



Board of Directors Meeting

Teleconference

November 9, 2020

Attendees: Wendy Pastrick, Tim Ford, Chris Yates, Grant Fritchey, Roberto Fonseca, Lori Edwards, Mindy Curnutt, Melody Zacharias, Hamish Watson, Asad Khan, Ramnik Gulati

PASSHQ Attendees: Judy Christianson, Sandy Cherry, Craig Ellis, Elizabeth Jeffs, Terence O'Shea, Janice Simpson, Vicki Van Damme

Agenda for Discussion:

1. Roll Call
2. Presidents Welcome
3. Approval of October 8th Board meeting minutes
4. Approval of October 29th Board meeting minutes
5. Board Activities
6. PASS Virtual Summit Updates
7. Election Update
8. Finance Update
9. Microsoft Update

1. Roll Call

Quorum was achieved.

2. Presidents Welcome

Wendy Pastrick welcomed the Board to PASS Virtual Summit and the Board meeting. Wendy stated that things are off to a good start acknowledging that this will be a very different week for everyone, adding she is excited for everything Virtual Summit has to offer. Wendy stated she would be available as much as possible, encouraged the Board to do the same, and wished those who are speaking this week all the best. Wendy acknowledged there are challenges ahead but looks forward to a good week. Wendy thanked the Board and HQ for all the hard work to make the first PASS Virtual Summit take place.

3. Vote to Approve October 8th Board Meeting Minutes

Tim Ford confirmed that the Board was ready to vote in the two sets of minutes from the October board meetings.

Motion: I move to approve the October 8th Board meeting minutes that were sent to the Board on November 2, 2020.

Motion:	Tim Ford
Second:	Wendy Pastrick

Chris Yates	Yes
Grant Fritchey	Yes

Roberto Fonseca	Yes
Lori Edwards	Yes
Mindy Curnutt	Yes
Melody Zacharias	Yes
Hamish Watson	Yes
Asad Khan	Yes
Ramnik Gulati	Yes

Motion Passed (11 yes, 0 no, 0 abstain, 0 absent)

4. Vote to Approve October 29th Board Meeting Minutes

Motion: I move to approve the October 29th Board meeting minutes that were sent to the Board on November 5th, 2020.

Motion:	Tim Ford
Second:	Chris Yates

Wendy Pastrick	Yes
Grant Fritchey	Yes
Roberto Fonseca	Yes
Lori Edwards	Yes
Mindy Curnutt	Yes
Melody Zacharias	Yes
Hamish Watson	Yes
Asad Khan	Yes
Ramnik Gulati	Yes

Motion Passed (11 yes, 0 no, 0 abstain, 0 absent)

5. Board Activities

Tim asked if there were any Board members with upcoming paid speaking opportunities.

No activities were declared.

6. PASS Virtual Summit Updates

Terence O'Shea, PASS HQ, gave an overview of the community activities that will take place during the week of PASS Virtual Summit noting that there are over 100 volunteers this year supporting the engagement activities that will be taking place. He called out a few of the new engagement pieces happening at Virtual Summit including the DEI keynote. Terence reviewed the program features adding there are 253 sessions in total presented by 223 speakers from our 4 regions. The download of the recordings are available for purchase now and all attendees will have access to the on-demand content for 12 months.

Terence presented the registration numbers by region, first timers, and alumni, noting the parallels in the alumni and first timers to the in-person conference with an increase from APAC attendees. He also outlined the uptick in registration over the past week leading up to the conference. Terence outlined the

Board office hours and how they will continue to be an informal opportunity for the community to ask questions adding that the Board briefing document has been updated and will be sent after today's meeting.

Craig Ellis, PASS HQ, presented the PASS Virtual Summit 2020 sponsorship numbers outlining the final expo sales with 24 companies in total. Wendy Pastrick stated she was very impressed with the sponsorship numbers and congratulated the sales team adding it shows how important the PASS Community is to the Vendors. Tim echoed Wendy's sentiment and thanked PASS HQ.

Vicki Van Damme, PASS HQ, presented the Microsoft sponsorship highlighting them as the biggest supporter of the event and as both the premier sponsor and the title sponsor with both Day 1 & 2 Keynotes, Azure data clinic with pre-scheduling, 30+ sessions, a Microsoft booth, and post-event focus groups. Vicki asked the Board to drive traffic to all the booths to be sure all the sponsors and vendors who have supported the event get what they came for.

Craig presented the Global Alliance and Knowledge Partners and asked the Board to thank our sponsors throughout the event. Tim reminded the Board to acknowledge all sponsors. Craig presented the added recognition banner that will be displayed in the Global Alliance and Knowledge partner booths that highlights additional recognition. Craig reviewed the various games available to participate in during the event including PASS to Prizes.

Wendy Pastrick gave an overview of the changes to the Anti-Harassment policy and process during PASS Virtual Summit outlining there will be no phone number this year and all inquiries, or incident reports will go through PASS Governance.

7. Election Update

Janice Simpson, PASS HQ, outlined the candidates who are running for a seat in the 2020 PASS Board election reminding the Board that there are three open community seats this year. Janice outlined the key dates with balloting opening on November 11th and the election results being announced on November 18th, 2020. Janice updated the Board on the election engagement taking place at Summit with the goal of encouraging the membership to vote.

8. EVP Update

Tim addressed the Board about the NDA breach stating that today we will feel the impact of that breach. Tim stated that it's not just that confidential information was shared, but that the trust within the Board and this room has been damaged, and without that trust, open conversations through this challenging time cannot take place. Tim stated that PASS' partner Microsoft is concerned that they cannot speak in this room ensuring what is said will be held in confidence. Next on the agenda, Sandy Cherry, PASS HQ, will provide a financial update, which will have full details of FY 2020, where things currently stand for FY2021, as well as some projections and scenarios for the future. Tim reiterated that all the information Sandy presents must be held under NDA until published by PASS or shared by the PASS Executive. Tim reminded the Board that we are seeking a partnership proposal with Microsoft that would support PASS through this challenging time. Microsoft has asked that the details of those discussions remain

confidential between the PASS Executive and some of the PASS HQ leadership team until a decision is made. As a result of this request, Vicki will not be presenting the deck that will be shared with Rohan and JG from Microsoft later this week. Tim acknowledged that this is not how an organization should function and this isn't in the spirit of the transparency that we continually strive for. Tim stated that this is the cruel reality of the situation we're in and demonstrates what happens when there is no trust in this Board room.

9. Finance Update

Sandy Cherry, PASS HQ reminded the Board that the final projected budget was reviewed in both the February and June Board meetings and stated that today she would present the actuals. Sandy recapped that the Board approved a \$40K deficit for FY 2020 and in February a projected \$273K deficit was projected, with the year ending in \$568K net profit, which represents a \$608K increase over the deficit budget of \$40K. Sandy displayed the revenue and expenses showing how the net income was achieved. Sandy explained the tax implications outlining the accumulated tax credit displaying that no payment is required, and \$56k is banked for future years revenues.

Sandy outlined Summit 2019 revenues and costs showing the shortfalls as registration, precon, and USB sales, with Expo exceeding budget. Sandy presented the additional net income from Sales 365, \$300K revenue from Microsoft, concessions made by C&C, and cuts from miscellaneous portfolios.

Sandy reviewed the PASS reserves as of June 30th, 2020 showing allocation of investment with 81% in CD's and 19% in the cash account. Sandy displayed the YoY data on revenue, expenses, and profit margin and noted this information will be shared at the day 2 keynote during PASS Virtual Summit.

Sandy went on to review PASS Virtual Summit 2020 budget vs actuals reminding the Board that there was no data to base the projected numbers on, so the best assumptions were made on how registrations would unfold as the PASS Executive and Board have been aware of and consulted on. Sandy showed as of Friday, November 6th, 2020 that 53.4% has been achieved to the overall revenue goal adding that registrations are still coming in. Sandy outlined that due to less than budgeted Precon only sales and more than budgeted bundle sales, the average rate for PreCon's was down causing the PreCon revenue to come in under budget.

Sandy added that Microsoft Expo Sponsorship sales came in at 100% adding other Sponsorship sales came in at 86.7% to budget.

Sandy displayed the refunds and credits due to the cancellation of the in-person PASS Summit which outlined cash refunds for variance between the in person and virtual event, cash refunds for cancellation, registration transfers to 2021, and Expo transfers to 2021.

Sandy presented the cash projections to December 2021 noting that due to Covid-19 and having to transition to a virtual event, the bottom line was dramatically impacted which lead to the previously approved 1.58-Million-dollar deficit. On top of that, achieving approximately 50% to goal in Summit revenue has been financially devastating.

Sandy presented two cash projection scenarios to the Board. Scenario one outlined similar resources and operations to the current state. Scenario two outlined reduced resources. Elizabeth Jeffs, PASS HQ,

outlined the impact of scenario two which outlines staff reductions and reduced operations. Sandy outlined next steps as working with our partner Microsoft to address the shortfall and financial health of the organization.

Melody Zacharias stated that she didn't understand when the repercussions of scenario two were discussed with the Board and asked who had determined the priority of the reductions? Tim replied that the two scenarios presented were a direct ask from Microsoft to display what PASS provides as an association. Vicki added that the PASS HQ leadership team put this together to determine what could continue to be offered with reduced staff. She added that there are some fundamental operating elements of the organization that cannot be compromised and although these scenarios are not final, this is a good picture of what would need to be compromised.

Tim added that short of Covid-19 - the result of which we could not forecast - at the end of last year, PASS was poised to have the highest profit margin since 2010. This displays that things were headed in the right direction prior to Covid-19 with this team. Tim stated that C&C is a healthy team and the only thing against them, and PASS, is Covid-19. We just need to find a way to bridge the gap and look at the financial wins. Vicki added that it's true and PASS was ahead with sales, Summit 2020 projections, Microsoft sponsorship, and we still are ahead in some of those facets.

Asad Khan left the meeting at 10:07 a.m.

10. Microsoft Update

Vicki reiterated that the presentation will not include any discussions on the partnership adding the two scenarios Sandy presented is what is being looked at with our partner Microsoft as we look at the future health and wellbeing of the PASS organization. Building the bridge across these challenging times is what we are working on. The PASS organization has such a strong foundation, and so many assets that we hope to find a way to gain the support we need from Microsoft. Vicki added that Asad and Ramnik have been very helpful in preparing for the discussions with Microsoft as well as everything else they have done for the PASS organization this past year. Vicki thanked Asad and Ramnik for the overwhelming support they have given to PASS.

Vicki stated the next steps are to pursue funding for scenarios one or two as presented and if funding for those scenarios doesn't move forward, C&C will work with the PASS Executive to transition off and make it as smooth as transition as possible.

Vicki presented the PASS Pro Azure DBA Bootcamp, noting this is going well to help PASS Pro members accelerate their data career with many PASS Pro members signing up. Vicki reviewed the lineup of speakers as Armando Lacerda, Martin Cairney, Bob Ward, and Anna Hoffman. Vicki asked the Board to support amplifying this initiative.

The meeting adjourned at 10:40 Pacific Time.

Next Board meeting

The next Board meeting will be by teleconference on December 3, 2020 at 12:00am Pacific Time.