

Riesentöter Region, Porsche Club of America, Inc.
(a Pennsylvania Nonprofit Corporation)

Minutes of a Meeting of the Executive Board
Held
13 September 2009

A meeting of the Executive Board of Riesentöter Region, Porsche Club of America, Inc. commenced on Sunday, September 13, 2009, at 2:00 PM EDT at the home of Larry Herman. The voting members present in person or by conference telephone were Graham Knight, Joe Asher, Chris Karras, Allison Dollery, Marty Kocse, Maureen Sangiorgio, Steve McMorn, Myles Diamond, Larry Herman, Francine Knochenhauer, Peter Majka and Brian Minkin, constituting a quorum. The only voting member absent was Robin Zelinskie. Also present for all or part of the meeting were the following Appointed Officer members: Paul Waback, Mike Andrews and Katherine Weber. Dan Newton and Bodo Knochenhauer were also present by invitation of the Board.

Graham Knight called the meeting to order and welcomed the members.

Graham Knight moved the adoption of the minutes of the Board Meetings held August 8, 2009, which had been distributed to the Board in advance of the meeting. Brian Minkin seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer, Majka and Minkin in favor; no one opposed; no one abstained)

Graham Knight moved the adoption of the revised 2009 Document Retention Policy, which had been distributed to the Board in advance of the meeting. Francine Knochenhauer seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer, Majka and Minkin in favor; no one opposed; no one abstained)

Graham Knight reviewed the status of the Club's response to the Commonwealth of Pennsylvania's investigative subpoena. As he had previously informed the Board, he had delivered to the Club's counsel, Creed Black, copies of as many documents requested by the Commonwealth as could reasonably be obtained and that responded to what appears to be the Commonwealth's principal concern. Those documents include the Bylaws; a list of the Board members; minutes of the Board meetings from 2003 to the present; balance sheets as of 12/31/2007, 12/31/2008 and 6/30/2009; income statements for 2007 and 2008 and the six months ended 6/30/2009; Citizens Bank checking account statements from January 2007 through May 2009; copies of citizens Bank cancelled checks and deposit items from 2007 through 2009; and a checking account register for the period January 1, 2007, through June 30, 2009. Mr. Black delivered the documents to the Commonwealth on August 18, 2009. There has not been further communication from the Commonwealth since that delivery.

Robin Zelinskie joined the meeting at 2:40 PM EDT.

Allison Dollery offered to answer questions about the report prepared by Siegal and Drossner, PC dated September 1, 2009, that was previously sent to the Board. The report concluded that Stephen F. Mankowski owed the Club at least \$6,253 as reimbursement for personal items for which Mr. Mankowski improperly charged the Club or for the Club's funds that he improperly retained. The report also concluded that several checks payable to the Club, copies of which Mr. Mankowski gave to a Club officer and described as reimbursements, were not in fact deposited to the Club's bank account. Finally, the report detailed a number of entries in QuickBooks that appeared to be reimbursement of the Club by Mr. Mankowski for funds he had taken but which were actually funds received from people other than Mr. Mankowski and therefore were not reimbursements at all.

Marty Kocse informed the Board in person, as he had previously done by e-mail, that he had received a letter dated September 3, 2009, from Mr. Mankowski enclosing a check for \$4,880. In his letter Mr. Mankowski described the check as reimbursement of the total of any transactions that he was aware were questionable. Marty delivered the check to Graham Knight who deposited in the Club's bank account.

The Board then had a lengthy discussion of the conclusions of the Siegal and Drossner report, the status of the Commonwealth's investigation and the likelihood of being able to recover from Mr. Mankowski the balance of the Club's funds he is believed to retain and reimbursement of the costs incurred by the Club for legal and accounting assistance. The Board also noted that Mr. Mankowski had been invited, as required by the Bylaws, to attend the meeting to make a statement and answer questions but did not do so. Each member of the Board confirmed that nothing he or she had said or done could in any way at any time be construed as authorization for Mr. Mankowski to take the Club's funds as detailed in the Siegal and Drossner report. The Board also took notice of the techniques Mr. Mankowski employed to hide his actions from the Board. After the Board gave full and thorough consideration to all of the factors, Chris Karras moved that Mr. Mankowski be expelled from the Club. Francine Knochenhauer seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinksie, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer, Majka and Minkin in favor; no one opposed; no one abstained)

Larry Herman reported on prices for a filing cabinet to hold the Club's documents as required by the 2009 Document Retention Policy. The prices for suitable new cabinets seemed high to the Board and several members committed to locating a less expensive used cabinet.

Allison Dollery reported on the Club's financial position and noted that she had brought the most recent bank statements with her for review by other Board members. Robin Zelinskie and Brian Minkin volunteered to review them following the meeting.

Chris Karras provided some background on the Expense Reimbursement and Discount Policy that had previously been circulated to the Board. Chris noted that Myles Diamond and Mike Andrews had provided a great deal of assistance in making the draft policy accurately reflect current Club practice. Chris asked that the Board adopt the draft policy and then consider any amendments to the policy a Board member may choose to offer. Following discussion, Steve McMorn moved to

adopt the policy. Allison Dollery seconded the motion and it carried. (Knight, Asher, Karras, Dollery, Kocse, Sangiorgio, McMorn, Knochenhauer and Majka in favor; Zelinksie, Diamond and Minkin opposed; Herman abstained)

Brian Minkin called the Board's attention to Section 4.5 of the Bylaws which prohibits compensation of officers for their service as officers and the Club's practice of granting officers discounts at DE events. To resolve this inconsistency Brian moved that the Bylaws be amended to carve out those discounts from the prohibition. Joe Asher seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinksie, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer, Majka and Minkin in favor; no one opposed; no one abstained) Accordingly, Section 4.5 of the Bylaws has been amended to read as follows: "Other than discounts on fees for Club activities as may be approved from time to time by the Executive Board, Officers shall not receive any compensation for their service as Officers."

Chris Karras proposed to amend the Expense Reimbursement and Discount Policy that the Board had just adopted to eliminate the discount for DE fees applicable to members of the Board. Graham Knight seconded the motion and it failed. (Karras in favor; Knight, Asher, Dollery, Zelinksie, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer, Majka and Minkin opposed; no one abstained)

Myles Diamond proposed to amend the Expense Reimbursement and Discount Policy that the Board had just adopted to eliminate the additional discount for DE fees applicable to those who work at the DE event. Allison Dollery seconded the motion and it carried. (Knight, Asher, Karras, Dollery, Zelinksie, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer and Minkin in favor; no one opposed; Majka abstained)

Joe Asher reported on the plans for the Make-A-Wish fundraiser to be held in conjunction with the Thunderbolt DE. Make-A-Wish requested that the Club sign a license agreement covering the event, a copy of which had previously been circulated to the Board. After discussion, Joe moved that the Board approve the license agreement in the form presented to the meeting with the minimum contribution reduced from \$5,000 to \$0. Peter Majka seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinksie, Kocse, Sangiorgio, McMorn, Diamond, Herman, Knochenhauer, Majka and Minkin in favor; no one opposed; no one abstained)

Chris Karras reviewed the timetable and procedure for election of the Board for 2010. He noted that the Board must set a record date for voting, choose someone to act as proxy, choose someone to act as inspector of election and determine how much space in a the mailing to members the Club would provide. Marty Kocse noted that PCA national sends him a member list as of the first of every month. Accordingly, the Board set the record date for the election as October 1, 2009. Joe Asher stated that Vu T. H. Nguyen, PCA Executive Director, had agreed to receive and count proxies, whereupon the Board appointed Vu as proxy. Peter Majka volunteered to assemble a group to act as inspectors of election at the member meeting. Finally, the Board determined that each candidate for office where there is a contest for election would be allowed 500 words in a Club mailing.

Myles Diamond reported on the DE program. Current financial projections show a loss for the year. If the Make-A-Wish DE at Thunderbolt fills to capacity, the loss would be about \$5,000 for the year. Based on current, early registration for that DE the loss could be about \$20,000.

Steve McMorn reported on the autocross program. The contribution to ALS will be \$6,000. He will arrange for photography at the presentation of the check.

Brian Minkin and Peter Majka reported on web site developments. They may have found an additional volunteer to help.

Joe Asher reminded the Board of the next member meeting to be held on September 23rd at AWE.

Robin Zelinski is scheduled to host the next Board meeting in October at a time in the late afternoon to be determined.

The meeting adjourned at 5:35 PM EDT.

Submitted:



Christopher G. Karras
Secretary