

## April 20, 2023, VVA Board Special Meeting Minutes

A director acts as part of the board.<sup>1</sup>

Corporate actions as determined by the board will be carried out by officers, employees, and agents—persons chosen directly or indirectly, by the board of directors. P. 5

Three fiduciary duties.

The duty of care requires that a director be informed and exercise independent judgment. P. 26

The duty of loyalty requires directors to exercise their powers in good faith and in the best interests of the corporation, rather than in their own interests or the interests of another entity or person. P. 43

The duty of obedience imposed on directors of nonprofit corporations requires directors to comply with the applicable state and federal laws that relate to the corporation and the manner in which it conducts business. P. 53

Directors wearing multiple hats.

When a member of the board occupies both the role of director and that of another position the member must act in a manner appropriate to the hat they are wearing at any given time, that is the member must act according to the position they are in at the time. P. 32

NY N-PCL<sup>2</sup>

- 1 The board adopts a plan of dissolution and distribution of assets. P. 3
- 2 The biennial convention adopts the plan of dissolution. P. 3
- 3 The board requests congress repeals the federal charter. P. 4
- 4 The board develops plans for the distribution of assets for charitable purposes. P. 4
- 5 The board develops an agreement concerning assets to be used for legally required purposes. P. 4
- 6 The board prepares a verified petition to NY's attorney general requesting permission to dissolve. P. 4
- 7-A The board submits the verified petition to the Attorney General. P. 5.
- 7-B The board may, in certain cases, submit the petition directly to the court. P. 5.

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<sup>1</sup> "Guidebook for Directors of Nonprofit Corporations" by the ABA business law section

<sup>2</sup> "Voluntary Dissolution of Not-For- Profit Corporations with Assets" by the Office of State of New York Attorney General

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The board's calling the special committee "working group 1" did not change the fact that it was a special committee to investigate dissolution of a New York Not for Profit Corporation.

The special committee submitted a report calling it "Strategic Plan for Dissolution."

It is not a "Plan of Dissolution and Distribution of Assets" of this New York Not for Profit Corporation.

The report is a plan of action items designed to achieve a "Plan of Dissolution and Distribution of Assets."

This Corporation's operations and finances are under general New York Not for Profit Corporation Laws and Generally Accepted Accounting Practices.

If this Corporation adopts a "Plan of Dissolution and Distribution of Assets" this Corporation's operations and finances will come under the articles and sections of the New York Not for Profit Corporation Laws applicable to dissolution and distribution of assets of this New York Corporation, and the members will determine the legacy.

If this Corporation does not adopt a "Plan of Dissolution and Distribution of Assets" the operations and finances will come under the New York State Attorney General, and the members of this Corporation will have no say in the dissolution and distribution of assets.

The delegates at the 2019 biennial convention adopted resolution GA-23 which prohibits the Corporation, its officers, and board from: 1) changing the name of the Corporation, and 2) creating a new veterans corporation to replace the current corporation a resolution that compels the board to adopt a "Plan of Dissolution and Distribution of Assets" as its fiduciary duty.

The phrase "last man standing" is an overused phrase that refers to spelling bees, election proceedings, wrestling matches, and boxing matches.

The phrase has nothing to do with the dissolution of this New York Not for Profit Corporation.

This New York Corporation will dissolve.

The question is, "Shall this New York Corporation dissolve voluntarily"?

If yes, the members of this New York Corporation will determine the legacy.

If no, the New York State Attorney General will determine the legacy and the members of this Corporation will have no say in the dissolution.

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- Call to order

- 1 Invocation, pledge
- 2 Roll call
- 3 President's Introduction
- 4 Motion to suspend the rules and elect Michael Swift chair pro tem of the special meeting. 19 in the affirmative, 1 negate and 21 present. The motion was adopted
- 5 Adopt special rules of order for the meeting. Without objection

### Special Rules of Order

- 1 No one may speak unless recognized by the chair.
  - 2 Only directors, committee chairs, staff, and invited guests may speak in debate.
  - 3 No member may speak more than 2 times on a motion.
  - 4 No member may speak more than 2 minutes each time.
  - 5 After 30 minutes, debate on each motion shall be closed.
  - 6 A roll-call vote shall be ordered at the request of three members.
  - 7 These special rules may be suspended or amended by the vote of two-thirds (16) of the membership (24) by roll call.
- 6 Chair<sup>3</sup> appointed Jacy Smith, and Patricia Harris timekeepers.<sup>7</sup>
  - 7 The agenda was adopted without objection.
  - 8 Motions related to a strategic plan for the future of the VVA, the state councils, and the chapters.
    - 1 Motion that the officers, staff, and finance committee establish a Dissolution Fund for FY2025, for costs related to dissolution under New York law and that they report at the April 2024 board meeting. Adopted without objection.
    - 2 Motion that the officers, staff, and finance committee establish a Legacy Program Fund for FY2025, to provide resources to transfer selected legacy programs to other organizations and that they report at the April 2024 board meeting. Adopted without objection.
    - 3 Motion that the officers, staff, and finance committee establish a legacy membership fund for FY2025 for possible distribution and that they report at the April 2024 board meeting. Adopted without objection.
    - 4 Motion that the officers, staff, and finance committee list the Corporation's assets and report at each board meeting until dissolution starting at the October 2023 board meeting. 16 in the affirmative, 0 in the negative, and 21 present. Motion adopted.
    - 5 Motion that the legal counsel reviews the escape clauses and related language in existing contracts and MOUs to ensure liabilities to the VVA are identified, and that

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<sup>3</sup> Chair refers to the chair pro tem.

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counsel report the findings at the October 2023, board meeting. Adopted without objection.

- 6 Motion that a strategic plan for the future of the VVA, the state councils, and the chapters be presented as a resolution at the August 2025, VVA biennial convention. Adopted without objection.
- 7 Motion that the president presents a plan for the future of the VVA, the state councils, and the chapters in lay terms at the August 2023, VVA biennial convention. Adopted without objection.
- 8 Motion that the board endorse the attached constitutional amendment at the August 2023 biennial convention. Adopted without objection

Amend Article I National Provisions, §4 National Board, by inserting a new paragraph B indicated in <b><u>bold underlined type</u></b> in the center column below		
Current Constitution wording	Amend by adding words indicated by <b><u>bold underline type</u></b>	Constitution wording if amendment adopted
A Except as otherwise provided by laws or in the Constitution, control and management of the Corporation and its funds and affairs shall be vested in the National Board.	<p>A Except as otherwise provided by laws or in the Constitution, control and management of the Corporation and its funds and affairs shall be vested in the National Board.</p> <p><b><u>B The National Board shall have full power and authority to implement the strategic plan for the future of the VVA, the state councils, and the chapters adopted by the delegates.</u></b></p>	<p>A Except as otherwise provided by laws or in the Constitution, control and management of the Corporation and its funds and affairs shall be vested in the National Board.</p> <p>B The National Board shall have full power and authority to implement the strategic plan for the future of the VVA, the state councils, and the chapters adopted by the delegates.</p>
<b>Rationale</b>		
This amendment gives the board of directors the authority to carry out the requirements under the strategic plan for the future of the VVA, the state councils, and the chapters as adopted by the delegates at a biennial convention.		
The remaining paragraphs will be re-lettered appropriately.		
<b>Recommendations</b>		
The constitution committee a) recommends adoption, b) recommends rejection, c) makes no recommendation.		
The board of directors a) recommends adoption, b) recommends rejection, c) makes no recommendation.		
<b>Convention Voting Results</b>		
There are ____ votes in the affirmative ____ votes in the negative and this amendment is ____ (adopted, lost).		

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- 9 Motion that the staff assist state councils and chapters with preparing articles of dissolution or incorporation and bylaws prior to the dissolution of the New York Corporation.
  - 10 Motion that the board propose February 29, 2028, as the date of dissolution of the Corporation to the delegates at the August 2023 VVA biennial convention. Without objection.
  - 11 Motion that the Conference of State Council Presidents prepare a resolution to form a organization uniting the state councils and chapter to be presented at the 2025 VVA biennial convention. 0 in the affirmative, 20 in the negative, 21 present. Motion lost.
- 9 Motions related to VVA committees, A through P, transferring programs to other organizations.
- 12 Motion that the VVA [Name of] committee search for a responsible organization willing to assume the function of the committee and a financial organization willing to support for the function, and that the committee report their findings to the board for consideration at the October 2024 board meeting. Adopted without objection
- For motions 12 through 28, insert the name of the current committees as prescribed by Appendix 2 of the Constitution of the VVA.

	Committee	Date
A	Membership Affairs	
B	Public Affairs	
C	Government Affairs	
D	Veterans Affairs	
E	Economic opportunities	
F	Minority Affairs	
G	Constitution	
H	Veterans Benefits	
I	Finance	
J	Women Veterans	
K	POW/MIA	
L	Agent Orange/Dioxin	
M	Veterans incarcerated...	
N	Community Services	
O	Veterans' Health Care	
P	PTSD & Substance Abuse	

- There being no further business the meeting was adjourned.
- Adjourn