

1                                 **MINUTES OF THE MEETING**  
2                                 **OF THE BOARD OF DIRECTORS**  
3                                 **OF THE NATIONAL BISON ASSOCIATION**  
4                                 **September 28, 2015**  
5                                 **Via Telephone Conference Call**  
6

7                 The regularly scheduled meeting of the Board of Directors of the National Bison Association  
8 was convened at 5:00 p.m. Monday, September 28, 2015 via telephone conference call, pursuant  
9 to previous action by the board and the requirements of the bylaws.

10                 Present were:

11	Bruce Anderson	Roy Liedtke
12	Peter Kohl	Dick Gehring
13	Ray Thieman	Tom Barthel
14	Karen Conley	Dave Hunter
15	Jason Moore	

16                 Absent were Peter Cook, Keith Yearout, Paul Kolesar, Peter Rooney and Troy Bivens. Also  
17 attending were Dave Carter and Jim Matheson. Bruce Anderson presided and Dave Carter served  
18 as recording secretary.

19                 Bruce Anderson provided a report from the president. He reported that he is pleased about  
20 the completion of the audit report. He also said that the Washington, D.C. Roundup was very  
21 successful. He said he was pleased that membership is holding strong, despite the dues increase.

22                 The chair directed the board’s attention to the Minutes of the Meeting of July 16, 2015,  
23 which were distributed as Attachment A with the board packet. There were no corrections noted.  
24 A motion was made by Dick Gehring to approve the minutes as distributed. Said motion was  
25 seconded and carried.

26                 The chair called for a financial report. Roy Liedtke and Dave Carter reported that the  
27 Finance Committee met September 23<sup>rd</sup> to review the Year to Date Financial performance and the  
28 2014 audit.

29                 The association is recording strong financial performance through August. Year to Date  
30 gross revenue of \$477,119 is \$18,483 below budget. Gross expenses of \$453,697 are \$40,336  
31 below budget. After adjustments and allowance for the five percent designated revenue, net  
32 income YTD of \$35,205 is \$38,821 above budget. Membership revenue of \$24,557 above budget  
33 is a major factor in the strong performance. Grant revenue and expenses are both significantly

1 below budget, but will come more in balance after September 30<sup>th</sup>. On the balance sheet, the net  
2 equity of the NBA is \$174,628, compared to \$123,274 at the comparable time last year. Peter  
3 Kohl made a motion to approve the financial report as presented. Said motion was seconded and  
4 carried.

5 Mr. Carter reported that the 2014 audit has been completed, and the draft report has been  
6 delivered by Taylor Roth and Associates. He reported that President Anderson and he also had an  
7 exit interview with the auditor on September 24<sup>th</sup>. The audit opinion states: “In our opinion, the  
8 financial statements referred to above, present fairly, in all material respects, the financial position  
9 of National Bison Association, as of December 31, 2014, and the changes in its net assets and cash  
10 flows for the year then ended, in conformity with accounting principles generally accepted in the  
11 United States of America.” This signifies a clean audit. The audit documented a negative change  
12 in net assets of \$29,078 for the year ended 2014. However, the auditor also noted that the financial  
13 review of 2013 indicated that the net assets had increased \$26,000 that year.

14 Mr. Carter noted that the audit management letter, included as Attachment E, lists for areas  
15 in which the auditors recommend that the NBA address.

- 16 • Membership Revenue Reconciliation;
- 17 • Personnel Payroll Records;
- 18 • Accounting Policies and Procedures; and
- 19 • Separation of Duties.

20 Mr. Carter reviewed the discussions that the staff has had concerning implementation of the  
21 procedures to address the four issues in the management letter.

22 He directed the board’s attention to the Governance Communication Letter issued by Taylor &  
23 Roth. He said that the auditors have requested that the board accept that letter. Roy Liedtke made  
24 a motion to accept the Governance Communication Letter. Said motion was seconded and carried.

25 Mr. Liedtke made a motion to accept the 2014 Audit report. Said motion was seconded and  
26 carried.

27 Mr. Carter reported, that, now that the audit is completed, the NBA will be transitioning  
28 to a new accounting firm. He is negotiating with An Extra Hand accounting, and anticipates an  
29 increase in personal service and a reduction in the hourly expense.

1 Mr. Carter also reported that the association is also transitioning its bank accounts to Bank  
2 of the West. This will allow the NBA to consolidate our banking services to one institution. The  
3 transition will occur in stages.

4 Jim Matheson provided an update on the grants being administered by the NBA.

5 He said that the SARE grant continues to support the development and printing of the  
6 2<sup>nd</sup> edition of the Bison Producer's Handbook. The additional funding is available to facilitate a  
7 number of workshops primarily aimed at educating extension agents and ag educators. The funds  
8 will also allow the NBA to attend State/Regional conferences in the North Central United States.  
9 The grant underwrote Mr. Matheson's participation in the Michigan "Bison Bash" in August.

10 The RMA grant concludes September 29<sup>th</sup>. Mr. Matheson and Mr. Carter have been in a  
11 race to wrap up the new addition of the Bison Producers' Handbook. This publication should be  
12 ready for distribution in time for the National FFA convention.

13 Mr. Matheson also reported that the NBA has submitted applications for two new RMA  
14 grants.

15 Mr. Matheson reported that the current membership in the NBA is 1,045, compared to  
16 1,025 on July 13<sup>th</sup>. There has been a slight increase (two members) in the active and multi-year (12  
17 members) categories.

18 Mr. Carter reported that balloting in the regional elections will conclude on September  
19 30<sup>th</sup>. The ballots are being tabulated by a third-party individual not affiliated with the association.

20 Mr. Anderson asked if there was any clarification regarding the ability of appointed  
21 directors to serve for two full terms. Mr. Carter said that the Past Presidents' Committee is  
22 reviewing this issue as a part of the committee's overall work to update the bylaws and policies.  
23 The committee may recommend elimination of the two-term limit on regional directors and  
24 instead propose an overall 10-year term limit on board service.

25 Mr. Carter noted that Section 3.2 of the NBA bylaws states, in part: "The Board of  
26 Directors may nominate a proposed slate of officers and other directors to be elected at each  
27 annual meeting of the members; additional nominations with respect to one or more positions may  
28 also be made either in writing in advance of the voting meeting or from the floor at the meeting by  
29 any voting member." Discussion was held. Without objection, the board agreed that the Executive  
30 Committee will develop a recommended slate to bring forward to the Full Board in November. At  
31 that time, the Full Board will vote on recommending a slate of candidates. Mr. Liedtke requested

1 that board members contact members of the Executive Committee with thoughts and  
2 recommendations.

3 Mr. Matheson reported that Beverly Brown and the planning committee are actively  
4 preparing for the 2016 Winter Conference. The committee is recommending that we expand the  
5 conference by a day in 2016. Under the proposed agenda, the board meeting will be conducted on  
6 Tuesday, January 19<sup>th</sup>. Most of the committee meetings will be conducted on Wednesday  
7 morning, January 20<sup>th</sup>, with the full conference sessions set for Wednesday afternoon, all day  
8 Thursday and one-half day Friday.

9 Mr. Matheson reported that the Holiday Inn in Elk River will be the host facility for the  
10 2016 Summer Conference. The Minnesota Buffalo Association has already been developing an  
11 agenda of activities for the conference.

12 The International Bison Conference has been formally chartered as a 501(c)(5) nonprofit  
13 corporation, and the board of directors has been elected. Andrew Bardwell is the chair of the  
14 committee, Aaron Paulson is vice president, Mr. Carter is Secretary, Roy Liedtke is Treasurer, and  
15 Gaylynn Flocchini is the director at large. The IBC has established a bank account at Bank of the  
16 West. The National Buffalo Foundation has sent \$15,000 for their sponsorship, and those funds  
17 have been deposited in the account. Andrew has ordered the 15 commeraritive rifles, and we will  
18 be sending a check for about \$10,400 to enable Shiloh to begin manufacturing the rifles.

19 Mr. Carter is talking with Vicky Vlaanderen about serving as the bookkeeper for the IBC.

20 Jim Matheson is scheduled to travel to Big Sky in early October to meet with the resort staff  
21 about the logistics.

22 The Chair called on the committees for reports.

23 Tom Barthel reported that the Past Presidents Committee is continuing to conduct a review of  
24 the NBA Bylaws and policies. The committee is planning on having recommendations finalized  
25 later this year.

26 Keith Yearout was not in the meeting, but Jim Matheson reported that the Membership  
27 Committee has been developing some ideas and recommendations to expand membership  
28 outreach.

29 Karen Conley provided a report of the Gold Trophy Show and Sale Committee. She reported  
30 that the committee is reviewing the rules and regulations, with the intent for bringing those up to  
31 date. The committee will be holding its next meeting on October 8<sup>th</sup>. She said that she will be

1 pushing to promote GTSS participation. Mr. Carter reported that Kroger has agreed to be the  
2 Presenting Sponsor of 2016 GTSS for \$10,000.

3 Mr. Matheson reported that Gerald Parsons, chair of the North American Bison Registry, is  
4 working with Karen Conley to finalize the design for the Conservation Herd yard sign. The cost  
5 will be about \$60 per sign.

6 The Chair called on Mr. Carter to provide a report on Legislative and Regulatory activities.

7 Mr. Carter reported that the Washington Roundup September 8-10 was very successful.  
8 The delegation of 15 NBA members held eight meetings with representatives of USDA and  
9 Department of Interior on the 9th, and had another series of meetings with key Senate and House  
10 offices on September 10<sup>th</sup>.

11 One major focus of the Roundup was to push the USDA's Farm Service Agency (FSA) to  
12 provide assistance to buffalo ranchers hit hard by the ongoing outbreaks of *Mycoplasma bovis* (*M.*  
13 *bovis*). In meetings with Gary Woodward, Deputy Under Secretary for Marketing and Regulation,  
14 and with the administrator of the USDA Farm Service Agency, the NBA presented new  
15 information from Dr. Karen Register, a research microbiologist at the USDA National Animal  
16 Disease Center, indicating that *M. bovis* is a primary disease in bison. FSA Administrator Val  
17 Dolchini agreed that the agency would review the new information and re-assess its decision to  
18 deny Emergency Livestock Assistance Program coverage for bison.

19 During the September 9<sup>th</sup> meeting in the office of Deputy Under Secretary Gary  
20 Woodward, Rex Barnes, associate administrator of the Agricultural Marketing Service, informed  
21 the NBA that his agency is making a stronger commitment to purchase ground bison for the Food  
22 Distribution Program on Indian Reservations (FDPIR). He said that the AMS is altering the  
23 requirements in the USDA Commodity Purchase Program to encourage broader participation. Mr.  
24 Barnes said that he or someone from AMS would be available to discuss this program at the NBA  
25 winter conference.

26 Mr. Carter said that the AMS has awarded a \$4.5 million contract to Kiva Sun Foods of  
27 Oregon to deliver 520,000 lbs. of ground bison between October 16, 2015 and June 30, 2016.

28  
29 Mr. Carter reported that the Foreign Agriculture Service has formally filed a petition to re-open  
30 Korea to the export of bison meat. This action is in response to a request from the NBA earlier this  
31 year.

1 Mr. Carter reported that one commercial marketer is experiencing difficulty in importing  
2 bison to the EU under the Hilton Quota. The NBA will be contacting the U.S. Trade  
3 Representative's office and the USDA Foreign Agriculture Service to resolve this issue.

4 The NBA arranged a meeting with Food Safety and Inspection Service (FSIS) officials  
5 during the roundup so that participating processors could express their concern over the petition  
6 that has been filed by five animal rights groups to change policies under the Humane Methods of  
7 Slaughter Act (HMSA) and Federal Meat Inspection Act (FMIA). Mr. Matheson and Mr.  
8 Anderson reported on the discussion at that meeting.

9 Mr. Carter said that the NBA delegation met with Dr. Karen Hyun, Deputy Assistant  
10 Secretary for Fish and Wildlife and Parks, and Dan Ashe, Director of the U.S. Fish and Wildlife  
11 Service to request that the Department of Interior include greater participation by private  
12 producers in the agency's Comprehensive Bison Management Plan released last June. Dr. Hyun  
13 requested that the NBA provide her office with an inventory of specific issues and concerns  
14 regarding the establishment of new roaming herds of bison in Arizona, Colorado and South  
15 Dakota.

16 Mr. Ashe had informed the NBA delegation that the Department of Interior has not yet  
17 conducted the required 90-Day Review of the latest petition submitted to declare a Yellowstone  
18 Plains Bison as endangered.

19 Jim Mathson provided a report on the meetings that NBA members held with Senate and  
20 House offices on September 10<sup>th</sup>. He said the NBA delegation lobbied for the Bison Legacy Act,  
21 and for continued funding for MCF research.

22 Mr. Carter reported that the NBA delegation urged support for Federal Water Quality  
23 Protection Act being sponsored by U.S. Sen John Barrasso (R-WY). He also said that this issue  
24 may be the subject of extensive litigation.

25 Senator Michael Enzi (R-WY) is introducing again the annual resolution to designate the  
26 first Saturday in November as National Bison Day. Easy passage is expected. Mr. Carter  
27 encouraged NBA board members to use the National Bison Day as an opportunity to showcase  
28 bison meat as the Holiday entertaining season begins.

29  
30 Mr. Carter reported that the USDA Food Safety and Inspection Service has issued a formal  
31 request for comments as it updates its *Food Standards and Policy Labeling Book*, which was last

1 revised in 2005. The NBA is preparing to submit formal comments on this matter. The comments  
2 specifically request that FSIS and FDA require that any product containing water buffalo  
3 specifically call out “Water Buffalo” and not just “Buffalo”

4 The Canadian Bison Association has asked the NBA to file formal comments on the  
5 Committee on the Status of Endangered Wildlife in Canada (COSEWIC) Recommendations to  
6 Classify Wood Bison as Special Concern and Plains Bison as Threatened under the Species at  
7 Risk Act in Canada. Mr. Carter will be coordinating with the Canadian Bison Association to  
8 develop the NBA comments.

9 Discussion was held regarding a proposal by Mr. Carter that the NBA develop a USDA  
10 Process Verified labeling program for humanely raised bison. He noted that the association is  
11 actively engaged with various groups that are developing certification and labeling programs for  
12 humanely raised bison. He proposed that the association develop a PVP program based on the  
13 association’s Best Practices materials. That would provide processors and marketers with the  
14 ability to use this claim on the front label of consumer packaging. A motion was made by Jason  
15 Moore that the National Bison Association begin to develop a USDA Process Verified Program  
16 for labeling of responsible husbandry based on the NBA’s Best Practices manual, and that the  
17 development process be coordinated through the NBA Commercial Marketers’ Committee. The  
18 motion was seconded. Discussion was held. The motion was put to a vote, and carried.

19 The chair called on Jim Matheson for a discussion on crowdfunding programs. Mr.  
20 Matheson reported that he recently met with the non-profit Kiva, which provides access to capital  
21 to farmers and ranchers. They are offer farmers loans of up to \$10,000 at 0% interest, repayable  
22 over three years with an optional grace period. Discussion was held. Mr. Matheson said that Kiva  
23 wants to include the NBA on their website. No objection was listed to the NBA continuing to  
24 investigate this program.

25 The chair called on directors for Regional reports.

26 Dave Hunter provided a report on Region I. He reported that members in that region are  
27 actively working on the IBC. He noted that he will be working with Jim Matheson when Mr.  
28 Matheson comes to Montana.

29 Ray Thieman provided a report on Region II. He reported that the Rocky Mountain  
30 Buffalo Association had a very successful fall conference. He said that that he is continuing to  
31 work on the idea of developing an LLC or other business structure for bison ranch ownership.

1 Karen Conley provided a report for Region III. She said there is very high interest on the  
2 upcoming sales and auctions. The Dakota Territory Buffalo Association is planning a major  
3 celebration in February for its 20th anniversary.

4 Dick Gehring reported that there is a lot of activity in Region IV. He said the Kansas  
5 Buffalo Association is preparing for its December sale. He said that the Oklahoma sale is  
6 struggling.

7 Tom Barthel provided the report from Region V. He reported that Blue Mounds State Park  
8 in Minnesota recently had its sale. Prices were very strong. The Minnesota Buffalo Association is  
9 planning its annual show, sale and banquet in November.

10 Peter Kohl provided a report from Region VI. He reported that the Missouri Bison  
11 Association is preparing to participate in the Ozarks FarmFest. The association is also preparing  
12 for its sale in December. The Illinois-Indiana Bison Association is preparing for its fall conference  
13 at Broken Wagon Bison in Indiana.

14 The chair called upon Mr. Carter for a report of the Executive Director.

15 Mr. Carter reported that the NBA is becoming much more active in social media. The  
16 association has sponsored two visits by food bloggers to NBA-member operations. He also  
17 participated in the recent Shiftcon conference in Los Angeles. This involved about 400 bloggers  
18 who focus on food, health and wellness issues.

19 On October 27-31, Jim Matheson and Mr. Carter will again be at the National FFA  
20 convention in Louisville, KY. The NBA is hosting another Teachers' Workshop at the convention.

21 On November 12, Dick Gehring and Mr. Carter will host the NBA booth at the National  
22 Association of Farm Broadcasting meeting in Kansas City. Last year they conducted more than 30  
23 radio and television interviews during this event.

24 On November 22-24, Mr. Carter will be in Regina for the annual Canadian Bison  
25 Association meeting.

26 On December 4-5, he will be in Salina, KS for the KBA sale and meeting. Jim Matheson  
27 will be in Ogden, UT on those days for the Western Bison Association winter meeting and Show  
28 and Sale.

29 The next board meeting will be held at 5 p.m. MDT on November 19, 2015.

30 There being no further business to come before the board, and upon motion made,  
31 seconded and carried, the meeting adjourned at 7:05 p.m.



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Respectfully submitted,

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Jason Moore, Secretary

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David E. Carter, Recording Secretary