

Hand Eye Society AGM 2017

2017 Annual General Meeting - Minutes

Saturday, March 11

Location	Electric Perfume
Members of the Board of Directors in Attendance	Chris De Castro (CDC), Shaun Hatton (SH), Cindy Poremba (CP), Adam Axbey (AA)
Duration/Minutes Taken By	2:40 p.m. to 4:00 p.m. EST / Al Donato and Adam Axbey

Agenda

- Call to Order
- Introductions
- Approval of the Agenda
- Overview of Organization and Review of 2016 Activities
- Presentation of 2016 Financial Statements
- Approval of 2016 Financial Statements
- Appointment of Accountant and Exemption From Audit
- Election of Directors
 - Stephanie Fisher
 - Emma Westecott
 - Adam Axbey (re-election)
 - Chris Gehman (re-election)
- New Business
 - Conflict of Interest Policy
 - Voting
- Adjournment
- (time permitting) Off-Record Discussion and Concerns

Agenda Item	Discussion	Action Item/Decisions
Call to Order	Board chair CP calls the meeting to order. She reviews rules, introduces board members. Chris Gehman is absent and sends his regrets.	-CP goes over Roberts' Rule and calls the meeting. AA seconds. The motion passes unanimously and the meeting begins.
Approval of Agenda	CP reviews what will be discussed.	CP calls for motion to approve agenda.

		Seconded and approved.
Overview of Organization and Review of 2016 Activities	Executive director Sagan Yee (SY) states that she already went over this during the public portion of the AGM.	Agenda item is skipped, as contents were reviewed already.
Presentation of 2016 Financial Statements	<p>Transparency: CP states that disbursement and deposit spreadsheets can be accessed by any member whenever they desire. This is not required by law, but as a non-profit that receives public funds, Hand Eye Society does so for checks and balances.</p> <p>Results of HST audit: Former ED and current director of Fundraising and Partnerships Jim Munroe (JM) presents.</p> <ul style="list-style-type: none"> • Issue was with largest public funder, the Ontario Trillium Foundation (OTF). Trillium funded Game Curious program from 2013 to 2016. • Funder recommended this be done through trustee, Art Starts. Hand Eye ran the program, and paid for labour and administration. Payments were located in joint bank account. • Canadian Revenue Service erroneously believed since Art Starts received funding on HES' behalf and we were invoicing them, that we should be paying HST, which is not the case. Budget reduced by 13 per cent. We appealed, and were successful. However because of this, largest funding is not reflected in financial statements. • Cons: HES was disqualified for OAC and TAC funding because we didn't have a large enough operating budget. Pros: HES qualifies for some exceptions to audit this year, which will save some money. <p>Game Curious Funds: Mostly labour costs, almost all staffing and venue, outreach, broadcast, documentation, facilitators, along with a small amount travel and snacks. Total: \$63,500. Revenue/Expenses:</p>	<p>The HST audit was successfully appealed and Hand Eye will be refunded.</p> <p>CP moves to accept financial statements from January 1 to December 31 2016. Seconded. Majority in favour, none against, two abstained. Motion passes. A notetaker writes that one financial statement had been shown after the vote occurred.</p>

JM: “Membership fees are growing every year. Important because they’re not attached to deliverables when it comes to a program. A lot of our grant money is almost money in, money out because money we get goes to pay for program coordination.

- Biggest line item: program labour - \$36,212.
- Artist fees are lower than in previous years (\$1321) because there was no funding for Wordplay.

QUESTION: I notice fundraising fees are \$15,000.

ANSWER: JM - “Fundraising income is all gross income that came in. For instance, ticket sales, that is what’s reflected. However, what’s not obvious is a big chunk of programming labour was used in executing the Society Ball, which is a big project for us. What we came to after all expenses considered, our profit was \$4,000. You might look up and say, ‘yeah big money,’ but a lot went to labour.

QUESTION: Has there been discussion about having another fundraiser program like the ball or does the board think in terms of labour and cost—just looking at numbers, this is the first thing popping in my head. In terms of long-term growth and sustainability, do we want a space like that? Would fundraiser events lead to HES office?

ANSWER: JM says capacity issues.

ANSWER2: Attendee Adora, who may volunteer services for HES finances - “Just to add to point of sustainability, that is a big question I am going to try to help and answer. Look at what is the cost and benefit of one very large end of year event ... whereas smaller events like putting on a conference that people pay to come to. It’s a good question I am hoping to help out.”

ANSWER3: Board electee Emma Westecott -

“As an organizer at Level Up, over five years we’ve been able to build up that type of capital at the cost of sponsorship. One of the questions here is how much HES wants to engage with sponsors. The HES brand is so precious, it might compromise community values. Part of discussion: how can you negotiate a higher income event? Easy way of generating easy income, but at cost of putting a brand logo on things.”

QUESTION: This sounds like a separate topic. Motion to add new agenda item?

ANSWER: JM denies, goes against rules.

FOLLOWUP: Does HES have any employees or is everyone

	<p>paid as a contractor? Do people pay HST? ANSWER: JM states yes and yes. Everyone is a contractor, anyone who is registered for HST (at the moment, Sagan and Jim), pays for it. FOLLOWUP: So professional fees, artist, administrative ... you obviously track HST, but it's not listed on there [expense statements]? ANSWER: JM states HST doesn't go on financial statements. Professional fees are exclusively accountant fees, separate from labour. Artist fees are exhibition fees (usually \$80 honorarium).</p>	
<p>Appointment of Accountant and Exemption From Audit</p>	<p>JM goes over audit options. At the moment, HES uses the lightest and cheapest form of scrutiny.</p> <p>QUESTION: I know you had a statement of position, did you have a statement of cash flow? ANSWER: JM says no.</p> <p>QUESTION: Has the budget grown? ANSWER: JM notes budget has grown by \$30,000. Budget was nearly \$100,000 last year, this year it's \$130,000 including GC.</p> <p>CP goes over audit options: notice to reader (light scrutiny, \$1,000-2,000), review engagement (medium, \$2,000 to 4,000), and audit (intense, \$5,000 to 8,000). CP: "All non-profits must get it done by default, in order to be eligible for public funds, but small organizations like ours that make under \$100,000 qualify for notice to reader if membership agrees.</p> <p>QUESTION: if you continue to do notice to reader, is it possible to get all three financial statements (income, statement of position, cash flow)? Because with more coming in and out, cash flow would show. ANSWER: JM states bookkeeper keeps detailed records, no reason not to since it'll give HES a better sense of financial possibilities.</p> <p>QUESTION: We're getting close in terms of growth, do we need to pay for more accountants? ANSWER: JM - "When we're asking them to do a different level there's a diff level of commitment, they put in 2 to 3</p>	<p>CP moves to resolve resolution: "Corp wishes to be exempt for Part XII of the Business Corporate Act of Ontario regarding application and duties of an auditor; be it resolved that D Jae Gold Chartered is appointed accountant for ensuring year and exp. Seconded. Almost all in favour, three abstaining. Motion carries.</p>

	<p>times more hours. It's literally an issue of how much we want to pay them. But at some point, it's the funding opportunities that open up to us with things like review engagement."</p> <p>FOLLOWUP: More attention on books, does it provide any guidance to how to better guide how to plan?</p> <p>ANSWER: Accountant doesn't do that, JM states.</p> <p>JM notes if we get a grant that requires a higher level of scrutiny, we would get it then. No advantage getting it beforehand, audience member states.</p> <p>QUESTION: If we do continue to get notices, is there a time in foreseeable future where we do get an audit?</p> <p>ANSWER: JM states we can get audited at any time.</p> <p>SY mentions that because there is a show later in the day, if we get off the rails she will step in. Conversation has been on-topic so far.</p> <p>POINT OF INFORMATION: Has HES ever had a full audit?</p> <p>ANSWER: No, never had. The point of this process is a check and balance that we're sort of being above board in our dealings. One of the things to keep in back of mind is we did have a level of scrutiny from CRA [regarding HST audit]. Not that we wanted it but we've already been through the process. It's not a complete audit, but the fact that they voted in our favour hopefully gives you the feeling that there has been some oversight.</p>	
<p>Election of Directors</p>	<p>Secret ballot is introduced and ballots are handed out. CP states one can vote for everyone up for election. SY compares the board to Pokemon teams; you have six slots, don't have to fill all of them.</p> <p>CP: "Our existing board is Chris De Castro, Shaun Hatton, Adam Axbey, Chris Gehman, Sara Grimes, and Cindy Poremba. Adam, Sara, Cindy and Chris Gehman's terms are up this year, while the rest have one more year in their current terms. Cindy and Sara are leaving the Board this year, after two years of service.</p> <p>This means we have 2 new board nominees, bringing</p>	<p>Attendees vote. Every electee is voted onto the board, obtaining 27 votes each.</p>

our board to 6, which is its maximum allowed by our bylaws. If there is a majority voting yes for each candidate, each will be elected to the board. You must vote “YES” or “NO” for each individual candidate; this is not a vote in which only one candidate wins.”

Board electees are introduced:

“First: **Stephanie Fisher (SF)** is a co-director at Pixelles Montreal, currently supports games research work at U of T in the Faculty of Information, and has helped out with our Game Curious program as a volunteer and advisory board member. She was also one of the original six participants in the HES Difference Engine Initiative in 2011, alongside our current Executive Director, Sagan Yee!

If she is voted in, SF will be taking over the role of President from Cindy.

Second: **Emma Westecott (EW)** has vast credentials and numerous years of experience in the industry (having worked with Douglas Adams on the point and click adventure game Starship Titanic). She currently teaches and researches game design at OCAD, where she is also director of the game:play lab and coordinator of the Level Up Showcase.

Both have done extensive academic work in the field of women, games and gender studies. This is just the tip of the iceberg of their achievements, and it would be an honour to have them on board.

Finally, Chris Gehman (CG) and Adam Axbey (AA) are up for re-election, so they must be voted onto the Board as well.

Chris Gehman sends his regrets for missing the AGM. He has been our Treasurer for the past two years, and would like to stand for re-election to the board, and to continue in the role of Treasurer. Chris is a filmmaker, arts administrator, curator and educator. He bring to

Hand Eye Society 25 years of experience working with non-profit, publicly funded arts organizations such as Vtape, the Images Festival, Cinematheque Ontario, and Pleasure Dome. He brings with him a lot of knowledge about granting programs, as well as organizational finance and budgets.

Adam Axbey writes music and does sound design for games and television, as well as producing a web series. He is a sound designer at Ubisoft Toronto, and he was instrumental in putting together Toronto's first Mini Maker Faire. He has served as our Torontron deployment officer in the past, and has served on the board these past two years in the role of secretary.

SY: We bid a sad farewell to board members **Sara Grimes** and **Cindy Poremba**, but they won't be going too far (at least that I know of!) Their many contributions to the organization during their terms have been incredibly appreciated and we wish them luck on their post-HES Board adventures, which we already know are keeping them plenty busy.

QUESTION: What percent of membership is present?

ANSWER: SY states we have 70 paid members, 60 volunteer members. In the room there were 40 people in the room, slightly less than 30 per cent, quorum is 20 per cent.

QUESTION: How are board members nominated?

ANSWER: JM explains. Board members have to be nominated two weeks in advance, and have to be a member. This is listed in bylaws available on website, can be inquired over email. Generally that's the bylaw process, which accompanies the approach process HES' internal takes to shaping diverse board makeup. Board must be 50 per cent active game makers, so as to not be "out of touch."

QUESTION: In respect to 50 per cent being game-making parties, what are the projects currently

	<p>being made by game makers? ANSWER: SY states there is no strict definition on practicing game maker. Board members reply with their works. Asker states they're only asking because they're interested in commercial games and that's why they attended. Another attendee mentions that HES is an arts organization, which is a broader scope than just commercial.</p> <p>As votes are counted, SY introduces following agenda point "New Business - Conflict of Interest Policy."</p>	
<p>New Business: conflict of interest policy and voting</p>	<p>The Issue: Should board members and staff members be allowed to show work at HES events?</p> <ul style="list-style-type: none"> Continuing discussion of how to approach conflict of interest issues around exhibition of artwork. Current guidelines are loose and allow except at events they are curating. No issues have been raised yet, but the board has decided to draft a more concrete proposal for the membership to vote on at this year's AGM. Proposal will be piloted for one year, where potential edge cases are documented and reviewed at following AGM. <p>The Proposal: "Board members and employees will base their decisions on the best interests of the Hand Eye Society as an organization. They will derive no personal benefit, whether direct or indirect, from their position as a Director or employee, and where practicable avoid any situation that may create, or appear to create, a conflict of interest between their personal interest(s) and those of the organization. If conflict of interest is not avoidable, board or staff will disclose the nature and extent of the conflict of interest to the Board of Directors in a timely and meaningful manner so as not to put the organization at risk."</p> <p>Theoretical Arguments:</p>	<p>Vote on COI policy results: 20 state NO to passing the guidelines, 10 state YES, and 2 abstained.</p> <p>As such, the proposal will be sent back to the board and revised. Will be brought up again at next AGM.</p> <p>Note made that future ballots should include option for abstaining. (Those passed around only stated YES/NO.)</p>

In favour: the perspective of many established arts non-profits like Vector and Lift, they view it as a necessary sacrifice. Not really a hard set of rule, we're not expected to by government. In past, needed to address equity and diversity, human interest, etc. Hovering over our heads for a while ONCA, due any year. Doing so will improve relationships, more transparent and accountable.

Against: In cases, recruiting board members willing to forego few opportunities to exhibit art may present a challenge. We've talked, like ImagiNative, their perspective is that small venue for Indigenous artists is de-incentivizing members to be involved in organizational level. 50 per cent of board needs to be prac game making. It's a possible issue where de-incentivized unless unpaid, may prevent us from expanding operational capacity beyond volunteers and non-making gamers. Not been a problem for us even though we have had a loose set of policies.

QUESTION, Jason Bond (JB): Most people paid by HES are independent contractors, many involved are paid for specific programs. Are they also forbidden submitted from in other exhibits if only paid to help with one program?

ANSWER: Not currently. Guidelines would hash this out, SY states.

QUESTION: Any negative feedback?

ANSWER: JM - "No, this is preemptive. From the outside, even though we've given our curator process, when you see someone involved with organization gets one of 30 spots in a contest, there could be some suspicion of favouritism."

FOLLOWUP: Board members are agreeing to a two-year term. Significant chunks of that are not able to access HES opportunities. Most part, contract basis on specific process, if you co-ran of an individual session, period of a few months, maybe not participating then. Would mean not banning people for a year if ever worked in Game Curious.

QUESTION, Jason Bond (JB): We don't actually have contracts in a formal sense. Good point to bring up, at what

point is that bookended?

ANSWER: SY acknowledges, says it would be good to look up formal definition of employee and what language to use.

QUESTION: Are we voting on this proposal, soliciting feedback, or suggesting amendments?

ANSWER: SY states we are voting on exactly what's on the screen.

FOLLOWUP: CP states this vote is not a permanent change to HES policy. If majority votes no, the board will revise draft using concerns raised and then ratify at next year's AGM. The draft is guideline until then. If yes, the proposal will be in place for one year, subject to review. They will make further adjustments at next year's AGM if needed.

QUESTION: Is it possible to put numerical limit on submissions person can do as they work for HES?

ANSWER: May not be best approach. SY states that simple as possible is preferred, so no loopholes.

QUESTION: In terms of drafting language, was language drafted by board?

ANSWER: SY - "It was written by board member CG, then the whole board reviewed it. Part of it is taken from boilerplate template from Media Arts Network of Ontario (MANO), which does advocacy work for human resources and media arts organizations. We changed it to make it sound less weird.

QUESTION: What if one of these board members or employees are employees at a company? If they're at Capy, or Ubisoft they can't show any games?

ANSWER: SY states if not specific game the person worked on, she doesn't see why not. CP states - "Spirit of policy, you're not personally benefitting. In cases like that, you can draft policy but often times when that comes up it's case by case. Asker notes that they're asking because AA remixed a song for their game Lovers in A Dangerous Spacetime.

QUESTION: Was a disclosure model considered? Rather than prohibition, why not full disclosure model where board members' games are well announced. If there is contention, let the ppl argue that. It also encourages cream of the crop talent to enter this organization. The people who are going to be singled by this are not going

	<p>to be interested in participating. Was disclosure never fathomed?</p> <p>ANSWER: Yes, this is what's been done in the past CP states. In some cases, board members have not shown things.</p> <p>ANSWER2: JM states There's a difference in disclosure internally or publicly. Every time Comics x games is announced, there's disclosure at bottom of announcement.</p> <p>FOLLOWUP, SAME ASKER: if you haven't had any complaints so far, why castrate everybody?</p> <p>ANSWER: SY: "We have written down everybody's concerns and we can take it to board."</p> <p>ATTENDEE proposes motion to vote on conflict of interest policy one point at a time. Denied, JM states can't modify once agenda approved. Attendee counters with motion to consider by paragraph makes sense in context. General confusion on validity of this proposed motion.</p> <p>JM: "The process we decided at last AGM was that the board would come up with a draft which they've been doing. We vote yay or nay. There's very much ... absolutely this is something we take to the board, maybe they decide to break it up into two votes. I think they'll take it into consideration, I don't think we can make these decisions on the fly, these can impact the organization for many years."</p> <p>Points of Information raised:</p> <ul style="list-style-type: none"> ● Attendees can't add an agenda item. ● Dislike for voting on policy piecemeal, attendee state it adds another level of bureaucracy. ● SY points out that it is eight minutes to 4 p.m., and that today's feedback will be considered by board. ● Can consider interim method of feedback until next AGM, since there are no GMs. ● Subcommittee is proposed to give feedback on COI. SY invites people to email her or Jim (sagan@handeyesociety.com / jim@handeyesociety.com) if they are interested, so they can gauge interest. <p>SY thanks outgoing board members for their work over past two years.</p>	
Adjournment		CY motions to

		adjourn meeting. Almost unanimous in favour, one abstaining. Motion passes and meeting ends.
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