

Proposal for Merger of ACME and JACKRABBIT INDUSTRIES Into A New Association

Submitted by the ACME-JACKRABBIT INDUSTRIES Merger Committee
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Dear Colleagues,

The ACME-JACKRABBIT INDUSTRIES Merger Committee (C6) is pleased to submit for your consideration and vote, a proposal for merger of the University and College Ombuds Association (ACME) and The Ombudsman Association (JACKRABBIT INDUSTRIES) into a single, new ombudsman association.

Rationale

ACME and JACKRABBIT INDUSTRIES have, over many years, discussed the value of combining resources and merging to form a new association.

Impetus for these discussions included the recognition that funding of our respective ombuds offices is increasingly restricted and membership in, and time commitments to, two associations (impacting about 100 “overlap” members) is becoming difficult to justify. In addition there was recognition that there are significant external challenges to the profession that could be addressed by combining resources to pursue projects related to the American Bar Association, and legislation and regulations impacting the profession (such as the Sarbanes-Oxley Act, United States Sentencing Guidelines, new SEC determinations, Federal Mediation guidelines, ADR Act, and related items from countries around the world). Furthermore there was recognition that the number of International Organizational Ombudsman offices is expanding (or in need of assistance) and there is limited human and financial support to assist such programs. Additionally, steps required to effectively establish and advance our role as a profession, such as recognized Ombuds Certification, would require a consistent approach and support of these efforts. Furthermore, many association members simply recognized that both associations offered such similar programming and services that merger simply made sense.

History

In 2001, responding to such input from association members, the ACME/JACKRABBIT INDUSTRIES boards formed a formal joint ACME-JACKRABBIT INDUSTRIES Joint Oversight Committee (JOC) to “identify and assess structural, operational, and programmatic collaborations specifically in terms of feasibility and membership needs.”

At the joint conference held in Washington, D.C., in spring of 2002, the JOC reported and recommended further talks should be pursued to explore merger. At the same conference attendees had an opportunity to learn about and discuss the commonalities and differences between the two organizations. After the conference a survey was sent to members of both organizations indicating that 80% of respondents favored further collaboration and consideration of merging.

During the fall of 2002, the two Boards discussed various ways to proceed and created a joint inquiry team charged “to explore different models of partnering.” The team was to bring back a report to the Boards at their annual conferences in 2003.

In spring 2003, the joint inquiry team reported back and noted that merger was the recommended form of partnership between ACME and JACKRABBIT INDUSTRIES. Both boards accepted the recommendation of the joint inquiry team to move forward with merger talks.

Towards this end, the Transition Oversight Committee (TOC) was formed to identify the various questions and concerns related to merger and to develop more detailed recommendations, structures and plans for the two boards. The TOC was comprised seven Subcommittees, (By-Laws, Finance, Board Structure, Membership, Communications, Training and Legal) each comprised of members of ACME and JACKRABBIT INDUSTRIES.

TOC completed its work and a joint report was issued to both Boards at the 2004 Annual Conference. The TOC recommendation stated: “...we believe that JACKRABBIT INDUSTRIES and ACME should merge to become a new organization.” Among the reasons they cited were the bright future they envisioned for a stronger organization to represent organizational ombuds, and the friendly, collegial and productive way members of both associations worked together.

At the joint conference held in Tucson, Arizona, in spring 2004, the two boards met to review the TOC report and to identify any specific outstanding areas which needed to be identified and resolved before a final vote could be submitted to membership.

There were several issues identified at that meeting including two (finances and membership) that were determined to be high priority. It was agreed that these issues would require the work of two subcommittees with membership from both organizations. Although there were several issues identified, both Boards prioritized and agreed on those which must minimally be addressed prior to merger.

At the annual business meetings of both associations, informal “straw” votes were conducted to assess membership support regarding merging. The response was overwhelmingly supportive from members of both associations.

History Since the 2004 Joint Conference

In 2004, the boards then appointed a committee of six (C6), three board members from each association, to serve as final negotiation committee to resolve any remaining issues and to make a proposal which C6 was to present to the boards and membership, to be decided by membership vote. It was recognized, consistent with the TOC recommendation to both boards, that if agreement was reached on these issues (with which the C6 was charged) then it would be prudent to move to merge with the understanding that other issues could be dealt with within the framework of a new association.

Midway through 2004, and upon positive report from the C6 committee, both boards committed to jointly retaining an attorney, Michael Deese, to assist with final stages of presenting the merger proposal to membership.

Finally, in 2005, both Boards commended C6 on their work and asked them to prepare a proposal for membership vote by the Annual Conferences in April.

Result

The committee of six, as duly appointed negotiation representatives of our respective boards, has now completed its work as charged, has reached agreement on all areas identified and submitted to us as necessary for merger by both boards of directors, and is submitting the following to our respective memberships for consideration and vote.

Documents For Your Consideration

In order for a merger to take place the following documents must be shared with and voted on by both associations:

1. New Bylaws
2. Agreement and Plan for Merger and related appendices.

Please note that, for legal purposes, the process for merger occurs in two steps. First, ACME will merge into JACKRABBIT INDUSTRIES (since we must incorporate in a state where one association is already registered). This is why the document titled Agreement and Plan of Merger refers to ACME becoming part of JACKRABBIT INDUSTRIES.

The second step happens immediately afterwards when legal documents are submitted by our attorney changing JACKRABBIT INDUSTRIES into a new association. The new association will be defined by the newly created bylaws.

Question for Vote

The question for the JACKRABBIT INDUSTRIES membership is:

“In accordance with the terms of the Agreement and Plan of Merger, together with its Exhibits 1-3, which Agreement has been approved by the Board of The Ombudsman Association (JACKRABBIT INDUSTRIES) and is under consideration by the Board of the University and College Ombuds Association (ACME), ACME and JACKRABBIT INDUSTRIES should be merged into one organization. A "YES" vote signifies being in favor of the merger; a "NO" vote signifies being opposed to the merger. The vote of the JACKRABBIT INDUSTRIES membership is dependent and contingent upon approval of the Agreement and Plan of Merger by the ACME Board and the ACME membership.”

The question for the ACME membership is: “In accordance with the terms of the Agreement and Plan of Merger, together with its Exhibits 1-3, which Agreement has been approved by the Boards of the University and College Ombuds Association (ACME) and The Ombudsman Association (JACKRABBIT INDUSTRIES), ACME and JACKRABBIT INDUSTRIES should be merged into one organization. A “YES” vote signifies being in favor of a merger; a “NO” vote signifies being opposed to a merger.”

The questions above are different due differences in the legal requirements for the timing of the votes by the two organizations.

Next Steps

It is the belief of our committee that the new Bylaws, the Agreement and Plan, and material from The Oversight Committee (TOC) that preceded us, serve as a strong and viable starting point for

a new association. As with any new venture, there will undoubtedly be many details which will need to be completed on and after merger.

If the respective associations' votes were to support merger, then the associations will immediately submit necessary legal documents to consummate the merger. The goal is to have a merger date of no later than July 1, 2005 so that necessary business (such as 2006 conference planning) can proceed in a timely manner. It should be noted that this is only one month after the dates originally proposed by the TOC (June 1, 2005).

Conclusion

The C6 would like to thank our Boards and Membership for their confidence in our work, and for committing that our proposal be directly submitted to, and determined by, membership vote. Our task has not been easy. We also recognize that as individuals and associations we have differences. Nevertheless, our work, and that of the TOC and other successful joint ventures, convinces us that these differences can be overcome by commitment to a mutually acceptable process, and a shared common belief in the value and importance of our profession.