



World Pathology Foundation

DRAFT MINUTES TRUSTEES MEETING OF THE WORLD PATHOLOGY FOUNDATION 15 March 2018 at 0900 (US Eastern Daylight Time) Via SKYPE

1. Call to Order

The meeting was called to order by Dr. Verna at 0900.

2. Determination of a Quorum

Present were Drs. Verna, Looi, Ruiz-Arenas, Travers, Alallon and Hayward.
Dr. Verna declared a quorum to be present.

3. Old Business (Dr. Travers)

Professional administrator for WPF

Present for this meeting was Kris Rahm, whose company, VAM Inc., is proposed as the administrator for the WPF. Dr. Travers reviewed the reasons for hiring an administrator (see Appendix A of these minutes) and introduced the contract for administrator services. Several points were raised by the trustees.

Protection of the WPF from unauthorized acts of the administrator.

The administrator would be authorized to write checks for the Foundation and to transfer funds between Foundation accounts. The administrator would **not** be authorized to change investment funds without a Corporate Resolution of the Trustees. In order to protect both the Foundation and the administrator, (1) the Foundation would insure that the administrator is bonded; (2) the secretary-treasurer would have access to all Foundation accounts on-line; and (3) the secretary-treasurer would be notified by email or text alerts of all transactions on Foundation accounts.

Administrative expenses in excess of the contract fees.

Trustees were concerned with a paragraph in the contract providing for the billing of additional administrative expenses (telephone, travel, postage and so on). The Trustees recommended a US\$ 200 cap on those expenses be made part the contract.

The \$40 hourly rate for training and other tasks not specified in the contract.

Training time for the administrator was estimated at 2 hours (US\$ 80). If the Trustees added any additional duties to those specified in the contract, they would be billed at \$40/hour. The responsibilities enumerated in the contract would cover all current administrative tasks of the Foundation so that additional duties or responsibilities should not need to be added, at least for the initial term of the contract.

President

ROBERTO VERNA, ITALY

First Vice President

LAI-MENG LOOI, MALAYSIA

Second Vice President

ROBERTO RUIZ-ARENAS, MEXICO

Secretary-Treasurer

HENRY TRAVERS, UNITED STATES

Trustees

FRANCESCO CURCIO, ITALY

WALTER ALALLON, URUGUAY

CATHERINE HAYWARD, CANADA

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ACTION: The Trustees voted to engage the services of VAM, Inc. (Kris Rahm) as administrator of the WPF beginning 1 July 2018 for a period of one year. A revised contract capping non-contract administrative expenses at US\$ 200 per year will be sent electronically to the Trustees for approval. Dr. Travers was authorized to effect all necessary administrative changes with banks, brokerage firms and insurance companies needed as part of the contract and to protect the interest of the Foundation.

Schwab Account Activation

The Schwab account is now active.

The Trustees questioned the security of Foundation assets held by Schwab.

The Foundation's assets are not secured. Should Schwab, as an investment firm, fail, the Foundation would become a creditor along with all other Schwab clients. Dr. Travers estimated the likelihood of a Schwab failure to be 1 in a million. The Foundation's assets have been similarly at risk while held by Wells Fargo. Thus, by transferring our holdings to Schwab, we are not incurring any additional risk.

ACTION: The Trustees agreed to the transfer of assets to Schwab.

Cash and investment positions will be transferred from Wells Fargo to Schwab in the next few days. Wells Fargo may charge a transfer fee for this, but Schwab has agreed to reimburse this expense to the Foundation.

The Foundation will retain a Wells Fargo checking account as its operational account (from which checks are written) with a link to a Schwab cash account. The Schwab cash account is an account receiving the earnings from the Foundation's investments. The retention of the Wells Fargo account can be reconsidered at any time if the Foundation's interests would be served by using Schwab exclusively for all financial transactions.

The annual savings to the Foundation for this move will be approximately US\$ 7,500. Schwab will not charge the Foundation for the maintenance of the investment account. If the Foundation wishes investment advice, Schwab will provide it for a fee.

4. New Business (Dr. Travers)

WPF Web Site (Information Only)

The WPF web site (www.worldpathologyfoundation.org) is now hosted separately by Webteam and is linked to the WASPaLM web site (www.waspalm.org) so that updates appearing on the WPF site automatically appear on the WASPaLM site. This allows for easier administration of the WPF site while assuring that visitors to the WASPaLM site will receive accurate and updated information.

5. Other Business

Director's Insurance

The Trustees requested that the WPF obtain director's insurance similar to that of WASPaLM to relieve Trustees of personal responsibility for any adverse events involving the Foundation (a lawsuit, for example). Dr. Travers was instructed to seek such insurance along with bonding for the administrator.



6. Adjournment

Prior to adjournment, the next SKYPE meeting was called by the President for 19 April 2018 at 4 PM Rome time. The meeting was adjourned at 10:12 US Eastern Dayliht Time.



APPENDIX A

World Pathology Foundation

15 March 2018 Minutes

3(a) A US WPF Administrator

The WPF has fulfilled its function as a US not-for-profit corporation in providing for the Gordon Signy Fellowships as well as travel funds for trustees and support of the Gordon Signy Symposium, all with internal resources alone. The US foundation is in its fifth year of operation.

The daily operations of the Foundation are, under the overall direction of the Board, carried out by the Secretary-Treasurer. Because the Foundation's financial accounts are held in US banks and because governmental authority over the Foundation's operations is vested in the federal Internal Revenue Service and in the Offices of the Secretary of State and the Attorney General of the State of Illinois, the maintenance of registration requirements and tax status has been easily carried out with the Secretary-Treasurer residing in the United States.

In the future, however, the Secretary-Treasurer may not be from the United States. It would be costly and difficult to transfer the Foundation or its funds to other nations with each new Secretary-Treasurer. In addition confusion in maintaining tax and registration obligations, administration of the Gordon Signy Fellowship and web site management with each such change risks the Foundation itself.

For those reasons, it would be in the interests of the WPF to retain the services of an **association manager** who would, at the direction of the Secretary-Treasurer and the Board, carry out the administrative functions currently performed by the Secretary-Treasurer. We would then be assured of continued smooth operation of the WPF independent of the location of its officers while retaining control of WPF affairs by the Trustees.

Your current Secretary-Treasurer, as you know, has investigated numerous alternatives with respect to a WPF administrator. The best fit of them all – considering location, experience, cost and long-term capabilities – is, in my opinion, VAM Associates, owned by Kris Rahm and her husband. I have known Kris for many years as the administrator of the South Dakota chapter of the American College of Physicians and have found her capable and with absolute integrity.

I am recommending to the Trustees that we enter into an initial one year contract with VAM Associates under the terms given in the attached draft document. The fee of \$5,000 annually is within our budget. With the contract starting in July 2018, I will be able to work with Kris to assure an orderly transition of administrative responsibilities, assuring the Trustees that they will receive in the future the same information they have in the past.