August 19, 2026

National Speleological Society
Board of Governors

Dear Members of the Board of Governors,

Thank you for your detailed response of August 6 to our letter of August 3. We appreciate that the Board engaged each of our concerns, and we credit the concrete steps you described. We also note that the National Speleological Foundation has written to the Board in support of these same concerns.

We further note that the Board's recent message to the membership (NSS News Vol., 28, p.4), described the leadership transition but did not speak to the financial and oversight concerns we raised, which makes the matters below even more important to quickly resolve. Several of them remain unresolved, and we ask the Board to address the following.

1. **Separate the offices of Executive Director and Secretary-Treasurer.** The Secretary-Treasurer is a three quarter-time position functioning as the Society's chief financial officer, while the Executive Director is responsible for all operations and supervises the Secretary-Treasurer. One person now holds both the financial-control function and the supervision of that function. This is the single-point-of-control situation the Society's own Code of Ethics (Appendix BR) directs members to avoid, and a departure from the separation that the Financial Review Committee charter and the signature-authority policy (Act 15-573) assume between the two roles. We ask the Board to make these two offices permanently separate, held by different individuals, and to give that separation immediate effect by appointing an Acting Secretary-Treasurer so the financial-officer function is held independently of the Executive Director. Though the current situation is called interim, this concentration is likely to persist for a year or more. The investigation of the loss and the hiring process for a permanent Executive Director is exactly when separation matters most. An interim Acting Secretary-Treasurer restores it now, without waiting for the permanent hire.

2. **Recuse those who held oversight during the embezzlement period, pending an independent review.** As a standard safeguard, we ask that the individuals who held financial and/or personnel oversight during the embezzlement period step aside from all positions of financial authority in the Society, including the interim Executive Director and Secretary-Treasurer roles, until the independent review described below finds no culpability or conflict of interest. This is not a finding of wrongdoing. It is the ordinary precaution any organization takes to protect both the Society and the individuals while the facts are established, and to ensure the review is, and is seen to be, independent of those whose oversight is under examination.

3. **Provide for an independent review of accountability.** The loss continued undetected from late 2023 through early 2026, as documented in The Executive Director's 1st Year - 2026 Convention Report (p. 14, posted on the NSS Business page). Proper controls that should have detected the embezzlement include monthly review of bank accounts (Act 15-509), separate accounting for headquarters rental income (Act 15-885), elimination of all cash payments, close in-office management and oversight, and, historically, event cost/income accounting that determined event net. We ask the Board to have an independent review determine why these controls did not detect the loss, and when and why the event-net accounting stopped. The Financial Review Committee (Appendix AV) is the body charged with financial-fraud oversight. We ask the Board to report what review it has conducted, to identify its members, and to confirm they are independent as the charter requires. Any determination of individual responsibility should come from that independent review rather than from the Board, which appointed the interim Executive Director and has already offered its own view on the matter.

4. **Commission an independent Forensic Accounting of the loss.** The audit now underway (Mauldin & Jenkins) is the standard annual financial review the Society is already required to conduct (Act 15-510). It is designed to confirm the financial statements are fairly presented, not to investigate theft. We ask the Board to confirm whether that audit includes a forensic examination of the loss itself, including the amount taken, how it occurred, and where oversight failed. If it does not, we request that the Board commission a complete forensic accounting covering the entire employment history of the employee(s) of concern, any irregularities, and a report of the findings to the membership, to the extent permitted by law-enforcement. Transparency is

critical so that members know that the board is taking the matter seriously, instituting controls to prevent future issues, and addressing management shortcomings.

5. **Publish the required record of recent Board actions.** The Bylaws require the Recording Secretary to post draft minutes to the NSS Business page no later than 30 days after each meeting, and to provide that those drafts are approved at the next regular meeting and then replaced with the final, approved version (Appendix J). As of the date of this letter, that process appears to have broken down. The most recent finalized minutes posted to the membership are from September 2024, and the minutes of every 2025 meeting remain posted only as drafts. Minutes from 2026 have not been posted at all. Under the Society's own procedure, each of those should have been approved at a subsequent meeting and replaced with a final version. That has not occurred for more than a year. The concern is that draft minutes are subject to revision and are not the official, approved record. When finalized, the minutes must include, regardless of personnel sensitivity, the motions, movers and seconders, vote counts, attendance, and any conflict-of-interest disclosure, and its resolution (Acts 03-363 and 05-121). We are not asking for the substance of confidential personnel deliberations, only the record the bylaws require. Because these minutes remain in draft and have not been approved, members do not yet have a final, official record of the Board's decisions during this period, including its financial decisions. We ask that all outstanding minutes be approved, finalized, and posted, and that the Society's finalization process be brought current and kept current going forward.

We also ask the Board to confirm or address the following:

- **Interim compensation.** We understand the interim Executive Director's compensation is being raised toward the Executive Director level. Under the Society's conflict-of-interest provisions (Act 03-445), who approved of that adjustment, and was the interim Executive Director recused from the decision?
- **Fund-withdrawal authority.** During this period without a permanent Executive Director, who holds authority to withdraw Society funds; does a substantial withdrawal require the Board Chair's co-approval; and how is that approval documented?
- **Bonding.** Has the interim Executive Director been bonded for the role, as required for those with access to significant Society funds (Act 15-020)?
- **Conflict-of-interest policy.** The outgoing Executive Director noted a drafted policy covering conflicts involving employees and non-Board leaders, since Act 03-445 covers only directors (The Executive Director's 1st Year - 2026 Convention Report, p. 9). Was that policy brought to a Board vote, and if not, will it be?
- **Volunteer background checks.** Will the completed employee background checks be extended to all volunteers in sensitive positions?

Finally, the questions raised here and by the Foundation point to gaps and contradictions in the Society's current bylaws, manual, and financial policies. We encourage the Board to engage an independent firm to review these documents for compliance with sound nonprofit practice, a modest cost to protect the Society's finances and reputation.

We raise these matters as colleagues who want the Society to succeed. These are specific questions, and we ask the Board for a written response to each of them within 15 days of the receipt of this letter.

With respect and appreciation for your service,

On behalf of the concerned members of the National Speleological Society
Concerned NSS Members