

FEED THE CHILDREN, INC.
BOARD OF DIRECTORS MEETING
August 22, 2008

The Board of Directors of Feed The Children, Inc. met on Thursday, August 22, 2008 at 11:00 a.m. in the corporate office at 333 N. Meridian, Oklahoma City, OK.

Present: Mr. Dwight Powers, Chairman
Mr. George Stevens, Treasurer
Mr. Rick England
Mr. Dan Mugg
Dr. Larry Jones, President
Ms. Linda Schluchter
Dr. C. Earnest Wyatt

Via Telephone Mr. Leo Fundaro, Jr.

In Attendance: Miss Larri Sue Jones, V.P. & General Counsel
Mr. Travis Arnold, C.O.O.
Mr. Mark Weimer, outside legal counsel
Mr. Jerry Twombly - Build God's Way Development
Ms. Terri Burdine - RSM McGladrey
Mr. Mervyn Fernandes - International CFO
Ms. Christy Tharp -CFO
Mr. Greg Garen - V.P. FTC Transportation, Inc.

QUORUM

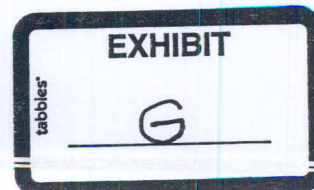
Mr. Dwight Powers, Chairman, stated that the Directors were present, noted that a quorum was present and declared the meeting to be open for the transaction of business.

Presentation by Mr. Jerry Twombly - BGW Development Group regarding a fundraising capital campaign to raise one billion dollars for FTC. The current proposal was passed out to the Directors and a copy is attached to these Minutes.

BUSINESS TRANSACTED

Board Minutes Correction - Dr. Jones pointed out that the Board Minutes for the Meeting held on June 30, 2008 were incorrect regarding amounts paid to Affiliated Media Group and asked that the Minutes be corrected. The error is found in Section VII (g), copied below:

- g. Other agreements the Organization has committed to, or are currently negotiating, without formal Board approval, were discussed also, and include the following:



- Television Buying Agreement, apparently oral, with Affiliated Media Group, the Organization's largest vendor. They are paid approximately \$40 million per year. This purchasing function has never been let out for bids, and there has been a less than satisfactory accounting by Affiliated of the true cost of the television time.

Correction: The amounts paid for television and radio for the previous three fiscal years, as reflected in the audited statements are as follows:

FY 2005	\$37,008,400
FY 2006	\$37,964,443
FY 2007	\$34,988,312

Please let these Minutes serve as a correction for the previous inaccuracy.

- I. Minutes of the August 1, 2008 Board Meeting were presented for approval.

Motion was made by Mr. Dan Mugg and seconded by Mrs. Linda Schluchter to approve the Minutes and Resolutions of the August 1, 2008 Meeting as presented. Motion passed unanimously.

F.T.C. Transportation, Inc. Rate Structure Proposal by Mr. Greg Garen and Mrs. Christy Tharp. Rate proposal is attached. Discussion regarding the issues in the rate proposal were determined, and motion was made by Mr. Rick England and seconded by Mr. Dwight Powers to implement the rate proposal structure for the time period of September 1, 2008 through June 30, 2009 with monthly review of the transportation company's financials. The fourth point, to forgive the current balance on the line of credit between FTC Transportation and FTC (amount FTC Transportation owes is \$1,379,117.00) is tabled until January, 2009. Motion passed unanimously.

- II. F.T.C. Transportation, Inc. Recommended Board of Director changes. It was recommended by Mr. Travis Arnold that the current Board of Directors, Larry Jones, Frances Jones and Larri Sue Jones be reviewed and new members considered. The first new member considered is G. Don Richardson. Mr. Richardson is a former, retired employee of FTC and is familiar with its operations. Mr. Richardson is a former businessman, farmer, rancher and business owner. Motion was made by Dr. Larry Jones and seconded by Mr. Dwight Powers to accept the resignations of Dr. Larry Jones, Mrs. Frances Jones and Ms. Larri Sue Jones from the wholly-owned subsidiary, F.T.C. Transportation, Inc. and to accept the nomination of Mr. G. Don Richardson to the Board of Directors of F.T.C. Transportation, Inc. Motion carried unanimously.

- III. FTC International Operations. Mr. Mervyn Fernandes discussed the current climate of FTC's international operations, including the issues with Ian Harris, Peter McLaren and the Harris family; the situation in Hong Kong and the Philippines; and Mrs. Terri Burdine then addressed the Directors regarding the audit performed in South Africa wherein Ian Harris' son, Tim Harris, had embezzled over \$100,000.00. Mrs. Burdine shared that with Ian Harris still part of the FTC international picture, and with the items still left to address in the audit, it would be her recommendation that no further international offices be opened. Once the international audit is completed and further policies and procedures are in place, other international expansion could then be considered. Motion was made by Mrs. Linda Schluchter and seconded by Mr. Dan Mugg to place the International CFO in charge of the organizational structure of FTC's international operations and to place all funding requests from the international offices and staff to the International CFO. Additionally, Dr. Larry Jones is no longer authorized to receive funding requests for international operations directly from the staff. Should staff directly contact him, he is to refer their requests to the International CFO. All requests are to be sent to the International CFO who will then meet with Dr. Larry Jones for action(s) to be taken. Motion carried unanimously.

The Directors then took a ten minute break.

- IV. Dr. Larry Jones then addressed the situation with the Bolivia office. As Miss Jones had not returned from the short break, the Minutes do not reflect what was discussed. Further, directions regarding the Bolivia office were not discussed nor determined by the Directors.
- V. Freeman Proposal – Journey of Hope. Mr. Travis Arnold then addressed the Freeman Proposal for the Journey of Hope which is an exhibit of FTC's work that can be set up museum style, or may be a traveling exhibit. The Proposal is attached to these Minutes. Motion was made by Mr. Rick England and seconded by Mr. Dan Mugg to implement the first Journey of Hope exhibit. Motion carried unanimously.

At this point, Mr. Leo Fundaro, Jr. left the meeting.

- VI. Miscellaneous. The following items were updated on their status.
- a. Building Purchase Update for the Enterprise building. Contract is Being negotiated.
 - b. Dr. Claude Thomas – HR has reviewed the allegations with Dr. Thomas and HR will be managing Dr. Thomas' employment with FTC.
 - c. Lee Janzen Contract – still under negotiation with Tommy.
 - d. Form 990 Questionnaire – changes to the Form that are required this tax year.
 - e. Next Board Meetings – Auditors
 1. October, 2008 – Preliminary Audit Report
 2. December, 2008 – Final Audit and Form 990 Presentation

VII. Set next Board Meeting

Mr. Dwight Powers

The next board meeting will be in October, 2008. The Directors will be notified.

ADJOURNMENT

Having no further business to bring before the Board, motion was made by Mrs. Linda Schluchter and seconded by Mr. Dwight Powers to adjourn the meeting. Motion passed unanimously.

Respectfully submitted,

Ms. Larri Sue Jones, V.P & General Counsel

Mr. Dwight Powers, Chairman