

REMARKS OF THE ACTING-CHAIRMAN AT AGM OF MEF ON DECEMBER 11TH, 2010

Welcome all to our first annual general meeting. I am Rob Fricker, the Acting-Chairman of your Board of Directors of The Malawi Education Foundation or MEF. It has been an eventful year for MEF and we are still very much in the formative period. Let me provide some highlights.

I intend to limit my remarks to the issues related to governance, our efforts to gain a charitable status, and our efforts to get ourselves fully operational. Christie Johnson, a member of our Board of Directors, our Executive Director as well as, a tireless and selfless founder of the school and all we represent here, will discuss the progress of the school and our fundraising efforts.

MEF was incorporated under the Societies Act in British Columbia during the year 2009. A year ago, the membership elected your Board of Directors consisting of Ken Haywood, Christie Johnson, Sandra Minifie, David Stocks, Larry Johnson, Fern Proulx, Tim Schilds, Tom Lazenby and myself. In the first meeting Tim Schilds was named Chairman, Sandra Minifie was appointed Secretary, Larry Johnson, Treasurer and I was appointed Vice-Chair. The eight key issues facing your Board at the beginning were:

- Getting a bank account established,
- Getting a charitable designation from CRA;
- Establishing appropriate relations with The Sooke Rotary Community Organization (SRCO) to facilitate transfer of responsibility from SRCO to MEF;
- Gain a full understanding of the risks facing MEF now and in the future and finding an appropriate way to manage those risks;
- For all of us, as Board Members, to get up to speed on the past, present and future of APU, the Malawi School and Canadian activities that MEF intends to take over;
- Have a comprehensive Friend Development Program in place that effectively and efficiently raises the funds necessary to construct the school, to keep it operating until it is able to become self-sufficient and, builds the strong relationships we need for continued success.
- Establish a productive relationship with the Board of the APU Trust in Malawi and with the executive of the school and,
- Additionally we wanted to find a fair and equitable way to support and recognize Christie in her efforts to encourage, drive and support the successful establishment and continuing operation of the school in Malawi.

After about three months, Tim Schilds tendered his resignation for personal reasons. As well, Sandra Minifie and Tom Lazenby tendered their resignations at the same time. Larry Johnson took on the additional role as Secretary and I, as Vice-Chair, became Acting-Chairman. We appreciate Tim's, Tom's and Sandra's efforts on behalf of MEF and are very grateful for their evident continuing support of the APU project. On behalf of MEF and all the Board, thank-you Sandra, Tim and Tom.

Over the succeeding months we were able to recruit three superbly qualified and committed candidates to the Board to replace the lost members. They are Tricia Timmermans, Samuel Perez and Helene Weir. Thanks to all three of you for agreeing to join our Board. Each of you is a very welcome and valued addition.

At your Board's direction, Larry established banking relations with the Toronto Dominion Bank in St Albert. Larry has also carried the lion's share of the effort to apply to CRA for charitable status for MEF. The process is a very long one and seems to be bearing fruit. After we, hopefully, make a minor change to our constitution here today – a change specifically recommended by CRA, there is a very good chance we will receive our charitable status very soon. Congratulations Larry!

The SRCO, or more completely The Sooke Rotary Community Organization, has enabled the successful efforts to obtain and provide funding for the school in Malawi to date. They have provided the ability to provide tax receipts and a great deal of responsible and informed support. Without their efforts this project would have foundered long ago in the scrapyard of unrequited dreams. Special thanks to several individuals in particular whose personal efforts has made this happen. They are David Stocks, Patrick Fallon and Lori Messer. I know there are a few other individuals who have made a significant contribution to moving the project forward. Our gratitude to you too. Also a very special thanks to SRCO and the Sooke Rotary Club for all you have done to date.

Larry and I had a very productive meeting with Lori Messer in Edmonton during the summer to iron out some of the practical issues involved in the transition of SRCO's role to date to MEF if, as and when MEF receives charitable designation. This meeting went a long way to improving our communications and the way we are working together. Patrick Fallon has also been a great help as we move forward. And David Stocks has been a great help with one foot in the Rotary camp, the SRCO camp and the MEF camp (goodness knows how he does it, I haven't yet seen the third foot so there may be some sort of magic involved). We can't thank each of you enough.

Each of our board members has been struggling to get a full appreciation of the ten years of history in this project and to understand the labyrinth of regulation, practical realities and possibilities that SRCO, MEF and APU have had to, and continuously will, face individually and collectively. Your Board has made considerable headway in gathering the momentum to accept the passing of the baton from SRCO and to positively and effectively support the successful development of the school in Malawi for the years to come.

Now we come to Friend Development. Friend Development includes normal fundraising efforts and much more. It also includes such things as: volunteer development; membership development; a comprehensive communication program, a clear recognition program, database development and management; regulatory compliance and, cooperation, coordination, planning and results stewardship with Malawi APU Trust and the School. Here is a summary of the situation:

- The Malawi APU Trust has asked us for, and we have accepted to use our best efforts to provide, close to \$ 388,000.00 CAD to fund the operations and construction for this fiscal year.
- We believe that our fundraising efforts this year have a reasonable probability of providing sufficient funds to meet this obligation. We won't quit until we are able to provide sufficient funds.
- Currently we have made little progress on the development of a comprehensive Friend Development Program, although we have been quite successful in our annual fundraising tours with Christie and Memory talking in many, mostly Rotary Club, venues.
- Christie is leading a team to develop a comprehensive Friend Development Program and the Board expects to review and approve the results in FYE 2011.

- When we receive charitable status, we will have a program, as part of the Friend Development Program, to seek funds from additional sources including other Foundations, matching grants and NGOs, etc.
- MEF has little, if any, money to spend on its Friend Development efforts and its administration. Most the funds for fundraising and administration to date have been donated by a few angels and Christie has volunteered all her time without any compensation, as well she has persuaded others to do the same.
- While this model is, perhaps, admirable, it is neither fair to all concerned nor is it sustainable.
- Christie has been appointed the Executive Director of MEF. Three donors have specifically donated about \$12,000.00 to pay her a very small stipend for 5 months while a more acceptable solution is found. While most charities keep a portion of the funds raised for administration, this has not been the case, except for very small amounts, in all the fundraising for the Malawi School. The Board is reluctant to keep funds for administration from donations without the direct knowledge and approval of our donors. And prior to our existence there has been no formal mechanism to responsibly handle administration requirements except through persuading the support of more angels. To all of them goes a great thanks and a recognition that the time has come to more purposely plan and steward to administration expenses including a living wage for our Executive Director. We expect to address this issue in the new year.

And now to establishing relationships with the APU Trust and the school executive. Christie is the main conduit for communications between Canada and Malawi. SRCO has a contract with the APU Trust in Malawi that lays out the terms and purposes under which funds are released for the school. CRA regulations require all charities sending funds out of Canada to have such a contract in place.

MEF will require a similar contract with the APU Trust. A committee of our Board, again led by Larry, has proposed a contract with APU Trust which is part of our application for charitable status. The contract stipulates timely stewardship and reporting and the CRA appears to have found it acceptable. Over the past year, APU Trust and MEF have been developing the financial processes and reporting time lines required to fulfill the terms of the contract. This work will continue into the coming year. I believe that MEF needs to establish more and stronger links with APU Trust as they are, in effect, our contracted agents in Malawi.

Now to Christie. Christie's vision and drive have in large measure been at the core of making the School in Malawi a reality. It is my belief that she has given unstintingly of herself She has put her all into raising the necessary funds as well as coaching and mentoring those in Malawi. For Christie this has been a full time effort for ten years for which she has received no personal financial compensation. I feel this is a very unfair and financially harmful position to put Christie in. I believe our Board must find a fair way to deal with the situation. I believe other Board Members think like me on this matter and that we feel some urgency to find a fair and reasonable solution. I am committed to advocating that the Board deal with this issue early in the new year and in a way that is fair and beneficial to all concerned, especially the donors who so generously give.

Lastly back to governance. Over the last year your Board Members have begun to come together as an effective team. Your Board has made some significant strides and there is much more to do. My comments should have provided some insight into our plans for next year and beyond. It is my recommendation that for next year and beyond we have three standing committees of the Board:

- ◆ FRIEND DEVELOPMENT COMMITTEE - this committee will oversee the planning and implementation of all our efforts to sustainably raise the funds necessary to secure the development and operation of the school and additional related projects for as long as necessary. This committee and others may have other, more targeted, committees as part of them. For instance there may well be a Communications Committee and a Fundraising Tour Committee, etc.
- ◆ APU TRUST AND SCHOOL LIAISON, SUPPORT & STEWARDSHIP COMMITTEE - this committee will be involved in overseeing the performance with respect to our contract with APU Trust and to learn about their developing needs and wants as well as recommending how best we can help and support them.
- ◆ MEF REGULATORY COMPLIANCE AND FINANCIAL OVERSIGHT COMMITTEE - this committee will help assure that MEF remains in compliance with all CRA, BC Societies Act, our bylaws and other regulations affecting our operation. As well they will oversee our financial situation, providing support and advice to the Treasurer on such matters as internal review of our accounting practices and statement accuracy, provision of donor receipts, maintenance of donor, volunteer and member records, etc.

I would expect each Board Member to join and become an active member of at least one of these committees. I recommend that the incoming Board consider adopting this or a similar approach.

There remains two things to do.

First, I wish acknowledge Ken Haywood and his overwhelming commitment to this project. Ken puts unbelievable energy, passion, thought, consideration and resources into this project. He does all this with stealthy quietness like the Energiser Bunny until he finds something he can do and then he galvanizes into unstoppable action. I am sure we are all honoured to have Ken work with us. A simple thank-you is inadequate yet probably more than you are comfortable with. Please know your efforts are greatly appreciated.

Finally, I wish to thank each of the Members of the MEF Board for all their efforts and support. I also wish to thank on the behalf of your Board all the people who have given what they can to our cause, be that support, advice, time or resources. Your generosity is greatly appreciated by many, both here and in Malawi. Please keep it up. I have every reason to believe we all are sharing in the creation of a success story, based on Memory's and Christie's Dream, that will serve as a model of sustainable and effective aid to self-development that will be an example to others for years to come.

The late Ray Nelson said: "A school is four walls with the future inside." Brick by brick we are contributing to the building of the walls and the environment. With the energy and determination of Memory, Christie and many others, with perseverance and a little luck the "future inside" our school in Malawi will transform - will rock - Malawi and Africa. I think it will.

Tonight do something to celebrate the standout success we together are helping to create. Many thanks for the opportunity to work with you on such a meaningful project.

Your turn Christie...