

NCHA EXECUTIVE COMMITTEE CONFERENCE CALL MINUTES
MAY 22, 2020
11:00AM Central

A conference call of the Executive Committee of the National Cutting Horse Association was held on Friday, May 22, 2020 at 11:00AM central time.

Those present were: President Ron Pietrafeso, President-Elect Steve Norris, Vice President Ora Diehl, Lachlan Perks, Kristen York, Rock Hedlund, Skip Jones, Ronnie Smith, Byron Green, Ernie Beutenmiller, Matt Miller, Tatum Rice, Tommy Neal and Sharon Overstreet.

NCHA Executive Director Jay Winborn and NCHA Legal Counsel Jim Morris were also in attendance for this call.

The Executive Committee conference call was called to order at 11:04AM and roll call was taken by President Ron Pietrafeso.

EXECUTIVE SESSION

President Ron Pietrafeso placed the meeting into Executive Session to discuss a personnel issue.

GENERAL SESSION

President Ron Pietrafeso placed the meeting back into general session.

A **MOTION** was made by Tommy Neal and **SECONDED** by Sharon Overstreet to do a complete forensic audit of the Stallion Foal Program as well as the last five (5) years of the NCHA's books and allow outside consultants to correct anything that needs to be corrected. **MOTION** was **AMENDED; see below.**

In discussion, although he does not necessarily disagree with Tommy's posture, Lach Perks recommends that we reach out to the current auditor who is new to understand the cost and the benefit, especially when pulling the past 5 years of NCHA's books before we make our final decision. Recommends that we authorize the office as quickly as possible to develop a recommendation to how we can mitigate the issues that Tommy brings up and to bring that to a resolution and get back to EC in a very short time with a proposal and a cost so we understand what we are voting for. There could be a significant cost associated with this process.

Vice President Ora Diehl agrees with the forensic audit especially of the Stallion Foal but does not agree with going back five (5) years when we have audited third party financial statements by Whitley Penn and we have a new set of eyes looking at the current year of which we haven't seen yet. Ora states, "it is a waste of money to do that, as far as a forensic audit to look at the Stallion Foal Program, I welcome it." Ora is against spending the money for a forensic audit on the NCHA books, her vote would have to be against this motion. There are journal entries at

the bottom in the footnotes of the financial statements prepared by Whitley Penn that are correct and available to the public.

After much discussion, an amended **MOTION** was made by Tommy Neal and **SECONDED** by Sharon Overstreet to do a complete forensic audit of ONLY the Stallion Foal and the complete Loan Repayment Program and allow outside consultants to correct anything that needs to be corrected. **MOTION CARRIES BY MAJORITY with one (1) opposed.**

ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 11:52AM.