



Approved
Board Affairs Committee
November 10, 2015

EXHIBIT
GVR Board of Directors
November 18, 2015

Legal Audit of GVR Governing Documents

Overview

At the request of the Board Affairs Committee Chairman on October 6, 2015, CEO Kent J. Blumenthal asked GVR's General Counsel, attorney Wendy Ehrlich to submit a proposal to conduct a legal audit of GVR's governing documents. Ms. Ehrlich responded that she could undertake a review of GVRs governing documents as Phase 1 of a two-phase legal audit.

An outcome from the legal audit may be that GVR will introduce to our membership a restatement of our Bylaws in 2017.

Phase 1

Phase 1 would include a review of GVR's Articles of Incorporation, Bylaws and Corporate Policy Manual (CPM), and identification of conflicts within and between the GVR governing documents their respective consistency with Arizona's Nonprofit Corporation Act. The fee for Phase 1 is \$5,000.

Phase 2

Once Phase 1 is completed, Phase 2 will include drafting any required language or revisions within GVRs governing documents, possibly in conjunction with the GVR Board Affairs Committee. Phase 2 will focus on conflicts that were identified in Phase 1, as well as some Bylaws and CPM items that are consistent with Arizona law, but inconsistent with good governance practices or GVR's culture and traditions. GVR will provide Ms. Ehrlich with a list of these types of items after Phase 1 is completed.

A timeline and fee to complete Phase 2 will be negotiated with Ms. Ehrlich after Phase 1 is completed.

Recommendation

Accept the offer of GVR's General Council, attorney Wendy Ehrlich to undertake a review of GVRs governing documents as Phase 1 of a two-phase legal audit that includes a review of GVR's Articles of Incorporation, Bylaws and Corporate Policy Manual (CPM), and identification of conflicts within and between the GVR governing documents their respective consistency with Arizona's Nonprofit Corporation Act for a fee of \$5,000. Further, negotiate a timeline and fee with attorney Wendy Ehrlich to complete Phase 2 of the legal audit once Phase 1 is completed.