

## **Working Group I Article *The VVA Veteran*, March / April 2019 Issue**

Based on feedback received from several State Council Presidents there appears to be a concern that the general membership lacks information regarding the status and progress of Working Group I (WG I) and Working Group II. Some State Council Presidents believe that lacking enough information delegates at the VVA Convention in July 2019 may not be prepared to cast well-reasoned votes on these important issues. One State Council President even suggested that the VVA National Board of Directors (NBOD) should vote to shut down the efforts of the two working groups before the Convention.

We can only speak for WG I, which was tasked with formulating a strategic plan to “Transition” (dissolve the VVA National Corporation) at some time in the future, and to determine the “time certain in the future” (approximate date dissolution should occur) and communicate that date to the general membership for approval at a convention.

WG I is currently in the process of finalizing the VVA Strategic Plan for Dissolution. The draft strategic plan will be provided to the VVA NBOD on March 25, 2019, for their review and comment, and will be finalized by WG I prior to April 12, 2019, when WGI will transfer ownership of the plan to the VVA NBOD for their information and use.

The VVA Strategic Plan for Dissolution will contain specific actions and dates those actions need to be taken to provide for an orderly and successful dissolution of the VVA National Corporation. Because a date for dissolving the VVA National Corporation has not been established, WG I will list action dates in a X-Date minus some number of months or years format. Some of those actions will need to be taken relatively soon, with most of the actions occurring closer to the date of dissolution.

The VVA NBOD will have primary responsibility for maintaining and executing the strategic plan and will need to be focused and involved in every step of the process. The strategic plan includes specific actions to identify and preserve legacy programs and activities important to the VVA membership. WG I believes the VVA NBOD needs to form a small committee composed of VVA NBOD members to focus on legacy issues because they will eventually need to identify one or more worthy organizations to transfer assets (people and funding) to preserve programs important to the legacy of VVA.

Directors of a nonprofit corporation generally have a two-fold duty: (1) fulfill the corporate mission; and (2) protect and maximize the assets of the corporation (which are viewed as being held pursuant to a constructive or implied trust) while at the same time avoiding insolvency. The VVA NBOD has a duty to provide for the future of the VVA National Corporation, which will inevitably be dissolved either voluntarily or involuntarily, by planning ahead for its certain termination.

The VVA Constitution is silent regarding dissolution activities. WG I will propose an amendment to the VVA Constitution at the 2019 VVA National Convention for the purpose of tasking the VVA NBOD, including the officers, with actively managing the legal dissolution of the Corporation, to include adopting, updating, and implementing a strategic plan for dissolution, and to take all actions necessary to accomplish the dissolution of the VVA Corporation. Please

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note this amendment does not establish a date or condition for dissolution of the VVA National Corporation.

Identifying a date to dissolve the VVA National Corporation was difficult for WG I, but the date that will be proposed to the membership in the form of an amendment to the VVA Constitution for approval of the delegates at the 2019 VVA National Convention will be “On or about December 31, 2028”. Why that date? First, today the average age of the VVA membership is about 72, and by the end of 2028, the average age will be about 82. While the VVA has a few active and contributing members who are 80 years and older, they are the exception rather than the rule. Second, the VVA will celebrate its 50<sup>th</sup> anniversary of service to veterans in 2028, and it would be fitting for the VVA membership to celebrate that landmark before ending operations. Other indicators such as Chapters and State Councils having difficulty filing the proper reports to remain in good standing with VVA National Corporation, and smaller Chapters struggling to find five members willing to serve as officers and directors demonstrate an increasing problem at the base root level of the organization.

So, what happens if the delegates do not approve WG I’s proposed date for dissolution, or an alternate date proposed at the Convention? WG I is very aware that the subject of dissolving the VVA National Corporation is difficult for many to accept. As long-time members of the VVA ourselves, the members of WG I would prefer that the VVA would carry on forever, but we realize that is just not possible. An excellent analogy provided by WG I and NBOD member Kerwin Stone is that the truck has already crested the hill and is starting down the slope. At the bottom of the hill there is a train stopped across the road, and the longer the driver of the truck delays applying the brakes the faster the truck will be going and the more difficult it will be to take actions to prevent a wreck at the bottom of the hill.

It may be that the delegates do not approve the date proposed by WG I, but that will not delay or stop the inevitable point in time when the VVA National Corporation must dissolve. There are many actions that must be taken over a several year period to distribute assets and preserve the legacy of the VVA. If the VVA National Corporation delays taking well planned and orderly actions too long, the State of New York, rather than the VVA, will make those decisions.

The State Council Presidents are correct in stating that both working groups need to provide as much information as possible to the membership prior to the 2019 Convention so the members, Chapters, and State Councils will have an opportunity to discuss and understand the issues before the Convention. WG I plans to distribute the final VVA Strategic Plan for Dissolution to the State Council Presidents in electronic format on the same day it presents the hardcopy document to the VVA NBOD. The two constitutional amendments that WG I will submit to the VVA Constitution Committee will be distributed to the membership through the regular process the VVA Constitution Committee uses each convention year.

Thank you, Bob Seal, Chair Working Group I