



**MINUTES OF THE
AOS BOARD OF TRUSTEES MEETING
Friday, October 21, 2016. 12:05 PM. EDT
Huntington Library. San Marino, CA
George Hatfield, President – Presiding**

I. Call To Order

George Hatfield

The meeting was called to order at 2:30 PDT.

II. Proof of Due Notice of the Meeting

Don Ghiz

The meeting was documented in the Huntington Show Schedule on both the AOS and the Huntington Library websites. Board members were notified by emails and announcements at previous board meetings.

III. Roll Call:

Don Ghiz

Officers Present: George Hatfield, Jean Hollebone, Jeanne Buchanan, Frank Smith (phone), Susan Wedegaertner, Nancy Mountford, Don Ghiz

Trustees present: Jay Balchan, Cheryl Erins, Tom Etheridge, Greg Filter, Robert Fuchs, Fred Missbach, David Toyoshima, Sarah Waddoups, Charles Wilson, Bill Zimmerman, Excused: Juan Felipe Posada, Linda Thorne

Staff: Ron McHatton, Naya Marcano, Laura Newton

Honorary VPs: Taylor Slaughter, Harry Gallis

Visitors: John Ortega, Frank Slaughter, Jr., Ken Roberts, Jean Allen-Ikeson, Theresa Kennedy, Phyllis Prestia, Bill Bodei.

IV. Declaration of Quorum

Don Ghiz

A quorum was declared.

V. Minutes of September 29, 2016 Board Meeting**Don Ghiz**

Minutes were sent to all board members on October 6th. Comments received were incorporated into a revision.

Upon a motion made and seconded,

The Board unanimously approved the revised minutes of the September 29, 2016 Board meeting.

VI. Trustee's updated Job Description**Jean Hollebone**

The updated trustee job description was sent out for comments by email on August 4, 2016.

No requests for revision were received. There was no discussion point brought up during the meeting, so board approval was requested.

Upon a motion made and seconded,

The Board unanimously approved the August, 2016, updated job description for Trustees

The approved copy will be posted on the AOS website to promote transparency. The new JD will be used initially with next April's new trustees.

VII. Audit Committee Report**Jeanne Buchanan**

In Robbins and Landino's opinion, the financial statements present fairly, in all material respects, the financial position of the American Orchid Society, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for those years ended. They did not cite any risk that the financial statements are presented unfairly. Mike Robbins spoke candidly and positively about the AOS's improved practices, better internal controls and how staff functions are operating well. He also highlighted the AOS's improved cost management and complimented our investment gains.

Upon hearing this report, and opportunity given for discussion or questions from the Board,

A motion was made and seconded,

The Board unanimously approved acceptance of the annual audit report from Robbins and Landino.

VIII. Gift Policy**Jean Hollebone**

Copies of the Gift Acceptance Policy and the Donor Agreement were sent to the Board for comments on 9/29/16 for comment. It is needed so that consistency and controls are in place as to type and appropriateness of gifts are defined, as well as adherence to restricted funds.

Discussion is needed so that consistency and controls are in place as to type and appropriateness of gifts are defined, as well as adherence to restricted funds. Ron McHatton indicated a number of recommendations to improve tracking and recommended that Robbins and Landino review the final draft before approval. The draft will also be passed by investment advisors. Further discussion was tabled, giving the Governance Committee time to incorporate the suggestions given.

IX. Digital Future

Jeanne Buchanan

The presentation about the AOS's need to pursue a digital roadmap made by Jeanne, Jay Balchan, and Greg Filter in the Planning Session was summarized for the Board, as were the following recommendations.

1. Hire a full-time, in-house IT professional.
2. Consider hiring a Content Manager.
3. Establish a Digital Strategy Committee whose purpose is to define a multi-year digital plan for the organization.

Discussion included comments on amending the existing budget, future budget impact, and need for a job description for the IT professional prior to establishing a salary range.

*In spite of some unanswered questions,
the Board recognized merit to the proposal, and voted unanimously
to approve in principle the three proposals above.*

X. Treasurer's Report

Susan Wedegaertner

Susan gave a detailed explanation of our finances (since we received the July and August monthly financial statements, and investments. A snapshot of our investments for our first quarter was discussed (see Attachment 3.)

Additional discussion centered around the available funds for the library. Ron McHatton gave a details explanation of restrictions from donors within the available funds. Some of the funds may not be available for current needs.

Supplemental report of 10/19/16.

Since our Committee report that is in the BOT packet we have some updates.

Last week, I sent out to the BOT the July and August financial statements. I hope all of you have had a chance to review and noticed July and August income is over budget and expenses are under budget. What a great way to start the new financial year!

September 30, 2016 was the end of our first quarter for investments. The Investment Committee had a meeting with our advisors at Rembert, Pendleton, Jackson on Monday, October 17. The news is very good. All portfolios are positive with our long term portfolios up about 3% (long term portfolio includes the library and special project funds). We are 10% overweight in short term bonds and 10% underweight to intermediate term bonds compared to the AOS Investment Policy. It was decided to move 5% from short term bonds to intermediate term bonds after the Trustee meeting. We will review investments after the first of the new year and decide if we want to rebalance the other 5%. The statements from our first quarter are attached. One is a 'snap shot' overview, the second is the detailed report of each holding in each account.

I wish to thank everyone who is doing a reoccurring donation. Your monthly donation is greatly appreciated!

Respectfully submitted

Susan Wedegaertner and Nancy Mountford

Upon a motion made and seconded,

The Board unanimously approved the Treasurer's report.

XI. Thomas Sheehan Award

Jean Hollebone

George had previously assigned an ad hoc committee consisting of Jean Hollebone, Jeanne Buchanan, and Nancy Mountford to prepare language for the Thomas Sheehan Award. The description of the award is written out in Attachment 4.

Some discussion centered on what form the award would take. It was determined that it should be comparable to the crystal trophy used for awards such as the hybridizer awards.

Upon a motion made and seconded,

The Board unanimously approved the Dr. Thomas Sheehan award as proposed.

XII. Committee Reports

George Hatfield

President Hatfield asked if all Board members had received and were prepared to act on the reports submitted by committee chairs. They are summarized in Attachment 5. Receiving a positive response and no concerns expressed,

Upon a motion made and seconded,

the Board unanimously approved the committee reports as submitted.

XIII. Nominating Committee Update

Don Ghiz

The Nominating Committee interviewed 8 candidates for the position of trustee in person and 1 by phone. After thoughtful deliberations about AOS's needs and geographic considerations, the following are brought forward as nominees for the Spring slate.

William Bodei – Central NJ
Theresa Kennedy – Toronto, Canada
Phyllis Prestia – Southern CA
Graham Wood - Hawaii

XIV. Other Business

1. Naya Marcano gave a brief update on progress towards the spring meeting. Currently hotels are being considered for booking (60 rooms Thursday, Friday, and Saturday, and 30 for Wednesday, \$99 per night, obligation for 80% occupancy). Meeting rooms are not yet booked. Postcards will highlight the event.
2. Ron McHatton asked the Board to indicate where the auction funds would go. After discussion it was proposed moneys raised would go to support the library installation.

Upon a motion made and seconded,

the Board voted to designate the auction funds towards the library as unrestricted funds.

XV. Adjournment

All

With no further business to conduct, the president called for adjournment.

Upon a motion made and seconded,

the board unanimously voted to adjourn.

Attachment 1. September 29, 2016 Minutes



American Orchid Society
Education. Conservation. Research.

**AOS TRUSTEE MEETING,
Go-To-Meeting Conference Call
Thursday, September 29, 2016. 5:30 PM PDT
George Hatfield, President – Presiding**

I. Call to Order

George Hatfield

The meeting was called to order at 5:30 PM. PDT.

II. Proof of Due Notice of the Meeting

Don Ghiz

Standard fourth Thursday of the month meetings were announced at the Reorg Meeting in Asheville, NC on April 16th, 2016 and email notices were sent to the BOT by me on 9/17/16, and a reminder on 9/26/16.

III. Roll Call

Don Ghiz

Board members present: George Hatfield, Jeanne Buchanan, Jean Hollebone, Nancy Mountford, Susan Wedegaertner, Don Ghiz, Frank Smith, Jay Balchan, Cheryl Erins, Juan Felipe Posada, Greg Filter, Fred Missbach, Charles Wilson, Bill Zimmerman, Sarah Waddoups.

Excused: Bob Fuchs, Tom Etheridge, Linda Thorne, David Toyoshima

Staff present: Ron McHatton, Laura Newton, Naya Marcano

Hon VP's: Harry Gallis

IV. Declaration of Quorum

Don Ghiz

A quorum was declared.

V. Approval of the BOT minutes of August 25, 2016.

All

Upon a motion made and seconded,
the Trustees VOTED unanimously to APPROVE the revised
minutes of the BOT meeting of August 25, 2016.

The minutes can be found in Attachment 1.

VI. Treasurer's Report.

Susan Wedegaertner

Due to information not being received from Robbins and Landino as a result of the current audit, a full treasurer's report was not presented. Without details, Susan reported expenses are below budget and income above budget. She also reported investments are doing well in a strong stock market. We will have a full report on investments at the October BOT meeting.

Jeanne Buchannan reported that she has the auditors report for the last fiscal year and she will be reviewing them with the Audit Committee when Tom Etheridge returns from vacation. She personally sees no major issues.

Upon a motion made and seconded,

The BOT voted unanimously to accept the
Treasurer's report as submitted.

VII. Chief Education Officer and Scientist (CESO) Report: Ron McHatton

1. Auditors, who also prepare our income tax, are working on the 990, 990 T, and 1240's that have to be filled out.
2. October Orchids magazine, and the 64 page Supplement, mailed today. A special thanks to Jean Allen Ikeson, who made a significant donation to the AOS covering the cost of the supplement. November magazine should be at the printer before meeting at the Huntington.
3. AOS was notified that October, 2015, magazine won a silver metal in a field of 260 entries, from annual competition of Gold Ink Awards.
4. Cross training on magazine layout with Laura has begun. Ron noted that we have a new employee, Sandra Kurzban, who has InDesign training and he will verify if she is capable of helping with the magazine.

VIII. Director of Admin. and Member Services Report Naya Marcano

- 1. Reviewing the Month End Summary, it was pointed out that membership is up by 70 for the period. Naya also reported that Digital renewals are up. Donations are up significantly. The Monthly Summary Report is enclosed in Attachment 2.**
- 2. Headquarters Update: Archive room is being prepped for mold-resistant painting, removal of old A/C ducts, floor work, and shelving. When ready, and environmental assessment is completed, we will move archives from Gainesville and overage from classroom by the library.**
- 3. George Hatfield will be asking John Ingram to evaluate the quality of the work done to bring up to archive quality before moving valuable items in. Jean Hollebone added that we would like John Ingram to evaluate shelving and other materials from FTBG and advise what else we may need. Cheryl Evans added that her husband is an architect and offered his assistance if needed.**
- 4. There has been a staffing change in the office. The membership assistant is no longer with us and a new assistant will be starting on October 3. Her name is Sandra Kurzban. She is the person Ron McHatton referred to with InDesign skills.**

IX. Awards Registrar:

Laura Newton

- 1. A report was given on awards paid during the past month and a brief summary of delinquent payments. (Attachment 3.) Laura noted that there are 25 unpaid awards that will soon reach the list of banned exhibitors.**
- 2. Updating the errors in the 2011 data has been completed.**
- 3. Updating genera name changes to current standards has begun with Cattleya family the first in focus.**
- 4. If an award is posted without a picture, Laura accepts unofficial photos from the exhibitor and enters them into OP with a disclaimer.**

X. Fall Meeting Update

George Hatfield

1. Brandon Tam reported through George that registration has reached 197 paid registrants. George noted that this number exceeds Asheville registration by 20%, and tracking numbers from past years like 2000.
2. George asked that all officers and trustees attend the auction at the Fall Meeting.
3. Planning session Wednesday will be about IT needs and chaired by Jeanne Buchanan. Shuttle service from hotel will be available (see note from Brandon Tam sent to all officers and trustees).

XI. Spring Meeting Update

Naya Marcano

1. Discussion with hotels are underway.
2. Promotional postcard design is underway using a Florida native orchids.
3. Website is being prepared with the cooperation of IT. If necessary, we can use Dora, who is savvy on the same platform as the Huntington is using.

XII. Preferred Product Program

Jeanne Buchanan

1. A draft of the latest Powerpoint presentations explaining the Preferred Provider Program was presented and comments made. A revision was suggested to clarify the annual costs involved, but otherwise praised for its development from concept to completion. (see Attachment 4.)
2. If approved by the BOT, a copy of the final version will be posted on the web and sent to all trustees by email.
3. There is a precedent for the price of \$8000 per year wherein that price is what we currently charge Sun Bulb Company.

Upon a motion made and seconded,

the Board voted unanimously approve the program with
suggested cost clarification.

XIII. MOU-2 with FTBG

Jean Hollebone

1. A 9/26/16 phone conference call with FTBG produced satisfactory results with regard to the Library and other issues. AOS will have to get equipment necessary for librarian job (computer, scanner, copier for example). Towards this end, an appeal to members in ORCHIDS will be made, asking

for contributions to sponsor these needs.

2. As Naya reported, mold-resistant painting and floor work are ongoing. Jean reiterated the need for John Ingram to examine the facilities for proper environment and requirements.
3. Other items on the MOU-2 are being addressed adequately. The MOU is to be called a Working Partnership, and we are awaiting confirmation from FTBG that changes are OK so we will be able to sign off in October.
4. George commended Bob Fuchs for his participation towards achieving this MOU. It is noted that Bob and Michael Coronado paid for the paint and painting to get the areas ready for us.

XIV. Tom Sheehan Award

George Hatfield

George reported that the EC discussed this possibility of establishing a new award for outstanding contribution to the AOS by an AOS volunteer. Employees and Board members will not be eligible to receive the award. George turned the concept over to an ad-hoc committee consisting of Jeanne Buchanan, Jean Hollebone, and Nancy Mountford to determine feasibility, eligibility, and such before bringing to the Board for review and approval at the November BOT Meeting.

XV. Job Descriptions

Jean Hollebone

1. Two JD's were sent out for staff positions, Awards Registrar and Chief Education and Science Officer. One correction to the CESO JD was made that it be classified as 'Exempt.'
2. As to the reporting relationships, it was recommended that the CESO and Director of Administration and Membership Services both report to the President only, rather than the worded 'Administrative Management Committee'.
3. The Awards Registrar document has one change in that Laura asked that one duty she does not do be removed.
4. JD's for the Trustee job was sent out about an hour before this meeting, so no approval is being sought before the Huntington meeting.

Upon a motion made and seconded,

The BOT voted unanimously to approve the job descriptions for the CESO and the Awards Registrar.

5. JD's for Library and Archives, Membership and Affiliated Societies, Public Relations, Science (Research and Conservation), and Special Funding Committees were also presented. In light of proposed changes to divide R&C and M&A committees, it is suggested that these JD's will be rewritten to clarify the duties of the new committees.

Upon a motion made and seconded,

The BOT voted unanimously to approve the job descriptions for the five committees above.

The job descriptions will be posted on the web.

XVI. Committees Separation

George Hatfield

George reported to the Board that the EC had approved the separation of the Research and Conservation Committee into two committees and the Membership and Affiliated Societies Committee also into two committees. Filling of the Chair positions will be approved by the Board. Towards that end, George asked that everyone try to meet Alexandra Allen, a possible candidate for the Conservation Committee.

Gayle Brodie would like to stay on as Chair of the Affiliated Societies Committee. George asked that we make suggestions for a high energy person to chair the Membership Committee.

XVII. OHRAg Meeting attendance

George Hatfield

George advised that the EC had approved Ron's travel to attend the OHRAg meeting in London in December. Travel for the meeting is included in this year's budget. Ron spoke to the Trustees about the importance of AOS attendance.

XVIII. Travel Policy.

Susan Wedegaertner

Susan reviewed changes that had been made to the policy and answered questions from the Trustees. After a full discussion,

A motion was made and seconded,

The BOT voted unanimously to approve the AOS Travel Policy.

XVIX. AOS award fees.

George Hatfield

George turned the discussion over to Ron McHatton to give us historical perspective on award fees. For 8 years the fees have been \$36, whereas, prior to that reduction, the fees were \$40 for members and \$60 for non-members.

A general discussion took place for informational purposes, but the discussion was tabled until the October meeting.

XX. Adjournment.

All

**With no further business, and, upon a motion made and seconded,
the Trustees VOTED unanimously to ADJOURN at 7:50 PM PDT.**

Attachment 2. Audit Report

To the Board of Directors
American Orchid Society, Inc.
Coral Gables, FL

We have audited the financial statements of American Orchid Society, Inc. (the "Society") for the years ended June 30, 2016 and 2015 and have issued our report thereon dated [REDACTED] [REDACTED]. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 8, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices:

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Society are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the years ended June 30, 2016 and 2015. We noted no transactions entered into by the Society during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the functional allocation of expenses, the present value of the capitalized lease and deferred compensation obligation. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audits:

We encountered no significant difficulties in dealing with management in performing and completing our audits.

Corrected and Uncorrected Misstatements:

Professional standards require us to accumulate all known and likely misstatements identified during the audits, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

To the Board of Directors
American Orchid Society, Inc.
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Disagreements with Management:

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audits.

Management Representations:

We have requested certain representations from management that are included in the management representation letter dated [REDACTED].

Management Consultations with Other Independent Accountants:

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Society's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues:

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the American Orchid Society, Inc.'s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of the American Orchid Society, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,
ROBBINS AND LANDINO, P.A.
Certified Public Accountants

Fort Lauderdale, Florida
[REDACTED]

Attachment 3. Financial Report Supplement (emailed 11/4/16)

AMERICAN ORCHID SOCIETY, INC.

Financial Statements

September 30, 2016 and 2015

*Robbins and Landino, P.A.
Certified Public Accountants*

Robbins and Landino, P.A.
Certified Public Accountants

Accounting and Auditing
Taxation and Consulting

222 Southeast Tenth Street
Fort Lauderdale, Florida 33316

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

American Orchid Society, Inc.
Coral Gables, Florida

Management is responsible for the accompanying financial statements of American Orchid Society, Inc. (a non-profit organization), which comprise the comparative statements of financial position as of September 30, 2016 and 2015, and the related comparative statements of activities for the three months ended September 30, 2016 and 2015, and the comparative statements of activities – actual versus budget for the three months ended September 30, 2016, and the comparative statement of change in net assets for the three months ended September 30, 2016 and 2015, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows and statement of functional expenses required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statements of cash flow and functional expenses were included in the financial statements, they might influence the user's conclusions about the company's financial position, changes in net assets, cash flows, and functional allocation of expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

ROBBINS AND LANDINO, P.A.
Certified Public Accountants

Robbins and Landino, P.A.

Fort Lauderdale, Florida
October 31, 2016

AMERICAN ORCHID SOCIETY, INC.
Statements of Financial Position
September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 168,286	\$ 233,847
Investments	4,232,295	3,931,275
Accounts Receivable	196,602	1,275
Prepaid Expenses and Other	37,406	33,584
Beneficial Interest in Trust	97,623	
Library Collection	1,183,312	1,183,312
Net Present Value of Promise to Give - Rent	477,445	495,448
TOTAL ASSETS	<u>\$ 6,392,969</u>	<u>\$ 5,878,741</u>
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 58,495	\$ 75,130
Deferred Compensation Obligation	292,284	312,447
Deferred Revenue	435,749	423,812
TOTAL LIABILITIES	<u>786,528</u>	<u>811,389</u>
NET ASSETS		
Unrestricted Net Assets	2,218,261	1,810,877
Temporarily Restricted Net Assets - Rent	477,445	495,448
Temporarily Restricted Net Assets - Other	828,048	688,340
Permanently Restricted Net Assets	2,082,687	2,072,687
TOTAL NET ASSETS	<u>5,606,441</u>	<u>5,067,352</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,392,969</u>	<u>\$ 5,878,741</u>

See Independent Accountant's Compilation Report

*Robbins and Landino, P.A.
Certified Public Accountants*

AMERICAN ORCHID SOCIETY, INC.
Comparative Statements of Activities
For the Three Months Ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>Change</u>
UNRESTRICTED NET ASSETS			
Operating Income			
Membership Dues and Subscriptions	\$ 123,866	\$ 116,372	\$ 7,494
Awards Quarterly	14,406	13,467	939
Book/Publications	1,775	3,074	(1,299)
Advertising	15,244	7,578	7,666
Awards System	25,217	30,017	(4,800)
Interest Income	11,759	12,661	(902)
Contributions - Unrestricted	11,390	5,576	5,814
Members Meetings Registrations	8,173	-	8,173
Endorsement	2,000		
Miscellaneous	1,402	541	861
Total Operating Income	<u>215,232</u>	<u>189,286</u>	<u>23,946</u>
Expenses			
Orchids - Electronic	694	3,113	(2,419)
Orchids - Printing	29,459	23,922	5,537
Orchids - Color	1,452	1,632	(180)
Orchids - Distribution	21,030	20,157	873
Grants-Conservation	-	8,270	(8,270)
Salaries	67,486	65,538	1,948
Contract Labor	35,421	27,213	8,208
Payroll Taxes	5,594	5,013	581
Health & Dental Insurance	5,838	4,361	1,477
Deferred Compensation	-	6,957	(6,957)
Advertising	478	4,799	(4,321)
Insurance	4,196	4,253	(57)
Accounting/Auditing/Legal	6,001	6,571	(570)
Postage	1,888	2,973	(1,085)
Telephone	513	475	38
Travel	342	-	342
Investment Advisor Fees	4,608	4,320	288
Merchant Credit Card Fees and Bank Fees	9,958	5,644	4,314
Office Expense	1,838	3,560	(1,722)
License and Fees	1,085	4,064	(2,979)
Web Site	1,140	1,100	40
Orchids Plus Development	-	-	-
Equipment Lease	741	2,115	(1,374)
Repairs and Maintenance	1,320		
Storage	870	3,399	(2,529)
Trustees	-	322	(322)
Property Tax	50	50	-
Miscellaneous	2,166	704	1,462
Total Expenses	<u>204,168</u>	<u>210,525</u>	<u>(7,677)</u>
Operating Income (Loss)	<u>11,064</u>	<u>(21,239)</u>	<u>31,623</u>
Other Income and (Expense)			
Net Investment Income (Loss)	66,354	(111,648)	178,002
Release of Restricted Net Assets	-	-	-
Other Income and (Expense)	<u>66,354</u>	<u>(111,648)</u>	<u>178,002</u>
Change in Unrestricted Net Assets	<u>77,418</u>	<u>(132,887)</u>	<u>209,625</u>
RESTRICTED NET ASSETS			
Contributions	10,725	8,460	2,265
Released from Restriction	-	-	-
Change in Restricted Net Assets	<u>10,725</u>	<u>8,460</u>	<u>2,265</u>
CHANGE IN NET ASSETS	<u>\$ 88,143</u>	<u>\$ (124,427)</u>	<u>\$ 211,890</u>

See Independent Accountant's Compilation Report

Robbins and Landino, P.A.

Certified Public Accountants

AMERICAN ORCHID SOCIETY, INC.
Comparative Statements of Activities Actual vs. Budget
For the One and Three Months Ended September 30, 2016

	ONE MONTH SEPTEMBER			THREE MONTHS JULY - SEPTEMBER		
	Actual	Budget	Variance	Actual	Budget	Variance
UNRESTRICTED NET ASSETS						
Operating Income						
Membership Dues and Subscriptions	\$ 41,455	\$ 39,750	\$ 1,705	\$ 123,866	\$ 119,250	\$ 4,616
Awards Quarterly	4,816	5,953	(1,137)	14,406	14,853	(447)
Book/Publications	350	1,200	(850)	1,775	1,800	(25)
Advertising	2,438	4,770	(2,332)	15,244	21,850	(6,606)
Awards System	5,350	8,700	(3,350)	25,217	26,100	(883)
Interest Income	4,496	1,600	2,896	11,759	12,000	(241)
Contributions - Unrestricted	3,700	6,625	(2,925)	11,390	9,625	1,765
Members Meetings Registration	-	-	-	8,173	-	8,173
Endorsement	2,000	2,000	-	2,000	2,000	-
Miscellaneous	712	50	662	1,402	150	1,252
Total Operating Income	<u>65,317</u>	<u>70,648</u>	<u>(5,331)</u>	<u>215,232</u>	<u>207,628</u>	<u>7,604</u>
Expenses						
Orchids - Electronic	-	794	(794)	694	2,100	(1,406)
Orchids - Printing	9,873	12,550	(2,677)	29,459	27,803	1,656
Orchids - Color	504	850	(346)	1,452	2,250	(798)
Orchids - Distribution	6,991	8,420	(1,429)	21,030	22,860	(1,830)
Awards Systems - Trophies/Certificates	-	400	(400)	-	3,150	(3,150)
Cost of Sales	-	150	(150)	-	450	(450)
Grants-Research	-	-	-	-	15,000	(15,000)
Grants-Conservation	-	-	-	-	10,000	(10,000)
Salaries	25,449	28,484	(3,035)	67,486	76,715	(9,229)
Contract Labor	14,986	(7,877)	22,863	35,421	7,491	27,930
Payroll Taxes	1,927	2,071	(144)	5,594	6,026	(432)
Health & Dental Insurance	1,946	(2,113)	4,059	5,838	2,919	2,919
Deferred Compensation	-	2,401	(2,401)	-	4,901	(4,901)
Insurance	1,402	1,845	(443)	4,196	4,417	(221)
Accounting/Auditing/Legal	1,667	2,200	(533)	6,001	7,100	(1,099)
Postage	696	1,572	(876)	1,888	5,437	(3,549)
Telephone	147	1,029	(882)	513	2,949	(2,436)
Travel	-	5,000	(5,000)	342	5,000	(4,658)
Investment Advisor Fees	1,536	(447)	1,983	4,608	4,000	608
Merchant Credit Card Fees and Bank Fees	3,920	2,676	1,244	9,958	6,000	3,958
Office Expense	716	(835)	1,551	1,838	3,190	(1,352)
License and Fees	308	270	38	1,085	954	131
Computer	-	(225)	225	-	90	(90)
Web Site	371	1,106	(735)	1,140	2,400	(1,260)
Repairs and Maintenance	-	26	(26)	1,320	165	1,155
Equipment Lease	36	705	(669)	741	2,115	(1,374)
Storage	290	(1,662)	1,952	870	870	-
Advertising and Promotion	239	390	(151)	478	7,470	(6,992)
Trustees	-	(375)	375	-	-	-
Property Tax	-	-	-	50	50	-
Miscellaneous	43	-	43	2,166	-	2,166
Total Expenses	<u>73,047</u>	<u>59,405</u>	<u>13,642</u>	<u>204,168</u>	<u>233,872</u>	<u>(29,704)</u>
Operating Income (Loss)	<u>(7,730)</u>	<u>11,243</u>	<u>(18,973)</u>	<u>11,064</u>	<u>(26,244)</u>	<u>37,308</u>
Other Income and (Expense)						
Net Investment Income (Loss)	4,905	(7,428)	12,333	66,354	-	66,354
Release of Restricted Net Assets	-	-	-	-	-	-
Other Income and (Expense)	<u>4,905</u>	<u>(7,428)</u>	<u>12,333</u>	<u>66,354</u>	<u>-</u>	<u>66,354</u>
Change in Unrestricted Net Assets	<u>(2,825)</u>	<u>3,815</u>	<u>(6,640)</u>	<u>77,418</u>	<u>(26,244)</u>	<u>103,662</u>
RESTRICTED NET ASSETS						
Contributions	2,375	3,000	(625)	10,725	4,000	6,725
Release from Restriction	-	-	-	-	-	-
Change in Restricted Net Assets	<u>2,375</u>	<u>3,000</u>	<u>(625)</u>	<u>10,725</u>	<u>4,000</u>	<u>6,725</u>
CHANGE IN NET ASSETS	<u>\$ (450)</u>	<u>\$ 6,815</u>	<u>\$ (7,265)</u>	<u>\$ 88,143</u>	<u>\$ (22,244)</u>	<u>\$ 110,387</u>

See Independent Accountant's Compilation Report

*Robbins and Landino, P.A.
Certified Public Accountants*

AMERICAN ORCHID SOCIETY, INC.
Comparative Statement of Change in Net Assets
For the Three Months Ended September 30, 2016 and 2015

<u>2016</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net Assets, Beginning Balance	\$ 2,140,843	\$ 1,294,768	\$ 2,082,687	\$ 5,518,298
Change in Net Assets	<u>\$ 77,418</u>	<u>\$ 10,725</u>	<u>\$ -</u>	<u>\$ 88,143</u>
Net Assets, Ending Balance	<u><u>\$ 2,218,261</u></u>	<u><u>\$ 1,305,493</u></u>	<u><u>\$ 2,082,687</u></u>	<u><u>\$ 5,606,441</u></u>

<u>2015</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net Assets, Beginning Balance	\$ 1,944,292	\$ 1,174,800	\$ 2,072,687	\$ 5,191,779
Change in Net Assets	<u>\$ (132,887)</u>	<u>\$ 8,460</u>	<u>\$ -</u>	<u>\$ (124,427)</u>
Net Assets, Ending Balance	<u><u>\$ 1,811,405</u></u>	<u><u>\$ 1,183,260</u></u>	<u><u>\$ 2,072,687</u></u>	<u><u>\$ 5,067,352</u></u>

See Independent Accountant's Compilation Report

*Robbins and Landino, P.A.
Certified Public Accountants*

Attachment 4. Dr. Thomas Sheehan Award

Named in honor of Dr. Thomas Sheehan—dedicated professor and tireless AOS volunteer, judge and international ambassador—this award recognizes and applauds a member who has demonstrated sustained and exemplary volunteer service that leaves a lasting positive impact on the AOS. Having quietly cultivated a proven history of commitment to the AOS, award winners possess a record of advancing its mission through unique volunteer contributions and extraordinary long-term support of its programs and events.

Attachment 5. Committee Reports

Audit Report

To the Board of Directors
American Orchid Society, Inc.
Coral Gables, FL

We have audited the financial statements of American Orchid Society, Inc. (the "Society") for the years ended June 30, 2016 and 2015 and have issued our report thereon dated [REDACTED] [REDACTED]. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 8, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices:

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Society are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the years ended June 30, 2016 and 2015. We noted no transactions entered into by the Society during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the functional allocation of expenses, the present value of the capitalized lease and deferred compensation obligation. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audits:

We encountered no significant difficulties in dealing with management in performing and completing our audits.

Corrected and Uncorrected Misstatements:

Professional standards require us to accumulate all known and likely misstatements identified during the audits, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

To the Board of Directors
American Orchid Society, Inc.
Page 2

Disagreements with Management:

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audits.

Management Representations:

We have requested certain representations from management that are included in the management representation letter dated [REDACTED].

Management Consultations with Other Independent Accountants:

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Society's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues:

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the American Orchid Society, Inc.'s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of the American Orchid Society, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,
ROBBINS AND LANDINO, P.A.
Certified Public Accountants

Fort Lauderdale, Florida
[REDACTED]

American Orchid Society
Audit Committee Report
San Marino, CA – October 2016

The audit of the AOS financials was conducted by Robbins and Landino (R&L) during the second week in August 2016. The audit report was delivered to the Audit Committee on September 6, 2016. Tom Etheridge and I participated in a conference call with Mike Robbins, partner with R&L, on October 4 to discuss the draft of the AOS audit report. Highlights of the call follow:

- In R&L's opinion, the financial statements present fairly, in all material respects, the financial position of the American Orchid Society, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for those years ended.
- The most material year-over-year changes to the balance sheet:
 1. **Contribution receivable** of approximately \$197,000, totally unrestricted. This was a donation from the Donna Valley Russell Trust. Russell was a long-term member and AOS representative of a now-defunct society in Maryland.
 2. **Current beneficial interest in a charitable remainder trust** now valued at approximately \$98,000. This is related to the Donna Valley Russell contribution. When her heirs of this trust pass, the current value of the funds in this trust will be donated to the AOS.
- The most material year-over-year changes to the income statement:
 1. **Advertising revenues** fell by 35%, reflecting the loss of an active ad sales program which had been headed by John Wrench.
 2. **Contributions revenues** increased by more than seven fold, reflecting the Donna Valley Russell contribution mentioned above.
 3. **Release from restriction – other** represents the transfer of approximately \$2 million to Fairchild in 2015 to establish and house the AOS Library.
 4. **Membership and publications expenses** rose by 39%, primarily due to outsourcing IT projects (Anthony Tanner/Strategic) and costs associated with printing an additional 32 color pages in each issue of the magazine.
- R&L did not cite any risk that the financial statements are presented unfairly. They gave assurance that the financial statements as a whole are free from material misstatement. They did make two recommendations to improve our accounting practices in the future.
 1. Book entry of restricted/unrestricted assets at time confirmation is received.
 2. Check release of restrictions and book them on a quarterly basis.
- Mike spoke candidly and positively about the AOS's improved practices, better internal controls and how staff functions are operating well. When he began auditing the AOS four years ago, he admitted his discomfort about the Society's sustainability given the trending decline in membership. He congratulated us on that decline leveling off and even increasing year over year. **He also mentioned the AOS's improved cost management and pointed out that even without the \$197,000 contribution receivable, the AOS would have broken even in 2016—and**

that's in spite of lost advertising. He also complimented our investment gains as many of his clients have lost money on theirs.

Tom and I welcome any questions from the Trustees about the audit.

Respectfully submitted,

Jeanne Buchanan
Chair, Audit Committee

AMERICAN ORCHID SOCIETY, INC.

10901 Old Cutler Road
Coral Gables, FL 33156

Robbins and Landino, P.A.
222 Southeast Tenth Street
Fort Lauderdale, Florida 33316

This representation letter is provided in connection with your audits of the financial statements of American Orchid Society, Inc., which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flow for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 8, 2016, including our responsibility for the preparation and fair presentation of the financial statements.
- The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Organization's accounts.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - Minutes of meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.

- We have disclosed to you the identity of the Organization's related parties and all the related party relationships and transactions of which we are aware.
- The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- American Orchid Society, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

AMERICAN ORCHID SOCIETY, INC.

Signature: _____

Title: _____

Date: _____

REPORT FROM THE EDITORIAL BOARD OF ORCHIDS

Jean Allen-Ikeson and Kathy Barrett

Fall 2016

The Editorial Board has been in a transition from Greg Allikas's long-term leadership to that of Jean Allen-Ikeson and Kathy Barrett. Although we knew that Greg needed a change, it still came as a bit of a shock to us. Greg had been so distracted by the move to North Carolina and his other photographic and image duties with the magazine that he had not been able to put in the time soliciting articles. We found the barrel was close to empty for features so we both made building a backlog of articles and getting out a supplemental issue our priorities.

We have made good progress with developing a backlog, the Supplemental Issue and Orchids are both going out on time.

To accomplish this, besides twisting arms in Asheville, we each brought a new member to the Board. Jean brought in Nile Dusdieker, a judge in the Chicago center, who is a proven writer and proven at getting things done. It was hoped that he could tap fresh ideas and writers from the upper Midwest. Nile immediately wrote an article on hunting for native orchids and sourced a feature article on Clowesia species and hybrids that should be published sometime this winter. Kathy brought in Carol Klonowski who is busy twisting arms with her many West Coast contacts.

Kathy came up with the idea for a short article each month on "How Did They Grow That." Those are starting to appear and there are several waiting to be published. She also sourced an excellent feature article on Native Orchids.

Jean also designed and established an Excel file called the Editorial Board Task Manager that we put on Dropbox and to which we gave all the members of the Editorial Board and Ron McHatton access. It lists articles that have been solicited, articles uploaded to Dropbox, who solicited them, date expected, whether or not photographs or illustrations are included, author contact information, etc. This was essential to keep track of what we have in hand and what is in the pipeline and who has solicited what. Each month, Ron McHatton deletes what has been published. We felt that we need to have a more businesslike organization of articles so that Ron knows what is coming and what is available. It is also important to make sure that articles are not 'lost in the process' by codifying their existence. All Editorial Board Members and Ron McHatton contribute to this file.

Jean felt that the magazine needed additional emphasis on the more common genera that people grow with in-depth articles. Since we were so short of feature material, she wrote the 9,000 word, two-part article on *Oncidium fuscum* (aka *Miltonia warscewiczii*) and its Hybrids in May and June that appears in the September and October issues of Orchids.

Normally the Supplemental Issue should be written (the final copy) and edited at least six months prior to publication so that there is time to source photos, make last minute changes, add articles to fill the issue if necessary, etc. Greg had one article being written on *Cattleya* varieties but other than that, the cupboard was bare. While Kathy was in Egypt (normally we would not be doing this at the last minute and she would be included), Greg and Jean brainstormed and put together the content for the long-awaited *Cattleya* issue that is primarily on species. This is a larger issue than we have published in the

past but the extra cost was covered by donations. In the future, we would like to have an entire issue on *Cattleya* hybrids.

So to avoid having to do such an issue on the fly, Jean suggested a reliable and well-known author who is an expert in his field to write the 2017 issue on another major genus that is commonly grown. Ron McHatton negotiated with him and the author was enthusiastic about writing it. I think the membership will be more than pleased with the topic and the depth. The author is working on it now. Ron will make the announcement to the Board of Trustees.

We also believe we have the 2018 Supplemental Issue on the table, as well, on another major, commonly grown genus.

We are grateful to the writers of monthly articles that are the backbone of *Orchids*. Their efforts are wonderful.

Current ongoing problems exist with authors turning in articles at the last minute or late. Some will never change but we will continue to push for more timely submissions. Most authors are good, but a few feel that proofs are a time for making major changes or that checking proofs can wait until they return from vacation, etc. With a monthly magazine and a fixed deadline with the printer, that simply is not realistic. Proofs are a time for catching typos only.

Another problem is that the style guide and instructions for authors is a mish mash of several editors over decades. Reference is made to both *Chicago Manual of Style*, which is almost universally used in book and manual publishing, and the *Associated Press Style Guide and Briefing on Media Law*, which is primarily for pulp publications such as newspapers. The latter is rather open ended and vague about language usage, citations and grammar and not particularly suited for an award winning magazine. Jean plans to write a new style guide based on *Chicago Manual of Style*, *The Manual of Scientific Style*, and the AOS's own particular style traditions and needs and based on her experience as a publisher, editor and freelance writer. One of our greatest needs is to make sure that writing is sensible not just to English speaking readers, but also to those for whom English is a second language and are a significant source of membership and therefore readership. Jean will have a draft of the new style guide this winter that will be indexed as well. Hopefully this will reduce copy editing time and answer questions for authors.

What do we need to work on? We need to establish regular Editorial Board Go-To Meetings where we can all communicate at once. Because the need for building a backlog of articles was so critical after April, this became secondary and we relied on emails. Hopefully we can move on from crisis mode.

A few years ago, Greg made a push to move the 'business of the AOS' to the website. The exception to that is the President's message, which we feel is an important monthly contribution so that membership feels connected to the Executive of the AOS and its goals. However, perhaps it is time to renew Greg's efforts and move such things as obituaries to the website, perhaps under news. It would allow us to inform the membership more rapidly of such events. We need to formalize who is responsible for such contributions in terms of finding authors to write a more extensive obituary. Perhaps it is a better idea to insert a single paragraph on the website as soon as the information is known with a note that a longer obituary will follow when available.

We need to continue to solicit articles that appeal to a large segment of the readership. Sue Bottom's excellent and original culture articles are a good example. We need to build a larger backlog of articles. This is a larger task than it seems. A few people will sit down and write within three months and a few will contribute out of the blue, but mostly we ask people to write something and if they agree, a certain amount never become reality and most need three months to a year to work the writing into their schedule. The reality is that it is a long process and we have to ask for more than we expect to receive. The fruits of what the Editorial Board has been working on for the past six months will hopefully result in interesting and timely articles.

How many of you have ever been in charge of a society display at a show: you do not know what is coming in until the day of set up. Without a backlog and active solicitation of articles, active volunteers from those of you who can share your knowledge, and promised articles delivered in a timely fashion, publishing *Orchids* will be for Ron McHatton and the Editorial Board, something in the realm of putting together a society exhibit at a large show on set up day except on a monthly basis with no down period: difficult to plan and a stretch to pull off. Since we deliver 13 issues a year, this is particularly critical. We are continually grateful that Ron has been able to do just this and successfully for the AOS. Obviously we would rather have everything in hand so that his job is more easily organized in the future and that is a major ongoing goal for the Editorial Board.

AOS Education Committee Report

October, 2016

Webinars continue to be a popular membership benefit. Since last April we have presented 12 webinars. Once a month there is an AOS Greenhouse Chat with Ron McHatton which are open to anyone and have the highest number of registrants. Webinars by experts are also held once a month and are available to members only.

Webinar Name	Presenter	Registrants	Attendees	Watch Recording
Paph. fairrieanum	Theresa Hill	98	69	119
AOS Greenhouse Chat	Ron McHatton	265	130	201
Orchid Pollination	Ron McHatton	172	108	138
AOS Greenhouse Chat	Ron McHatton	190	87	187
No. American Conservation	Sandra Svoboda	130	77	70
Judging: Provisional Awards	Bergen Todd	97	65	50
AOS Greenhouse Chat	Ron McHatton	384	153	187
AOS Greenhouse Chat	Ron McHatton	79	39	341
Judging: Controversies	Harry Gallis	90	65	88
AOS Greenhouse Chat	Ron McHatton	339	145	144
Phragmipedium Culture	Jason Fischer	248	148	114
AOS Greenhouse Chat	Ron McHatton	265	130	201

While these numbers are of interest, it is also important to note that there are a large number of people who click on the registration link, which means these people are going to our AOS website. For instance, one of the Greenhouse Chats had 165 registrants and 71 attending and 201 watching the recording, but there 521 people who clicked on the registration link! With every webinar, we get emails expressing member and non-member appreciation: "Webinars have a great potential to educate us. Thank you for scheduling them." "Yesterday was my first webinar and really learned a lot." "Excellent programs. Love these greenhouse chats! Thank you." "I am a big fan of these greenhouse chat webinars (even have gotten a few of my fellow members of the Tucson Orchid Society watching them as well!)."

The judging webinars have been well-received by those who have viewed them. Some have been viewed by the judging centers at their meetings. I would like to see the webinar on writing descriptions presented by Laura Newton required viewing by all judges. One Hundred forty-four attended that webinar and 175 have watched the recording. The Education Committee looks forward to working with the National Training coordinator to develop more judging webinars. A special thanks to Charles and Susan Wilson for their help with the judging webinars!

The Education Committee is working with the Affiliated Societies Committee to facilitate Affiliated Societies in using the webinars as programs for their societies. Several societies have already availed themselves of this opportunity, and we want to make sure that all the Affiliated Societies are aware of this option and help them utilize them.

I would to ask other committees to consider ways of using the webinars to inform members and others about the work they are doing.

A special thanks to committee person, Cheryl Erins for all her hard work on the webinar project. We are looking for speakers – so Trustees and Committee Chairs, how about stepping up and offering to be part of this very successful program or recommending speakers who might be willing to participate.

Q&A:

AOS members and others interested in orchids send personal questions seeking answers to orchid problems and the Education Committee and Ron McHatton answer several of these a week. It is a great outreach opportunity, and these questions are often the basis of the Greenhouse Chats.

Respectfully submitted,
Sandra Svoboda, Chair

AOS Development Committee Report
October 2016

The Development Committee (DC) has met several times in the last year by conference call. We have identified several critical issues that will impact the development of a successful fundraising program for the AOS.

1. Oversight of the process for plan development – the role of the Trustees vs the DC vs staff.
2. Implementation of a plan
 - a. Schedule of appeals – timing and mode of dissemination
 - b. Types of appeals
 - c. Target audience of appeals and segmentation of the donor pool
 - i. Never donors
 - ii. First time donors
 - iii. Small donors
 - iv. Large donors
 - v. Recurring donors
 - vi. Past donors
 - vii. Donors interested in specific plans, restricted donations, e.g., a special appeal to those interested in conservation or the specific topic of the next supplement to Orchids, etc.
 - viii. Bequests
- d. Role of the committee vs staff in implementation of a plan. Committee members are not well positioned to implement appeals
3. Currently there is no budget for the potential costs of development. The AOS has had a void in this area since the elimination of full time development staff positions. For example, we do not know what it costs in staff time or email costs, mailing costs plus consultant costs and are reticent to recommend projects for which we have no budget.
4. Access to donor information. The EC has made a determination that donor information (names and amounts should remain confidential). We do not think that this was a correct decision. In the absence of a development officer, if the DC is to serve in that function, we must have access to the data and that access should be timely and accurate.
 - a. For example, if we are to grow a recurring donor base there are two critical pieces of information that we are lacking
 - i. Names of donors
 - ii. Amount of recurring donation
 - b. Assuming that most of these donors are the trustees, we should be able to ask the Trustees to assist us in expanding this pool of donors by contacting friends and colleagues and other types of donors with the message “I have made a decision to support the AOS with a regular donation to assure the future of the things that matter to me in AOS. Would you consider joining me?”
 - c. Growing the donor amounts – For the group giving \$10 a month someone (another donor or a trustee) should contact them at the end of the year

- and say “Would you consider increasing your contribution to \$20 or \$25, etc...”
- d. We can’t do this without specifics and we can’t do it without the help of the Trustees. Fundraising gurus tell us that boards assist organizations by giving and/or by bringing new donors into the fold.
 - 5. Donor cultivation – this refers to moving donors up a pyramid of giving as outlined in our Development Plan from 2015.
 - 6. Donor appreciation – Special events on special occasions that single out various classes of donors for invitations to a private interaction with the officers and the trustees, thanking them for their support and having them tell us how the AOS could serve them and others better. We think that time for this should be built into the next and subsequent Members’ Meetings. Funding should be sought through donations.
 - 7. Development of well-defined action plans for Giving Tuesday and End of Year Appeals and any other special appeals. Make certain that we don’t have competing appeals – while having merit the Centennial Celebration and the Exhibit at Fairchild both compete with annual giving types of appeals and divert potential funds from the general fund.
 - a. Development of the message – any specific programs to be targeted
 - b. Development of a dissemination plan – email, mail, website, Orchids, however
 - 8. We are in the process of analyzing the budget looking at revenue and expense and how they are allocated to different parts of membership in order to understand better the areas in need of financial support.
 - 9. Improving the messages on the Donate Now page – beefing up the content and testimonials and story-telling under Education, Conservation and Research. For example, if we decide on a special appeal to build the research fund, we should feature an article on a past research grant recipient and how the AOS grant assisted in realization of the project as well as a slightly broader summary of the past impact of AOS grants. The Fairchild website has a menu of various possible channels for donation.
 - 10. We recently reviewed the last Annual Report from 2008 and wonder if it should not be resurrected in some fashion or other (preferably by electronic publication).

DC Members: Harry Gallis (Chair), Charles Wilson (Vice-Chair), Bill Zimmerman (Trustee), Carol Zoltowski (past Trustee), Taylor Slaughter (Honorary VP).

Finance and Investment Committee Report

As I write the Finance and Investment Committee report, it is without seeing the July and August monthly financial reports being held because of the audit. I can inform you the July and August expenses, have been in line with normal expenditures and IT has been under budget! Income for the first two months have been over budget which is a great way to start the new financial year.

We already reported, at the August meeting, we had an Investment Committee meeting with our investment advisors, Rembert, Pendleton, Jackson. We have over \$40,000 cash in the various investment accounts and \$130,000 in the Sun Trust checking account so it was decided that since AOS did not need to spend it on IT, at this time, to leave the money in the investments where we earn a higher yield. Our first quarter closes on September 30. We will have an update on investments at or before the meeting.

Advertising income has been down, but we believe that in the next few months this will be turned around since Allen Press is now handling all advertising for our organization. I look forward to see this income area increasing!

Thank you to the members who do the reoccurring donations. We really appreciate your commitment to this non-profit organization.

In January, the Finance committee will start to work on the budget for 2017/2018. I will send each committee chair an email in January to remind them of any budget needs or requests they may have for their committee.

Respectfully submitted

Susan Wedegaertner and Nancy Mountford

AMERICAN ORCHID SOCIETY, INC.

Financial Statements

June 30, 2016 and 2015

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
American Orchid Society, Inc.
Coral Gables, Florida

We have audited the accompanying financial statements of American Orchid Society, Inc. (a non-profit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Orchid Society, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

ROBBINS AND LANDINO, P.A.
Certified Public Accountants

Fort Lauderdale, Florida

AMERICAN ORCHID SOCIETY, INC.

Statements of Financial Position

June 30, 2016 and 2015

	2016	2015
Assets		
Cash and Cash Equivalents	\$ 173,408	\$ 252,478
Contribution Receivable	196,660	4,030,140
Investments	4,154,182	33,675
Prepaid Expenses and Other	41,026	97,623
Beneficial Interest in Charitable Remainder Unitrust	477,445	495,347
Capitalized Lease	<u>1,183,312</u>	<u>1,183,312</u>
Library Collection		
Total Assets	<u>\$ 6,323,656</u>	<u>\$ 5,994,952</u>
Liabilities		
Accounts Payable and Accrued Expenses	\$ 81,367	\$ 71,028
Deferred Compensation Obligation	299,240	312,447
Deferred Revenue	<u>424,751</u>	<u>419,698</u>
Total Liabilities	<u>805,358</u>	<u>803,173</u>
Net Assets		
Unrestricted		
Board Designated	4,464	4,464
Other	<u>2,136,379</u>	<u>1,939,828</u>
Total Unrestricted	<u>2,140,843</u>	<u>1,944,292</u>
Temporarily Restricted	1,294,768	1,174,800
Permanently Restricted	<u>2,082,687</u>	<u>2,072,687</u>
Total Net Assets	<u>5,518,298</u>	<u>5,191,779</u>
Total Liabilities and Net Assets	<u>\$ 6,323,656</u>	<u>\$ 5,994,952</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN ORCHID SOCIETY, INC.
 Statements of Activities
 For the Years Ended June 30, 2016 and 2015

	2016	2015
Unrestricted Net Assets		
Public Support and Revenues		
Membership and Publications	\$ 581,966	\$ 581,637
Advertising	78,867	121,406
Awards System	101,461	104,950
Contributions	236,509	30,707
Merchandise Sales	110	982
Investment Income	67,235	25,744
Fundraising Events	29,457	50,351
Royalties	12,000	8,000
Other	1,409	21,873
Reclassifications	(49,548)	
Release from Restriction - Other	41,426	2,101,736
Release from Restriction - Contributed Facilities	37,715	37,715
Total Public Support and Revenues	1,188,155	3,035,553
Expenses		
Program Services		
Memberships and Publications	565,582	408,180
Awards	12,883	31,902
Education and Conservation	131,229	109,319
Library and Museum	22,750	2,836,358
Contributed Facilities	23,059	23,059
Total Program Services	755,503	3,408,818
Supporting Services		
General and Administrative	213,920	262,343
Fundraising	7,525	21,346
Contributed Facilities	14,656	14,656
Total Supporting Services	236,101	298,345
Total Expenses	991,604	3,707,163
Change in Unrestricted Net Assets	196,551	(671,610)
Temporarily Restricted Net Assets		
Contributions	169,800	548,945
Reclassifications	49,548	
Investment Income	29,309	5,406
Release from Restrictions	(79,141)	(2,139,451)
Change in Temporarily Restricted Net Assets	119,968	(1,535,552)
Permanently Restricted Net Assets		
Contributions	10,000	4,663
Change in Permanently Restricted Net Assets	10,000	4,663
Change in Net Assets	326,519	(2,202,499)
Net Assets, Beginning of Year	5,191,779	7,394,278
Net Assets, End of Year	\$ 5,518,298	\$ 5,191,779

The accompanying notes are an integral part of these financial statements.

AMERICAN ORCHID SOCIETY, INC.
 Statements of Cash Flows
 For the Years Ended June 30, 2016 and 2015

	2016	2015
Cash Flows from Operating Activities		
Change in Net Assets	\$ 326,519	\$ (2,202,499)
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities:		
Realized (Gain) Loss on Investments	5,578	(413,471)
Unrealized Loss on Investments	79,325	527,774
(Increase) Decrease in Capitalized Lease	17,902	(495,347)
Change in Present Value of Deferred Compensation	12,300	10,226
Changes in Assets and Liabilities:		
Increase in Contribution Receivable	(196,660)	
Decrease in Inventory		1,022
Decrease (Increase) in Prepaid Expenses and Other	(7,351)	12,877
Increase in Beneficial Interest in Charitable Remainder Unitrust	(97,623)	
(Decrease) Increase in Accounts Payable and Accrued Expenses	10,339	(7,133)
Decrease in Deferred Compensation	(25,507)	
(Decrease) Increase in Deferred Revenue	5,053	(61,759)
Net Cash Flows from Operating Activities	<u>129,875</u>	<u>(2,628,310)</u>
Cash Flows from Investing Activities		
Sale of Investments	183,127	3,111,860
Purchases of Investments	<u>(392,072)</u>	<u>(465,404)</u>
Net Cash Flows from Investing Activities	<u>(208,945)</u>	<u>2,646,456</u>
Net Change in Cash	<u>(79,070)</u>	<u>18,146</u>
Cash and Cash Equivalents, Beginning of Year	<u>252,478</u>	<u>234,332</u>
Cash and Cash Equivalents, End of Year	<u>\$ 173,408</u>	<u>\$ 252,478</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements
June 30, 2016 and 2015

1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: Founded in 1921, the American Orchid Society, Inc. (the Society) is a nonprofit, scientific, and horticultural organization that was established to extend the knowledge, production, use, perpetuation, and appreciation of orchids.

The Society's programs have traditionally included providing membership and educational services, and the selling of various publications. The Society engages in activities to promote orchid education, research, and conservation throughout the world, and offers grants to students and monetary prizes to winners of various awards.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Date of Management's Review: In preparing the financial statements, the Society has evaluated events and transactions for potential recognition or disclosure through [REDACTED], the date that the financial statements were issued.

Financial Statement Presentation: Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

Unrestricted - Includes amounts which have no external restrictions and which are available for support of current operations.

Temporarily Restricted – Includes amounts which have donor-restrictions that can be fulfilled by actions of the Society pursuant to those restrictions or restrictions that expire by the passage of time.

Permanently Restricted – Includes amounts which have donor-restrictions that stipulate that resources be maintained permanently.

Contributions: Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Time-restricted and purpose restricted contributions are required to be reported as temporarily restricted support, unless the donor expressly stipulates otherwise. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Cash and Cash Equivalents: Cash and cash equivalents include cash, money market accounts and highly liquid investments with original maturity dates of less than three months held in retail banks. Cash and cash equivalents held by investment firms are reflected as investments in the accompanying statement of financial position.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements
June 30, 2016 and 2015

1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments: Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Beneficial Interest Charitable Remainder Unitrust: The Society is the beneficiary in a charitable remainder unitrust in which a third party is the trustee. The Society has recorded the restricted contribution and the beneficial interest at fair value, which is estimated as the net present value of the estimated future amount to be received. The beneficial interest is revalued at each fiscal year end, using updated life expectancies, interest rate and estimated cash flows to estimate fair value of the beneficial interest. The change in fair value of the beneficial interest is included in temporarily restricted contributions as reported in the Statement of Activities.

Library Collection: The Society has capitalized its collection of rare books, artwork and historical archival materials since its inception. If purchased, items accepted into the collection are capitalized at cost, and if donated, they are capitalized at their fair value on the acceptance date. Gains or losses on the sale of collection items are classified as unrestricted or temporarily restricted support depending on donor restrictions, if any, placed on the item at the time of acceptance. Collection items are not depreciated due to their cultural, aesthetic, or historical value that is worth preserving perpetually, and the Society is protecting and preserving essentially undiminished the service potential of the collection items.

Deferred Revenue: Deferred revenue represents advances for membership dues and advertisement for publications. Membership dues are recognized as revenue over the membership period to which they relate. Advertising revenue is recognized in the period the advertisement is published.

Income Taxes: The Society is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

The Society has not incurred any interest or penalties on its income tax returns.

The Society's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements
June 30, 2016 and 2015

1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value of Financial Instruments: Cash equivalents, contribution receivable, prepaid expenses, accounts payable and accrued expenses, and deferred revenue are reflected in the financial statements at cost, which approximates fair value because of their short-term nature.

Contributed Services and Facilities: Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received. Contributed facilities are also recorded at their fair value in the period received.

Functional Allocation of Expenses: The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. INVESTMENTS

The aggregate carrying amount of investments at June 30, 2016 and 2015 are as follows:

	2016	2015
Mutual Funds – Equities	\$ 1,159,176	\$ 1,124,929
Mutual Funds – Bond	2,952,254	2,707,451
Cash and Money Market Funds	42,752	40,958
Electronic Traded Funds – Equities		28,850
Cash Surrender Value of Annuity		127,952
	<u>\$ 4,154,182</u>	<u>\$ 4,030,140</u>

Investment return is summarized as follows:

	2016	2015
Interest and Dividends	\$ 198,974	\$ 168,160
Net Realized Gains (Losses)	(5,578)	413,471
Net Unrealized (Losses)	(79,325)	(527,774)
Investment Fees	(17,527)	(22,707)
	<u>\$ 96,544</u>	<u>\$ 31,150</u>

3. CAPITALIZED LEASE

The Society entered into a contract to lease its administrative office facility for twenty (20) years that expires in December 2034. There are no lease payments required during the term of the lease. The Society has recognized as restricted revenue and as a capitalized lease the fair rental value of the leased facility during the term of the lease as

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements
June 30, 2016 and 2015

3. CAPITALIZED LEASE (continued)

determined at the commencement date on the lease on January 1, 2014. The initial amount recorded for the capitalized lease was \$512,559 representing the present value of the in-kind contribution of the lease using a discount rate of 4%. The capitalized lease is amortized over the term of the lease agreement with a corresponding amount released from restriction. At June 30, 2016 and 2015, the capital lease consists of:

	Capital Lease		
	In-Kind Fair Value	Present Value Discount	Net Present Value
Fair Value of In-Kind Contribution at Inception of Twenty Year Lease	\$ 754,300	\$ (241,741)	\$ 512,559
Less: In-Kind Contribution for Year-Ended June 30, 2015	(37,715)		(37,715)
Add: Present Value Adjustment		20,503	20,503
Balance, June 30, 2015	716,585	(221,238)	495,347
Less: In-Kind Contribution for Year-Ended June 30, 2016	(37,715)		(37,715)
Add: Present Value Adjustment		19,813	19,813
Balance – June 30, 2016	<u>\$ 678,870</u>	<u>\$ (201,425)</u>	<u>\$ 477,445</u>

4. DEFERRED COMPENSATION OBLIGATION

The Society established a deferred compensation plan for a former executive director. The benefits under the plan are fully vested as of June 30, 2013. Monthly payments of \$2,319 begin in August 2015 and continue for 15 years. The Society has recorded the net present value of the monthly payments discounted at a rate of 4% as a deferred compensation obligation. The deferred compensation obligation at June 30, 2016 is \$299,240.

5. FAIR VALUE MEASUREMENTS

Accounting Standards Codification 820 (“ASC 820”), Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

- | | |
|---------|--|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Society has the ability to access. |
|---------|--|

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements
June 30, 2016 and 2015

5. FAIR VALUE MEASUREMENTS (continued)

- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis:

Mutual Funds: Valued at the closing net asset value of the shares held at year end as reported on the active market on which the funds are traded.

Electronic Traded Funds (EFT): Valued at the closing price of shares held at year end as reported on the active market on which the EFT's are traded.

Beneficial Interest Charitable Remainder Unitrust: Valued at the present value of expected future cash receipts based on the life expectancy table for a unitrust dual life remainder with a 6% payout rate using a discount rate of 2%.

Cash Surrender Value of Annuity: Valued based on actuarial tables on the life expectancy of the annuitant.

Present Value of Deferred Compensation Obligation: The value of the deferred compensation obligation is estimated at the present value of the expected cash outflows discounted using a rate of 4%.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements

June 30, 2016 and 2015

5. FAIR VALUE MEASUREMENTS (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Society's assets and liabilities at fair value as of June 30, 2016 and 2015:

	Total	Level 1	Level 2	Level 3
<u>June 30, 2016</u>				
Assets:				
Mutual Funds-Equities	\$ 1,159,176	\$ 1,159,176	\$	
Mutual Funds-Bonds	2,952,254	2,952,254		
Cash and Money Market Funds	42,752	42,752		
Beneficial Interest in Charitable Remainder Unitrust	97,623			97,623
Total Assets at Fair Value	<u>\$ 4,251,805</u>	<u>\$ 4,154,182</u>	<u>\$</u>	<u>\$ 97,623</u>
Liabilities:				
Present Value of Deferred Compensation Obligation	<u>\$ 299,240</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>June 30, 2015</u>				
Assets:				
Mutual Funds-Equities	\$ 1,124,929	\$ 1,124,929	\$	
Mutual Funds-Bonds	2,707,451	3,662,457		
Cash and Money Market Funds	40,958	40,958		
Electronic Traded Funds-Equities	28,850	28,850		
Annuity Cash Surrender Value	127,952			127,952
Total Assets at Fair Value	<u>\$ 4,030,140</u>	<u>\$ 3,902,188</u>	<u>\$</u>	<u>\$ 127,952</u>
Liabilities:				
Present Value of Deferred Compensation Obligation	<u>\$ 312,447</u>	<u>\$</u>	<u>\$</u>	<u>\$ 312,447</u>

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements

June 30, 2016 and 2015

5. FAIR VALUE MEASUREMENTS (continued)

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Society's Level 3 assets and liabilities for the years ended June 30, 2016 and 2015:

	Level 3 Assets	
	Beneficial Interest	Annuity Cash Surrender Value
Balance, June 30, 2014	\$	129,115
Unrealized Loss Relating to Instruments		
Still Held at the Reporting Date		(1,163)
Balance, June 30, 2015		127,952
Contribution	97,623	
Unrealized Gain Relating to Instruments		
Still Held at the Reporting Date		4,311
Realized Loss on Sale of Annuity		(3,966)
Sale of Annuity		(128,297)
Balance, June 30, 2016	<u>\$ 97,623</u>	<u>\$</u>

The investment income reported in the change in unrestricted net assets on the Statement of Activities includes the unrealized gain (loss) of \$4,311 and \$(1,163) and the realized loss on the sale of the annuity of \$3,966 for the years ended June 30, 2016 and 2015, respectively. The change in temporarily restricted net asset reported in the Statement of Activities includes the contribution of \$97,623 of the year ended June 30, 2016.

	Level 3 Liabilities
	Present Value of Deferred Compensation Obligation
Balance, June 30, 2014	\$ 302,221
Change in Present Value Deferred Compensation Obligation	10,226
Balance, June 30, 2015	312,447
Payments of Deferred Compensation	(25,507)
Change in Present Value of Deferred Compensation Obligation	12,300
Balance, June 30, 2016	<u>\$ 299,240</u>

The general and administrative expenses reported in the change in unrestricted net assets on the Statement of Activities include the change in present value of \$12,300 and \$10,226 for the years ended June 30, 2016 and 2015, respectively.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements

June 30, 2016 and 2015

6. DESIGNATED NET ASSETS

Included in unrestricted net assets at June 30, 2016 and 2015 are the following designated programs:

	<u>2016</u>	<u>2015</u>
Conservation	\$ 4,464	\$ 4,464
	<u>\$ 4,464</u>	<u>\$ 4,464</u>

7. RESTRICTIONS ON ASSETS

Temporarily restricted net assets as of June 30, 2016 and 2015 are available for the following purposes:

	<u>2016</u>	<u>2015</u>
Headquarters	\$ 6,270	\$ 6,270
Founders Wall	22,950	22,950
Heritage Collection	74,388	74,388
Theater Chairs	7,484	7,484
Tour Sign Posts	25,000	25,000
Linsman Memorial	31,902	31,902
Library Loft	15,000	15,000
Library Rare Books Room	25,000	25,000
Color Fund	17,146	16,845
Research	13,615	590
Technology	42,575	37,500
Conservation	37,428	43,391
Special Events	1,725	
Film	24,301	24,301
Slide Scanning	4,000	4,000
Neiter Trust	256,945	256,945
Earnings on Endowments – Awards	26,514	22,709
Earnings on Endowments – Research	74,868	59,068
Earnings on Endowments – Education	12,589	6,110
Total Purpose Restricted	<u>719,700</u>	<u>679,453</u>
Time Restricted – Facility Lease	477,445	495,347
Time Restricted – Beneficial Interest in Charitable Remainder Unitrust	97,623	
	<u>\$ 1,294,768</u>	<u>\$ 1,174,800</u>

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements
June 30, 2016 and 2015

7. RESTRICTIONS ON ASSETS (continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence or other events specified by the donors as follows:

	2016	2015
Color Fund	\$ 4,331	\$ 4,421
Education	4,705	275
Research	16,500	
Library	1,465	1,993,402
Library Room		25,000
Library Archives		4,300
Founders Wall		15,000
Heritage Collection		27,774
Conservation	8,270	
Headquarters		2,400
Postage	100	
Trustee Meetings		1,750
Nieter Trust		21,414
Publications	2,830	
Earnings on Endowments – Awards	3,225	6,000
Passage of Specified Time	<u>41,426</u>	<u>2,101,736</u>
	<u>37,715</u>	<u>37,715</u>
	<u>\$ 79,141</u>	<u>\$ 2,139,451</u>

During the year ended June 30, 2015, the Society reclassified \$49,548 from unrestricted net assets to the temporarily restricted net assets – Heritage Collection.

Permanently restricted net assets at June 30, 2016 and 2015 are classified as follows:

	2016	2015
Education and Research	\$ 338,801	\$ 338,801
Library	84,139	84,139
Awards	228,124	218,124
Liddell Research	<u>248,311</u>	<u>248,311</u>
Total Endowments	899,375	889,375
Library Collection	<u>1,183,312</u>	<u>1,183,312</u>
	<u>\$ 2,082,687</u>	<u>\$ 2,072,687</u>

8. EMPLOYEE BENEFIT PLAN

The Society offers a 403(b) plan that covers substantially all employees. Participation by an employee is voluntary and contributions may be made in any amount pursuant to a salary reduction agreement subject to Internal Revenue Service limitations. Employee elective deferrals are remitted directly to the plan's sponsor. The Society does not contribute to the plan.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements

June 30, 2016 and 2015

9. CONTRIBUTED SERVICES AND FACILITIES

The value of contributed facilities included in the financial statements for the years ended June 30, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
Revenue		
Contributed Facilities	\$ 37,715	\$ 37,715
Expenses		
Membership and Publication	\$ 10,394	\$ 10,394
Education and Conservation	12,665	12,665
General and Administrative	12,299	12,299
Fundraising	2,357	2,357
	<u>\$ 37,715</u>	<u>\$ 37,715</u>

10. COMMITMENTS

The Society leases office equipment under a lease agreement that expires in November 2016. Total rent expense for each of the years ended June 30, 2016 and 2015 was \$8,244. Future minimum lease payments under the terms existing at June 30, 2016 are as follows:

Year ending June 30, 2017	\$ 3,435
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11. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Society to significant concentrations of credit risk consist principally of cash and cash equivalents and investments.

The Society maintains its cash and cash equivalents with financial institutions. Cash balances may exceed the depositor's insurance provided by the applicable guarantee agency during the year. At June 30, 2016, demand deposits in financial institutions exceeded the insurance provided by the applicable guaranty agency by \$13,400. The Society has not experienced any losses in such accounts.

The Society's investments are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements

June 30, 2016 and 2015

12. DONOR-DESIGNATED ENDOWMENTS (UPMIFA STATE)

Accounting Standards Codification 958 (“ASC 958”), “Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds” provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). ASC 958 also requires additional disclosures about an organization’s endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The State of Florida enacted the “Florida Uniform Prudent Management of Institutional Funds Act” (“FUPMIFA”) effective July 1, 2012, the provisions of which apply to endowment funds existing on or established after that date. The Board of Trustees has determined that the Society’s permanently restricted net assets meet the definition of endowment funds FUPMIFA.

The Board of Trustees of the Society has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Society classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Society in a manner consistent with the standard of prudence prescribed by FUPMIFA. In accordance with FUPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Society and (7) the Society’s investment policies.

Endowment Investment and Spending Policies: The Society has adopted investment and spending policies, approved by the Governing Board, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Society’s spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. The Society relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Society targets a diversified

AMERICAN ORCHID SOCIETY, INC.

Notes to Financial Statements

June 30, 2016 and 2015

12. DONOR-DESIGNATED ENDOWMENTS (UPMIFA STATE) (continued)

asset allocation that places an emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

Endowment net asset composition by type of fund as of June 30, 2016 and 2015 are as follows:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment Net Assets, June 30, 2014	\$ 20,578	\$ 2,068,024	\$ 2,088,602
Contribution		4,663	4,663
Investment Return:			
Investment Income	43,520		43,520
Unrealized and Realized Gain	(31,446)		(31,446)
Total Investment Return	12,074		12,074
Appropriation of Endowment Assets for Expenditures	(6,000)		(6,000)
Endowment Net Assets, June 30, 2015	\$ 26,652	\$ 2,072,687	\$ 2,099,339
Contribution		10,000	10,000
Investment Return:			
Investment Income	36,672		36,672
Unrealized and Realized Loss	(7,363)		(7,363)
Total Investment Return	29,309		29,309
Appropriation of Endowment Assets for Expenditures	(3,225)		(3,225)
Endowment Net Assets, June 30, 2016	<u>\$ 52,736</u>	<u>\$ 2,082,687</u>	<u>\$ 2,135,423</u>
Endowment Cash and Investments, June 30, 2016	\$ 52,736	\$ 899,375	\$ 952,111
Library Collection		1,183,312	1,183,312
	<u>\$ 52,736</u>	<u>\$ 2,082,687</u>	<u>\$ 2,135,423</u>
Endowment Cash and Investments, June 30, 2015	\$ 26,652	\$ 889,375	\$ 916,027
Library Collection		1,183,312	1,183,312
	<u>\$ 26,652</u>	<u>\$ 2,072,687</u>	<u>\$ 2,099,339</u>

**Governance Committee Report
AOS Fall Meeting, Huntington, CA
October 19-22, 2016**

The Governance Committee was saddened by the loss of former chair Mario Ferrusi this summer and misses his insight and thoughtful contributions. Trustee Cheryl Erins joined the Committee, rolled up her sleeves and is a very hardworking participant, supporting veteran members Tom Etheridge, Harry Gallis, Taylor Slaughter, and Jean Hollebone.

The Governance Committee is an active Committee. Since March 31, the Committee has:

- Developed a policy and procedures on nominations for AOS awards which was approved by the Board, March 31, 2016. It can be used by both those nominating candidates and the Awards (Review) Committee. The policy lists and describes the AOS awards offered, and identifies information requirements to accompany a nomination;
- Developed a job description of the role and duties of the Nominating Committee , approved by the Board on July 26, 2016;
- Developed a Policy and Procedures document for the Nominating Committee which was approved by the Board, July 2016. This included competency needs of the Board, expectations for comportment of Nominating Committee members, criteria for candidate selection, and the process to be followed in choosing a slate of candidates for vote by the membership;
- As required in the Bylaws, prepared recommendations to the Board of Trustees re competency needs and criteria to be used in selecting Trustees for the 2017-20 election slate which were approved by the Board and forwarded to the Nominating Committee in July, 2016.
- At the request of the President, working with affected individuals, developed job descriptions for each staff member (6), officers and trustees (7), and all committees (13).These were approved by the Board July through September, 2016. The job descriptions will be published on the web shortly and will be presented and signed by Staff and Chairs at the Huntington meeting.

Current activities underway or to be undertaken include:

- Development of Job descriptions for the Honorary Vice Presidents and the AOS representative(s) to the World Orchid Conference Trust (WOC),
- Development of a gift acceptance policy for AOS, currently in draft,
- (In conjunction with Jeanne Buchanan and Nancy Mountford), develop criteria for the proposed Tom Sheehan Award for Outstanding Service by an AOS Volunteer.
- Continue to review/ update remaining policies and procedures as time permits.

Respectfully submitted,
Jean Hollebone,
Chair, Governance Committee

September 28, 2016

IT STATUS REPORT FALL 2016 BOT MEETING

Work done:

- New web server
- New SQL Server
- Web site launch
- Restructure internet glue to facilitate use of new public site while allowing required old website data (JC, OP, etc)
- Bug fixes
- New marketing funnel
- Prepare user data for Ontraport retention campaign
- Digital magazine – ramp up for publishing
- Data conversion and testing for eventual combination of two sites
- Various fixes, OP updates, routine maintenance
- Begin growth projects – membership, donation, retention

Recommendations for next six months:

- Finish new marketing funnel
- Finish retention campaign
- Complete digital magazines
- Web site fixes
- Improved content (web site)
- Australian data import
- General support
- Data migration and testing
- Begin modifications to JC and online OP app
- Begin absorption of iMIS functionality

Respectfully submitted,

Greg Filter

Chair, IT Committee

MEMBERS MEETING, SAN MARINO, CALIFORNIA

JUDGING COMMITTEE AGENDA — AILEEN GARRISON, CHAIR

MEETING: THURSDAY, OCTOBER 20, 2016 — 9:00 AM

- I. **Introductory remarks – Aileen Garrison**
- II. **Roll call and introduction of guests:** **Alternate Center Representatives:** Alison Gallaway, Alamo; Harry Gallis, Carolinas; Howard Bronstein, Florida-North Central; Amy Chung, Pacific Central; Robert Fuchs, West Palm Beach
Absent and Excused: Cathy Higgins, Mid-Atlantic; Bryon Rinke, Great Plains
Guests: Graham Wood, Hawaii; Laura Newton, Awards Registrar
- III. **Minutes of JC meeting of Thursday, April 14, 2016, Asheville, North Carolina**
Amended: Recommendation by Chicago Judging Center to accept **Andrew Coghill-Behrends** as **Student Judge** omitted from Spring 2016 agenda by JC Chair. Omission brought to the attention of Board of Trustees who **approved acceptance subsequent to meeting**.
- IV. **Task Force Reports:**
 - **Orchids Plus – Greg Filter**
 - **Awards Entry/Processing – Laura Newton**
 - Timeliness of award entry into JC Program
 - Number of award photos – revise photographer instruction sheet
 - **Handbook – Bob Winkley**
 - Summary of various issues in Judging Handbook under consideration for revision
 - **Attachment – Proposed Changes to Section VI.2.II, Judging Handbook, Special Annual Awards** – submitted for vote – **Board of Trustees approval required**
 - **Training Coordinator – Graham Wood**
 - **SITF – Ron McHatton (Note: Patricia Harding invited)**

Reminder: Minutes approved by the Board of Trustees in Spring 2015 state, “Awards are not to be granted to unnamed species.” Some judging centers continue to grant botanical awards to plants simply listed with the genus followed by “Sp.” to denote that plant is a species. This practice is in violation of Section 5.3, paragraph (2), of the *Judging Handbook*.

Motion to move into executive session

V. Personnel Recommendations – Require JC Recommendation to Board of Trustees

(a) Elevation of Certified Judges, Probationary to Certified Judge, Accredited:

Astacio-Diaz, Arnaldo*	Puerto Rico
Benoit-Biancamano, Marie-Odile	Toronto
Cavin, Eric	Florida-North Central
DePrez, Ann	Cincinnati
Hill, Kevin	California Sierra Nevada
Izquierdo-Rivera, Jose	Puerto Rico
Pauneto, Edgardo	Puerto Rico
Pereira, Myriam	Puerto Rico
Torres, Marines	Puerto Rico
Wilson, Charles	Pacific Northwest
Wilson, Susan	Pacific Northwest
Wong, Ricky	Pacific Central

*Deceased after having been recommended by center for elevation; **recommend Accredited status be approved posthumously.**

(b) Elevation of Students to Certified Judge, Probationary:

Durrett, Tom	Houston
Fernandez, Jose	Puerto Rico
Garcia, Rene E.	Puerto Rico
Hurdel, Sarah	National Capital
Juscak, John	Hawaii
Little, Michele	Cincinnati
Nelson, Synda	Chicago
Perez, Edwin A.	Puerto Rico
Smith, David	National Capital
Werntz, William**	Mid-America

**Retired as Accredited Judge from Mid-Atlantic Judging Center Fall 2006; accepted for reentry into judging system by Mid-America Judging Center at Probationary Judge level in accordance with paragraph 4.9.3, AOS Judging Handbook.

(c) Accepted as Students in these Centers:

Allen, Alejandra	Pacific South
Allen, George	Pacific South
Block-Brezner, Sandi	West Palm Beach
Canavera, Nancy	Alamo
Easey, Jonathan	Pacific Northwest
Harpster, Jason	Carolinas
Leyva, Jurahame	Hawaii
Li, Fong Cing	Puerto Rico
Luk, Stanley	Toronto
Millet, Toni	West Palm Beach
Marini, Wilfredo M.	Puerto Rico

V. Personnel Recommendations – Accepted as Students in these Centers (Continued):

Nakahara, Craig	Hawaii
Richardson, Joyce	Puerto Rico
Taylor, John	Pacific Northwest
Tryon, Debra	Puerto Rico
Varian, Karl	Dallas

(d) Request for change in status to Senior Judge:

Buchter, Richard	California Sierra Nevada
Cole, Roger	National Capital
Fulford, Richard	Puerto Rico
Gilliland, Ed	Florida-North Central
Kowalczyk, Ryan	Florida-North Central
Vazquez, George	Pacific South

(e) Request for change in status from Senior to Accredited Judge: None

(f) Request for change in status to Retired Judge:

Baughman, Carol (SR)	Pacific Northwest
Brashear, Jeanette (E)	Pacific Northwest
Chowning, Christine (A)	Cincinnati
Godfrey, Jill (A)	Florida-North Central
Lee, Elizabeth (SR)	Hawaii
Maurer, David (SR)	Pacific South
Pigors, Hermann (E)	Chicago
Rindlisbacher, Fred (A)	Hawaii
Whitfield, Jeff (SR)	Atlanta

(g) Request for change in status to Judge Emeritus:

Allen, Marion (A)	Rocky Mountain (Attachment A-1)
Ferrusi, Mario (A)*	Toronto (Attachment A-2)
Tokunaga, Roy (A)	Hawaii (Attachment A-3)

*Deceased after having been recommended by center for elevation; **recommend Emeritus status be approved posthumously.**

VI. Personnel Notifications – Board of Trustees Approval Not Required

(a) Granted leave of absence in these Centers:

Adams, Todd (ST)	Pacific Northwest	6 months (7/1/16-1/1/17)
Duncan, Sharon (A)	Shreveport	1 year (7/1/16-7/1/17)
Hurdel, Sarah (P)	National Capital	1 year (7/1/16-7/1/17)
Ricketts, Loretta (A)	Hawaii	1 year (7/1/16-7/1/17)

(b) Returned from leave of absence in these Centers:

Davis, Sue (ST)	California Sierra Nevada
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VI. Personnel Notifications – Board of Trustees Approval Not Required**(c) Resigned in these Centers:**

Bradham, Bruce (A)	Dallas
Charlton, Liz (P)	California Sierra Nevada
Proks, Lukas (ST)	Pacific Central
Pruyn, Steve (SR)	Pacific South

(d) Automatic termination in these Centers:

O'Brien, Thomas (SR)	Florida-North Central
Romero, Ernest Ivan (ST)	Florida-Caribbean
Watts, Jim (A)	Florida-Caribbean

(e) Transferred in these Centers: None**(f) With regret, the deaths of the following judges are noted:**

Astacio-Diaz, Arnaldo (A)	Puerto Rico
Ferrusi, Mario (A)	Toronto
Garrison, Olie (A)	Shreveport
Grove, David (E)	Northeast
Jernigan, Fred (Ret.)	Pacific Central
Off, Walter (A)	Mid-Atlantic
Sheehan, Tom (E)	Florida-North Central

VII. Center Chairs and Vice Chairs elected for 2017 – Changes in red :

<u>Center</u>	<u>Chair</u>	<u>Vice Chair</u>
Alamo	Wayne Marine	Sallie Delahoussaye
Atlanta	Lowell Jacks	Gail Furniss
California Sierra Nevada	Susan Wedegaertner	Bill Sanders
Carolinas	Stan Hutto	Tom Wise
Chicago	Lois Cinert	Nile Dusdieker
Cincinnati	Jordan Hawley	Alexa Noel
Dallas	Manuel Aybar	Judy Cook
Florida-Caribbean	Wojciech Klikunas	Jim Davison
Florida-North Central	Arthur Katz	Karen Wilson
Tampa	Patricia Cartwright	Nancy Losgar
Great Lakes	Greg Filter	Sandy Ohlund
Great Plains	Bryon Rinke	Sarah Pratt
Hawaii-Hilo	Karen Kimmerle	Ben Oliveros
Honolulu	Ruth Chun	Robert Moffitt
Maui	Maryetta Sciuto	Ivan Komoda
Houston	Don Maples	Don Ghiz
Mid-America	Nathan Bell	David Taylor
Mid-Atlantic	Catherine Higgins	Mark Werther
National Capital	Taylor Slaughter	Valerie Lowe
Northeast-Stamford	John Sullivan	Albert Messina
Boylston	Robert Winkley	Robert Hesse

VII. Center Chairs and Vice Chairs elected for 2017 – Continued - Changes in red :

<u>Center</u>	<u>Chair</u>	<u>Vice Chair</u>
Pacific Central-Oakland	Carol Zoltowski	Trudy Hadler
San Francisco	Japheth Ko	Amy Chung
Pacific Northwest-Seattle	David Edgley	Bill Zimmerman
Oregon	Marcia Romick	Tom Etheridge
Vancouver	Abu Salleh	Wayne Louie
Pacific South-Bev Tall		
Long Beach	Peter Lin	Norito Hasegawa
San Diego	Paul Tuskes	Arnold Gum
San Marino	Arthur Pinkers	Cindy Coty
Santa Barbara	Jim Sloniker	George Hatfield
Puerto Rico	Julio David Rios	Irma Saldana
Rocky Mountain	Mark van der Woerd	Lois Dauelsberg
Shreveport	Mary Mancini	Al Taylor
Toronto	Joyce Medcalf	Theresa Kennedy
Montreal	Michel Tremblay	Andre Levesque
West Palm Beach	Robert Fuchs	Jackie Wood

Motion to come out of executive session

VIII. 2015 AOS Special Awards – Taylor Slaughter

IX. Old Business:

- **Center Chair Guidebook** - Harry Gallis, TF Chair
- **Off-shore shows** – Carlos Fighetti, TF Chair

X. New Business:

- Recommendation from **Great Plains Judging Center** – Due to the difficulty in recruiting student judge applicants, give judging centers the authority to recommend elevation of Student Judges to Probationary status at any time within a student's training period when appropriate skill and knowledge are demonstrated; then the Probationary would serve three years before being recommended for Accredited status.
- Recommendation for **Pacific Northwest Judging Center** to re-visit the change for attendance credit when judging out of region from one-half to full credit.

Note: Items listed under New Business must be reviewed by Handbook Task Force first; noted in this agenda because they were included in respective center business meeting minutes.

No action may be taken at this meeting.

XI. Announcements:

- **The Spring 2017 AOS Members' Meeting** will be held in Coral Gables, Florida, on May 17-21, 2017. Center business meeting minutes are due to the JC Chair no later than March 17, 2017.

XII. Adjournment

Aileen Garrison
Chair

CURRENT TEXT	PROPOSED TEXT
6.2.11 Special Annual Awards These are monetary awards, except for the Ann and Phil Jesup Trophy, given annually by the Board of Trustees. Nominations for these awards may be made by each center committee and forwarded to the chair of the JC at least 60 days prior to the fall meeting of the Board of Trustees. Each winner shall receive an appropriate, signed award certificate. All awards must have been cleared (paid for) before they can be eligible for these Special Annual Awards.	6.2.11 Special Annual Awards These are monetary awards, except for the Ann and Phil Jesup Trophy, given annually by the Board of Trustees to exceptional plants awarded in the preceding calendar year . Nominations for these awards may be made by each center committee and forwarded to the chair of the JC and the presenter of the nominations at least 60 days prior to the fall meeting of the Board of Trustees. Each winner shall receive an appropriate, signed award certificate. All awards must have been cleared (paid for) before they can be eligible for these Special Annual Awards.
6.2.11.1 The Ann and Phil Jesup Botanical Trophy The Ann and Phil Jesup Botanical Trophy is a trophy awarded to the grower of the orchid species plant which is regarded as the most outstanding orchid species whose award was officially recorded during the previous calendar year. The award was established in 2002 and endowed by donations to honor Ann and Phil Jesup.	6.2.11.1 The Ann and Phil Jesup Botanical Trophy The Ann and Phil Jesup Botanical Trophy is a trophy awarded to the grower of the orchid species plant which is regarded as the most outstanding orchid species awarded during the previous calendar year. The award was established in 2002 and endowed by donations to honor Ann and Phil Jesup.
6.2.11.2 The Butterworth Prize The Butterworth Prize is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of orchid culture to have been awarded a Certificate of Cultural Excellence or Certificate of Cultural Merit during the preceding calendar year. This, the first of the AOS' permanently endowed awards, was provided in 1966 through the gift to the AOS from Mrs. Rachel Butterworth Dietz in memory of her parents, John and Nancy Butterworth, and of George Butterworth, past president of the AOS.	6.2.11.2 The Butterworth Prize The Butterworth Prize is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of orchid culture to have been awarded a Certificate of Cultural Excellence or Certificate of Cultural Merit during the preceding calendar year. This, the first of the AOS' permanently endowed awards, was provided in 1966 through the gift to the AOS from Mrs. Rachel Butterworth Dietz in memory of her parents, John and Nancy Butterworth, and of George Butterworth, past president of the AOS.
6.2.11.3 The W. W. Wilson Award The W. W. Wilson Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Cypripedium Alliance whose award was officially recorded during the preceding calendar year. The award was established in 1990 and endowed by donations to honor William W. Wilson, MD.	6.2.11.3 The W. W. Wilson Award The W. W. Wilson Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Cypripedium Alliance awarded during the preceding calendar year. The award was established in 1990 and endowed by donations to honor William W. Wilson, MD.

CURRENT TEXT	PROPOSED TEXT
6.2.11.4 The Masatoshi Miyamoto Award The Masatoshi Miyamoto Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Cattleya Alliance whose award was officially recorded during the preceding calendar year. The award was established in 1991 and endowed by donations to honor Mr. Masatoshi Miyamoto.	6.2.11.4 The Masatoshi Miyamoto Award The Masatoshi Miyamoto Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Cattleya Alliance awarded during the preceding calendar year. The award was established in 1991 and endowed by donations to honor Mr. Masatoshi Miyamoto.
6.2.11.5 The Herbert Hager Award The Herbert Hager Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the genera Phalaenopsis, Doritis and their intergenerics, whose award was officially recorded during the preceding calendar year. The award was established in 1992 and endowed by donations to honor Mr. Herbert Hager.	6.2.11.5 The Herbert Hager Award The Herbert Hager Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the genus Phalaenopsis awarded during the preceding calendar year. The award was established in 1992 and endowed by donations to honor Mr. Herbert Hager.
6.2.11.6 The Carlyle A. Luer Award The Carlyle A. Luer Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Pleurothallid Alliance whose award was officially recorded during the preceding calendar year. The award was established in 1992 and endowed by donations to honor Carlyle A. Luer, MD.	6.2.11.6 The Carlyle A. Luer Award The Carlyle A. Luer Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Pleurothallid Alliance awarded during the preceding calendar year. The award was established in 1992 and endowed by donations to honor Carlyle A. Luer, MD.
6.2.11.7 The Merritt W. Huntington Award The Merritt W. Huntington Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding flower to have been awarded a First Class Certificate (FCC) during the preceding calendar year. No judging center nominations are necessary for this award as all FCCs are eligible. The award was established in 1992 and endowed by donations to honor Mr. Merritt W. Huntington.	6.2.11.7 The Merritt W. Huntington Award The Merritt W. Huntington Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding flower to have been awarded a First Class Certificate (FCC) during the preceding calendar year. No judging center nominations are necessary for this award as all FCCs are eligible. The award was established in 1992 and endowed by donations to honor Mr. Merritt W. Huntington.

CURRENT TEXT	PROPOSED TEXT
6.2.11.8 The Roy T. Fukumura Award The Roy T. Fukumura Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the following whose award was officially recorded during the preceding calendar year: the genus <i>Vanda</i> , those genera in the subtribe Aeridinae (=Sarcanthinae) which hybridize with <i>Vanda</i> , and their intergeneric hybrids, excluding <i>Phalaenopsis</i> , awarded during the preceding calendar year. A plant may be simultaneously eligible for both the Fukumura and the Fuchs Awards; however, the plant may not win more than one of these Awards. The award was established in 1993 and endowed by donations to honor Mr. Roy T. Fukumura.	6.2.11.8 The Roy T. Fukumura Award The Roy T. Fukumura Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the genus <i>Vanda</i> , those genera in the subtribe Aeridinae (=Sarcanthinae) which hybridize with <i>Vanda</i> , and their intergeneric hybrids, excluding <i>Phalaenopsis</i> , awarded during the preceding calendar year. A plant may be simultaneously eligible for both the Fukumura and the Fuchs Awards; however, the plant may not win more than one of these Awards. The award was established in 1993 and endowed by donations to honor Mr. Roy T. Fukumura.
6.2.11.9 The James and Marie Riopelle Award The James and Marie Riopelle Award is given to the grower of the orchid plant , either species, intersectional hybrid or intrasectional hybrid, which is regarded as the most outstanding example of <i>Miltonia/Miltoniopsis</i> whose award was officially recorded during the preceding calendar year. The award was established in 1993, endowed by Mr. and Mrs. James H. Riopelle, and augmented by donations to honor them.	6.2.11.9 The James and Marie Riopelle Award The James and Marie Riopelle Award is given to the grower of the orchid plant, either species, intersectional hybrid or intrasectional hybrid, which is regarded as the most outstanding example of <i>Miltonia/Miltoniopsis</i> awarded during the preceding calendar year. The award was established in 1993, endowed by Mr. and Mrs. James H. Riopelle, and augmented by donations to honor them.
6.2.11.10 The Robert B. Dugger Award The Robert B. Dugger Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the genus <i>Odontoglossum</i> or hybrid with <i>Odontoglossum</i> in its parentage whose award was officially recorded during the preceding calendar year. The award was established in 1995 and endowed by donations to honor Mr. Robert B. Dugger.	6.2.11.10 The Robert B. Dugger Award The Robert B. Dugger Odontoglossum Award, established by the friends of Robert B. Dugger and members of the Odontoglossum Alliance, has been presented by the AOS trustees since 1996. It recognizes the work of a man who was responsible for the 1980s renaissance in Odontoglossums. Dugger established new pathways in intergeneric breeding, and created more than 8,000 crosses. Plants, either species or hybrid, eligible for the Robert B. Dugger Award should have parentage that contains an <i>Odontoglossum</i> as defined by the taxonomy in place at the time the award was established, and have been awarded during the preceding calendar year. Examples of these species include the following: <i>Odm. crispum/Onc. alexandrae</i> , <i>Odm./Onc. nobile</i> (<i>Odm. pescatorei</i>), <i>Odm./Onc. cirrhosum</i> , <i>Odm./Onc. spectatissimum</i> , <i>Odm./Onc. luteo-purpureum</i> , and <i>Odm./Onc. hallii</i> . A plant may be simultaneously eligible for the Carpenter and Dugger awards; however, the plant may not win more than one of these Awards.

CURRENT TEXT	PROPOSED TEXT
6.2.11.11 The Benjamin Kodama Award The Benjamin Kodama Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Dendrobium Alliance whose award was officially recorded during the preceding calendar year. The award was established in 1996 and endowed by donations to honor Mr. Benjamin Kodama.	6.2.11.11 The Benjamin Kodama Award The Benjamin Kodama Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Dendrobium Alliance awarded during the preceding calendar year. The award was established in 1996 and endowed by donations to honor Mr. Benjamin Kodama.
6.2.11.12.The Fred Hillerman Award The Fred Hillerman Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Angraecoid Alliance whose award was officially recorded during the preceding calendar year. The award was established in 2000 and endowed by donations to honor Mr. Fred Hillerman.	6.2.11.12.The Fred Hillerman Award The Fred Hillerman Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Angraecoid Alliance awarded during the preceding calendar year. The award was established in 2000 and endowed by donations to honor Mr. Fred Hillerman.
6.2.11.13 The Benjamin C. Berliner Award The Benjamin C. Berliner Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the genus Lycaste or its closely allied genera whose award was officially recorded during the preceding calendar year. The award was established in 2000 and endowed by donations to honor Benjamin C. Berliner, M.D.	6.2.11.13 The Benjamin C. Berliner Award The Benjamin C. Berliner Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the genera Lycaste, Sudamerlycaste, or Anguloa or the hybrids between those genera awarded during the preceding calendar year. The award was established in 2000 and endowed by donations to honor Benjamin C. Berliner, M.D.
6.2.11.14 The Milton Carpenter Award The Milton Carpenter Intergeneric Oncidiinae Award is given to the grower of the orchid plant, regarded the most outstanding example of intergeneric hybridizing within the Oncidiinae alliance whose award was officially recorded during the previous calendar year. A plant may be simultaneously eligible for the Carpenter, Dugger or Riopelle Awards; however the plant may not win more than one of these Awards. The award was established in 2005 and endowed by donations to honor Mr. Milton Carpenter, commercial grower, hybridizer, past president of the AOS, and one of the truly great ambassadors for the hobby.	6.2.11.14 The Milton Carpenter Award The Milton Carpenter Oncidiinae Award is given to the grower of the orchid plant, regarded the most outstanding example of intergeneric hybridizing within the Oncidiinae alliance, excluding Trichocentrum, Tolumnia, Cyrtochilum and Psychopsis, awarded during the previous calendar year. A plant may be simultaneously eligible for the Carpenter and Dugger awards; however, the plant may not win more than one of these awards. The Award was established in 2005 and endowed by donations to honor Mr. Milton Carpenter, commercial grower, hybridizer, past president of the AOS, and one of the truly great ambassadors for the hobby.

CURRENT TEXT	PROPOSED TEXT
6.2.11.15 The Ernest Hetherington Award The Ernest Hetherington Cymbidium Award is given to the grower of the orchid plant, either standard, miniature or novelty hybrid, or species, regarded as the most outstanding example of the Cymbidium Alliance whose award was officially recorded in the previous calendar year. The award was established in 2006 and endowed by donations from the Cymbidium Society of America to honor Mr. Ernest Hetherington.	6.2.11.15 The Ernest Hetherington Award The Ernest Hetherington Cymbidium Award is given to the grower of the orchid plant, either standard, miniature or novelty hybrid, or species, regarded as the most outstanding example of the <i>genus</i> Cymbidium <i>awarded</i> in the previous calendar year. The award was established in 2006 and endowed by donations from the Cymbidium Society of America to honor Mr. Ernest Hetherington.
6.2.11.16 The Bill Thoms Award The Bill Thoms Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Bulbophyllinae Subtribe whose award was officially recorded during the preceding calendar year. The award was established in 2007 and endowed by donations to honor Mr. Bill Thoms.	6.2.11.16 The Bill Thoms Award The Bill Thoms Award is given to the grower of the orchid plant, either species or hybrid, which is regarded as the most outstanding example of the Bulbophyllinae Subtribe <i>awarded</i> during the preceding calendar year. The award was established in 2007 and endowed by donations to honor Mr. Bill Thoms.
	6.2.11.17 The Frank Sr. and Elizabeth Jasen Award The Frank Sr. and Elizabeth Jasen Award is a monetary award given annually by the Board of Trustees to the grower of the orchid plant, either species or hybrid, regarded as the most outstanding example, species or hybrid of the Stanhopea alliance; <i>Acineta</i> , <i>Coryanthes</i> , <i>Stanhopea</i> , <i>Embreei</i> , <i>Gongora</i> , <i>Houleitia</i> , <i>Polycycnis</i> , <i>Sievekingia</i> , <i>Kegeliella</i> , <i>Lacaena</i> , <i>Lueddemannia</i> , <i>Peristeria</i> , <i>Braemia</i> , <i>Schlismia</i> , or <i>Soterosanthus</i> and their intergeneric hybrids, awarded during the preceding calendar year. The award was established in 2012 and endowed by the Jasen family to honor their parents Frank Sr. a long-time avid but amateur orchid grower and Elizabeth (Betty) Jasen. The award honors the grower that dares to grow unique and unusual orchids and the spouse that tolerates and helps nurture the grower's hobby.
	6.2.11.18 The Fuchs Family Award The Fuchs Family award is given to the most outstanding example of the genus Vanda as currently circumscribed, species or hybrid, awarded during the previous calendar year. Intergeneric hybrids are excluded from consideration. A plant may be simultaneously eligible for both the Fukumura and the Fuchs Awards; however, the plant may not win more than one of these awards. The award was established and endowed by the West Palm Beach Judging Center in 2016 to honor the Fuchs family for their hybrids, awards, and being great ambassadors for AOS over three generations.

Mario Ferrusi - Recommendation for Judge Emeritus – Attachment A-2

The Toronto Judging Centre, in a unanimous vote, enthusiastically recommends Mario Ferrusi for Judge Emeritus status. Mario's many years of service to the hobby, passion for and participation in his local orchid societies and the AOS judging system, and the AOS as a whole, all in the span of 35 years or so, exemplify the title of Judge Emeritus.

Mario began growing orchids in the early 1980s and soon after became involved in his local orchid society, the Southern Ontario Orchid Society, starting out as membership chair and quickly moving on to show chair, a position he held for 10 years. His early involvement at the local level fueled a passion for the hobby that never ebbed and he always made it a point to support local societies and shows, no matter how small. As his experience and notoriety grew he travelled extensively throughout Canada and the US giving talks on orchids, which eventually led to his being invited to give presentations at AOS Members Meeting and to present an AOS webinar on "Lycaste skinneri and Its Hybrids". In addition, he and his plants have earned 457 AOS awards to date, including 11 Silver Certificates and 3 Gold Certificates for his displays – a testament to his dedication and the importance he places on detail and on making any society's show look as good as it could be.

Mario entered the AOS judging system in 1992, became a Certified Judge in 1995, and was fully accredited in 1998, all in the Toronto Judging Centre. He eventually became chair of that center and was instrumental in the formation of the Montreal Judging Site to better serve the orchid growers in Quebec. As an AOS judge he again travelled extensively across Canada and the US to judge shows, particularly smaller shows, and judged shows in South America as well. He also served on the AOS Judging Committee.

Mario's passion for the AOS eventually drew him to involvement in AOS leadership. He became a Trustee in 2009, a position he held until 2014 when he was elected Vice-President. In addition to these roles, he served on the Nominating Committee, both as a member and as Chair, and on the Governance Committee, where he served for six years, the last four of which as Chair. In these roles Mario was a steady voice for the AOS mission and vision and its commitment to its members, and orchid growers in general, during significant upheaval as the Society sold its headquarters, moved to the Fairchild Tropical Botanic Garden, and grappled with declining membership.

As this citation was being prepared, but after the Toronto Judging Centre voted to recommend him for Emeritus status, Mario passed away. Before he fell ill he spoke often about how, in retirement, he was enjoying finally having so much time to spend with his orchids and promoting the hobby and the organization he so dearly loved, so there can be no doubt that had cancer not taken him early this list of orchid- and AOS-related accolades and accomplishments would have been much longer.

Mario's service to the AOS as a judge, and to the orchid community as an ambassador and leader, sets a high standard, one deserving the title of Judge Emeritus.

Respectfully submitted,

Toronto Judging Centre

Marion Allen – Recommendation for Judge Emeritus Status – Attachment A-1

Marion Allen requested that she be granted senior judge status at the summer business meeting of the Rocky Mountain Judging Center, for reasons of family health. The Center considered her request and unanimously voted to recommend to you that this change be granted.

However, our Center is well aware of Marion's accomplishments in the world of orchids. To our knowledge, she is one of the strongest ambassadors for orchids and the American Orchid Society. She is ever willing to help organize events, teach orchid growing, and explain orchid culture and biology to novices and advanced growers alike. She is a strong proponent of the American Orchid Society and the causes the society pursues.

We have attempted to compile a short summary of Marion's efforts:

AOS Functions:

1994 – 1996	Special funding Committee
1997	Finance committee
1998 – 2000	Affiliated Societies (initially Workshop Committee)
2000 – 2004	AOS Trustee
2001 – 2003	Chair Affiliated Societies, Ambassador to the society hosting the AOS members meeting (*)
2001 – 2004	Rocky Mountain Judging Center Chair
2004 – 2006	AOS Secretary
2005	Education Committee, Finance Committee
2006	Corresponding member of Affiliated Societies Committee, Corresponding member of Education Committee, Finance Committee
2009 – 2010	Affiliated Societies Committee
2012 – 2014	Rocky Mountain Judging Center Chair

(*) While she was chair of Affiliated Societies, she traveled extensively arranging for AOS meetings. She provided needed support to the host society, visiting each site at least once.

Local and regional functions not covered above:

1990s	<ul style="list-style-type: none">• Many classes taught on orchids at the Denver Botanic Gardens• Advisory committee on development of the orchid collection at the Denver Botanic Gardens
1991	President of Denver Orchid Society; member of committee organizing AOS members meeting in Denver
2004	Co-chair of the committee organizing the AOS members meeting in Denver <ul style="list-style-type: none">• Honorary life member of the Denver Orchid Society• Countless, likely hundreds, of shows in which she actively and significantly participated in show organization, for example in the plant registration process.• Active participation in SWROGA and ODC (recording secretary) and their committees.

Based on these records, it our unanimous opinion that Marion should be granted Emeritus status, rather than senior status. We all are very lucky to have her support on our side!

Sincerely,

Mark van der Woerd
Chair Rocky Mountain Judging Center

Roy Tokunaga – Recommendation for Judge Emeritus Status – Attachment A-3

The Hawaii Region is unanimously recommending Roy Tokunaga for elevation to Emeritus status. Roy has been a certified then accredited judge for almost 30 years in the Hawaii Region. He has been very active the Honolulu Orchid Society and judging region throughout this time. On a national and international level Roy is much respected for sharing his knowledge of both growing and hybridizing orchids as a speaker to societies as well as lecturing in shows and many of the AOS Members meetings. Roy is the co-owner of H&R Nurseries, Inc. and has been a pioneer in new hybridizing lines for both the commercial and hobbyist growers.

In Hawaii region Roy has served as Regional Chairperson for several years and has helped us cultivate and educate many of our new judges, not by just his lectures, but by personally taking an interest in student judges and working with them to increase and expand their knowledge of orchids. He humbly refers to his own mentor even now and takes seriously the responsibility of continuously learning and teaching. At the Honolulu Judges monthly training sessions Roy always brings trays of selected blooming plants from his nursery and provides the other judges with in-depth commentary about their culture, origin, hybridizing techniques and problems, and possible future plans for some of them. His extensive giving of his time and willingness to share to help make others better growers and judges, is well known and much appreciated.

On a national and international level Roy is much respected for his knowledge. He has traveled extensively for many years spending countless hours lecturing for societies, judges training sessions and AOS Members meetings. His lectures are as often about his latest discoveries of new orchid growing methods as his hybridizing interests. He has inspired many growers and judges with his ongoing interest in learning. His willingness and enthusiasm for sharing this knowledge has made Roy a true ambassador of the American Orchid Society.

In the field of hybridizing Roy is also well respected around the world. His hybrids, which number in the thousands, have been made with the orchid hobbyist in mind as well as working toward consistent seed propagated orchids for quantity and quality production for the commercial grower. His line breed species are exceptional. He has constantly shared his knowledge in this field as well. The AOS felt so strongly about him that in May 2015 he was honored with receiving an American Orchid Society Special Award for his advancements and accomplishments in his field of hybridizing.

Roy has been very gracious and generous with his donations to societies. Whenever he speaks he brings more than enough plants for the local raffle and auctions. He has been a longtime supporter of the American Orchid Society at its auctions as well. He has always made sure to send plants for the raffle and auction even when he couldn't come to the Member's meetings.

Although Roy was requesting a change to Senior status, the region feels that he is well-worthy of Emeritus status due to his intense and sincere dedication to orchids and his fellow judges.

Respectfully submitted,
Hawaii Judging Region
August 18, 2016

AOS Library/Archive Committee Report

September 22, 2016

1. Since our last report in April 2016, the Committee Chair conducted two work sessions at the AOS Library. Additionally, Mr. Bob Fuchs (and his employees) visited the Library on numerous occasions during the period. Following was accomplished by Mr. Fuchs during this period:

a. Ten of the original Reichenbachia paintings have been professionally framed, with UV glass, archival mats and so on, and also four of the RHS watercolors and several posters. These were placed in the locked library storage room. These are to be used during the AOS/Fairchild Orchid Exhibition in 2017.

b. FTBG has moved a large table into the library. This may be their idea of a “desk” for the librarian, but in my opinion it’s completely unsuitable and I will discuss this with Nanette at the earliest opportunity, if the Executive Committee wants me to. Today all of the library doors were locked and everything was secure. That was the case several weeks ago as well.

c. Regarding the lab room at the Montgomery Center, the counters and fixtures have been removed, the new A/C unit is working well, the walls have been painted with a mold-resistant paint. However, we may have a glitch with Fairchild over this space. Nanette had assured me this was AOS space, but there’s now some hint that our use of the room may have a time limit. I will get this ironed out before the meeting.

d. Fairchild’s own library was removed, the books taken for what I understood to be cleaning and anti-mildew fumigation. But the books are back, still in boxes, and the one box I opened had moldy books in it. So I don’t know what is going on with this, and will try to get some answers.

e. We have unpacked the Furniss’ collection of World Orchid Conference Medals, and put them on display in the library, in anticipation of the library opening.

f. The Art Exhibit project is coming along. We sent out more than 250 sponsor solicitation letters, and we have received a few thousand dollars in response. It’s still early and we expect donations to increase later in the year when people are looking at their tax returns. Any funds left over from the exhibition will be restricted, for conservation of the original Reichenbachia paintings or other projects the library committee recommends.

2. Major efforts identified in our last report that were to be accomplish prior to the next trustees meeting:

a. Obtain approval to hire an AOS librarian, **Completed**.

b. Prepare draft librarian job description for Trustee approval, **Completed and final Job description approved by the Trustees**.

c. Prepare draft Library Standing Operating Procedure (SOP) for review, amendment and approval, **Pending, awaiting the Librarian hire**.

d. Prepare a draft AOS Library Development Plan for Trustee review, amendment and approval. **Pending, awaiting the Librarian hire**.

e. Complete book plating and alphabetizing books. **Completed**

f. Remove the remaining AOS material from the 2nd floor class room. **Awaiting completion of modifications to the Montgomery Center.**

3. Future Major Activities Identified in our Previous Report to the Trustees:

a. Move archives to Fairchild-Space has been identified, however major mold, Air conditioning and suitability issues remain, **Pending**.

b. Establishment of a lending library concept has been discuss, but needs to be included in the AOS Library Development Plan and approved by the Trustees, **Pending, awaiting the hire of a Librarian**.

c. Inclusion in the Online Computer Library Center (OCLC) program-John Ingram investigating this with report due at Ashville meeting, **Pending, Information was provided by John Ingram and we are awaiting the hire of a Librarian for implementation**.

d. Conservation of the Reichenbachia original Paintings (approximately \$200,000 required), two donors have come forward to date with significant donations promised, **See item 1a above**.

e. Conservation of selected library books-**Pending hire of librarian**.

f. Complete inventory of all Periodicals-**On going see paragraph 4**.

4. Inventory of the major orchid periodicals held in the AOS Library was begun

a. AOS Bulletin/Orchids Magazine (1932-present) (USA) The copy of this periodical donated by Ben Singer is missing 20 issues. At one time, when the Library was housed in the

Delray Beach Headquarters, the AOS possessed a complete set of this periodical, however, it is not currently in the library. This set may be still in storage in Gainesville or was sold.

b. *Philippine Orchid Review* (1948-1989)(Philippines): At least 18 issues missing. Many years had varying numbers of issues).

c. *Orchid Review* (1893-present)(England): There are two sets of this extremely important periodical currently in the AOS Library. One is Complete up to about 2000. Issues after that are missing. Ben Singers set is missing one year of issues and the years after his death.

d. *Die Orchidee* (1949-present)(Germany): Complete except for the most recent years.

e. *Dictionnaire Iconographique des Orchidees* and *Chronique Orchideenne* (1896-1906) Complete set consists 826 color plates (aquarelles), 827 aquarelle covers (one plate was never issued), 82 genus covers (5 Genus Covers were never issued), 61 issues of the *Chronique Orchideenne* and 16 printed heavy cardboard covers. Missing from this set is five genus covers, of which 3 have been located and donated by John Ingram Orchid Books. This leaves only two missing. A complete set of this publication is extremely rare and every effort should be made to locate these two missing covers!

5. AOS Library/Archive Committee Goal-**Become one of the premier orchid information sources in the world.**

Respectfully submitted,

Kenneth A. Roberts

Chairman, Library and Archive Committee

MEMBERSHIP AND AFFILIATED SOCIETIES REPORT
FALL MEMBERS MEETING
OCTOBER, 2016

I am very pleased to report on current projects undertaken by our Committee since the Asheville Members Meeting. I am exceptionally fortunate to have wonderful committee members who work hard to support the AOS.

Gayle Brodie

Chair, Membership and Affiliated Societies Report

Almost Done With The Guide on How to Have a Thriving Orchid Society

In early August, the Committee held a brainstorming GoToMeeting call to discuss what we could do to help the many Affiliated Societies that are really struggling to grow and survive. During this call and in dozens of related emails, we accumulated a wealth of ideas and suggestions that our members had seen successfully implemented in various clubs across the United States, two territories and Canada.

Committee Member Edna Hamilton (author of last year's *Guide to a Successful Orchid Show*) has transformed our list of ideas into the new *Guide On How To Have A Thriving Orchid Society*. This beautifully illustrated and graphically rich document is organized into four categories: how to recruit new members, how to keep your existing members, how to have a great meeting program, and how to advertise your club and events.

The Guide is in its final draft and should be posted on the website and distributed to all Affiliated Societies shortly after proofreading.

Continued success of the AOS Corner

Committee Vice Chair and AOS Corner editor Denise Lucero and her team have done a remarkable job of producing a monthly newsletter that achieves substantially higher open rates than Informz (our mass email provider) reports as the average. Many thanks to Jose Izquierdo for providing a Spanish language translation and to Bill Walsh for handling the email distribution and related technical issues.

Direct Distribution of the AOS Corner to Newsletter Editors

We wanted to get the AOS Corner included in as many club newsletters as possible, because of the opportunity to share information regarding webinars, magazine articles, and other AOS benefits with hobbyists who have not joined the AOS. Using a "starter list" graciously provided by Sandy Svoboda, the Committee members used internet research to obtain contact information for orchid newsletter editors. The editor contact information was organized into a master spreadsheet by Committee member Dick Richter, and is updated monthly prior to mailing the AOS Corner. We also added a prominent invitation in the Corner to all editors to "cut and paste" our newsletter into their own publications. This has been successful and we are seeing an increasing number of clubs publicizing the AOS and the Corner in their newsletters.

Webinars Adapted for Meeting Programs for Affiliated Societies

Finding the money to pay for speakers is a huge struggle for many societies, particularly the smaller ones. The AOS has a library of meeting programs available to affiliates, but most of the programs are very out-of-date and the majority are slide programs that have physically deteriorated. Unfortunately, most clubs are unable to use the pre-recorded AOS webinars for meeting programs because doing so requires a stable internet connection at their meeting place. In response to an appeal from our Committee at Asheville, the Education Committee and Ron McHatton have very graciously adapted 21 existing webinars so that they can be delivered to societies by Dropbox, ahead of the society meeting date. That way, the webinar can be played from a member's computer at the meeting without an internet connection. We have been very happy to consult, publicize and support this important new service to our Affiliates, which should be available shortly, but the Education Committee really did the work and deserves the credit.

Appreciation certificates to societies which have been affiliated with the AOS over 50 years

Starting with a list from Ron McHatton of all the societies who joined the AOS over 50 years ago, Edna Hamilton determined that 62 of those societies were still affiliates of the AOS today. Before the Fall Members Meeting, Naya Marcano will be sending each of those societies a Certificate of Appreciation suitable for framing, with the President's signature and a gold-embossed seal. A list of these clubs will also be featured in the November Orchids magazine and the AOS Corner.

No new affiliations

Sadly, we have not received any applications for affiliation since Asheville. We are working with and actively encouraging a middle school teacher who wants to establish an orchid club in an underprivileged school, but he is having to complete a bureaucratic approval process with his administration. We have also been emailing with a large society in India.

Facebook and Instagram

The Affiliated Societies Facebook Group continues to grow under the excellent guidance of Chad Brinkerhuff, and now has 291 members. We have continued to operate it as a "closed" group so that Chad can review all posts prior to publication, but we all approve all membership requests. We also use the Facebook group as an additional point of distribution for the AOS Corner, which is important because many smaller clubs are using their own Facebook groups as an alternative to club newsletters.

The AOS Instagram group now has 871 followers, but we would like to see more posts and greatly appreciate any photos that can be shared. Sadly, we will lose our very capable administrator, Steve Van Kampen-Lewis, to impending fatherhood in January.

Committee reorganization

We have recently reorganized our approach to all committee projects. Each committee member is now responsible for approximately 20 societies, and will handle all committee projects with respect to that

group. We believe we will be more successful if individual committee members develop a relationship and familiarity with each society.

Twenty was selected as the appropriate number of societies per member during a committee GoToMeeting call, based upon the consensus of the participants. However, with this formula we need one more committee member to provide full coverage of the approximately 300 domestic societies, and five more members to provide coverage of the approximately 100 international societies. We will be actively recruiting more committee members at the Fall Members Meeting, and we greatly appreciate all referrals.

Society retention program

One of our most important functions is to contact every Affiliated Society that fails to renew their membership with the AOS. If the AOS representative does not respond to email or telephone contact, we use internet research to try to reach other club officers. In the past, the entire committee has shared a retention project every two or three months. Now, under the new committee organization plan, each member will be notified monthly if one of "their" 20 societies is delinquent. We hope to get quicker and more effective follow-up on delinquencies this way.

Committee volunteers

During committee recruiting efforts at Asheville, two individuals indicated that they would be willing to help on specific projects but they did not want to be full members of the committee. We are always willing to accept offers of help, so we created the position of Committee Volunteer (as opposed to Committee Member), and it has worked quite well. Both individuals have made useful contributions to the committee.

NOMINATING COMMITTEE REPORT

Committee Members:

Fred Clarke
Cheryl Erins
Don Ghiz, Chair
Nancy Mountford
Will Riley
Frank Smith
Bev Tall

Nomination Period:

Nominations were announced on the AOS Website and for two months in Orchids magazine. On October 1, 2016, nominations closed.

The Process:

A room has been reserved at the Huntington for Thursday, 4-8 PM. Candidates will be interviewed in person (or, in one case, by phone) in 15 minute intervals.

The Committee will review candidates' qualifications and begin the process of determining the best choices for Trustee.

Results:

Will not be announced at the October BOT meeting. Inasmuch as the deadline for determination is Feb. 15, 2017, the Committee reserves additional time for deliberations.

Final Product:

The committee will determine up to four candidates for the ballot. There are currently eleven candidates. There should be no disclosure of the names of those not brought forward.

AOS PR Committee Report

10/03/2016

David Toyoshima, Chair.

Jeanne Buchanan.

Carri Raven

Norman Fang

Fred Clarke

To date, Ms. Jeanne Buchanan developed a plan for an AOS Preferred Provider Program. After properly vetted by the AOS Evaluation Committee, orchid and orchid-related vendors will receive an AOS Seal of Approval, which can be used for marketing and packaging purposes. The program does not include live plants and pesticides. Vendors will pay a commitment fee for the endorsement, which will generate revenue for the Society. There is great potential for larger public relation, marketing, and media exposure for the AOS as well as vendors. We encourage all Trustees and members to recommend providers we should contact and provide contact information.

(For further details of this program, see Jeanne Buchanan.)

The AOS has an Instagram account: americanorchidsociety. Mr. Stephen Van Kampen-Lewis manages this.

The official AOS Instagram page is following 1,524 people and has 890 followers. We get new followers with every picture that's posted. Posted pictures include AOS awarded plants, in-situ, "orchid activities"(greenhouse tours, judging, silly pix), and specimen plants, which seem to get the most new followers.

If you want to post your photo to the Instagram AOS page, (hash tag) #americanorchidsociety.

David Toyoshima continues to moderate Facebook AOS Group Page and Official Page.

For the Official AOS Facebook Page, As of October 3, Pages Likes are up 24%, People Reached (5,413) is up 11.7%, and Post Engagements (1,561) are up 2.5%. Most of activity seems to come from posts regarding the latest issue of "Orchids" and examples of AOS awarded orchids.

For the AOS Group Facebook Page, there are 15, 559 (107 new this month) members. Last year at this time there were 14,055.

So, for both the official and group page, our popularity *continues to grow*.

Of those, there is no accurate way of knowing who is an actual paid member of the AOS. The "trick" will be continually trying to push social media members to become actual AOS members. We need to push the message of value (benefits) membership brings.

A big complaint last year was members posting images of orchids without identification. This has been less a problem, as I have pushed the policy of identification as well as photo credits when applicable.

Continuing objectives and goals:

Facilitate and promote AOS membership and donations.

Promote each AOS committee (Membership, Conservation, Education, etc.) and their new news.

Promote the AOS at orchid show and orchid related venues.

Promote the AOS at AOS affiliated society meetings.

Promote the AOS through social and traditional media.

Provide content for social media.

Promote the AOS with help from orchid vendors (See Preferred Provider Program).

Work with Greg Filter and Anthony Tanner in their advertising efforts.

Work with Greg Allikas and Editorial Board.

We also encourage every AOS member to be an ambassador and a PR person.

Word of mouth is the best advertisement. Whether it's through social media (Facebook, Instagram, Twitter, Pinterest, etc.), orchid shows or even at the local Home Depot, we can be spokespersons for our wonderful society. And provide help and information to those wanting to know more about growing orchids and perhaps joining our happy organization.

I encourage all members, especially Trustees and committee members to be more involved in social media (let's see more of your plants!).

We welcome any and all ideas to promote the AOS. Feel free to contact the chairman anytime.

Faithfully submitted,

David Toyoshima
Chairman

AOS Research and Conservation Committee Report

September 5, 2016

The Research and Conservation Committee had no proposals to review in this cycle. The deadline for submission of proposals August 1, 2016. We did, however, review one proposal off-cycle that was submitted in time to be considered on the spring funding cycle but was mailed to the old AOS Fairchild address and didn't arrive at AOS headquarters until June, 2016. The subject of the proposal was "Using genetic data to understand population dynamics of *Platanthera orbiculata*, *P. macrophylla*, and a newly formed hybrid" using specimens from a site in Mississippi. In comparison with the proposals reviewed in its cycle the committee chose to not recommend funding. While the proposal itself was sound the committee didn't feel that it offered enough novelty or insight to warrant funding.

Respectfully submitted,

Tom Etheridge,
Chair, Research and Conservation Committee

World Orchid Conference Trust Report
October 2016
22nd World Orchid Conference, Guayaquil, Ecuador

Plans for the World Orchid Conference, to be held in Guayaquil, Ecuador, November 8 – 12, 2017 are in full swing. Although small in size, Ecuador is one of the most diverse countries on the planet. If you want to see hundreds of species of orchids, ECUADOR has many different micro-climates that contribute to its orchid biodiversity and has 4235 orchid species.

The Conference, under the direction of Alec Pridgeon, will begin on Wednesday, November 8, 2017 and include four days of excellent presentations and posters. There will be two concurrent sessions with simultaneous translation (English-Spanish) for each of the four days of lectures and topics will cover three main topics: science, horticulture, and conservation biology. Two half-day symposia of invited talks are scheduled and one symposium will be devoted to the vast diversity of Andean orchids, which is what most registrants will see both at the show as well as “up close and personal” on the pre- and post-conference tours. This Andean session, a mini-symposium, will feature speakers from all the Andean nations: two from Colombia (Nhora Ospina, Andrea Niessen), two from Ecuador (Alex Hirtz, Lou Jost), one from Peru (Delsy Trujillo), one from Chile (Mauricio Cisternas), and one covering pollination by euglossine bees (Guenter Gerlach). The other symposium will focus on the systematics, ecology, conservation biology, cultivation, trade, and ethnobotany of the world’s pantropical and most commercially important orchid genus: *Vanilla* and will feature seven speakers including Ken Cameron.

If shows at the past five Scientific Conferences on Andean Orchids over the last ten years are representative, those who are interested (and who isn’t?) in *Masdevallia* and *Dracula* and other pleurothallids, *Cattleya* and relatives, *Phragmipedium*, *Stanhopea* and relatives, *Maxillaria*, *Sobralia*, and *Oncidium* and relatives can expect the show of their dreams. Vendors will be offering plants to take home, and a CITES representative will be on the premises to sign off on their passage out of the country.

Pre-and post-Conference orchid tours throughout Ecuador led by the staff of Ecuagenera are offered. Over many years, Pepe Portilla and his team have taken ecotourists from the heights of the Andes into the Amazonian lowlands to find hundreds of the more than 4,200 Ecuadorian orchid species, culminating in smiling faces and rave reviews. This may be your best chance to see those species that you love so much in the wild and learn what is needed to grow them to perfection back home.

The 22nd World Orchid Conference promises to be one of the best attended in recent memory. The Organizing Committee of the World Orchid Conference looks forward to welcoming you to Ecuador. Please visit the WOC22 website: www.woc22.com for details.

Respectfully submitted,
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President, World Orchid Conference Trust