

We trust you understand that we do not take this action lightly and ask your cooperation in this process since we all share in maintaining the fiscal integrity of Vietnam Veterans of America.

Motion 8

To approve the Finance Committee Policy as amended.

Without objection motion passed.

Yes: 20

No: 0
Non Vote: 1
Not Present: 3

FINANCE COMMITTEE POLICY
Approved Motion # 25 November 15, 2003
Amended October 9-10, 2009
Amended Motion #25, January 14, 2012
Amended Motion #8, October 6, 2012

PURPOSE

The VVA Finance Committee shall provide oversight of the financial activities of the Corporation, the State, or Chapter and shall recommend policies on financial matters to include, but not limited to, assisting and consulting with the Treasurer on all financial planning, budgeting, reporting and other related matters. (Appendix II to the VVA Constitution – paragraph I.)

The Finance Committee shall serve to advise the President and the Board of Directors as to financial matters and to perform such other duties as the President and Board of Directors shall from time to time assign to it. (VVA Constitution, Article 1, Section 7 – Committees, para B.)

The duties of the Finance Committee, as defined above, do NOT include oversight of the national staff, personnel policy matters, staff evaluations, etc. These functions fall under the duties of the VVA President who “...shall be the principal executive officer of the Corporation and shall, in general, supervise and control all the business and affairs of the Corporation.” (VVA Constitution, Article 1, Section 5 – Officers, para D.)

While it is agreed that the Finance Committee shall advise and recommend policies relative to financial matters that may affect the other VVA committees, this “advice and recommendation” does not extend to policy issues, which are “germane to (the committee) their areas of subject matter jurisdiction.”

To recap the above, the VVA Finance Committee shall provide oversight of the financial activities of the Corporation; shall recommend policies on financial matters; and shall serve to advise the President and the Board of Directors. The committee shall not direct activities or set policies.

FORMATION

The VVA President with the approval of the Board of Directors appoints the Chair of the Finance Committee. The Chair, in turn, shall appoint members to the committee, again with the approval of the Board of Directors. Members are normally appointed “ANC” (at no cost) to national and will not be reimbursed for their meeting expenses. The only exception to ANAC is the annual two-day budget meeting when all appropriate expenses are reimbursed.

STRUCTURE

The Finance Committee generally operates as a “body of the whole”. However, within the committee are several sub-committees. The sub-committees currently within the Finance Committee are:

Budget Oversight Sub-Committee (Approved Motion #9 – 4-21-01)
Investment Sub-Committee (Approved Motion #7 – 6-17-00)

For further information on these sub-committees, consult the VVA policies for these sub-committees.

IMPLEMENTATION

The Finance Committee regularly meets on the evening preceding the VVA Board of Director meetings. In addition, the committee meets “on call” as necessary.

In addition to the above, the annual budget meeting is by far the longest if not most important meeting of the committee. This is a two-day meeting, generally held in the month preceding the VVA Board of Directors meeting in which the annual budget will be proposed for acceptance. See the Financial Manual for a more detailed explanation of the VVA budget process.

The goal of the annual budget meeting is to review budget submissions from Cost Center (CC) managers, analyze budget expense justifications and to present a proposed budget that is fiscally responsible and allows for accomplishing the goals and objectives of VVA. To this end, if the Finance Committee feels that the proposed budget of a Cost Center, along with all Cost Centers, exceeds available funds, the Finance Committee will return the CC’s budget back to the CC manager directing that a specific dollar amount of expenses be reduced or incorporate recommended reductions in the budget proposal submitted to the BOD. If directed to make reductions, the CC Manager will notify the Finance Committee and the CFO of the new budget allocations within 10 days.

Final cuts will be incorporated into the proposed budget for presentation to the Board of Directors for their approval.

Once the annual VVA budget is approved, budget managers do not need additional approval to expend their funds as allocated among accounts. Intra-Budget adjustments of 10% or less of cost center budgets, excluding salaries/benefits and contractual obligations, may be made without Finance Committee approval. Intra budget adjustments exceeding this limitation and Inter-Budget adjustments or shifts of any nature must be approved in advance by the Finance Committee.

Open Discussion-National BOD/CSCPs

Director Southern spoke about the CFC Campaign and the importance for State Councils to follow up on events in their states.

Director Barry and President Rowan acknowledged Tom Hall of the VVA Florida State Council with the VVA Achievement Medal for his continuous work for Veterans and their families through the five city tour of the “Faces of Agent Orange.”

Ohio DVA Representative/T. Burke

VVA Ohio State Council President Tom Burke introduced Colonel Thomas N. Moe (USAF Ret.) who is the Director of the Ohio Department of Veterans Services and a former Vietnam POW for over five years until his release in 1973. Colonel Moe spoke about his efforts to bring about a formal Vietnam Veterans Day.

2016 Leadership Conference/W. Guidry

Event Planner Wes Guidry presented the Board Members with detailed site RFPs for the proposed 2016 Leadership Conference and there was discussion on the different sites.

Motion made by Director Southern and seconded by Director Manuel:

Motion 9

To authorize the Event Planner Wes Guidry to negotiate with the following sites and report back the best offer available: Albuquerque, NM, Indianapolis, IN,

Omaha, NE, and Tucson, AZ.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Committee – MOTIONS ONLY

Agent Orange/Dioxin – K. Holybee:

Motion 10

To add Tom Hall, Steve House and Mark McCabe to the Agent Orange/Dioxin Committee and Paul Sutton as a Special Advisor at no cost to VVA.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Constitution – L. DeLong: No motions

Economic Opportunities – F. Barry: No motions

Minority Affairs – J. Yamamoto:

Motion 11

To add Buster Newberry and Henry Urioste as members of the Minority Affairs Committee at no cost to VVA.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Veterans Against Drugs – D. Simmons: No motions

POW/MIA – R. DeLong:

Motion 12

To add Terry Courville, Allen Harvey and Ron Zink as members of the POW/MIA Committee at no cost to VVA.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Membership Affairs – C. Hobbs:

Motion 13

To move the 2012 Membership Directory revenue from the general account to the Membership Affairs Committee's budget.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Motion 14

To amend the Life Membership dues structure by deleting the age bracket 50-55 (\$225), revise the age bracket of 66-+ to 66-71 (\$150) and establish a new age bracket 72+ (\$100).

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Public Affairs – T. Burke:

Motion 15

To make following appointments of Charlie Montgomery as Chair of Awards Subcommittee with Richard DeLong and Judy Vargo as members within the Public

Affairs Committee at no cost to VVA.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Veterans Incarcerated – T.P. Hubert:

Motion 16

To approve the Resolution for Relief of Incarcerated Chapters for filing the Annual Financial Report for the period in question until resolution of this issue by amending VVA Constitution.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Resolution for Relief

Whereas, The Constitution of Vietnam Veterans of America Incorporated (VVA), Article IV General Provisions, § 1 Finance, paragraph A, clause 2 allows the board of directors of the Corporation to relieve the chapter of the responsibility of filing a financial report for the year in question;

Whereas, The parliamentary authority, Robert’s Rules of Order Newly Revised on page 10 points out the only limitations upon the rules that such a body can thus adopt might arise from the rules of the parent body, the national VVA, restricting the chapters, or from national, state or local law, such as prison regulations, affecting the particular types of chapters.

Whereas, The two governing documents of the VVA both permit relief and recommend relief;

Whereas, The founding principle of the VVA is “Never again will one generation of veterans abandon another”, and

Whereas, The goals of the VVA are to promote and support the full range of issues important to all Vietnam veterans, to create a new identity for this generation of veterans, and to change public perception of Vietnam veterans; now, therefore be it

Resolved, That the Board of Directors relieve any incarcerated chapter that had its charter revoked this year for failing to file its annual financial report by the date specified in the Constitution of Vietnam Veterans of America Incorporated when the prison authorities prohibited the filing of such financial reports; and

Resolved, That the Board of Directors continue this practice of relieving such chapters until the issue of revoking incarcerated chapters’ charters when the prison authorities prohibit financial reporting can be resolved permanently by an amendment to the Constitution of Vietnam Veterans of America Incorporated.

Veterans Benefits – J. Pace:

Motion 17

To add Ben Humphries and Adrian (Andy) McGrath to the Veterans Benefits Committee at no cost to VVA.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Veterans Benefits – J. Vale:

Motion 18

To endorse VVA being named a party, at no cost to VVA, in an amicus brief for Petition for a Writ of Certiorari to the United States Supreme Court for *Veterans for Common Sense and Veterans United for Truth, Inc., on behalf of themselves and their members, v. Eric K. Shinseki, Secretary of Veterans Affairs, et al.*

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

QUESTION PRESENTED

- Congress has provided that the Secretary of Veterans Affairs’ “decision” as to an individual veteran’s entitlement to benefits is not subject to judicial review by federal district courts.
- Title 38 U.S.C. § 511 provides that the Secretary of Veterans Affairs “shall decide all questions of law and fact necessary to a decision by the Secretary under a law that affects the provision of benefits.” 38 U.S.C. § 511(a).
- In conflict with the D.C. Circuit, Second Circuit, and Federal Circuit, the en banc Ninth Circuit held that petitioners’ systemic constitutional and Administrative Procedure Act challenges to the Secretary’s policies and procedures in handling veteran medical benefits and death and disability claims were barred by Section 511, even though petitioners challenge no benefit “decision” made by the Secretary.
- The question presented to the Supreme Court by this petition is:
 - Whether the Ninth Circuit erred in holding that 38 U.S.C. § 511 precludes the district court’s jurisdiction over systemic challenges to the United States Department of Veterans Affairs’ failures to provide timely medical benefits and to timely resolve claims for service-connected death and disability benefits.

BACKGROUND

- Many veterans returning from war in Iraq and Afghanistan are suffering from mental-health disorders such as post-traumatic stress disorder (PTSD).
- Timely treatment is needed to prevent severe depression and suicide.
- Even though there is an “epidemic” of suicides, VA is putting off critically time-sensitive mental-health evaluations for weeks or even months.
- Over 75,000 entitled veterans are waiting for mental-health treatment.
- Congress has taken notice of this issue and has directed the VA to implement a comprehensive fix, but VA has failed to implement procedures.
- Claims for service connection for mental disorders (including PTSD) often take years to adjudicate. Some veterans even die before they are awarded benefits.

LEGAL ISSUE

- The Ninth Circuit en banc concluded that jurisdiction was lacking under the Veterans Judicial Review Act (VJRA), 38 U.S.C. § 511(a) -
 - Because - Section 511(a) provides that the Secretary of Veterans Affairs “shall decide all questions of law and fact necessary to a decision by the Secretary under a law that affects the provision of benefits by the Secretary to veterans.” 38 U.S.C. § 511(a).
 - And because - The VJRA also states that, subject to certain exceptions, “the decision of the Secretary as to any such question shall be final and conclusive and may not be reviewed by any other official or by any court.”

Why the 9th Circuit Was Wrong

- The Ninth Circuit’s construction departs from the plain language of the statute by reading the word “decision” out of Section 511(a).
- Nowhere do petitioners challenge any “decision” by the Secretary in any particular veteran’s case; petitioners challenge the VA’s deficient procedures and unjustifiable delays before making the decision, rather than the decision itself.
- Three other circuits disagree with the Ninth Circuit’s interpretation.
 - Consistent with the text of Section 511(a), The D.C. Circuit, Second Circuit, and Federal Circuit have construed Section 511 to preclude judicial review only as to a decision actually made by the Secretary.

PTSD and Substance Abuse – T. C. Hall, PhD: No motions

Women Veterans – M. Four: No Motions

Homeless Veterans – M. Four: No Motions

Veterans Healthcare – S. Wilson: No Motions

Government Affairs – R. Davidge:

Motion 19

To nominate AK Senator Bill Wielchowski for the VVA National Award as State Legislator of the Year and to be awarded at the next National Convention.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Motion 20

To nominate Carrie Wofford for US Senate Staffer of Year.

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Motion 21

**To nominate Mike Brink for US House Staffer of the Year.
Without objection motion passed.**

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Government Affairs – M. Four:

Motion 22

**To nominate Kathryn Monet who is staff from Senate Veterans Affairs a
Legislative Staffer Award.**

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Resolutions – D. Southern: No Motions

Veterans Benefits – Dr. T. Berger:

Motion 23

**To approve proposed “co-sponsoring agreement” between Lung Cancer Alliance
and VVA re: lung cancer screening campaign Nov 8-12, 2012.**

Without objection motion passed.

Yes: 20

No: 0

Non Vote: 1

Not Present: 3

Lunch

The meeting of VVA National Board of Directors reconvened at 1:05 pm on Saturday, October 6, 2012.

Vietnam War Commemoration/Lieutenant General C. Kicklighter (USA Ret)

Gen. Kicklighter spoke about the mission of the Vietnam War Commemoration to assist a grateful Nation in thanking and honoring its Vietnam War Veterans. As the General’s staff showed a video on the event he noted the mission will be complete when all Vietnam War Veterans have been thanked and honored for their Service, Valor, and Sacrifice. President Rowan presented Gen. Kicklighter with a Life Membership in VVA and pinned on his life member pin.

Consent Calendar Motions/National Secretary

Secretary Meeks submitted the following motion:

Motion 24

**To accept the Consent Calendar.
Consent Calendar Motions**

1. To revoke the charters of Chapter 57 (CO), 735 (WA), 737 (WI), 745 (WA), 802 (NJ), 889 (IN), 924 (UT) and 971 (MN) at the request of the IN SCP, WA SCP, WI SCP, MN SCP, Region 2 Director and Region 9 Director: The IN SC, WA SC, WI SC, MN SC, Region 2 Director and Region 9 Director have done all they needed to do to keep the Chapters and the efforts failed to rejuvenate the membership.
2. To approve Sara McVicker as Vice Chair of the Finance Committee.
Without objection motion passed.

Yes: 20
No: 0
Non Vote: 1
Not Present: 3

Unfinished Business

2012 VVA Leadership Conference Committee/P. Peterson

Committee Chair P. Peterson gave the After-Action Report on the Conference in Irving, Texas and a seminar survey was distributed to all in attendance.

Suspension Workgroup Report/S. McVicker

Motion 25

To accept the recommendations of the Suspension Workgroup as amended by the CSCP and as amended by the Veterans Incarcerated Committee's Resolution approved by the BOD 10-6-12.

Without objection motion passed.

Yes: 20
No: 0
Non Vote: 1
Not Present: 3

Final Report of Suspension Workgroup October 6, 2012

Issues related to the failure of Chapters and State Councils to submit required reports and management of suspended Chapters and State Councils have existed for years. Discussions of this can be found in the minutes of the National Board of Directors (BOD) as far back as 1994. Over the years, State Council Presidents have identified numerous problems related to submission of reports and suspensions of Chapters. After discussion at the April 2012 meeting of the Conference of State Council Presidents (CSCP), the following motion was passed by the BOD:

Motion #24, April 21, 2012: To establish a workgroup composed of two (2) Regional Directors and three (3) State Council Presidents to examine issues related to the suspension of Chapters and State Councils for failure to file required reports and to make recommendations to the National Board of Directors regarding: 1) measures needed to ensure tracking and accurate entry of submitted reports and data, 2) electronic

submission of reports, 3) provision of periodic reports to Chapters, State Councils, and Regional Directors for action and feedback, 4) measures to inform members of the status of their Chapter/State Council, 5) measures needed to strengthen the authority of State Council Presidents to deal with non-compliant Chapters, 6) revision of VVA policies to remove barriers to revoking non-compliant Chapters/State Councils, and 7) special issues with incarcerated Chapters. The Workgroup will consult with other State Council Presidents and Regional Directors during the development of recommendations and report to the BOD at the August meeting.

This report addresses the items listed in the motion establishing the Suspension Workgroup and presents solutions that can be considered as a whole in order to avoid fragmented and incomplete corrective efforts. A preliminary report was sent to the State Council Presidents and the National Board of Directors in July, 2012. This report incorporates the gist of comments that were received. This report was discussed and modified by the CSCP at their meeting on October 4, 2012.

It is the belief of the Suspension Workgroup that without changes in the way VVA manages the reporting process and a commitment to trying to prevent Chapter failures, it is unlikely that things will change in any significant way.

The National Secretary has begun implementing some measures to try to correct some of the issues identified in this report; however, the CSCP believes that since the issues are not yet resolved, the recommendations in this report should be reported out.

Sara McVicker, Region 3 Director, Chair – saramcv@comcast.net

Dick Southern, Region 9 Director – dicksouthern@vva.org

*Charlie Montgomery, Virginia State Council President and Chair, CSCP -
cmontgomery@vva.org*

Dottie Barickman, Nebraska State Council President – dottieb@alliance-peo.com

Submission and Tracking of Reports

A number of concerns reported by the CSCP relate to submission and tracking of VVA required reports. At the present time, reports may be submitted by mail, fax, or e-mail. Chapters and State Councils are sometimes told that reports they had mailed have not been received, even on occasions when a return receipt was received. One Chapter has reported that they were told reports faxed on a weekend were not received and that they should not fax anything on a weekend. E-mails must be directed to an individual and therefore other staff do not have access to those reports if that individual is not there. Membership Department staff have identified issues with election and financial reports being stapled together, leading to the second report being overlooked. At the present time, the Membership Department does not appear to have written standard operating procedures ensure consistency in handling reports or a method to verify accurate entry of data. Chapters report that their attempts to communicate with the Membership Department are not always acknowledged or responded to. Accurate entry and retrieval of data for Chapters which have 2-year election cycles are being addressed.

Recommendation #1: The Membership Department should:

a) Establish specific written instructions for submission of reports, including how mail, faxes or email should be directed and any restrictions on faxing reports. A general e-mail address for the Membership Department should be established (e.g., reports@VVA.org) so reports are not mingled with other e-mails to the Membership Department or emails being directed to a specific person. Those instructions should be posted on the VVA web site, placed on the report forms, and communicated to Chapters and State Councils annually at the beginning of the each fiscal year.

b) Establish written procedures to ensure all submissions, whether by mail, fax, or e-mail are appropriately handled upon delivery to the National Office, the reports are checked for completeness of required data and signatures, all required data is entered into the VVA database accurately and in a timely manner, and all reports are filed accurately and in a timely manner so others can locate them if needed.

c) Establish quality control measures to ensure that individual reports can be tracked to determine where and how problems have occurred with handling or data entry.

In response to the July preliminary report, the National Secretary suggested that staff use a check list and provided a sample.

Recommendation #2: VVA should evaluate developing and implementing electronic submission of reports, including the feasibility of automated data population of VVA's database.

Recommendation #3: VVA should revamp the existing on-line election and financial forms to allow the reports to be saved in electronic format.

Recommendation #4: To revise the Chapter and State Council Election Report forms to remove the requirement to list Committee Chairs and to include box(es) on the Chapter Election Report form to indicate if Chapter holds elections annually or every two (2) years.

Reports to Chapters, State Councils, and Regional Directors for Action and Feedback

VVA is supposed to send a letter to the appropriate Chapter, State Council and Regional Director when a required report is submitted. Although sporadic reports are sent out regarding failure of Chapters or State Councils to submit reports or to identify suspended Chapters/State Councils, VVA does not have an established procedure for providing regular reports to Chapters, State Councils, and Regional Directors. At times, when information has been provided, it has not specified which required report was missing. Numerous issues have arisen because information is sent to only one person, and other State Council/Chapter officers and members are not aware a problem exists. It is essential that all levels of VVA be proactive in preventing the suspension and potential revocation of Chapters and State Councils.

Recommendation #5: The Membership Department should provide a report of Chapters that have and have not submitted each of the required reports at least twice each year before reports

are due, preferably 6 and 3 weeks before. A report listing delinquent Chapters and State Councils, specifying what report(s) are missing should be sent within a week after the due date. The reports should contain the date of preparation (i.e., “as of this date”) and identify a specific person for Chapters/ State Councils to contact if there are questions. Reports should be sent to Chapters, State Councils and Regional Directors.

Comments suggested that e-mail should be used to communicate these reports (See Recommendation #6) or that the State Council Presidents talk-list be used to disseminate reports.

The National Secretary reported that he has already requested new format for the suspension list which would indicate the reason for suspension (no election report; no financial report, and/or tax-exempt status revocation.)

Recommendation #6: VVA should evaluate developing, implementing and maintaining an electronic address book of Chapter and State Council Officers so verification letters, reports and other communications can be sent electronically to Chapter and State Council Presidents. However, it is important to note that not all Chapters and State Councils have individuals who are technologically proficient and use e-mail and/or live in areas with adequate internet access. Provisions for communicating with these individuals will need to be established and maintained.

Revision of VVA policies to remove barriers to revoking non-compliant Chapters/State Councils

The VVA Constitution states that if Chapters and State Councils fail to file election or financial reports they “shall be automatically suspended upon written notice of suspension to the National Board of Directors. In such cases, no charges shall be required under the National Disciplinary Policy for such suspension to be effective.” The next paragraph states “such suspension shall continue until (3) The charter of such (State Council/ Chapter) shall be thereafter revoked upon the filing of charges under the National Disciplinary Policy.” [Article II-State Provisions, Section 12; Article III – Chapter Provisions, Section 9; and Article IV, General Provisions, Section 1]

The Code of Disciplinary Policy and Procedures states in Section 1-Charges, under Procedures in paragraph C.7.d:

“The one exception is the special case of a SOC against a Chapter or a State Council that has already been suspended for two or more consecutive years for failing to file the annual financial report required by Article IV (General Provisions), Section I (Finance), Paragraph A of the VVA Constitution, which authorizes VVA to terminate the suspension of a Chapter suspended for failing to file an annual financial report by revoking the Chapter's Charter “upon the filing of the charges. “Notwithstanding any other provision of this policy & procedure, the National Disciplinary Committee has exclusive jurisdiction over charges brought to accomplish the revocation of a Charter under Article IV.I.A. of the VVA Constitution.”

Thus, the Code of Disciplinary Policy and Procedure currently requires that under all circumstances disciplinary charges must be filed in order to revoke a Chapter or State Council for failure to file election or financial reports. It provides for a modification of the disciplinary procedure (eliminating the involvement of Review and Disciplinary panels) but only when a Chapter or State Council has been suspended for two or more consecutive years and only when the suspension has resulted from failure to file financial reports. No provision is made for election reports. A group is currently reviewing the Code of Disciplinary Policy and Procedure and will be recommending revisions but it is not known at this time what they will be.

In 2009, the BOD approved a policy “VVA Chapter Charter Revocation Membership Policy” which provided guidance on steps to be taken after Chapters are suspended for failure to file reports and which address steps for revoking the charter of Chapters that have become inactive or that voluntarily decide to dissolve. The provisions for Chapters that had become inactive or which chose to voluntarily dissolve greatly simplify the process, allowing the State Council President to simply request in writing to the National Secretary that the Chapter’s charter be revoked.

This policy continued to require that charges be filed in order to revoke Chapters which did not submit reports (as opposed to becoming inactive or voluntarily dissolving) but provided specific instructions on the charge to be made and the evidence required. The policy added timelines, stating that:

- Within 7 days of suspension, the State Council is to contact the Chapter to determine why the report(s) have not been filed. If the chapter has become inactive, the State Council may initiate revocation by written request to the National Secretary.
- If the State Council believes the circumstances justify, it may petition the BOD to relieve the Chapter of the responsibility for filing the delinquent reports(s) for up to 3 months.
- If the Chapter fails to provide the reports within that timeframe, the State Council is required to file Charges.
- If the State Council fails to act within 30 days, the Regional Director is to file the charges, and if the Regional Director fails to act, the National Secretary will file the charges.

Thus, under this policy, action to revoke the charter of Chapters which are suspended for failure to file required reports should be initiated within 6 months. Given that more than 40 Chapters were listed as suspended in July 2012 for failure to file reports, with some 15 suspended since 2010, it is apparent that this procedure has not been working. Various reasons have been suggested for this including our complicated disciplinary procedure when that must be invoked, a lack of understanding of the options State Council Presidents have for Chapters that are inactive, failure of National to actively follow-up with State Councils that have suspended Chapters, failure of State Councils to follow-up with suspended Chapters and reluctance of State Councils to take action that is viewed as “disciplinary”.

It should be noted that, although the Code of Disciplinary Policy and Procedure allows State Council Presidents to bring charges against a Chapter or Chapter officer, the Chapter Charter Revocation policy does not directly empower State Council Presidents to take action. Rather, it

is written as “State Council” without defining how this is accomplished (i.e., can the State Council President independently take action to file charges or does it require a vote of the delegates to the State Council, and if so, is a majority plus one vote sufficient or must it pass by a larger margin.)

One individual suggested a Constitutional amendment to a sentence to the section on duties of State Council Officers stating ”The President of the State Council shall have the authority to ensure that all Chapters and the State Council are in compliance with VVA reporting requirements, all governmental statutes, rules and regulations.” It is not clear how the addition of this sentence actually confers any addition authority to the State Council President or what the State Council President should do to “ensure” compliance.

This same individual also commented that any action by the State Council requires a vote of state council delegates, rather than the State Council President being empowered to take action independently.

Another commenter pointed out that the line between the authority of a State Council President (one person) and a State Council (officers and BOD) is fuzzy and suggested that all actions be designated the responsibility of the State Councils instead of State Council Presidents.

Because the Code of Disciplinary Policy and Procedure is currently under revision, the CSCP deferred any recommendations regarding disciplinary matters.

Authority of State Council Presidents to Enforce Reporting Requirements

While State Council Presidents are viewed as a crucial link between the National Officers, BOD, and National Office staff, they actually are given little, if any, authority under the VVA Constitution while being charged with the responsibility to enforce the policies of the organization. Under current policies, the only action available to State Council Presidents to compel recalcitrant Chapters to file required reports (or to Regional Directors in dealing with non-compliant State Councils) is to file charges under the Code of Disciplinary Policy and Procedure. Many State Council Presidents appear reluctant to take such action. Possible reasons include the perception that the process of filing charges is cumbersome, lack of knowledge of how to go about it, or a reluctance to be seen as the “bad guy” in what is essentially a collegial and volunteer organization. Separating the charter revocation process from the disciplinary process, as in Recommendation #8, by making it an automatic action by National is one way to resolve the conflicts State Presidents may face if their only option is disciplinary action.

Since Chapters that do not file required reports are automatically suspended, and during suspension do not receive revenue from membership dues rebates and are not to receive funds from household goods programs, some financial incentives are already in place. State Councils that have other sources of revenue that is shared among the Chapters have used distribution of those funds as an incentive.

Both the ability to file charges and to withhold funds reflect what is known as “coercive authority” - authority that comes from the ability to threaten or actually impose punishment of

some sort. Recommendation #8 would add additional coercive authority as it would remove revocation of a Chapter's charter from the realm of the State Council President and make it automatic. It is unclear what additional coercive authority State Council Presidents would find useful.

State Council Presidents all hold "positional authority" – the authority that comes with the position. For better or worse, VVA members (and Chapters) tend to be independent and opinionated and may not always respond to this type of authority. Interpersonal dynamics within a state may also hinder the effectiveness of the elected leadership. One way to bolster positional authority is to help State Council Presidents develop what is known as "expert authority" – authority that is earned because of the individual's skills and/or subject matter knowledge.

Some of the Chapters/ State Councils fail to file reports because of lack of knowledge. Unlike some other organizations, VVA does not require a Chapter or State Council officers to have advanced through successive positions of increasing responsibility, and presumably increasing knowledge of how the organization operates. While VVA has developed handbooks for Chapter and State Council officers, they do not address many of the problems that Chapters encounter. Being able to offer knowledgeable assistance to Chapter officers to resolve problems can make the elected State Council leaders the "go-to" persons. VVA policies have been posted on the VVA internet site and are now readily available to Chapter and State Council officers.

Recommendation #7: VVA should develop clear concise procedures for managing issues that arise in the reporting process such as duplicate FEINs, Chapters being dropped from the VVA group exemption list, inability to access the 990-N web site, and similar problems. These should be posted on the web site.

Recommendation #8: VVA should revise its website to make it more user-friendly by developing a section specifically for resource material such as the guidance suggested in Recommendation #7 and other items such as the Chapter/State Council Handbooks and handouts from Leadership Conference presentations, rather than having such information located in different places.

Special issues with incarcerated Chapters.

VVA, since its beginning, has been supportive of incarcerated veterans and is unique among veterans service organization in having Chapters based in prisons. Unfortunately, over time, some of these incarcerated Chapters have lost the external support that has allowed them to organize and form. As of September 8, 2012, VVA listed 39 incarcerated Chapters. Of these, 11 are suspended because their tax exempt status has been revoked by the IRS and another 12 are suspended by VVA for failure to file reports.

These Chapters face unique problems due to being housed in prisons. While some have thrived, those generally have had strong external support. Others do not have stable membership or leadership due to transfers to other prisons and releases from prison. While many had been able to file VVA reports, either directly or via Chapter or State Council contacts, the addition of the

990-N requirement appears to have become a problem for a number of these Chapters as they do not have internet access.

In the process of collecting information for this report, several other issues have been discovered. The incorporation of some incarcerated Chapters has been revoked. At least a few were chartered without having a FEIN.

VVA needs to re-evaluate how it can continue to support incarcerated veterans and yet maintain its organizational integrity. In a number of locales, prisons that do not allow VVA Chapters to form, or which do not have a sufficient number of veterans who are eligible for VVA membership, still have active veterans groups that VVA can support.

IRS revocations of tax-exempt status

Several issues related to IRS revocation of Chapters' tax exempt status have arisen. One immediate concern is VVA's requirement that the Chapters provide verification that they filed the appropriate tax form when filing the VVA financial report. For Chapters which are eligible to file a 990-N – a large majority of VVA Chapters – revocation by the IRS makes it impossible to file. Since the 990-N is an electronic form rather than a paper form, when the IRS revokes an organization's tax exemption, the organization's FEIN is removed from the computer program, making it impossible to file until reinstated. In addition, the IRS does not require an organization which is eligible to file a 990-N and which is IRS revoked to file any form until the organization's application for reinstatement is approved. The IRS computer program for filing 990-Ns also does not allow retroactive filing as the program automatically defaults to the current fiscal year. Some Chapters in this situation have been told to file 990-EZ forms, which the IRS does not require (or probably want.)

Recommendation #9: VVA must determine what reporting requirements will apply to Chapters that have been IRS revoked and disseminate that information, preferably when the Chapter/State Council Is notified that they have been suspended because of the IRS revocation. Chapters and State Councils should also be informed at the same time if they are delinquent on any VVA reporting requirements and what they must do to correct those deficiencies.

It is the opinion of the Suspension Workgroup that the National Office has an obligation to assist Chapters, State Councils, and Regional Directors in understanding what needs to be done when the IRS revokes tax exemption. In addition to the issue discussed above, Chapters were not referred to reference sources other than Form 1024. The letter that informed Chapters they were suspended made no mention of IRS Notice 2011-43 which provided additional instructions or IRS web sites that could provide additional information.

Recommendation #10: VVA should compile a packet of information that can be sent to Chapters who are IRS revoked that will provide them information that will assist them in dealing with the process of filing for reinstatement.

One comment stated that a Chapter should never reach this point; that since the IRS does not take any action until an organization is three years in arrears, timely action by VVA would have prevented revocation of tax-exempt status by the IRS.

As of the end of June, based on data provided to the Suspension Workgroup, 83 Chapters were revoked by the IRS in 2011. Of those, 32 subsequently have had their VVA charters revoked because they are inactive. A number of other are also apparently inactive but charter revocation has not been requested by the State Council President. As of late August, 27 Chapters have filed Form 1024s. Of those, 11 have been reinstated. An additional 17 Chapters were revoked by the IRS in 2012. As of late August, only one had filed a 1024.

VVA was originally advised by the IRS that it would take at least 6 months for approval of reinstatement. While the National Office has not compiled data on how long it took for reinstatement to occur after filing a Form 1024, a number of Chapters have been waiting significantly longer than that. Questions have been raised as to whether it might be more efficient - and certainly less frustrating - for Chapters who are IRS revoked to voluntarily dissolve, request that their VVA charter be revoked, and then reform under a different name/Chapter number. It should be noted that Chapters filing for reinstatement are, when approved, granted their own individual tax exempt status, and are no longer a subordinate under the VVA group exemption.

Recommendation # 11: VVA, upon the recommendation of the State President and Regional Director, should allow Chapters which have had their tax-exempt status revoked by the IRS and which wish to dissolve and reform under a new name/Chapter number to do so, with the National funding the incorporation process. Chapters should be allowed to do this only once. VVA should develop a process for this, including a mechanism for ensuring transfer of members, transferring membership dues to the new chapter when chartered, and providing written guidance to such Chapters, State Presidents and Regional Directors on the steps they need to take.

Two comments disagreed with this recommendation stating that there is no way to ensure that the same leaders/members who failed to comply with VVA's reporting requirements would comply as a reformed chapter.

Another question has been raised about Chapters with small numbers of members. While it takes 25 members to petition for a charter, some Chapters maintain fewer members than that. On the other hand, a number of Chapters that have been voluntarily dissolved or become inactive were credited with more than 25 members at the time of their charter revocation. The Workgroup is making no recommendation regarding this as Chapters in small rural communities may continue to function with less than 25 members.

Proposal to Change the Financial Reporting Requirement

In August, the National Secretary proposed a major alternation in VVA's financial reporting requirement. Rather than being required to submit proof that the Chapter/State Council had filed with the IRS by submitting a copy of their 990, 990-EZ, 990-T, or verification of 990-N filing with the VVA Financial Report form, each Chapter and State Council would be required to file

only a form providing basic identifying information on the Chapter or State Council and the location of their financial books, with President and Treasurer signing the following statement:

T
“The undersigned officers of Vietnam Veterans of America Chapter # _____, State Council of _____ certify that we have each read the foregoing Chapter/State Council Annual Financial Report and other information and to the best of our knowledge and belief, certify that the information contained herewith, is true, correct, and complete.
Please check the applicable boxes pertaining to your tax filing.
990EZ 990 990-T 990-N”

The members of the Suspension Workgroup have varying opinions on this matter. Thus, rather than develop a recommendation, the Workgroup reviewed comments made regarding this issue and offers the following pros and cons regarding this proposal.

Pros

1. Form would be simple and easy to complete.
2. National makes no use of the data provided on the Current Annual Financial Report; neither do most State Councils.
3. Contact information is a duplicate of what is on the Election Report.
4. There is no legal requirement that VVA as a national organization has to have established financial reporting requirements for its subordinate units.
5. Chapters and State Councils are independently incorporated and responsible for their compliance with legal requirements such as reports to the State of incorporation, IRS, etc.

Cons

1. The Annual Financial Report Form was recently simplified and requests a minimal amount of information. (See new form at <http://www.vva.org/Forms/VVA-Annual-Financial-Report.pdf>)
2. Chapters and State Councils are required by law to file with the IRS; therefore, the requirement to attach a copy of the 990, 990-EZ, 990-T or verification on 990-N submission is a simple matter of copying an existing document and attaching it to the VVA Financial Report Form.
3. Although Chapters and State Councils are independently incorporated, the public views VVA as a whole and financial issues, especially failure to be in compliance with tax –exempt regulations at the Chapter or State Council level can reflect negatively on the rest of the organization, damaging the reputation of National, other State Councils and other Chapters
4. Does not resolve any of the issues leading to suspension of Chapters/State Councils (knowledge of requirements and how to meet them, officer transition issues, failure of one person to act, etc.)
5. Removing the requirement to verify submission of tax forms will obscure problems that Chapters or State Councils may be having, delaying assistance to Chapters and State Councils until they have had their tax-exempt status revoked.
6. Some State Councils use Chapter financial reports in making funding decisions.
7. Filing basic financial information with State Council and National provides backup copies in the event of natural disasters, or other loss of organizational records.

New Business

Policy on Use of the VVA and AVVA Marks/B. Meeks

Secretary Meeks reported that the revisions were completed to the policy and the copyright lawyer was in the process of registering the logos and marks that needed to be renewed.

Code of Disciplinary Policy and Procedures/B. Meeks

Secretary Meeks noted there would be a draft of the revised Code ready for the CSCP to review at their January meeting and CSCP President Charlie Montgomery asked Secretary Meeks to attend that meeting to answer questions on the draft.

Funding for State Council Service Officer Programs/F. Elliott

The funding issues have been resolved.

Faces of Agent Orange/B. Barry & T. Hall

Tom Hall gave a summary of the Rock Star Tour for the Faces of Agent Orange held in Florida.

Committee Reports Only:

Written reports (digital requested) submitted to National Secretary

Agent Orange/Dioxin – K. Holybee – verbal report
Constitution – L. DeLong – written report
Economic Opportunities – F. Barry – verbal & written reports
Minority Affairs – J. Yamamoto – verbal report
Veterans Against Drugs – D. Simmons – verbal & written reports
POW/MIA – R. DeLong - verbal report
Membership Affairs – C. Hobbs – verbal & written reports
Public Affairs – T. Burke – verbal report
Veterans Incarcerated – T.P. Hubert – verbal and written reports
Veterans Benefits – J. Pace – verbal report
PTSD and Substance Abuse – T. C. Hall, PhD - verbal and written reports
Women Veterans – M. Four – verbal and written reports
Homeless Veterans – M. Four – verbal and written reports
Veterans Healthcare – S. Wilson – verbal report
Government Affairs – R. Davidge – verbal report
Resolutions – D. Southern – verbal report

The meeting adjourned at 3:17 p.m.

Respectfully submitted,



Bill Meeks, Jr.

National Secretary

Approved: January 11, 2013