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January 13, 2025

ASHBA Membership

Dear Members:

There are many issues that we, the ASHBA Board of Directors ("BOD") and each of us as members need to address for the viability and long term success of our industry. At least an equal number of questions need to be answered.

Over the last few years, we have looked to the BOD to address many issues, answer questions and take action. However, the lack of transparency the BOD exhibits, lack of accountability to membership and poor oversight has given leave to so many issues unaddressed and questions unanswered. This has led to discontent and disillusionment of the members. It is time for the members to take control of ASHBA, starting with the **adoption of my proposed bylaws** which I previously posted on Facebook. These proposed bylaws will allow membership to take control by being able to voice its grievances by being able to vote on who sits on the BOD. Merely voting on who sits on the BOD would go a very long way to **increase transparency and accountability and return control to the members**.

Strong financial oversight is essential and integral to competently running any organization. It not only allows members to understand where the Association is financially but also assures that restricted funds (funds received from donors who have made contributions for specific causes and purposes) are segregated and thereafter used only for the causes for which the contributions were made and not mixed in with the "general fund". It is my understanding that the BOD has received the results of the **financial audit** performed by the highly reputable Kentucky-based accounting firm Dean Dorton. By way of this correspondence, **I request that the results of this audit be released to the membership by posting it in its entirety on the ASHBA website**. United States Supreme Court Justice Louis Brandeis, in a 1913 <u>Harpers Weekly</u> article entitled "What Publicity Can Do" stated the famous line, "Sunlight is said to be the best of disinfectants." It is time for the ASHBA to release the results of this audit so that the sun can shine on the financial status of our Association not only to determine our financial viability but also to comply with Federal laws for 501(c)(3) organizations.

Where is the BOD on the **prize money programs** that were moved away from the World's Championship Horse Show ("WCHS") in 2024? Many members have asked me this simple question. We only have 8 months until the WCHS. Our breeders need to know the status of these programs so that we know if, how and whether to nominate our young horses. So, where are we in our relationship with WCHS? Are the prize money programs being moved back to WCHS? Has an agreement been reached with WCHS? If not, where and when is the horse show at which the prize money programs will be held? For that matter, where is the BOD regarding the "world class horse show" that was promised to us when the truly unfortunate decision was made to terminate relations with WCHS and move the classes to "nowheresville"?



Where are we on funding and hiring a **new Executive Director**? To date, many BOD members have <u>not</u> been consulted about where we are in this process, how many people have been interviewed and what the criteria are for this very important position. Surely, no one would be selected without "in-person interviews", followed by the final candidate(s) being presented to the entire BOD for interviews and a vote. Since that hasn't happened, I assume that the selection will and should be months away.

Where are we on an **affiliation agreement with USEF?** Similar to the selection of the new Executive Director, it would be prudent for the entire BOD to be advised on where we are in this process and have time for the entire BOD to consider all of the issues before proceeding. Presumably, this decision also is and should be months away.

One of my favorite issues, as I assume it is for most members and all breeders, is the **perpetually broken website**. It is so screwed up that getting it to perform the most basic tasks: checking transfers, breedings, proposed matings, current ownership of horses, etc. is truly confounding and sometimes impossible. Furthermore, it is my understanding that the BOD is incapable of determining how much has ever been spent on the website and can't determine why it is so broken. This is because the accounting systems, procedures and oversight of same are so poor that the amount spent on ANY given thing is indeterminable. This is lack of oversight and total mismanagement at its very worst.

Addressing these issues quickly and competently are so very important to our Association. The majority of the current BOD has proven for years that it is incapable of forthrightly and transparently addressing them with expediency and business acumen.

I will be announcing, not later than early February, a slate of directors I want the membership to vote to put in place at the annual meeting (currently planned for February 13, 2025 at 1:00 p.m. at the Lexington Marriott Hotel, 3629 West Vine Street, Lexington, Kentucky) so that we can begin the process of remedying the wrongs and addressing the issues. After I release the proposed slate, I'd welcome input from all members about the slate.

Now is the time to ask the hard questions and demand answers then to elect a new slate of directors which can quickly proceed to address the issues and give membership an honest, open and transparent look into the Association.

Sincerely.

Scott Hagan Hagan Saddlebreds, Inc.