

Developmental Disability Services of Jackson County ~ eitas
Board of Director's Meeting
 February 17, 2011

Topic/Issue	Minutes	Summary of Action Taken or Pending
<p>Attendance</p> <p>Call to Order</p> <p>Merge of Foundation Warehouse, Inc. & IBS Industries, Inc.</p>	<p>Robbie Makinen, Janet Rider, Don Saxton, Betty Sharp, Anita Parran and Barbara Winkler, Board Members. No Absent Board Members. Kathy Marlatt, Nancy Nicolaus, Jake Jacobs and Kathleen Ganaden, Staff. Guest: Paula Smith.</p> <p>Barbara Winkler, Board President called the meeting to order at 6:56PM at the Administrative offices of Developmental Disability Services of Jackson County located at 8511 Hillcrest, Kansas City, Missouri. Mrs. Winkler announced that this special meeting was called at the request of Foundation Warehouse, Inc. and IBS Industries so that may share information regarding the two companies.</p> <p>Deborah Cammisano, Foundation Board President and mark Simcosky, IBS Board President came before the board to make a formal announcement of a planned merger between the two companies, namely, IBS Industries, Inc. and Foundation Warehouse, Inc.</p> <p>Mark Simcosky shared that a task force committee of both entities had been created and for some time had performed due diligence in assessing the merger.</p> <p>It was noted that:</p> <ul style="list-style-type: none"> • Both agencies are profitable, financially stable and possess sound balance sheets. • This action is not a bailout or reaction to distress by either of the organizations. • Both entities currently operate business/profit centers outside the 	<p style="text-align: center;">Information</p>

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<p>Merge of Foundation Warehouse, Inc. & IBS Industries, Inc. Continued</p>	<p>traditional workshop.</p> <p>The task force committee reviewed many issues before reaching a decision that would provide for the achievement of the ultimate goal of:</p> <p><i>Providing for a greater number of employment opportunities for the disabled population both organizations serve. This includes but is not limited to job diversity, expanded openings and increased community/competitive employment while continuing to serve our current workforce and customers.</i></p> <p>The task force further identified the following objectives to reach this goal:</p> <ul style="list-style-type: none"> • Both agencies participate equally. Consider further specializations where appropriate. • Retaining name branding for current customers and other partnerships. • Recognizing the important role of our funders with emphasis on building those relationships. • Achieving scale and efficiency in administrative, human resources, accounting and other operational issues. • Retaining board members who wish to serve in the merged organization. • Developing a board recruitment process to attract future board members. <p>Merger advantages would be:</p> <ul style="list-style-type: none"> • Larger scale of operations and business diversity. • Stronger financial statement from a balance sheet perspective. 	<p style="text-align: center;">Information</p>

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<p>Merge of Foundation Warehouse, Inc. & IBS Industries, Inc. Continued</p>	<ul style="list-style-type: none"> • Ability to secure improved relationships with funders. • Potential to explore additional fund raising activities. • Retention of and potential to attract top management talent. • Stronger utilization of existing management in a more professional environment. • Cost reduction opportunities. Professional services, administrative efficiencies, etc. <p>All resulting in increased capacity to provide employment opportunities for the population they serve.</p> <p>Mrs. Cammisano and Mr. Simcosky shared the actions taken to date in preparation for the merger:</p> <ul style="list-style-type: none"> • An analysis of the current number and state of similar organizations in the region. • The State supports mergers based on other organizations that have merged. • High level review of a preliminary post-merger organization plans. • Both boards have signed non-binding agreements stating their intent to merger. • A \$25,000 grant was granted from Bank of America to fund the merger costs. • Current collaboration of the two agencies on several fronts has taken place. 	<p style="text-align: center;">Information</p>

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<p>Merge of Foundation Warehouse, Inc. & IBS Industries, Inc.</p> <p>Continued</p> <p>Adjournment</p>	<p>In conclusion, barring no obstacles the two entities will begin operations as a single unified organization on July 1, 2011.</p> <p>A question and answer session followed the presentation and in closing Mrs. Winkler thank both Mrs. Cammisano and Mr. Simcosky for their presentation.</p> <p>There being no further business the meeting was adjourned at 7:26 PM.</p> <p>Respectfully submitted,</p> <p>Barbara Winkler Board President</p>	<p style="text-align: center;">Information</p>