

Dec. 20, 2018

To YMCA of Northern Rock County Board of Directors,

The YMCA is a vital component of the community and has a long tradition of receiving community support. We strongly believe this support is being tested due to repeated actions and inaction by YMCA leadership that run contrary to the mission and values of the organization. Some of our primary concerns are identified below. These concerns raise issues that reflect a pattern that we believe could permanently impair the YMCA's ability to sustain operations.

Serving on a board is a tremendous responsibility that requires diligent oversight and commitment to the organization's mission and bylaws. Many YMCA board members are dedicated citizens of our community, and we assume the actions in question have not been approved by the board. As dedicated and longstanding members or former members of the YMCA, we ask the Board of Directors of the YMCA of Northern Rock County to respond to the requests identified in Appendix A and meet with designated representatives from this concerned group. Our goal is to rebuild trust in the community and ensure the YMCA is a financially sound and strong organization for the future.

We have multiple concerns, but the following are the most immediate:

**Issues:**

- Lack of transparency
- Wrongful dismissal of board and Y members

**Lack of Transparency:**

On Jan. 12, 2018, a group of past YMCA board presidents and board members met with a current YMCA board member to discuss financial and organizational concerns and public image. The board has taken no action in response to questions raised by this group. Additionally, there have been written requests for financial and organizational information with no response:

- After the Jan. 12, 2018, meeting, a memo was given to a current YMCA board member, at his request, regarding concerns about financial transparency, accountability, use of authority and public image. The only reply came six months later, from Jason Engledow, YMCA board president, on July 25, 2018. The reply provided no response to the concerns and instead requested the names of the people who attended the meeting. When the recipient of the response asked Engledow to call him or, in the alternative, for Engledow's telephone number so that he could speak with him, there was no further response.
- On Dec. 14, 2017, a YMCA member made a separate request to obtain financial information for the two organizations, YMCA of Northern Rock County and YMCA of

Northern Rock County Charitable Foundation. This written legal request was to obtain a copy of the organizations' IRS Form 990s, bylaws and financial statements. Three additional requests were made for this information--on Dec. 29, 2017; Oct. 2, 2018; and Oct. 12, 2018. The only response was a question from the board president to the requester, asking for the authority that requires the YMCA to make these documents available for public inspection. An explanation of the legal authority was provided to the board president. There has been no reply since.

As a 501(c) (3) organization and as a nonstock Wisconsin corporation, the YMCA is required to comply with requests of this nature. Regardless of the legal duty, it is always the best policy to have full financial transparency in any not-for-profit organization. Many YMCAs post annual reports on their websites and are keenly aware of their duties as a not-for-profit organization.

Wrongful dismissal of board and Y members:

The manner in which the CEO and board president have used their authority in response to questions about the organization and challenges to the authority of the CEO have negatively affected the operation and reputation of the YMCA. Three board members have been summarily removed from the board since March 2017. In addition, several Y members have had their memberships summarily revoked by CEO Tom Den Boer without legitimate explanations:

- Two YMCA board members were advised of their dismissal by Engledow in March 2017 and early 2018. A third YMCA board member was unilaterally dismissed on July 23, 2018, by Engledow. If any explanation was given to the board about these dismissals, we believe that the explanation was wholly inaccurate.
- There have been numerous YMCA general members whose memberships have been canceled by Den Boer for questionable reasons and with no sound explanations. The last suspension of which we are aware was Dec. 3, 2018, when Den Boer sent an email to a member suspending membership and stating, "Any attempt to enter either facility will be considered trespassing and the appropriate authorities will be contacted to address any violations of trespassing."

There were, to the best of our knowledge, no votes taken by the board to authorize the terminations of board members. While we understand that the current by-laws give the CEO the authority to dismiss members, we believe that authority has been misused. A common theme of these dismissals is that the people affected either asked about the financial situation and/or bylaws of the YMCA, or they asked other reasonable questions that the CEO apparently did not want to answer. This practice has negatively affected the public image and reputation of the YMCA. In general, the authoritarian approach (and, with regard to dismissals from the board of directors, the apparent violation of by-laws) is damaging the YMCA's image and has negatively affected membership, as well as the pool of donors.

## Securing the future of the YMCA

Since August 2018, concerned members have been in contact with Jon Agnew, resource director of the YMCA of the USA for Wisconsin. Several members have voiced concerns to Agnew with little result. Agnew's only response has been that the local YMCA board needs to deal with these issues. We understand that you may be reluctant to deal with the issues because board members who have asked probing questions in the past have been removed from the board. Regardless of this history, the current board must deal with the lack of financial accountability and the negative public image that has been created at the YMCA.

The YMCA Board should review its internal financial operations and governance immediately to better exercise its fiduciary responsibility to oversee the CEO and the organization. We suggest an outside consultant be secured to do this to ensure that board members are not intimidated. In the meantime, the information we have requested should be at least as useful to the board as it will be to us. It is information that any non-profit board should have.

This letter is sent after much thought and deliberation in the hope of initiating constructive dialogue about improving the YMCA. The YMCA has been a pivotal organization in the social fabric and well-being of the Rock County community. The YMCA of Northern Rock County can, and must, again assume its place as a respected and trusted civic organization.

Paul Murphy	John Fugate	Jim Pennycook
Scott Angus	Dick Gates	Sheila Pennycook
Rick Austin	JoAnn Gates	Betsey Riemer
D. David Barry	Betsy Gorman	Dave Riemer
Larry Barton	Jack Grice	Dave Sheen
Eric Beck	Dale Holzhuter	Chris Snyder
Rita Beck	Dan Honold	Wayne Tatge
Tom Bier	Kay Knilans	Rob Theisen
Doug Bleck	Mike Knilans	Angie Turner-Sullivan
Bruce Briney	Rex Kolste	Derek Vanveldhuisen
Mike Bugs	Jeff Labrozzzi	Kathy Vanveldhuisen
Santo Carfora	Dave Lancour	Dianne Ward
Tim Cullen	Kelly Mattingly	Tom Warrichaiet
Robert Dailey	Jerry Moisson	John Westphal
Craig Degarmo	Kristen Moisson	Del Wildes
Brian Donnelly	David C. Moore	Terri Wildes
Devan Dutra	Ryan Murphy	Dennis Witek
Joe Eagan	William T Murphy	

## Appendix A

### Requests of the Board Members of the YMCA of Northern Rock County

We request the following:

- 1.) We request the following records, which under Wisconsin law, the corporation is specifically required to keep and make available to members on five days notice:
  - a) Its articles of incorporation and all amendments to them currently in effect.
  - b) Its bylaws or restated bylaws and all amendments to them currently in effect.
  - c) Resolutions adopted by its board relating to the characteristics, qualifications, rights limitations and obligations of members or any class or category of members.
  - d) The minutes of all meetings of members and records of all actions approved by the members for the past three years.
  - e) The audited financial statements furnished for the past three years, which includes a balance sheet as of the end of the fiscal year and statements of operations for that year.
  - f) A list of the names and business or home addresses of its current directors and officers.
  - g) Its most recent annual report delivered to the Wisconsin Department of Financial Institutions.
- 2.) We request board of directors minutes regarding any discussion of the past three terminations of YMCA board members. We are entitled to make this request for a proper purpose, which, in this case, is to determine whether there was any discussion or proper vote on these board member terminations.
- 3.) We request a current and accurate membership list.
- 4.) We request a meeting with any of you who are willing to meet with some of us to discuss how we can work together to make sure the YMCA remains a strong asset in the community.