

TABLE OF CONTENTS

MINUTES

OF THE MEETING OF

THE KIWANIS INTERNATIONAL BOARD OF TRUSTEES

JANUARY 23-28, 1986

	<u>Page</u>	<u>Exhibit Number</u>
Message of the President	2	1
Message of the President-elect	2	2
Report of the Secretary	2	3
Report from Kiwanis International Foundation	2	4
Approval of Minutes of Board Meeting 10/6-10/85..	2	-
Administrative Action	2	5
Ad Hoc Committee on Board Representation	2	6
Administrative Resolution on Representa- tion on International Board of Trustees	3	
Preliminary Report of Finance Committee.....	4	7
Long Range Planning	5	8
Operating Objectives -- KI Strategic Planning Program	5	
Program Services - Education	7	9
Pilot Youth Exchange Program Implemented to Occur in 1986-87	7	
Club 25 Accepted as Part of our Inter- national Project Month for 1985-86	7	10
Member Services - International Extension	8	11
Procedure 313 Amended -- Reactivated Clubs ...	8	
KIAR Program Expanded	8	
Reimbursement of Accredited Representatives...	9	
Revocation of Charters	9	
Citation for 1984-85 Governors	11	
Proposed Amendment to International Bylaws -- Article IV, Section 8	11	
Communications	11	12
Procedure 155(f) (1) Amended -- Prohibited Activities Shall Be	11	
Procedure 155(f) (2) Amended -- Prohibited Activities Shall Be	12	
Two Vice-Presidents Requested to Attend Governors-elect Conference	12	
Amendment to Bylaws -- Magazine Sub- scription Price	12	
Mrs. Nancy Reagan Selected as 1985-86 Kiwanis World Service Medal Recipient	13	
Resolution for 1986 International Convention Regarding Nancy Reagan and the Anti-Drug and Alcohol Abuse Programs	13	
Special Committee on Financial Procedures	13	13
Youth Services	13	14
Proposed Changes to Key Club International Board Policies	14	15

	<u>Page</u>	<u>Exhibit Number</u>
Adjustment to Key Club Budget	14	
New Procedure 198 -- Submission of Grant Requests to Kiwanis International Foundation	14	
Circle K International Conventions (KI Will Not Fund Any Deficits)	15	
Administration - Constitution and Bylaws	15	16
Profit Margins for Supplies Department	15	
1987 Florida District Convention	15	
Travel Medical Policy for Board Members	16	
Semi-Annual Billings to Be Based on Membership as of September 30 and March 31	16	
Qualified Individual to be Retained for Recodifying Board Procedures	16	
Allocation for Recodifying Board Procedures .	16	
Procedure 112 Amended -- Board Committee Areas of Responsibilities and Concern	16	
Service Agreement for New CPT Office Automation System	18	
Proposed Criteria for District Adminis- trative Excellence Award in 1986-87.....	18	17
Distinguished Governor Awards for 1986-87 ...	18	
Lieutenant Governor Report Forms	18	
Expenditure Rescinded for Computer Software Package	18	
Capital Expenditure for Software Package	19	
Expenditure for IBM System 3	19	
Expenditure for Pension Expense	19	
Kiwanis International Pension Plan	19	18
April 12-14, 1986, Dates for Asia- Pacific Conference	19	
Treasurer's Report	20	-
Finance	20	19
Capital Expenditures for Data Shredder and Office Partitions and Office Furniture.	20	
Revised Investment Guidelines	20	20
Budget Assumptions for 1986-87	20	
Line Items to Remain as Budgeted -- Board Authorizes Expenditures in Excess of the Amount Budgeted	21	
Gratitude to Staff	21	-
Adjournment Sine Die	22	-

MINUTES
OF THE MEETING OF
THE KIWANIS INTERNATIONAL BOARD OF TRUSTEES
JANUARY 23-28, 1986

A meeting of the Board of Trustees of Kiwanis International was held at the International Office in Indianapolis, Indiana, on January 23-28, 1986.

Present from the Board of Trustees were: Donald E. Williams, President; Frank J. DiNoto, President-elect; Raymond W. Lansford, Immediate Past President; Raymond B. Allen and Gene R. Overholt, Vice-Presidents; Anton J. "Tony" Kaiser, Treasurer; G. H. "Gil" Zitzelsberger, Secretary; Morton O. Alper, D.D.S, W. J. "Wil" Blechman, M.D., C. A. Dillon, Jr., W. Donald Goodfellow, Q.C., Kurt K. Huber, M.D., J. Donovan Jackson, William L. Lieber, Noris A. Lusche, John D. Morton, Sr., Robert G. Sinn, Avelino V. "Beling" Tanjuakio, Robert A. Wagner, Trustees.

Also present were: Ronald L. West, Assistant Secretary for Administration; Larry J. Horney, Assistant Secretary for Communications and Education; Speegle Berry, Assistant Secretary for Membership; and W. Thomas Nelson, Jr., Assistant to the Secretary and Director of Research and Development.

The meeting was called to order by President Donald E. Williams on January 24, 1986, at 8:30 p.m. The invocation was given by Trustee Blechman.

The Message of the President was presented by Donald E. Williams and is attached as "Exhibit 1."

**MESSAGE OF
PRESIDENT**

The Message of the President-elect was presented by Frank J. DiNoto and is attached as "Exhibit 2."

**MESSAGE OF
PRESIDENT-ELECT**

The Report of the Secretary was presented by G. H. "Gil" Zitzelsberger. It is attached as "Exhibit 3."

**REPORT OF
SECRETARY**

A Report from the Kiwanis International Foundation President, George Engdahl, was presented at an informal meeting on January 23, 1986. (See "Exhibit 4.")

**REPORT FROM
KI FOUNDATION**

Secretary Zitzelsberger presented the minutes of the meeting of the International Board of Trustees held in Indianapolis, Indiana, October 6-10, 1985. Upon motion duly made, seconded, and unanimously carried, it was:

RESOLVED, That the Minutes of the Board Meeting of October 6-10, 1985, be and hereby are approved.

**MINUTES OF BOAR
MEETING OF
OCTOBER 6-10,
1985, APPROVED**

The Board reviewed the report of Administrative Action taken by staff since the last Board Meeting, a copy of which is attached as "Exhibit 5." Upon motion duly made, seconded, and unanimously carried, it was:

RESOLVED, That the Administrative Action taken by staff since the last Board Meeting be and hereby is approved.

**ADMINISTRATIVE
ACTION**

The meeting was adjourned at 9:10 p.m. until Monday, January 27.

The meeting was reconvened at 8:00 a.m. on January 27, 1986. The invocation was given by Trustee Lusche.

There was an informal discussion and a consensus reached that Board members may bring their wives to the April Board Meeting at their own expense.

The Report of the Ad Hoc Committee on Board Representation was presented by its chairman, Immediate Past President Lansford. (See "Exhibit 6.")

**AD HOC COM-
MITTEE ON
BOARD REPRES-
ENTATION**

It was moved by Immediate Past President Lansford, supported by President-elect DiNoto, and unanimously carried as follows:

RESOLVED, That the following Administrative Resolution is accepted, and it shall be submitted to the House of Delegates at the 1986 Kiwanis International Convention in Houston:

**"AN ADMINISTRATIVE RESOLUTION ON
REPRESENTATION ON THE INTERNATIONAL BOARD OF TRUSTEES**

**ADMINISTRATIVE
RESOLUTION ON
REPRESENTATION
ON THE INTER-
NATIONAL BOARD
OF TRUSTEES**

"WHEREAS Kiwanis International has now experienced twenty-five years of growth in member clubs outside of North America, and

"WHEREAS Kiwanis has now expanded into 76 countries throughout the free world, and

"WHEREAS this growth and the increasing interest of clubs to fully participate in a unified worldwide Kiwanis structure indicates the desirability and even the necessity of establishing a principle of representation of all Kiwanis clubs, and

"WHEREAS it is apparent that the time has now come for the development of a unified worldwide Kiwanis structure to assure the representation of the total organization in the future;

"THEREFORE, BE IT RESOLVED that the delegates assembled at the Kiwanis International Convention in Houston, Texas, June 22-25, 1986, direct the Board of Trustees of Kiwanis International to prepare the necessary procedures and amendments to the Constitution and Bylaws of Kiwanis International for the creation of an electoral regional plan for representation on the Board of Trustees of Kiwanis International for presentation to the Delegate Body of the Kiwanis International Convention in Washington, D.C. July 5-8, 1987, which would include the following principles:

1. For the present time, the current number of eighteen (18) elected Board members should remain unchanged.
2. In any plan, Kiwanians from throughout the world should have the opportunity for representation on the Board.
3. Board representation should reflect membership strength and provide for increased non-U.S. representation if the ratio of membership outside the United States increases in the future.

"Based on these principles, the following general concepts are to guide the Board in its development of appropriate amendments.

"A. Based upon our current membership configuration, there would be the following electoral regions:

- Region I - United States
- Region II - Western Canada/Eastern Canada & Caribbean
- Region III - Europe
- Region IV - Asia/Pacific Region
- Region V - All other areas of the Kiwanis world

"B. Region I is guaranteed twelve (12) seats on the Board. All other regions together are guaranteed four (4) seats among them on the Board. The remaining two (2) seats shall be filled on an at-large basis and may come from any region.

"C. Regions II, III, and IV are each guaranteed one member on the Board, with that member being elected by the clubs in his region. Each "remaining guaranteed seat" would be filled by a representative from Regions II, III, IV, or V and be elected at-large by the House of Delegates at the Annual Convention.

"D. Except where necessary to fill a guaranteed seat, a district shall not have a member on the Board for one administrative year after another person from that district has served on the Board.

"E. When the paid membership within any area of Region V reaches 2.5% of the overall paid membership of Kiwanis, and that minimum figure is maintained for two consecutive years, that area becomes eligible for a guaranteed seat.

"F. Currently Region I has 85% of the overall paid membership of Kiwanis. On this basis, non-U.S. regions have been guaranteed four (4) seats. Future apportionment of the Board's eighteen (18) elected members will be based on growth as follows:

<u>% of Region I Kiwanis Paid Membership</u>		<u># of Non-U.S. Guaranteed Seats on Board</u>
More Than	85.0%	4
85 Down To	80.0%	4
80 Down To	75.0%	5
75 Down To	70.0%	6

"If the United States paid membership becomes less than 70%, a new representation plan should be considered."

This completed the actions on the recommendations of the Ad Hoc Committee on Board Representation.

The Preliminary Report of the Finance Committee was presented by Vice-President Overholt and is attached as "Exhibit 7."

**PRELIMINARY
REPORT OF
FINANCE
COMMITTEE**

The Report of the Board Committee on Long Range Planning, Anton J. Kaiser, Chairman, was presented. (See "Exhibit 8.")

LONG RANGE
PLANNING

It was moved by Treasurer Kaiser, supported by Vice-President Overholt, and duly carried as follows:

RESOLVED, That the following statements are approved as the initial Operating Objectives for Kiwanis International's Strategic Planning Program:

OPERATING
OBJECTIVES --
KI STRATEGIC
PLANNING PRO-
GRAM

Finance

1. Adhere to sound financial policies and practices.
2. Plan toward a sound financial future for Kiwanis.

Management Information Services

3. Expand Management Information Services programs and services.

Office Services

4. Continue to improve International Office operations and procedures.

Personnel

5. Enhance staff morale, training, and professional growth.

Supplies

6. Expand Supplies operations to better serve the K-Family.

Magazine

7. Maintain and improve the magazine's quality.
8. Increase non-North American content and distribution of the magazine.

Bulletin for Kiwanis Officers (BKO)

9. Develop regional editions of the BKO to support non-North American areas.

Public Relations

10. Revise and implement a comprehensive public relations program.

Education

11. Provide comprehensive worldwide Kiwanis education and leadership training programs.

Program Development

12. Expand the research, development, promotion, and evaluation of Kiwanis service programs and materials.
13. Increase promotion of "The Underprivileged Child - A Kiwanis Concern" in order to achieve greater worldwide identity and participation.

Conventions and Meetings

14. Stabilize the format and improve the content of Convention programming.
15. Formalize site selection and geographical rotation criteria for Convention planning.
16. Maximize the educational and motivational aspects of the International Convention, International Council, and Governors-elect Conference.

Foundation

17. Continue to build a mutually beneficial relationship with the Kiwanis International Foundation.

Board of Trustees

18. Determine and constitutionalize the optimal governance structure for Kiwanis International.
19. Determine and constitutionalize the optimal form of Board structure.

Operations

20. Determine and implement the best method of delivering services and programs to clubs throughout the world.

Research and Development

21. Establish an organized research program to yield a greater understanding of the needs and expectations of Kiwanis clubs and members.
22. Develop and implement minimum standards programs (membership and service) for clubs.

Miscellaneous

- 23. Improve communications throughout the Kiwanis world.
- 24. Implement and maintain Kiwanis International's Strategic Planning Program.
- 25. Provide prompt and effective International Office support to all levels of Kiwanis International.
- 26. Improve services to Kiwanis-endorsed organizations such as Builders Clubs and Kiwanianne clubs.
- 27. Devise and implement an organized worldwide membership growth plan to achieve a minimum of 20% net membership increase over five years.

Key Club

- 28. Improve support to local Kiwanis clubs in the areas of new club building and reactivation of Key Clubs.
- 29. Devise and implement a membership growth plan to achieve a 5% growth in active clubs.
- 30. Improve education and leadership development programs for local clubs.
- 31. Strengthen district operations.
- 32. Raise the level of organizational visibility through a specific public relations program.

This completed the action on the recommendations of the Board Committee on Long Range Planning.

The Report of the Board Committee on Program Services - Education, J. Donovan Jackson, Chairman, was presented. (See "Exhibit 9.")

It was moved by Trustee Lieber, supported by Trustee Blechman, and duly carried as follows:

RESOLVED, That a pilot youth exchange program be implemented to occur in 1986-87, and that necessary funds be requested from the Kiwanis International Foundation.

It was moved by Immediate Past President Lansford, supported by Trustee Jackson, and duly carried as follows:

RESOLVED, That we accept Club 25 as part of our International Project Month for 1985-86. (See "Exhibit 10.")

PROGRAM SERVICES - EDUCATION

PILOT YOUTH EXCHANGE PROGRAM IMPLEMENTED TO OCCUR IN 1986-87

CLUB 25

It was moved by Trustee Tanjuakio, supported by Trustee Jackson, and duly carried as follows:

RESOLVED, That \$2,100 be transferred from 03-104-01 to 13-104-01 and that we authorize spending the amount of \$2,700 in excess of the amount budgeted in line item 13-104-01.

This completed the action on the recommendations of the Board Committee on Program Services - Education.

The Report of the Board Committee on Member Services - International Extension, Robert G. Sinn, Chairman, was presented. (See "Exhibit 11.")

It was moved by Trustee Sinn, supported by Trustee Dillon, and duly carried as follows:

RESOLVED, That Board Procedure 313 - Reactivated Clubs be and hereby is amended to read:

Procedure 313. Reactivated Clubs

In order for a club that has been listed as "non-meeting" to be restored to "active" status, a reactivation meeting must be held conducted by the Lieutenant Governor, Kiwanis International Accredited Representative, or a current or past district officer. At that meeting, the club roster must have a minimum number of fifteen (15) members, of which at least twelve (12) are in attendance. Following this reactivation meeting, the International Office must be provided with the date the meeting was held, the names and addresses of the club President and Secretary, a roster of the members including name and complete mailing address, and the place, day and time of the weekly meetings as certified by the above officer.

AND BE IT FURTHER RESOLVED, That this Procedure be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Sinn, supported by Trustee Jackson, and duly carried as follows:

RESOLVED, That the KIAR program is expanded to include expense reimbursement not to exceed \$100 for bringing a club back to charter strength from 15 or fewer members.

It was moved by Trustee Huber, supported by Trustee Jackson, and duly carried as follows:

MEMBER SERVICES
- INTER
NATIONAL
EXTENSION

PROCEDURE 313
AMENDED --
REACTIVATED
CLUBS

KIAR PROGRAM
EXPANDED

RESOLVED, That we adopt a two year pilot program by which we will reimburse Accredited Representatives limited to actual expenses incurred in the performance of assigned duties. The reimbursement of expenses shall not exceed \$100 per club organized except in non-districted areas where the reimbursement of expenses shall not exceed \$500 per club organized.

REIMBURSEMENT
OF ACCREDITED
REPRESENTATIVES

AND BE IT FURTHER RESOLVED, That this be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Dillon, supported by Trustee Sinn, and duly carried as follows:

RESOLVED, That the charters of the following clubs are revoked and the amounts of the accounts receivable be charged against the reserve for bad debts in the amount of \$19,322.13:

REVOCAION
OF CHARTERS

<u>CLUBS BY DISTRICT</u>	<u>KEY NO.</u>	<u>OUTSTANDING ACCOUNTS RECEIVABLE</u>
<u>INDIANA</u>		
Zionsville, IN	05906	\$ 109.50
<u>LOUISIANA-MISSISSIPPI-WEST TENNESSEE</u>		
Baker, LA.	10578	165.75
Humboldt, TN	10530	33.20
West Baton Rouge, LA	11181	317.55
West Shreveport, LA	08357	129.60
<u>NEBRASKA-IOWA</u>		
Hartley, IA	05987	-0-
Melvin, IA	04756	-0-
<u>NEW YORK</u>		
Fresh Meadows, NY	03262	94.50
Greater Goshen, NY	10976	434.70
Mechanicsville Stillwater, NY	09882	-0-
Melville Dix Hills, NY	08271	310.50
Mill Basin Georgetown Carnarsie, NY	10016	278.85
Montgomery Township, NY	07726	94.20
Our Lady of Grace Golden K, NY	11305	263.50
<u>PACIFIC NORTHWEST</u>		
Klamath Sunrisers, Klamath Falls, OR	10594	351.90
Lincoln East, Tacoma, WA	10699	-0-
Maple Ridge, Haney, BC	05407	233.03
Rocky Butte, Portland, OR	03054	-0-
Wallace, ID	02833	82.95
<u>PENNSYLVANIA</u>		
East Side Erie, PA	09306	372.60
East Suburban Pittsburgh	09307	9.00
Punxsutawney, PA	00791	-0-

<u>CLUBS BY DISTRICT</u>	<u>KEY NO.</u>	<u>OUTSTANDING ACCOUNTS RECEIVABLE</u>
<u>PHILIPPINE LUZON</u>		
Apalit, Pampanga	10764	30.00
Bacolor, Pampanga	08691	375.00
Baguio City	09915	30.00
Bataan, Bataan	08491	547.50
Beach County, Gubat, Sorsogon	10346	840.00
Cabugao, Ilocos Sur	10317	787.50
Caloocan City	10284	30.00
Catherdral Heights, Quezon City	10146	585.00
Florida Blanca	11037	1,233.40
Greenhills, Metro Manila	10549	-0-
Guinobatan	09224	825.00
Irosin, Sorsogon	10825	100.00
Isarog - Tigaon	10685	1,162.50
Libon	09271	-0-
Ligao	07515	457.50
MMIC-Island Cement	10134	1,055.00
Marikina Valley, Metro Manila	10908	30.00
Mayantoc	08603	195.00
Mercedes	09612	405.00
Minalin, Pampanga	11036	420.00
Moon (The), Bulan, Sorsogon	10579	60.00
Nabua	08571	360.00
New Manila	11129	795.00
Novaliches Central, Quezon City	10510	390.00
Rizal Molave	09651	562.50
Sinait, Ilocos Sur	10740	-0-
Solano, Nueva Viscava	09856	-0-
Sta. Ignacia Central	09684	240.00
Tabaco	07043	660.00
Talugtug, Nueva Ecija	09695	937.50
Vinzons, Camarines Norte	10708	60.00
Wall Street, Makati, Metro Manila	10747	240.00
<u>TEXAS-OKLAHOMA</u>		
Bellaire, TX	03743	274.80
Dallas International, TX	10115	281.25
Hennessey, OK	10079	310.50
High Noon, Dallas, TX	02962	-0-
Keller-Golden Triangle, TX	11101	328.50
Northside, Oklahoma City, OK	02246	211.50
Quad-County, Frankston, TX	09749	112.95
Sallisaw, OK	06687	120.45
San Marcos Evening, TX	10947	664.65
Van Area, TX	11110	262.80
Vinita, OK	07691	78.00
<u>TOTAL 65</u>		<u>\$19,322.13</u>

It was moved by Trustee Dillon, supported by Trustee Jackson, and duly carried as follows:

RESOLVED, That the Board accept Immediate Past President Lansford's suggestion that governors which achieved excellence during 1984-85 shall receive a citation by the President of Kiwanis International at the 1986 Houston Convention and that the funds be allocated from budget item 20-140-02. These districts are: Australia, Austria-Germany, Carolinas, Florida, Georgia, Minnesota-Dakotas, Missouri-Arkansas, Norden, Philippine Luzon, Rocky Mountain, Southwest, Switzerland-Liechtenstein, and West Virginia.

CITATION FOR
1984-85 GOV-
ERNORS

It was moved by Trustee Jackson, supported by Trustee Sinn, and duly carried as follows:

It was moved by Trustee Jackson, supported by Trustee Sinn, and duly carried as follows:

RESOLVED, That the following proposed amendment to the International Bylaws be presented to the International House of Delegates at the Houston Convention in 1986:

PROPOSED
AMENDMENT TO
INTERNATIONAL
BYLAWS --
ARTICLE IV,
SECTION 8

"Article IV, Section 8. A member chartered club may give expression by proper means to its attitudes on public questions and proposed legislation affecting the community, state or province, and nation in which the club is located, according to the procedures and restrictions contained in Articles XIV of the Standard Forms for Club and District Bylaws. Except in the manner provided for the adoption of district and international resolutions, a club may not solicit the expression of attitudes by clubs located in other nations regarding the domestic or foreign policies of those nations."

This completed the action on the recommendations of the Board Committee on Member Services - International Extension.

The report of the Board Committee on Communications, W. J. "Wil" Blechman, M.D., Chairman, was presented. (See "Exhibit 12.")

COMMUNICATIONS

It was moved by Trustee Morton, supported by Trustee Wagner, and duly carried as follows:

RESOLVED, That Procedure 155(f) (1), under the heading of Prohibited Activities Shall Be, is amended to read:

PROCEDURE
155(f) (1)
AMENDED --
PROHIBITED
ACTIVITIES
SHALL BE

(1) Prohibited Activities Shall Be

155(f) (1) solicitation or acceptance of financial gifts or pledges, or the selling or taking of orders for goods or services by exhibitors, individuals, Kiwanis districts or clubs, at or within the exhibit hall and/or convention center, with the exception of the Kiwanis International Foundation and the Kiwanis International Supplies Department.

AND BE IT FURTHER RESOLVED, That this be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Morton, supported by Trustee Blechman, and duly carried as follows:

RESOLVED, That Procedure 155(f) (2), under the heading of Prohibited Activites Shall Be, is amended to read:

155(f) (2) conducting a drawing or any other contest of chance or skill at or within the exhibit hall and/or convention center.

AND BE IT FURTHER RESOLVED, That this Procedure be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Blechman, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That the two Vice-Presidents be requested to attend the Governors-elect Training Conference.

AND BE IT FURTHER RESOLVED, That this be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Alper, supported by Trustee Morton, and duly carried as follows:

RESOLVED, That the Committee on Administration-Constitution and Bylaws is requested to prepare an amendment to the Bylaws to be brought before the delegate body in Houston that would change the membership subscription price of Kiwanis magazine by increasing it \$2 (from \$4.50 to \$6.50) per year.

It was moved by Trustee Lieber, supported by Trustee Dillon, and duly carried as follows:

PROCEDURE
155(f) (2)
AMENDED --
PROHIBITED
ACTIVITIES
SHALL BE

TWO VICE-
PRESIDENTS
REQUESTED TO
ATTEND GOV-
ERNORS-ELECT
CONFERENCE

AMENDMENT TO
BYLAWS --
MAGAZINE
SUBSCRIPTION
PRICE

RESOLVED, That this Board approves the nomination of Mrs. Nancy Reagan as the 1985-86 Kiwanis World Service Medal recipient, for her remarkable personal efforts to address the tragedy of school-age drug and alcohol abuse, not only in the United States but around the world.

MRS. NANCY REAGAN SELECTED AS 1985-86 KIWANIS WORLD SERVICE MEDAL RECIPIENT

It was moved by Trustee Lieber, supported by Trustee Blechman, and duly carried as follows:

RESOLVED, That the following resolution is proposed by the International Board to the International Committee on Resolutions for presentation to the 1986 House of Delegates:

RESOLUTION FOR 1986 INTERNATIONAL CONVENTION REGARDING NANCY REAGAN AND THE ANTI-DRUG AND ALCOHOL ABUSE PROGRAMS

"WHEREAS, Kiwanis clubs have been actively combatting the tragic consequences of school-age drug and alcohol abuse since our first Major Emphasis Program, 'Operation Drug Alert.' in 1969;

"AND WHEREAS, United States First Lady Nancy Reagan has devoted a large share of her personal time to creating greater public awareness and effective action to achieve this same laudable goal, not only in the United States but around the world;

"AND WHEREAS, Mrs. Reagan is the 1986 recipient of the Kiwanis World Service Medal;

"THEREFORE, BE IT RESOLVED, That Kiwanis International urges every Kiwanis club to sponsor or support community programs to prevent school-age drug abuse and rehabilitate its victims;

"AND BE IT FURTHER RESOLVED, That Kiwanis International invites clubs and members to make contributions to the Nancy Reagan World Service Fund administered by the Kiwanis International Foundation from which donations will be made to anti-drug and alcohol abuse programs."

This completed the action on the recommendations of the Board Committee on Communications.

The meeting was recessed at 5:00 p.m. until 8:00 p.m. the same night.

President Williams reconvened the meeting at 8:00 p.m. on January 27, 1986.

The report of the Special Committee on Financial Procedures, Frank J. DiNoto, Chairman, was presented. (See "Exhibit 13.")

SPECIAL COMMITTEE ON FINANCIAL PROCEDURES

The report of the Board Committee on Youth Services, Raymond B. Allen, Chairman, was presented. (See "Exhibit 14.")

YOUTH SERVICES

It was moved by Trustee Goodfellow and supported by Trustee Wagner that the proposed changes to the Key Club International Board Policies (see "Exhibit 15") be approved.

It was moved by President-elect DiNoto and supported by Trustee Blechman that this motion be amended to exclude Policy 7.8 and refer it back to committee. The amendment was adopted.

The motion as amended was approved as follows:

RESOLVED, That the proposed changes to the Key Club International Board Policies (as shown in Exhibit 15) be and hereby are approved, with the exception of Policy 7.8 which is referred back to the Committee.

**PROPOSED
CHANGES TO
KEY CLUB
INTERNATIONAL
BOARD POLICIES**

It was moved by Trustee Goodfellow, supported by Trustee Morton, and duly carried as follows:

RESOLVED, That the adjustments to the Key Club Department Budget (Department 15) as outlined in Exhibit B of the Committee's report are approved.

**ADJUSTMENTS
TO KEY CLUB
BUDGET**

It was moved by Trustee Goodfellow, duly seconded, and carried as follows:

RESOLVED, That Procedure 198 - Submission of Grant Requests to Kiwanis International Foundation is adopted as follows:

**NEW PROCEDURE
198 -- SUB-
MISSION OF
GRANT REQUESTS
TO KIWANIS
INTERNATIONAL
FOUNDATION**

Procedure 198 - Submission of Grant Requests to Kiwanis International Foundation

- a. All grant requests to the Kiwanis International Foundation shall be signed by the Assistant Secretary responsible for the function for which the grant is sought.
- b. Upon signing such a grant request, the Assistant Secretary certifies by implication that:
 - (1) he has read the contents of the grant application as prepared by staff, and
 - (2) that he is familiar with the contents thereof and believes that it is a proper grant request, and
 - (3) that he has discussed the grant request at Senior Staff Meeting and is satisfied that it is not a duplication of any other grant request, and
 - (4) that the amount and the function for which the grant is requested has been approved by the Kiwanis International Board of Trustees.

AND BE IT FURTHER RESOLVED, That this Procedure be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Dillon, supported by Trustee Morton, and duly carried as follows:

RESOLVED, That staff is directed to advise the Florida district of Circle K International and the Circle K International Board of Officers that as Kiwanis International will not fund any Circle K International Convention deficits, consideration be given to holding the 1988 Circle K International Convention on a college or university campus.

CIRCLE K
INTERNATIONAL
CONVENTIONS
(KI WILL NOT
FUND ANY
DEFICITS)

This completed the action on the recommendations of the Board Committee on Youth Services.

The meeting was recessed at 9:30 p.m. until 8:00 a.m. the next morning.

President Williams reconvened the meeting at 8:00 a.m. on January 28, 1986.

The report of the Board Committee on Administration - Constitution and Bylaws, Noris A. Lusche, Chairman, was presented. (See "Exhibit 16.")

ADMINISTRATION
- CONSTITUTION
AND BYLAWS

It was moved by Trustee Alper, duly seconded, and carried as follows:

RESOLVED, That the Supplies Department constantly strive for a minimum margin of 20% for club essential items and constantly strive for a minimum of 50% for non-essential items. This rule does not apply to discount and sale items.

PROFIT MARGINS
FOR SUPPLIES
DEPARTMENT

AND BE IT FURTHER RESOLVED, That this be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Wagner, supported by Trustee Sinn, and duly carried as follows:

RESOLVED, That the Florida district is permitted to hold their District Convention on September 17-20, 1987.

1987 FLORIDA
DISTRICT CON-
VENTION

It was moved by Trustee Wagner, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That the Board approves a deposit be made for the travel medical policy for Board members with a coverage effective immediately.

TRAVEL MEDICAL POLICY FOR BOARD MEMBERS

It was moved by Trustee Goodfellow, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That effective September 30, 1986, all semi-annual billings, for dues, magazine subscriptions, and insurance be based on membership as of September 30, and March 31, as shown on the September and March club monthly reports and, that an amount of \$1,300 in excess of the amount budgeted is approved to cover the cost of the additional forms.

SEMI-ANNUAL BILLINGS TO BE BASED ON MEMBERSHIP AS OF SEPTEMBER 30 AND MARCH 31

It was moved by Trustee Goodfellow, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That a qualified individual be retained to undertake the task of recodifying the Board's Procedures.

QUALIFIED INDIVIDUAL TO BE RETAINED FOR RECODIFYING BOARD PROCEDURES

It was moved by Trustee Goodfellow, supported by Trustee Tanjuakio, and duly carried as follows:

RESOLVED, That an amount of \$2,500 in excess of the amount budgeted is allocated to cover the expenses attendant to the task of recodify the Board's Procedures.

ALLOCATION FOR RECODIFYING BOARD PROCEDURES

It was moved by Trustee Goodfellow, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That Board Procedure 112 Board Committee Areas of Responsibilities and Concern be and hereby is amended to read as follows:

PROCEDURE 112 AMENDED -- BOARD COMMITTEE AREAS OF RESPONSIBILITIES AND CONCERN

112.1 - Executive

In any interim between meetings of the Board of Trustees, the administrative authorities of this Board shall be and hereby are delegated to the Executive Committee, and the action of such committee under such delegation shall have the force and effect of action by the Board of Trustees unless subsequently disapproved by vote of the Board of Trustees. All action by the Executive Committee which is not disapproved by the Board of Trustees shall be formally ratified by the Board of Trustees. This delegation of authority shall not include the right to waive or change policy.

112.2 - Administration - Constitution and Bylaws

- a. Employee Benefit Programs
- b. Building Supervision
- c. Constitution and Bylaws Amendments
- d. Policies and Procedures
- e. KI-KIF Administrative Relationship
- f. Supplies Pricing and Marketing
- g. Distinguished Governor and District Administrative Excellence Award program

112.3 Communications

- a. Kiwanis magazine, including editorial content, production, and advertising
- b. Bulletin for Kiwanis Officers
- c. Public Relations
- d. Meetings and Convention Planning

112.4 - Long-Range Planning

- a. Develop, implement, and periodically review Kiwanis' Strategic Planning Program

112.5 - Member Services-International Extension

- a. Membership growth and retention
- b. New Club Building
- c. International Extension
- d. Club Administration and Structure
- e. Awards Program
- f. Kiwanianne Program

112.6 - Finance

No change - Same as specified in Board Minutes, June 28 and July 4, 1985.

112.7 - Program Services - Education

- a. Program Development
- b. International Council
- c. Governors-elect Training Conference
- d. Leadership Education

112.8 - Youth Services

- a. Key Club
- b. Circle K
- c. Builders Club
- d. Other Youth Organizations and Programs

AND BE IT FURTHER RESOLVED, That this Procedure be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

It was moved by Trustee Lusche, supported by Trustee Tanjuakio, and duly carried as follows:

RESOLVED, That we hereby authorize the amount of \$5,775 in excess of the amount budgeted for line item 07-178-01 for the purpose of obtaining the Service Agreement for our new CPT Office Automation System.

SERVICE AGREEMENT FOR NEW CPT OFFICE AUTOMATION SYSTEM

It was moved by Trustee Lusche, supported by Trustee Blechman, and duly carried as follows:

RESOLVED, That the Board adopts the proposed criteria (see "Exhibit 17") as the criteria for the District Administrative Excellence Award in 1986-87 awarding an Honor and an Honorable Mention Award to each of the five groups: Diamond, Ruby, Emerald, Coral, and Pearl.

PROPOSED CRITERIA FOR DISTRICT ADMINISTRATIVE EXCELLENCE AWARD IN 1986-87

It was moved by Trustee Lusche, supported by Trustee Tanjuakio, and duly carried as follows:

RESOLVED, That for the 1986-87 administrative year only, a minimum of seven governors with the highest point scores be eligible for the Distinguished Governor Awards, provided each has sponsored at least three new members.

DISTINGUISHED GOVERNOR AWARDS FOR 1986-87

It was moved by Trustee Lusche, supported by Trustee Tanjuakio, and duly carried as follows:

RESOLVED, That we hereby approve spending \$1,300 in excess of the amount budgeted to cover the cost of the necessary Lieutenant Governor Report Forms in the Distinguished Governor criteria.

LIEUTENANT GOVERNOR REPORT FORMS

It was moved by Trustee Lusche, supported by Trustee Tanjuakio, and duly carried as follows:

RESOLVED, That the prior action of approving the expenditure of \$55,000 to purchase the Computer Associates International software package be and hereby is rescinded.

EXPENDITURE RESCINDED FOR COMPUTER SOFTWARE PACKAGE

It was moved by Trustee Lusche, supported by Trustee Blechman, and duly carried as follows:

RESOLVED, That a capital expenditure of \$20,000 in excess of the amount budgeted is hereby approved for the purchase of the software package recommended by staff as follows:

IMS Software	\$10,000.00
Bancroft Software	5,000.00
Generic Report Writer	<u>5,000.00</u>
	<u>\$20,000.00</u>

CAPITAL
EXPENDITURE
FOR SOFTWARE
PACKAGE

It was moved by Trustee Lusche, supported by Trustee Blechman, and duly carried as follows:

RESOLVED, That we hereby authorize spending the amount of \$7,000 in excess of the amount budgeted in line item 07-178-01 for the purpose of maintaining the IBM System 3 until our new software package is in operation.

EXPENDITURE
FOR IBM
SYSTEM 3

It was moved by Trustee Tanjuakio, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That we hereby authorize spending in the amount of \$4,250 in excess of the amount budgeted for line item 32-113-02 to cover pension expense.

EXPENDITURE
FOR PENSION
EXPENSE

It was moved by Trustee Blechman, supported by President-elect DiNoto, and duly carried as follows:

RESOLVED, That the Kiwanis International Pension Plan is hereby readopted in toto as amended. (See "Exhibit 18.")

KI PENSION
PLAN

It was moved by Trustee Tanjuakio, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That the dates of April 12-14, 1986, are approved as the dates of the Asia-Pacific Conference.

APRIL 12-14,
1986 DATES
FOR ASIA-
PACIFIC CON-
FERENCE

This completed the action on the recommendations of the Board Committee on Administration - Constitution and Bylaws.

Anton J. Kaiser, Treasurer of Kiwanis International, gave his report as follows:

TREASURER'S REPORT

"On December 31, 1985, Kiwanis International had cash and investments totalling \$5,332,945. The average current interest rate is 6.1%.

"On December 31, 1985, Kiwanis International had uncollected dues, magazine subscriptions, and liability insurance revenues of \$684,415. Operations to date are within budget and the projected budget surplus should be realized."

The Board Committee on Finance, Gene R. Overholt, Chairman, presented its report. The report is attached as "Exhibit 19."

FINANCE

It was moved by Vice-President Overholt, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That capital expenditures are approved of \$1,695 to cover the cost of a data shredder and \$20,102.80 to cover the cost of office partitions and furnishings.

CAPITAL EXPENDITURES FOR DATA SHREDDER AND OFFICE PARTITIONS AND OFFICE FURNISHINGS

It was moved by Vice-President Overholt, supported by Trustee Sinn, and duly carried as follows:

RESOLVED, That the revised investment guidelines (as reflected in "Exhibit 20") are adopted and that they are referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

REVISED INVESTMENT GUIDELINES

It was moved by Vice-President Overholt, supported by Trustee Lusche, and duly carried as follows:

RESOLVED, That the following budget assumptions for the 1986-87 budget are approved:

BUDGET ASSUMPTIONS FOR 1986-87

(1) Membership Levels of Kiwanis

- Total annual dues-paying members - 300,000
- Number of new clubs formed - 325
- Number of new members paying processing fees - 43,500

(2) Program Services and Levels

Sponsorship will continue for Circle K, Key Club; support of the Kiwanis International Foundation will continue. Subsidies for Eastern Canada and the Caribbean district will continue.

Kiwanis International-Europe operations will continue at the same level.

The present number of Field Service Representatives will be retained.

International Council will be held in October.

Awards and leadership materials will be continued.

Regional Governor Conferences and Secretaries Conference will be held.

(3) Inflation Rate Levels

- Postage - Bulk, permit and first class - 3%
- Postage - Second Class (magazine) - 5%
- Utilities - 10%
- Printing, Outside - 5%
- Travel - 5%
- Wages - 5%
- Interest Rate for Income - 6-1/2%
- General Overall Inflation Rate - 4%
- FICA Tax Rate for 1986 is 7.15% on the first \$42,000

(4) An operating surplus must be budgeted.

It was moved by Vice-President Overholt, supported by Trustee Jackson, and duly carried as follows:

RESOLVED, That the line items remain as budgeted, and that the Board authorizes expenditures in excess of the amount budgeted, and that each of the recommendations previously adopted are changed to reflect this resolution.

LINE ITEMS
TO REMAIN AS
BUDGETED --
BOARD AUTHORIZE
EXPENDITURES IN
EXCESS OF THE
AMOUNT BUDGETED

This completed the action on the recommendations of the Board Committee on Finance.

It was moved by Immediate Past President Lansford, supported by Trustee Sinn, and unanimously carried as follows:

RESOLVED, That the Board of Trustees of Kiwanis International expresses its sincere appreciation to all the members of the Kiwanis International office staff who have worked so diligently over long hours over many weeks to prepare for this Board meeting and who have given of themselves, often beyond the call of duty.

GRATITUDE
TO STAFF

A closing prayer was led by Trustee Jackson.

The president declared that the meeting was adjourned sine die at 11:05 a.m.

**ADJOURNMENT
SINE DIE**

MESSAGE OF THE PRESIDENTto theInternational Board of TrusteesJanuary 24, 1986

Since we last met, Sally and I have had the opportunity to visit a number of widely separated areas of the Kiwanis world. An almost universal concern is "Kiwanis identity." The feeling is that Kiwanis is not well-enough known, especially off the North American continent, and those clubs are struggling against the long-established presence of Rotary, Lions, etc. There are other philosophical areas of concern. Many areas outside of North America and KI-E feel that they are not part of the Kiwanis organization but rather an appendage to it. Also, many districts and areas indicated a desire to have more freedom to "do their own thing" rather than be guided by North American influence. Larry Horney accompanied us on some of these visits, and he is not only aware of these reactions but he is discussing with staff ways in which to try to address them. As a Board we also need to be aware of these conditions and take them into consideration when we are developing policies, procedures, programs, etc. Admittedly, 85% of our membership is on the North American continent, but our greatest growth potential is off the continent; and we should therefore work to enhance that potential.

Another area of concern is our approach to new club building. We have a tendency, especially in extension areas, to get a club built and then expect the area to grow while failing to recognize that there is probably no one in the area that has any experience or knowledge in how to build new clubs. Similarly, in non-extension areas we seem to put the burden of new club building on club presidents and lieutenant governors without giving thought to whether they have any knowledge or experience in new club building. I am asking staff to analyze this whole area and to develop a system which can overcome this condition and improve our new club building efforts.

So far this year our growth efforts appear to be producing positive results. At the regional governors' conferences, this area was very positive and very upbeat. One outgrowth of these conferences was a very deep concern about "pride in membership." There is a strong feeling that this has deteriorated and that it is having a negative effect on growth and interest in Kiwanis. This fact is also evident in the responses to our long range planning questionnaire. Staff is being asked to review this and make appropriate recommendations.

In December, Frank DiNoto and I, together with Gil Zitzelsberger and Larry Horney, attended the Service Club Leaders Conference. This was a more productive and effective conference than a year

ago. Other organizations are becoming concerned about the erosion of our First Amendment rights and have indicated a desire to become more involved in the struggle to preserve them in the service club area.

Two new ad hoc committees have been appointed. One, chaired by Past Governor Jack Harten of New York, is to aid in promoting the Children's Miracle Network Telethon. The other, chaired by Bob McCurley, Past Governor of the Alabama district, is to review the Constitution and Bylaws and determine where we may have inconsistencies, gaps, contradictions, etc., and to make appropriate recommendations.

While it might appear that I am dwelling on problems, I hasten to assure you that I believe our organization is in very good shape and moving forward on an acceptable level. By addressing the problems, as we identify them, we can make Kiwanis even more effective and more serviceable to its communities.

IT CAN BE DONE AND WE HAVE THE RESPONSIBILITY TO SEE THAT IT IS DONE.

Respectfully submitted,

Donald E. Williams
President

MESSAGE OF THE PRESIDENT-ELECTto theInternational Board of TrusteesJanuary 24, 1986

The image of Kiwanis continues to be enhanced as we provide Service to Others. Walk with a Child has proven to be a very popular major emphasis program, inspiring our members and clubs to serve wherever needs exist.

In October, I attended the meeting of CONPOR, hosted by Kiwanis in Indianapolis. A real concern now exists among the members that our United States Constitutional freedoms are in jeopardy if the courts rule or legislatures enact laws which limit our right to select members for our own organizations. However, a spirit of cooperation does exist that our freedoms and rights need to be protected.

At CONPOR, a public relations program being developed by Kiwanis to stress the enormous positive contributions by private organizations and the vital importance of the freedom of association was presented, and the members agreed that the program should be implemented.

In November, the Committee on Communications and I had a very fruitful meeting in Indianapolis to plan the governors-elect training conference.

In December, President Don, Secretary Gil, Larry Horney, and I attended the Service Club Leaders Conference in Miami. Numerous problems were discussed and helpful information was exchanged.

Also in December, President Don and I had a constructive meeting with Staff in Indianapolis to discuss sponsored youth finances and other topics in need of current considerations. The International Office Staff is to be commended for its spirit of Christmas as each department was distinctively decorated for a Christmas Around the World contest. Both Don and I were fortunate to attend the Staff Christmas party. Each of the employees adopted one or two youngsters and allowed them to share the joys of Christmas by gifts through the Children's Bureau of Indianapolis.

The spirit of cooperation from President Don and the International Office Staff has been most gratifying and is greatly appreciated as plans are being made for the next administrative year.

During the past year, I have worked with a special committee and Staff to try to parallel the criteria used for the distinguished governor's and district administrative excellence awards. Our report is being presented to the Committee on Administration. I believe that this approach will enhance both programs and that future changes will be minimized. I hope that the program will be approved by both the Committee and this Board.

The need for community service continues to grow. Kiwanis must accept the challenge to meet these needs through growth and the commitment of our members. President Don, I pledge my support to see that your goals of service and growth are achieved.

Respectfully submitted,

Frank J. DiNoto
President-elect

REPORT OF THE SECRETARYto theInternational Board of TrusteesJanuary 24, 1986

During the past two weeks our International Office personnel have undergone preliminary training in the use of our new office automation system, and the individual work stations are being installed this week. Our staff is enthusiastic about this modern word and information processing system and its potential for increased efficiency and productivity. As our personnel gain experience with this equipment, we also anticipate the development of a variety of new services and capabilities for our own staff operations and the clubs and members we serve.

Since the Board's last meeting, we have made several important staff appointments. I hope you will take the opportunity to become better acquainted with Robert Scroggin, our new Director of Finance, and David Moore, our new Manager of Meetings and Conventions. We have also screened more than 150 resumes and conducted personal interviews with more than 30 selected candidates for the new position of Director of Education. Second interviews with the eight best candidates have been completed, and John E. Johnson, Ed.D. has accepted. He will join us February 11. John is the current president of the Kiwanis Club of Indianapolis Meridian.

We have taken great pains to conduct thorough search procedures in order to fill these important staff positions. From large numbers of applicants, we have chosen personnel who possess excellent formal qualifications and solid experience. As a result, we are achieving a high level of professionalism and expertise in our staff appointments.

Our new Meetings and Conventions Manager comes to Kiwanis from the same position with the U.S. Jaycees. He has already introduced some efficient new administrative and planning procedures, and I am confident that we can anticipate a smooth and successful International Convention in Houston this summer.

The appointment of a Director of Education is the culmination of Board deliberations and decisions during this past year. As I reported at the Toronto meeting in June, Kiwanis has long needed training programs that go beyond conveying information and provide our club and district officers with actual leadership skills. Knowing what you are supposed to do is not the same as knowing how to do it. Our club and district leaders need motivation and enthusiasm, but this spirit must be harnessed with effective leadership methods if our organization is to overcome the challenges we face and achieve the goals we set for ourselves.

I wish to thank the Board for giving priority attention to the needs of Kiwanis education during the past year and more. With our three club-leadership pilot programs last spring, and the creation of a full-time position of Education Director on our staff, Kiwanis is in the midst of a quantum leap in this vital area. We cannot anticipate instant results, of course. But as we develop and implement more effective leadership training for our club presidents, we will see stronger clubs. And, as these men rise to higher offices, we will see the benefits spread throughout the organization.

We need to achieve similar quantum leaps in other areas if Kiwanis is to continue to grow and prosper as we approach the 21st century. Strategic planning is the essential prerequisite for effective action, both in choosing goals and in meeting them successfully. With solid research and planning, we can adopt consistent, long-term goals that effectively address the organization's critical needs. In particular, long-term and consistent priorities are needed for management direction and staff work.

In this regard, I have given Tom Nelson, Assistant to the International Secretary, the additional title of Director of Research and Development. We are already in the process of conducting and evaluating surveys of Kiwanis members and leaders to define Kiwanis demographics and member interests and concerns. Tom will be directing a special research project to identify the needs and interests of the so-called "Yuppie" or "baby-boom" generation and how Kiwanis can be better marketed to this major population segment. This research can provide the basis for a pilot program to test appropriate new club building and membership growth techniques for both our professional field-service staff and our volunteers. A recommendation in this regard will be offered to the Board in April.

You have received the raw data from QII, the survey of convention delegates. By and large, this selective survey indicates that our members are satisfied with the programs and services we are providing to them. However, we should resist jumping to conclusions or making generalizations about the entire membership until the demographics of this survey group have been clearly defined. We should continue to conduct the QI (Leadership) and QII (delegates) surveys, first to confirm the results of the initial surveys and, second, to identify trends that may exist. It is important that we make major decisions based on comprehensive information, rather than individual impressions or limited information from unrepresentative sources.

In 1983, delegates to the Vienna convention adopted a resolution that urged Kiwanis to "promote understanding, cooperation, and friendship among the peoples of the world." The proposed Kiwanis youth exchange program is a worthy response to this expression of interest by our members and has tremendous potential for good. In addition, this program provides something Kiwanis has not had before -- a major continuing service activity that

is truly international in scope and appeal. I am pleased that our Program Development staff has been able to prepare a pilot plan for implementation this year. The Kiwanis youth exchange program should be a source of high interest and satisfaction for clubs and members throughout Kiwanis International.

If the longest journey begins with a single step, the developments I have outlined represent several long strides in the areas of technologically advanced office systems and capable personnel, research and planning, and training and service programming. It is especially significant that these developments are occurring at the same time. Each by itself is useful. But equipment and personnel, research and planning, education and programming are mutually dependent and, together, produce an effect that is greater than the sum of the parts. With continued commitment and team effort, the result will be major progress in achieving our most important organizational goals.

Respectfully submitted,

G. H. "Gil" Zitzelsberger
International Secretary

Report of the Kiwanis International Foundation President
to the
Board of Trustees
of
Kiwanis International
Wednesday, January 22, 1986

President Don, Past President Ray, Members of the Board and Secretary Gil; Tonight is another historical occasion in the history of the Kiwanis International Foundation. Earlier this year the two executive committees met together for the first time. We discussed how we might resolve certain problems germane to both boards. The doors of dialogue and joint efforts were opened. Since that meeting, the doors have been fully opened. On behalf of the Kiwanis International Foundation Board, it is a pleasure to welcome you here, and I believe this is yet another important occasion, and one which I hope will be repeated in the future.

We have just completed one of our most exciting board meetings since the implementation of the Foundation's comprehensive fund raising program some three and one half years ago, and the announcement of the Hixson Fellow program two years ago.

The excitement is not so much in what we did, (I will share the details in just a moment) but is in the attitude of the board. I wish you could have been with us; to see us enjoy our work, to see us debate and disagree, and, most of all, to see the renewed commitment to Kiwanis International, its programs, its membership, and the many lives this organization touches.

We no longer feel separated. We no longer feel like an appendage. We feel a part of you (us), and, because of that feeling, the commitment to work together is stronger than ever. To a great extent this new feeling is found in the attitude, values, and assistance provided by many of you in this room tonight. President Don has demonstrated his commitment to the work of the Foundation. He has followed through, counseled and cajoled me on all of our joint issues. Several years ago we determined that the single most important force for raising money for the Foundation came from the President of Kiwanis International and its Board of Trustees. That is still true today. You, more than us, have the ability to reach so many more members.

Ray Allen and Noris Lusche are outstanding members of our Board. They participate, they contribute, they advise and counsel, but, most of all, they are committed and enthusiastic. I count them as friends, but you should know that they are full participants in what we do.

International Secretary Gil continues to provide us the kind of staff support and access which is so necessary to our success. For this we thank you Gil.

We are happy to report the positive effects we have seen since Executive Director, Aubrey Irby, has joined the staff. He has provided the Foundation with the type of vision and imagination we need. The staff has been very cooperative and together they will help us to achieve greater heights of service in the future. Aubrey, thanks for having the guts, the time and the energy to stop for a time in life's trek and help us.

Let me also say that the costs associated with the appointment of an additional staff person will slow down our firm commitment to reduce our administrative costs. We were probably two years away from adding to our staff, but, fellas, there are certain times in life when you must seize the opportunity. This was one of those times. I'm convinced and our board is 100% convinced that this was one of those times, and we will all see the benefits in the future.

I would now like to turn to some of the specifics of our board meeting.

Because of Aubrey's appointment, a vacancy was created on the board. It's my pleasure to announce that the Board has approved the appointment of E. Parker Smith, Past District Secretary of the Cal-Nev-Ha District, to fill out the remainder of Aubrey's two year term. Parker, who most of you know, has been a tireless worker for the Foundation and is well known throughout his district and Kiwanis International.

Shortly, each of you will receive correspondence from me concerning the election of new board members this spring. The board has, for the first time, agreed to certain criteria which we would like to have in a Foundation Board Member. The last page of my report is a request for your suggestions, as well as those of other Kiwanis Leadership, for candidates to become a member of our Board. I believe that when you review the candidates at your April meeting you can be assured of a quality slate.

The Board agreed to establish a permanent endowment. American Fletcher National Bank will manage the Foundation's portfolio, which will be established with an excess of \$1,200,000.00. At our October board meeting we established a policy to invest 50% of any annual surplus the Foundation realizes in the permanent endowment. In addition, the Foundation's grants budget for each year will be based on the net fund raising proceeds from the previous year. These actions will assure the Foundation's endowment steady growth and insurance for the future.

You are all familiar with the establishment of the Lady Hixson. The program is just now beginning to catch on. By the way, our first Lady Hixson is First Lady Sally. (See pink sheet).

The Board approved an established set of procedures to kick off our planned giving program. It will emphasize the importance for Kiwanians to remember Kiwanis International Foundation when planning their wills and estates. See the attached sheet which is a letter of intent. We have already received two of these completed. Although it will take some time to see the great results of this program, we feel the potential is very significant.

You will note from the attached "Scoreboard" that we are progressing nicely on our various methods of raising contributions. There are currently 368 Hixson Fellows and 32 Hixson Lady recipients.

By this time you are also aware that the Foundation has purchased a van to expedite the transportation needs of the four boards, the staffs and the various VIP's who visit our International Headquarters from throughout the world. I am pleased to announce that the Board voted unanimously to turn over the use of the van to Kiwanis International. It is our belief that this is an important need, and we are pleased to provide it.

Probably the most important action of the Board meeting was once again somewhat historical and unprecedented. If, during your Board meeting, you decide to implement the student exchange program, the Foundation has agreed to provide Kiwanis International with \$50,000 for the pilot program.

We understand that all of the details related to this program have not yet been completed, but we believe it has immeasurable potential for Public Relations of the type that will result in growth for Kiwanis and the Foundation. At the same time, it will provide a basis to bring the youth of our world together on a closer relationship, which we believe will be for the good of all mankind.

Finally, the Foundation stands ready to help Kiwanis International in any way we can. Perhaps there is a way we can help. We want the best for the organization. Continue to work with us, continue to provide us creative and visionary projects in which we can invest our time, our talents and our resources.

Thank you for this opportunity tonight. Have a great Board meeting.

Respectfully submitted,

George Engdahl, President
Kiwanis International Foundation

GE:md

cc: Board of Trustees, Kiwanis International Foundation
G. H. "Gil" Zitzelsberger, International Secretary

January 23-28, 1986

ELIMINATION OF MEMBERSHIP OF NOT-MEETING CLUBS FROM ACTIVE MEMBERSHIP

<u>CLUBS BY DISTRICT</u>	<u>KEY #</u>	<u>DATE</u>	<u># MEMBERS</u>	<u>DIV.</u>	<u>ACCOUNTS RECEIVABLE</u>
<u>ANDEAN & CENTRAL AMERICA</u>					
Villanvicencio, Colombia	09087	10-01-85	22	4	\$ 818.30
<u>CALIFORNIA-NEVADA-HAWAII</u>					
Carson City Sunrise, NV	09641	09-01-85	13	45	488.85
Crown City, Coronado, CA	10642	08-31-85	6	11	71.10
Evergreen Valley, San Jose, CA	10702	10-01-85	12	12	142.20
Goleta Valley, CA	06289	09-01-85	17	9	201.45
Los Angeles Harbor, Wilmington, CA	09945	08-01-85	19	19	619.45
Norco, CA	06213	06-01-85	6	6	71.10
South Bay-North Redondo Beach, CA	11269	04-01-85	20	19	432.00
South Coast Metro, Costa Mesa, CA	07479	09-30-85	12	4	142.20
Southwest Escondido, CA	08435	09-30-85	27	37	304.95
Tri-Canyon-Mint Canyon, CA	05170	09-04-85	6	38	59.25
Wilshire, Los Angeles, CA	02204	10-01-85	24	1	-0-
Ygnacio Valley, Walnut Creek, CA	08497	09-01-85	8	26	94.80
<u>CAPITAL</u>					
Central Anne Arundel County, MD	11436	09-30-85	22	14	756.55
North Anne Arundel County, MD	10891	09-30-85	25	14	272.55
<u>OLINAS</u>					
Pleasure Island, Carolina Beach, NC	10323	09-05-85	12	13	142.20
<u>FLORIDA</u>					
Frostproof, FL	10889	09-30-85	11	29	130.35
Ft. Meade, FL	10105	09-30-85	5	29	63.25
Gateway City (The), FL	10408	09-30-85	20	26	252.20
Lake Region, FL	08189	09-30-85	11	10	125.42
<u>ILLINOIS-EASTERN IOWA</u>					
Alsip, IL	09017	09-30-85	29	3	16.80-
Carpentersville/Dundee/Algonquin- Cardinal, IL	09919	09-26-85	15	11	634.50
Peoria Heights, IL	07160	09-30-85	9	20	85.65
Wilmette, IL	04722	09-30-85	14	7	130.35
<u>INDIANA</u>					
Portage, IN	10723	11-01-85	6	1B	5.40
<u>KENTUCKY-TENNESSEE</u>					
Frankfort Dawnbreakers, KY	09989	10-15-85	9	10	106.65
Hopkinsville-Christian County, KY	08242	10-17-85	5	14	82.95
West Frankfort, KY	05567	10-15-85	2	10	118.50
<u>LOUISIANA-MISSISSIPPI-W. TENNESSEE</u>					
West Shreveport, LA	08357	09-30-85	6	9	126.60

<u>CLUBS BY DISTRICT</u>	<u>KEY #</u>	<u>DATE</u>	<u># MEMBERS</u>	<u>DIV.</u>	<u>ACCOUNTS RECEIVABLE</u>
<u>MICHIGAN</u>					
Adrian, Maple City, MI	06448	09-30-85	14	11	\$ 367.20
Ionia, MI	05626	09-30-85	16	18	225.45
<u>MINNESOTA-DAKOTAS</u>					
Maddock, ND	05657	10-14-85	16	16	186.71
Minneapolis Southwest Suburban, MN	09531	08-10-85	16	5	527.75
<u>MISSOURI-ARKANSAS</u>					
Lafayette, MO	06133	01-07-86	13	9	285.80
Pea Ridge, AR	11296	01-07-86	34	19	1,039.70
Springfield-Sunshine, MO	05905	11-12-85	5	13	69.25
Stamps, AR	11376	11-22-85	8	25	92.80
<u>NEBRASKA-IOWA</u>					
Sioux City Prime Time, IA	10496	09-30-85	15	14	177.75
<u>NEW ENGLAND</u>					
Concord, MA	06112	11-24-85	20	17	237.00
Lenox, MA	02669	08-23-85	21	27	493.80
<u>NEW YORK</u>					
Glen Cove, NY	07249	11-16-85	12	12	279.20
Jamaica, New York City, NY	01512	11-27-85	10	21	111.00
Johnson City, NY	02285	08-15-85	17	27	367.20
Town of Walkkill, Circleville, NY	07006	08-15-85	3	10	225.45
Watervliet, NY	09326	11-16-85	15	4	7.13-
<u>PACIFIC NORTHWEST</u>					
Condon, OR	07293	09-10-85	15	78	177.75
Greater Aloha, OR	10853	12-01-85	10	64	118.50
Hood River Valley, OR	10043	09-30-85	18	78	205.80
Maple Ridge, Haney, BC	05407	09-30-85	13	11	233.05
Mt. Shasta, CA	10289	09-09-85	10	84	118.50
Salem Sunrisers, OR	11130	09-30-85	8	70	94.80
Twin Cities, Chehalis, WA	10745	10-01-85	8	40	94.80
Wallace, ID	02833	09-09-85	7	48	82.95
<u>PENNSYLVANIA</u>					
Greater Muncy Area, PA	11095	08-22-85	18	12	380.85
Hazelwood-Greenfield, Pittsburgh, PA	02706	08-22-85	9	6	87.20
Homewood-Brushton Pittsburgh, PA	10372	08-22-85	27	6	1,241.15
Youngsville, PA	03724	08-22-85	2	1	23.70

<u>CLUBS BY DISTRICT</u>	<u>KEY #</u>	<u>DATE</u>	<u># MEMBERS</u>	<u>DIV.</u>	<u>ACCOUNTS RECEIVABLE</u>
<u>PHILIPPINE LUZON</u>					
Bataan, Bataan	08491	09-30-85	17	2B	\$ 547.50
Beach County, Gubat, Sorsogon	10346	09-30-85	28	5B	840.00
Guinobatan	09224	09-30-85	22	5B	825.00
Irosin, Sorsogon	10825	09-30-85	3	5B	100.00
Isarog, Tigaon	10685	09-30-85	31	5A	1,162.50
MMIC-Island Cement	10134	09-30-85	46	3C	1,055.00
Moon (The), Bulan, Sorsogon	10579	09-30-85	2	5B	60.00
Morong, Rizal	09696	09-30-85	25	3C	937.50
New Manila	11129	09-30-85	27	3B	795.00
Rizal Molave	09651	09-30-85	15	3B	562.50
Tabaco	07043	09-30-85	22	5A	660.00
Talugtug, Nueva Ecija	09695	09-30-85	25	2A	937.50
Vinzons, Camarines Norte	10708	09-30-85	2	5A	60.00
Wall Street, Makati, Metro Manila	10747	09-30-85	10	3A	240.00
<u>REPUBLIC OF CHINA</u>					
Wu Feng, R.O.C.	09006	10-04-85	31	4	1,155.00
<u>ROCKY MOUNTAIN</u>					
Industrial Heights of Denver, CO	09728	10-08-85	11	11	118.50
<u>TEXAS-OKLAHOMA</u>					
Dallas/Ft. Worth Airport, TX	07466	11-10-85	16	39	170.25
Mike Ray Hubbard, TX	07616	11-10-85	24	37	86.45
Moyle, OK	08479	11-10-85	17	30	387.20
Rose-Rich/Ft. Bend City, TX	11270	11-10-85	26	3	561.85
Southwest Tulsa, OK	10712	11-10-85	6	15	71.10
<u>UTAH-IDAHO</u>					
Lakeview, Bountiful, UT	09954	09-19-85	13	2	619.45
					<u>\$ 25,952.25</u>
<u>TOTAL</u>	79				

R. NEW KIWANIS CLUBS ORGANIZED SINCE THE OCTOBER MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

<u>CLUB</u>	<u>COMPLETION DATE</u>	<u>MEMBERSHIP</u>
Georgetown, Fort Wayne, Indiana	10-01-85	29
San Gabriel Breakfast, Georgetown, Texas	10-01-85	26
Terlton Valley, Oklahoma	10-01-85	25
De Valle Hermoso, Mexico	10-01-85	25
Manila North, Philippines	10-01-85	35
Malate-Manila, Philippines	10-01-85	26
Greater Fresno, California	10-01-85	25
Greater San Diego, California	10-01-85	25
Bern-Zahringer, Switzerland	10-01-85	20
Amsterdam-Amstel, Netherlands	10-01-85	21
Wells and the Kennebunks, Maine	10-01-85	25
Buddha, Republic of China	10-01-85	34
Monterrey, Mexico	10-01-85	26
De' Residentes-en McAllen, Texas	10-01-85	25
Pebble Hills, El Paso, Texas	10-02-85	27
Southwest Oklahoma City, Golden K, Oklahoma	10-02-85	25
Sulphur Golden K, Oklahoma	10-03-85	30
St. Andrew-St. David, Trinidad, West Indies	10-02-85	25
Ocala Sunrise, Florida	10-03-85	28
Bellinzona E. Valli, Switzerland	10-03-85	20
Winterthur-Kyburg, Switzerland	10-03-85	21
SGL Makati, Philippines	10-03-85	30
Springtown Area, Texas	10-04-85	26
South Utica Breakfast, New York	10-04-85	26
Locride, Italy	10-04-85	25
Lamezia-Terme, Italy	10-04-85	25
Springe (Deister), Germany	10-12-85	20
Golden K, Richmond, Indiana	10-16-85	28
Blossom Prairie, Texas	10-24-85	42
Kwang Ju, Korea	10-01-85	25
Trento, Agusan Del Sur, Philippines	10-26-85	24
Ebro, San Francisco, Agusan Del Sur, Philippines	10-26-85	25
The Mother Lode, California	10-24-85	39
Los Alamos-Whiterock, New Mexico	10-29-85	25
The Monocacy, Frederick, Maryland	10-30-85	25
Frankenthal, Germany	10-16-85	20
Saint Malo Jacques Cartier, France	10-21-85	21
Zofingen, Switzerland	10-22-85	20
Blowing Rock, North Carolina	11-14-85	29
Aurora, Missouri	11-14-85	28
Lenexa, Kansas	11-14-85	25
Mendez, Cavite, Philippines	11-16-85	30
Rancho Penasquitos, San Diego, California	11-20-85	29
Campsite, Pantabangan, Nueva Ecija, Philippines	11-14-85	27
Pottsboro, Texas	11-25-85	25
Tagaytay City, Philippines	11-23-85	36
Denver Tech Center, Colorado	11-26-85	28
Globe-Miami, Arizona	11-26-85	25
Zuerich Am Stampfenbach, Switzerland	11-11-85	20
The Seacoast, Portsmouth, New Hampshire	12-11-85	25
Beaver Dam, A.M., Wisconsin	12-11-85	25
Golden K Athens, Georgia	12-11-85	25

<u>CLUB</u>	<u>COMPLETION DATE</u>	<u>MEMBERSHIP</u>
Shrewsbury, New Jersey	12-12-85	25
Gllangcolme, Victoria, British Columbia, Canada	12-11-85	28
Catskill, New York	12-12-85	27
Gateway, Sedro-Woolley, Washington	12-12-85	28
Mid-Wilshire, Los Angeles, California	12-13-85	27
Kensington - Norwood, Australia	12-17-85	20
Calabanga, Camarines Sur, Philippines	12-17-85	29
Mogollon Rim, Heber-Overgaard, Arizona	12-16-85	25
The Ranchos-Madera, California	12-18-85	26
Queen City, Manchester, New Hampshire	12-19-85	28
Malabon, Philippines	12-21-85	33
Sullivan County, Pennsylvania	12-27-85	26
Amarillo, Early Bird, Texas	12-31-85	26
Lubbock Golden K, Texas	01-07-86	28
Boyertown Area, Pennsylvania	01-09-86	26
Azuero, Chitre, Panama	08-04-85	20
Bells-Savoy, Texas	01-13-85	32
Moundville, Alabama	01-16-86	27
Hondo, Texas	01-16-86	33
North Canton, Ohio	01-08-86	25

TOTAL 72

C. KIWANIS CLUBS REACTIVATED SINCE THE OCTOBER MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

<u>CLUB</u>	<u>COMPLETION DATE</u>	<u>MEMBERSHIP</u>
South Fulton County, Georgia	11-15-85	15

TOTAL 1

D. THESE CLUBS HAVE MERGED SINCE THE OCTOBER MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

<u>CLUB</u>	<u>MERGER DATE</u>	<u>MEMBERSHIP</u>
North DeKalb, Georgia	10-01-85	24
Corona, Circle City, California	07-31-85	41
Lake Saint Louis, Pointe Claire, Quebec, Canada	01-01-86	19
Hopkinsville, Kentucky	10-01-85	68

TOTAL 4

E. CLUB INCORPORATIONS COMPLETED

Sunnyslope, Phoenix, Arizona
Corinth Area, Maine
Beaufort, North Carolina

F. CLUB NAME CHANGES

From: Sunnyslope, Arizona
To: Sunnyslope, Phoenix, Arizona

From: Antwerpen-Rijswijck, Belgium
To: Antwerpen Van Rijswijck, Belgium

From: Wayne County West, Westland, Michigan
To: Westland, Michigan

From: Mississauga (Clarkson), Ontario
To: Mississauga South, Ontario

From: Airport '79, Portland, Oregon
To: Columbia View, Portland, Oregon

G. CANCELLED MEETINGS

Wausau, Wisconsin - Blizzard, December 2, 1985

H. DISTRICT BYLAW AMENDMENTS

NONE

I. CLUBS NOT IN GOOD STANDING

Kiwanis Club of Ridgewood, New Jersey - for nonconformance to provisions of the Kiwanis International Constitution and Bylaws, i.e. Article V, Section 4 of the Constitution; Article II, Section 2 of the Bylaws.

J. CIRCLE K CLUBS COMPLETED SINCE OCTOBER REPORT

Circle K Clubs

Kiwanis Sponsor

East Arkansas Community College
 University of Wisconsin-Green Bay
 Barry College
 Mobile College
 Gainesville Junior College
 Middle Georgia College
 Ohio Valley College
 Bemidji State University
 North Georgia College
 Oglethorpe University
 San Jose State University
 California State University-Chico
 Millersville University
 Concordia University
 Capilano College
 Green River Community College
 West Georgia College
 Hartnell College
 Mount Mary College
 Athens State College
 Elon College
 Waycross Junior College
 California State College-Bakersfield
 Southwestern Oklahoma State University

Wynne, AR
 Greater Green Bay, WI
 Miami Shores, FL
 West Mobile, AL
 Gainesville, GA
 Cochran, GA
 Parkersburg, WV
 Bemidji, MN
 Cleveland, GA
 Ansley, GA
 San Jose (Downtown), CA
 Greater Chico, CA
 North Lancaster, PA
 Montreal St. George Inc., Canada
 North Vancouver, BC
 Kent, WA
 Carrollton, GA
 Salinas, CA
 Mayfair, WI
 Jetplex-Huntsville, AL
 Burlington, NC
 Waycross, GA
 South Bakersfield, CA
 Weatherford, OK

TOTAL 24

K. KEY CLUBS COMPLETED SINCE OCTOBER REPORT

Key Clubs

Kiwanis Sponsor

Alleman High School
 Ocosta High School
 Germantown High School
 Moreau High School
 Gaithersburg High School
 Hyde Park Baptist High School
 Bemidji High School
 Pineland High School
 Riverton High School
 Roosevelt - Wilson High School
 Lebanon High School
 Bremen High School
 Lake Washington High School
 North Pitt High School
 Hillcrest Lutheran Academy
 Catalina High School
 Queen Creek High School
 Windom Area High School
 Litchfield High School

Rock Island, IL
 Twin Harbors, WA
 Germantown, TN
 Hayward, CA
 Montgomery Village - Gaithersburg, MD
 Austin, TX
 Bemidji, MN
 Moultrie, GA
 Springfield, Downtown, IL
 Clarksburg, WV
 Lebanon, TN
 Bremen, IN
 Kirkland, WA
 Greenville - University City, NC
 Fergus Falls, MN
 The Old Pueblo, Tucson, AZ
 Queen Creek, AZ
 Windom, MN
 Litchfield, MN

Key Clubs

Simley High School
 Kuna High School
 Taft High School
 Owen J. Roberts High School
 Central High School
 Orono High School
 Dumas High School
 Saugerties High School
 Danbury Local High School
 Fairview High School
 Fred J. Page High School
 Center Grove High School
 R.E. Lee Institute
 E.B. Erwin High School
 Los Banos High School
 Northeast Guilford Senior High School
 Bonneville High School
 Gerard Catholic High School
 Jackson Hole Senior High School
 Camp Verde High School
 Washington-Wilkes Comprehensive High School
 Douglas High School
 Green Brook High School
 Show Low High School
 North Rowan High School
 Belmont High School
 Escondido High School
 Skyview High School
 Bastrop High School
 Middleborough High School
 Suncoast High School
 Riverdale Senior High School
 Crescent City Baptist
 P A C E School, Inc.
 Live Oak High School
 Ravenna High School
 Santa Fe Preparatory High School
 LaSalle Catholic Comprehensive High School
 William Howard Taft High School
 Southern Lehigh High School
 Ventura Senior High School
 Lake Highland Prep. School
 Upper Arlington Senior High School
 David Starr Jordan High School
 Oroville High School
 Gordon Central High School
 Woodway Senior High School
 Mount Carmel Area Jr./Sr. High School
 Lone Grove High School
 Independence High School

Kiwanis Sponsor

Twin City Intl Airport, MN
 Capital City, ID
 Taft, TX
 Pottstown, PA
 Detroit NO. 1, MI
 Orono - Old Town, ME
 Dumas, AR
 Saugerties - Hudson River East, NY
 Port Clinton, OH
 Camden, AR
 Franklin, TN
 Greenwood, IN
 Thomaston, GA
 Birmingham-East, AL
 Los Banos, CA
 Greensboro, NC
 South Ogden, UT
 Phoenix Sky Harbor, AZ
 Jackson Hole, WY
 Camp Verde, AZ
 Washington, GA
 Douglas, AZ
 Plainfield, NJ
 White Mountains, Show Low, AZ
 Salisbury, NC
 Los Angeles, CA
 Escondido, CA
 Billings Heights, MT
 Bastrop, TX
 Middleborough, MA
 Riviera Beach, FL
 Riverdale, GA
 Elmwood, LA
 Casselberry, FL
 Morgan Hill, CA
 Ravenna, OH
 Coronado, Santa Fe, NM
 Lakeshore, Montreal, Quebec
 Alamo of San Antonio, TX
 Quakertown, PA
 Ventura, CA
 North Orlando, FL
 Northwest Columbus, OH
 North Long Beach, CA
 Oroville, CA
 Calhoun, GA
 Sno-King, Edmonds, WA
 Mt. Carmel-Kulpmont, PA
 Lone Grove, OK
 Glendale, AZ

TOTAL 69

L. INCORPORATION OF KIWANIS CLUB OR DISTRICT FOUNDATIONS

None

REPORT OF THE AD HOC COMMITTEE ON BOARD REPRESENTATIONTO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEESJanuary 23-28, 1986

Date of Committee Meeting: January 22, 1986

Place of Committee Meeting: International Office

Present: Members - Raymond B. Allen, Frank J. DiNoto, Merald T. Enstad
 Jean Ed. Friedrich, Larry A. Hapgood, Ted R. Osborn
 G. H. "Gil" Zitzelsberger
 Ex-Officio - Donald E. Williams
 Chairman - Raymond W. Lansford
 Staff - W. Thomas Nelson, Jr.

This committee was formed by President Donald E. Williams to develop a proposed plan for future representation on the Kiwanis International Board of Trustees. The need for such a plan has grown in recent years because of the membership shift within the Kiwanis world, and the growing need by non-North American Kiwanians for greater representation in organizational governance.

The adoption of this plan will not preclude the future consideration of improvements in the composition of the Board of Trustees and the terms of office of Board members.

In October, 1985 the Committee presented a Preliminary Report to the International Board of Trustees which outlined a plan for Board representation. In the following months, the Committee received comments and suggestions and continued to develop details of the proposed plan. On January 6, 1986, a conference call enabled the Committee to jointly review the cumulative feedback and to form the agenda for its second meeting. On January 22, 1986, the Committee met to finalize details of its proposal for Board representation.

The Committee believes that certain general principles should govern Board representation and form the basis for a fair and equitable plan.

These principles are as follows:

1. For the present time, the current number of eighteen (18) elected Board members should remain unchanged.
2. In any plan, Kiwanians from throughout the world should have the opportunity for representation on the Board.
3. Board representation should reflect membership strength and provide for increased non-U.S. representation if the ratio of membership outside the United States increases in the future.

Based upon the foregoing principles, the Committee developed and now proposes the following Board representation plan.

8(1/27/86)

THE ELECTORAL REGION PLAN

- A. Based upon our current membership configuration, there would be the following electoral regions:

Region I - United States
Region II - Western Canada/Eastern Canada & Caribbean
Region III - Europe
Region IV - Asia/Pacific Region
Region V - All other areas of the Kiwanis world.

2. Region I is guaranteed twelve (12) seats on the Board. All other regions together are guaranteed four (4) seats among them on the Board. The remaining two (2) seats shall be filled on an at-large basis and may come from any region.
3. Regions II, III, and IV are each guaranteed one member on the Board, with that member being elected by the clubs in his region. Each "remaining guaranteed seat" would be filled by a representative from Regions II, III, IV, or V and be elected at-large by the House of Delegates at the Annual Convention.
4. No district shall have more than one member on the Board.
5. Except where necessary to fill a guaranteed seat, a district shall not have a member on the Board for one administrative year after another person from that district has served on the Board.
6. The Conference on Nominations shall consist of three delegate representatives from each district. The Conference shall submit to the House of Delegates of the Annual Convention:
 - a. The name of the President-elect as the sole candidate for the office of President.
 - b. Not more than two candidates for each office to be filled other than trustee.
 - c. Not more than three candidates for each "remaining guaranteed seat."
 - d. Not more candidates than the remaining number of trustees to be elected plus three.

7. In the House of Delegates, the candidate(s) receiving the largest number of votes will be declared elected.
8. When the paid membership within any area of Region V reaches 2.5% of the overall paid membership of Kiwanis, and that minimum figure is maintained for two consecutive years, that area becomes eligible for a guaranteed seat.
9. Currently Region I has 85% of the overall paid membership of Kiwanis. On this basis, non-U.S. regions have been guaranteed four (4) seats. Future apportionment of the Board's eighteen (18) elected members will be based on growth as follows:

<u>% of Region I Kiwanis Paid Membership</u>		<u># of Non-U.S. Guaranteed Seats on the Board</u>
More Than	85.0%	4
85 Down To	80.0%	4
80 Down To	75.0%	5
75 Down To	70.0%	6

If the United States paid membership becomes less than 70%, a new representation plan should be considered.

Recommendation #1:

The Committee recommends that this Administrative Resolution be accepted and be submitted to the House of Delegates at the 1986 Kiwanis International Convention in Houston. (EXHIBIT A)

I move that recommendation 1 be adopted.

Respectfully submitted,

RAYMOND B. ALLEN
 FRANK J. DINOTO
 MERALD T. ENSTAD
 JEAN ED. FRIEDRICH
 LARRY A. HAPGOOD
 TED R. OSBORN
 G. H. "GIL" ZITZELSBERGER
 RAYMOND W. LANSFORD, Chairman

**AN ADMINISTRATIVE RESOLUTION ON
REPRESENTATION ON THE INTERNATIONAL BOARD OF TRUSTEES**

WHEREAS Kiwanis International has now experienced twenty-five years of growth in member clubs outside of North America, and

WHEREAS Kiwanis has now expanded into 76 countries throughout the free world, and

WHEREAS this growth and the increasing interest of clubs to fully participate in a unified worldwide Kiwanis structure indicates the desirability and even the necessity of establishing a principle of representation of all Kiwanis clubs, and

WHEREAS it is apparent that the time has now come for the development of a unified worldwide Kiwanis structure to assure the representation of the total organization in the future;

THEREFORE, BE IT RESOLVED that the delegates assembled at the Kiwanis International Convention in Houston, Texas, June 22-25, 1986, direct the Board of Trustees of Kiwanis International to prepare the necessary procedures and amendments to the Constitution and Bylaws of Kiwanis International for the creation of an electoral regional plan for representation on the Board of Trustees of Kiwanis International for presentation to the Delegate Body of the Kiwanis International Convention in Washington, D.C. July 5-8, 1987, which would include the following principles:

1. For the present time, the current number of eighteen (18) elected Board members should remain unchanged.
2. In any plan, Kiwanians from throughout the world should have the opportunity for representation on the Board.
3. Board representation should reflect membership strength and provide for increased non-U.S. representation if the ratio of membership outside the United States increases in the future.

Based on these principles, the following general concepts are to guide the Board in its development of appropriate amendments.

- A. Based upon our current membership configuration, there would be the following electoral regions:

- Region I - United States
- Region II - Western Canada/Eastern Canada & Caribbean
- Region III - Europe
- Region IV - Asia/Pacific Region
- Region V - All other areas of the Kiwanis world.

- B. Region I is guaranteed twelve (12) seats on the Board. All other regions together are guaranteed four (4) seats among them on the Board. The remaining two (2) seats shall be filled on an at-large basis and may come from any region.
- C. Regions II, III, and IV are each guaranteed one member on the Board, with that member being elected by the clubs in his region. Each "remaining guaranteed seat" would be filled by a representative from Regions II, III, IV, or V and be elected at-large by the House of Delegates at the Annual Convention.
- D. Except where necessary to fill a guaranteed seat, a district shall not have a member on the Board for one administrative year after another person from that district has served on the Board.
- E. When the paid membership within any area of Region V reaches 2.5% of the overall paid membership of Kiwanis, and that minimum figure is maintained for two consecutive years, that area becomes eligible for a guaranteed seat.
- F. Currently Region I has 85% of the overall paid membership of Kiwanis. On this basis, non-U.S. regions have been guaranteed four (4) seats. Future apportionment of the Board's eighteen (18) elected members will be based on growth as follows:

<u>% of Region I Kiwanis Paid Membership</u>	<u># of Non-U.S. Guaranteed Seats on the Board</u>
More Than 85.0%	4
85 Down To 80.0%	4
80 Down To 75.0%	5
75 Down To 70.0%	6

If the United States paid membership becomes less than 70%, a new representation plan should be considered.

PRELIMINARY REPORT OF FINANCE COMMITTEE

The 1985-86 Kiwanis budgets, as adopted by the Board, included an increase in the total of all funds of \$266,000 as follows:

Operating Fund	\$346,000
International Convention Fund	(64,000)
Capital Improvement Fund	5,000
General Liability Fund	<u>(21,000)</u>
NET INCREASE OF ALL FUNDS	<u>\$266,000</u>

Requests have been made by various committees which, if granted, would increase expenses over the amounts budgeted in the operating fund by \$23,000 and thus decrease the operating surplus from \$346,000 to \$323,000.

Requests for budget transfers are \$2,100.

Requests for additional capital expenditures total \$42,000. Computer software which had previously been approved but is no longer needed provides a savings of \$55,000.

Key Club has requested the sum of \$35,320 to be approved from the Key Club International budget. Key Club anticipates that the Kiwanis International Foundation will pay \$19,000 which it previously approved. If such approval is given, the cost to Key Club will be \$16,050. Key Club has a budgeted surplus of \$73,110 which will be reduced to \$37,790, assuming no additional grants from the Foundation, or \$57,060 if the grants are made.

REQUESTED EXPENDITURES IN EXCESS OF BUDGET

OPERATING FUND

(\$000's)

1985-86 Budget surplus as adopted \$346

Administration

Service maintenance agreement -
office automation system (6)

Pension administration expense (4)

Forms - Lieutenant governor visits
and billing of dues (3)

Extend IBM maintenance contract (7)

Program Services

Postage for literature (3)

Total requested expenditures (23)

Surplus as projected if expenditures approved \$323

Budget Transfers Requested

Program Services

Postage for literature \$2100 from
03-Office Services to 13-Program Services

CAPITAL IMPROVEMENT FUND

(\$000's)

1985-86 Budget surplus as adopted \$5

Additional requests

Departmental relocations and
office furniture & equipment (20)

Data shredder (2)

Computer software to replace
software previously approved 55 (20)

Total requests 13

Surplus as projected \$18

REPORT OF BOARD COMMITTEE ON LONG RANGE PLANNING
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

January 23-28, 1986

Date of Committee Meeting: January 25, and 26, 1986

Place of Committee Meeting: International Office

Present: Member - Raymond B. Allen, Raymond W. Lansford, Gene R. Overholt
Chairman - Anton J. Kaiser
Staff - W. Thomas Nelson, Jr.

STRATEGIC PLANNING PROGRAM OPERATING OBJECTIVES

The Committee received sixty-three proposed Operating Objectives from the other Board Committees. Each statement was thoughtfully evaluated to ensure that it 1) met the criteria for an Operating Objective as established in our Strategic Planning Program, 2) was written in a consistent form and style, and 3) did not duplicate or contradict other proposals.

A number of proposed Operating Objectives were deemed overly specific. In these cases, the Committee recommended that they be redrafted or withheld until the next step in the planning process - the establishment of more detailed Action Strategies.

The Committee's thinking was subsequently shared with the various Board Committee Chairmen to ensure that a mutually satisfactory determination was reached on each proposal.

Recommendation #1:

The Committee recommends that the thirty-three statements presented in Exhibit A be approved as the initial Operating Objectives for Kiwanis International's Strategic Planning Program.

I move that recommendation 1 be adopted.

REVIEW OF STRATEGIC PLANNING QUESTIONNAIRES

The Committee was informed that summary results of the Strategic Planning Questionnaire administered at the 1985 International Convention have been distributed to International and district leaders. The Committee suggested that staff also investigate ways of sharing this information with the general membership, perhaps through a magazine article or a series of Club Clinic columns. It was noted that more detailed analyses of the

Questionnaire results will continue in the months to come and that the Board will be kept informed.

RESEARCH AND DEVELOPMENT PROJECTS

At President Don's request, the Committee reviewed a number of research and development projects which will be undertaken during the remainder of the 1985-86 administrative year. These projects and their scheduled completion dates are summarized in Exhibit B.

The Baby Boomer Project was considered particularly noteworthy. The Project's mission statement reads as follows:

Through an ad hoc staff task force, develop a comprehensive plan to more successfully market the Kiwanis International service club experience to 25-45 year old North American males; demonstrate the efficacy of this plan through a pilot program.

The Committee noted that the plan will be ready for Board review at its April and June, 1986 meetings with the pilot program to follow in the late summer and fall. Staff hopes to secure funding for the pilot through the Kiwanis International Foundation.

Respectfully submitted,

RAYMOND B. ALLEN

RAYMOND W. LANSFORD

GENE R. OVERHOLT

ANTON J. KAISER, Chairman

KIWANIS INTERNATIONAL
STRATEGIC PLANNING PROGRAM
PROPOSED FIVE YEAR OPERATING OBJECTIVES

Administrative Services Division

Finance

1. Adhere to sound financial policies and practices.
2. Plan toward a sound financial future for Kiwanis.

Management Information Services

3. Expand Management Information Services programs and services.

Office Services

4. Continue to improve International Office operations and procedures.

Personnel

5. Enhance staff morale, training, and professional growth.

Supplies

6. Expand Supplies operations to better serve the K-Family.

Communications and Education Division

Magazine

7. Maintain and improve the magazine's quality.
8. Increase non-North American content and distribution of the magazine.

Bulletin for Kiwanis Officers (BKO)

9. Develop regional editions of the BKO to support non-North America areas.

Public Relations

10. Revise and implement a comprehensive public relations program.

Education

11. Provide comprehensive worldwide Kiwanis education and leadership training programs.

Program Development

12. Expand the research, development, promotion, and evaluation of Kiwanis service programs and materials.
13. Increase promotion of "The Underprivileged Child - A Kiwanis Concern" in order to achieve greater worldwide identity and participation.

Executive Services Division

Convention and Meetings

14. Stabilize the format and improve the content of Convention programming.
15. Formalize site selection and geographical rotation criteria for Convention planning.
16. Maximize the educational and motivational aspects of the International Convention, International Council, and Governors-elect Conference.

Foundation

17. Continue to build a mutually beneficial relationship with the Kiwanis International Foundation.

Board of Trustees

18. Determine and constitutionalize the optimal governance structure for Kiwanis International.
19. Determine and constitutionalize the optimal form of Board structure.

Operations

20. Determine and implement the best method of delivering services and programs to clubs throughout the world.

Research and Development

21. Establish an organized research program to yield a greater understanding of the needs and expectations of Kiwanis clubs and members.
22. Develop and implement minimum standards programs (membership and service) for clubs.

Miscellaneous

23. Improve communications throughout the Kiwanis world.
24. Implement and maintain Kiwanis International's Strategic Planning Program.
25. Provide prompt and effective International Office support to all levels of Kiwanis International.
26. Improve services to Kiwanis-endorsed organizations such as Builders Clubs and Kiwanianne clubs.

Membership Division

Growth

27. Devise and implement an organized worldwide membership growth plan to achieve a minimum of 20% net membership increase over five years.

Key Club

28. Improve support to local Kiwanis clubs in the areas of new club building and reactivation of Key Clubs.
29. Devise and implement a membership growth plan to achieve a 5% growth in active clubs.
30. Improve education and leadership development programs for local clubs.
31. Strengthen district operations.
32. Raise the level of organizational visibility through a specific public relations program.

1985-86RESEARCH AND DEVELOPMENT PROJECTS

<u>Project</u>	<u>Completion Date</u>
1. Analysis of Strategic Planning Questionnaire Data (QII)	Fall, 1985
2. Preliminary Report of QII Results	January, 1986
3. Baby Boomer Project	Convention, 1986
4. Baby Boomer Field Test	Fall, 1986
5. Administration of Modified QII at KI-E Convention and Asia- Pacific Conference	Spring, 1986
6. Study of Below Charter Strength Clubs, including cost per club and per member analyses	April Board Meeting
7. Impacts on Golden K Clubs Study	April Board Meeting
8. Five and Ten Year non-North American Growth Projects	October 1, 1986
9. Plan to rebuild and strengthen "downtown" clubs in 100 major North American markets	October 1, 1986
10. Annual District Survey - an exchange of administrative and program information among districts	Convention, 1986

The procedure for the program has four basic steps. First, clubs nominate possible participants. Second, the International Office matches participants. Third, the district international relations chairmen and local clubs help participants to prepare for hosting and traveling. Fourth, during the exchange period, the clubs work with the families and participants to ensure successful, well-rounded exchange experiences.

The Committee learned that the liability insurance for club projects will cover such a youth exchange program, but clubs should not be the purchasers of airline tickets for participants and clubs should maintain contact with visiting youth during their exchanges. In addition, the Committee was informed that the individual homeowner's policy will generally cover a "live-in" member of the household. Staff also recommended that all participants be required to purchase a group health insurance and medical assistance policy as developed by Donchin-Hecht & Company.

The Committee reviewed a staff estimate that developing the program would cost \$10,000. A statement by K.I.F. President George Engdahl is as follows:

"If, during your Board meeting, (January 1986) you decide to implement the student exchange program, the Foundation has agreed to provide Kiwanis International with \$50,000 for the pilot program."

The Committee appreciated this generous offer and concluded that staff now had all the information and the potential funding necessary to implement a pilot project to involve 50 youths.

Recommendation #1:

The Committee recommends the implementation of a pilot youth exchange program to occur in 1986-87 and that the necessary funds be requested from the Kiwanis International Foundation.

I move that Recommendation #1 be adopted.

Response to Natural Disasters

The Committee reviewed a staff proposal to revise the Kiwanis International Procedure 191b, pertaining to disaster relief and requested staff to further define the collection and distribution process for the procedure.

Expansion of Farm-City Programs Outside North America

The Committee was informed that the Board of Directors of the National Farm-City Council has approved plans to expand Farm-City programs outside North America. Initially, this expansion will focus on the translation of basic program materials into several languages. The National Farm-City Council will sponsor informational displays at both the 1986 KI-E Convention and Asia-Pacific Conference.

International Project Month

The Committee reviewed plans which moved International Project Month from April to September and suggested that it be held annually in September. Project Concern has developed a brochure asking Kiwanis clubs to support International Project Month by making a \$25 contribution to the special Club 25 program it has developed. The Kiwanis International Foundation will receive these contributions and make appropriate distribution to Project Concern.

Recommendation #2:

The Committee recommends we accept Club 25 project as part of our International Project month for 1985-86.

I move that Recommendation #2 be adopted.

Communication and Promotion

The Committee reviewed staff efforts to provide district chairmen for service committees with newsletters. These newsletters are designed to facilitate communication from district chairmen to clubs.

Budget Increase for 13-104-01 (Program Services Mail)

The Committee reviewed the change in the 1985-86 budget for 13-104-01 for the creation of a mail budget for the Special Services Department. The Committee also noted that more educational and service materials are being sent to district chairmen worldwide. This line item 13-104-01 now pays for correspondence relating to youth services and that part of Program Services previously paid by the Office Services Department.

Recommendation #3:

The Committee recommends transfer of \$2100 from 03-104-01 to 13-104-01 and authorizes \$2700 as an over-expenditure in line item 13-104-01.

I move that Recommendation #3 be adopted, and referred to the Finance Committee for approval.

Respectfully submitted,

W. J. "WIL" BLECHMAN, M.D.
RAYMOND W. LANSFORD
WILLIAM L. LIEBER
AVELINO V. "BELING" TANJUAKIO
J. DONOVAN JACKSON, Chairman

KIWANIS EVALUATION
CLUB PRESIDENT'S LEADERSHIP TRAINING

As Club and Kiwanis leaders, you have been operating for approximately seven months since our leadership training session in the Spring. We know from your written (and verbal!) feedback that the workshop provided some extremely valuable tools, a good interchange of ideas, and some tangible goal-setting for your area of leadership--namely the Club. We would now very much appreciate one more piece of feedback from you. This time we would like to track the extent to which the "learning" has stuck--or, put into the terminology you became familiar with, we want to measure the "outcomes" of the two-day session.

There are two reasons for this evaluation:

- 1) We want to make sure that our next group of sessions (Spring 1986) are designed to accomplish what we hope; and
- 2) we want to try to measure the short and longer term results of a two-day training session.

We believe that the workshop added to the tools and preparation of a club president. Now we need to confirm that, or determine how to improve upon it.

* * * * *

Please state your current Kiwanis leadership role: _____

Is this the same position you had when you attended the Spring 1985 session? _____ Yes _____ No I was _____

* * * * *

- 1. As you reflect on the two-day meeting, what was the most significant piece of learning for you
 - a) personally as a club leader:

b) for your Chapter planning:

2. To what extent have you used the "outcome thinking process" in your Kiwanis activities? Please give example(s).

Have you found yourself using it elsewhere? How? (Give an example.)

3. Did you share with your Executive Committee any of the workshop learning? Yes No

If "yes", how did that occur?

(Examples: at our meetings, one-on-one as I touched base with them, we dedicated a portion of our meeting to review the session, etc.)

4. Did you establish written goals for the year?

Yes No

5. Have you completed the Club Action Plan?

Yes No Partially

If "yes" or "partially", would you send us a copy of what you have completed?

6. What has become the most important goal for you this year?

Has this shifted since May? _____ Yes _____ No

Explain how/why:

7. Are your Committee Chairmen selected?

All Standing Committee Chairmen:

_____ Yes _____ No (If yes, go to question No. 8)

Vacancies: _____

Administrative Committee Chairmen:

_____ Yes _____ No

Vacancies: _____

Service Committee Chairmen:

_____ Yes _____ No

Vacancies: _____

8. Have you established goals for each Standing Committee Chairman?

<u>Yes</u>	<u>No</u>	
_____	_____	Club Meeting
_____	_____	Membership Growth & Education
_____	_____	Community Services
_____	_____	Major Emphasis Programs
_____	_____	Sponsored Youth
_____	_____	Support of Spiritual Aims
_____	_____	Youth Services

9. Are the goals you set for individual chairmen the same as any of your five (5) club Action Plan goals?

- Yes All 5 are reflected in the Chairmen's goals.
- Yes 3 or more are reflected.
- Yes 2 or more are reflected.
- Yes 1 is reflected in the Chairmen's goals.
- No The Chairmen's goals are separate from my overall Club goals.

10. Do you have any "motivation problems" with your Committee Chairmen or other members of your team?

- Yes No

If "yes", give specific examples of problem (such as, poor leader chosen; lack of time to do job well; assigned wrong task for that person...)

11. Do you feel you could solve the problem(s) at this point in your year?

- Yes No

If "yes", how might you do this?

12. Would you recommend to Kiwanis that the club president leadership training continue?

- Yes No

Comments:

13. Would you want the next President-elect to attend?

His name: _____

Address: _____

Phone No.: _____

14. Other Comments:

KIWANIS CLUBS CAN SAVE CHILDREN'S LIVES



BY SUPPORTING CLUB 25



Project Concern International

EXHIBIT #10

CHILD SURVIVAL Project Concern's Priority #1

Since its inception in 1961, Project Concern's first priority has been to reach those children most severely threatened by hunger, poverty and disease. Because of the generosity of people all across America, the lives of millions of needy youngsters have been saved and improved in the U.S. and developing countries.

Despite this success, the battle for children's lives is far from over. This year it is estimated that more than **11,000,000** may die needlessly from malnutrition and diseases we can prevent or cure.

Because of this great need, Project Concern has developed the **Child Survival Program**. The focus is on saving lives of children through proven methods of health care, such as oral rehydration treatment, immunizations, nutrition education and maternal/child care. Initially the funds will be used in Indonesian and Bolivian program sites.

There has never been a better time, a more urgent time, to give than today. The lives of millions of children are in the balance . . . **You can save them by supporting Kiwanis International Project Month and joining CLUB 25 now.**

Trish Lanman,
Project Concern/Kiwanis Coordinator
14016 Beckley Trace
Louisville, KY 40223
502/245-3804



Project Concern International

3550 Alton Road, San Diego, CA 92123
Mailing Address: P.O. Box 85323, San Diego, CA 92138

To participate in Project Concern's Club 25, detach this card and send it with your check to:

Kiwanis International Foundation
Project Concern--Club 25
3636 Woodview Trace
Indianapolis, IN 46268

- Here is my Kiwanis club's contribution to Club 25
 - Here is my personal contribution to Club 25
 - Please send me additional information about Project Concern
- Please make the check payable to the **Kiwanis International Foundation** and write **PCI--Club 25** in the lower left corner of the check

Name: _____

Kiwanis Club of: _____

Address: _____

City/State/Zip: _____



CLUB 25

For 25 years Project Concern International has been saving children's lives through health care education, disease prevention and projects like developing water supplies and agriculture programs.

For the next three years the Agency for International Development has pledged a three-for-one matching grant for all funds donated to the Project Concern Child Survival Program.

\$25 from a Kiwanis club gives Project Concern \$100 for its programs in Bolivia and Indonesia.



BEFORE: *Belisha with severe malnutrition*



INTERNATIONAL PROJECT MONTH

September of 1986 is International Project Month, when all Kiwanis clubs are urged to support international development and relief.

We invite you to support International Project Month by contributing to Project Concern's Club 25 Program.

In appreciation for every \$25 contribution, Project Concern will send a beautiful Club 25 pin. The pin can be displayed on a club banner or worn by an individual as a lapel pin.



AFTER: *Belisha after her recovery*



REMEMBER, YOUR \$25 = \$100 FOR PROJECT CONCERN

YOUR \$25 = vaccinations for 20 children against 6 childhood diseases

YOUR \$25 = life-saving care for 100 dehydrated children suffering from diarrhea – a killer of 3 million children each year.

YOUR \$25 = treatment for 4 malnourished children and nutrition education for mothers

YOUR \$25 = 3 complete kits for community health workers, including first aid supplies, basic medicines, and health-education booklets.

REPORT OF THE BOARD COMMITTEE ON MEMBER SERVICES - INTERNATIONAL EXTENSION
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES
JANUARY 24 - 28, 1986

Date of Committee Meeting: January 25, 1986

Place of Committee Meeting: International Office

Present: Members - C.A. Dillon, Kurt K. Huber, J. Donovan Jackson

Chairman: Robert G. Sinn

Staff: Speegle Berry, William A. Brown, Raymond G. Jeanes,

1. MEMBERSHIP MINIMUM - REACTIVATED CLUBS

The minimum number of required members for the organization and charter of a new club is presently set by the Bylaws (Article III, Section 2). No such provision exists for clubs which are placed on non meeting status and subsequently reactivated.

As a result, confusion exists at the club, district, and International levels as to what constitutes a stable membership in a reactivated club. A minimum membership figure will avoid confusion among those interested in sincerely strengthening our weaker clubs.

Recommendation #1:

The Committee recommends that Board Procedure 313 - Reactivated Clubs be amended to read:

"In order for a club that has been listed as 'non-meeting' to be restored to 'active' status, a reactivation meeting must be held conducted by the Lieutenant Governor, Kiwanis International Accredited Representative, or a current or past district officer. At that meeting, the club roster must have a minimum number of fifteen (15) members of which at least twelve (12) are in attendance. Following this reactivation meeting, the International Office must be provided with the date the meeting was held, the names and addresses of the club President and Secretary, a roster of the members including name and complete mailing address, and the place, day and time of the weekly meetings as certified by the above officer."

I move that Recommendation #1 be adopted and referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

2. PROGRAM FOR STRENGTHENING CHARTER II CLUBS

There are presently approximately 2,500 clubs below charter strength; almost one-third of all Kiwanis clubs have fewer than the minimum members required for chartering. The Cal-Nev-Ha District has proposed that clubs with 15 members or less be included in the basic framework of the present Kiwanis International Accredited Representatives (KIAR) program. KIARS are presently reimbursed up to \$100 for expenses incurred

in building a new club. This proposal would pay a like amount for any below charter strength club with 15 or fewer members brought back to charter strength (25).

The KIAR program has been in existence for many years and its basic format allows for the implementation of this program. By allowing our KIARS to be reimbursed for their expenses we encourage the strengthening of our below charter strength clubs by an incentive and thus we will have more volunteers working with weak clubs. The expenditure is more than offset by the financial return generated by the new members.

Recommendation #2:

The Committee recommends that the KIAR program be expanded to include expense reimbursement not to exceed \$100 for bringing a club back to charter strength from 15 or fewer members.

I move that Recommendation #2 be adopted.

3. AMENDING PROCEDURE 894 - REIMBURSEMENT OF ACCREDITED REPRESENTATIVES

Currently, all Accredited Representatives are limited to being reimbursed actual expenses not to exceed \$100 for organizing a new club. This possibly is a sufficient amount in districts that have additional funds in the district budget to reimburse a Kiwanian for the amount of money expended in organizing a club. However, in non-districted areas there is no other assistance available.

Therefore, a higher reimbursable amount for KIARS building a new club in a non-districted area should be authorized. This includes such areas as Africa, Argentina, Brazil, India, Sri Lanka, Thailand, Malaysia, Singapore, Hong Kong, Guam, and The United Kingdom.

Recommendation #3:

The Committee recommends that we adopt a two-year pilot program by which we will reimburse accredited representatives:

"...limited to actual expenses incurred in the performance of assigned duties. The reimbursement of expenses shall not exceed \$100 per club organized except in non-districted areas where the reimbursement of expenses shall not exceed \$500 per club organized."

I move that Recommendation #3 be adopted and referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

4. REVOCATION OF CHARTERS

The Committee reviewed a list of 65 clubs recommended for charter revocation by the various districts. (Exhibit A)

Recommendation #4:

The Committee recommends that the charters of the 65 clubs listed in (Exhibit A) of this report be revoked and that the amounts of the accounts receivable be charged against the reserve for bad debts in the amount of \$19,322.13.

I move that Recommendation #4 be adopted.

5. DISTINGUISHED AWARD RECIPIENTS 1984-85 .

Staff informed the committee that no governor met the criteria for the 1984-85 Distinguished Governor Award. The Committee noted that a number of districts performed admirably during the 1984-85 Administrative Year, particularly in the areas of leadership and growth. Recognizing these efforts that made 1984-85 an excellent year in our expansion program, the Committee feels that a Presidential Citation should be presented personally by Immediate Past President Raymond W. Lansford at the 1986 Houston Convention to each of these district governors.

Recommendation #5:

The Committee recommends that the Board accept Immediate Past President Ray Lansford's suggestion that governors which achieved excellence during 1984-85 shall receive a citation by the President of Kiwanis International at the 1986 Houston Convention and that the funds be allocated from budget item 20-140-02. These districts are:

AUSTRALIA
AUSTRIA-GERMANY
CAROLINAS
FLORIDA
GEORGIA
MINNESOTA-DAKOTAS
MISSOURI-ARKANSAS
NORDEN
PHILIPPINE LUZON
ROCKY MOUNTAIN
SOUTHWEST
SWITZERLAND-LIECHTENSTEIN
WEST VIRGINIA

I move that Recommendation #5 be adopted.

6. THE FORMATION OF NON-DISTRICTED DIVISIONS

In January 1985, the Board adopted the following resolution to permit the formation of non-districted divisions on a trial basis:

"RESOLVED, that a two-year trial program be adopted in which two or more clubs in non-districted nations or geographic areas may elect an 'Area Coordinator' to fulfill the duties of a lieutenant governor. Area Coordinators will report to the Assistant Secretary for Membership as well as receive direction and training materials from him."

This resolution does not, however, establish a procedure for forming non-districted divisions and electing Area Coordinators. As a result, non-districted divisions have not yet been formed in many areas where they could assist in strengthening existing clubs and encourage the building of additional clubs.

Formal procedures will provide guidance to clubs and lead to the formation of non-districted divisions in many more areas. In addition, these procedures will result in uniformity in the election process, which will also assist in the establishment of future district structures where warranted.

Recommendation #6:

The Committee recommends that Procedure 409.3 - Non-Districted Divisions be added to Policies and Procedures:

- a) Two or more clubs in a non-districted nation or geographic area shall comprise a non-districted division. The clubs in each non-districted division shall elect an Area Coordinator to fulfill those duties of a district lieutenant governor that do not involve district functions. Area Coordinators will report to the Assistant Secretary for Membership or his designate and will receive direction and training materials from him.
- b) An area coordinator shall not serve more than two consecutive years in any one area.
- c) In each non-districted division, the Area Coordinator shall, no later than the first week in September, by ten days written notice to the president of each club in the division, call a caucus for the purpose of electing the Area Coordinator for the next Administrative Year. The time and place of this caucus shall be designated by the Area Coordinator. The results of the election shall be reported to the Assistant Secretary for Membership or his designate before October 1.
- d) The caucus participants shall be the president and immediate past president of each club in the division or their duly elected alternates as voting representatives, the Area Coordinator, and all Past Area Coordinators who are active or senior members of a club in the division.
- e) The voting representatives of two thirds of the clubs in the division shall constitute a quorum for the caucus, and each club shall have one vote for each voting representative present. The Area Coordinator and Past Area Coordinators in attendance shall have the privilege of the floor without the right to vote, except that the Area Coordinator shall be entitled to vote in the event of a tied vote.
- f) In a non-districted division without a previously elected Area Coordinator, the president of the largest club in the division shall call the caucus for the purpose of electing an Area Coordinator and shall preside over it.

- g) The Assistant Secretary for Membership, in consultation with the clubs in a non-districted division, may divide a non-districted division into additional divisions when growth in the number of clubs or other considerations support this decision.

I move Recommendation #6 be adopted and referred to the Board Committee on Administration - Constitution and Bylaws for insertion in the Procedures.

(NOTE: This was tabled and referred to the Board Committee on Administration - Constitution and Bylaws to be brought back at the April 1986 Board Meeting.)

7. ADDING PAPUA NEW GUINEA AS A KIWANIS COUNTRY

Papua New Guinea is a nation with over 3,000,000 population. There are a number of cities that could support a Kiwanis club. Papua New Guinea lies 100 miles northeast of Australia and until about 12 years ago was under formal Australian administration.

The Australia District at their Board Meeting of October 25-26, 1985, affirmed that subject to the acceptance by the Kiwanis International Board, Papua New Guinea would be welcomed as part of the District of Australia and that Papua New Guinea would be included in Division 2.

(NOTE: It was felt that sufficient information was not available at the January Board Meeting. This will be discussed at the April Board Meeting.)

8. ADDING FIJI AS A KIWANIS COUNTRY

Mr. Sam Kumar Sukhu, President of the Kiwanis Club of San Mateo, California, is from Fiji. He has contacted the International Office about the possibility of organizing Kiwanis clubs in Fiji. He and two other members of his club would like to travel to Fiji at their own expense and in a period of two weeks organize three to five Kiwanis clubs.

A letter has been received from the 1984-85 Governor of the New Zealand District with information that the New Zealand District indicated at its annual convention total support for the development of a Kiwanis presence in Fiji under the aegis of the New Zealand District.

He also indicates that they have good contacts with cities other than Suva where clubs will be organized.

The current governor of the New Zealand District also supports the inclusion of Fiji into their district.

(NOTE: It was felt that sufficient information was not available at the January Board Meeting. This will be discussed at the April Board Meeting.)

9. AMENDMENT TO INTERNATIONAL BYLAWS PROHIBITING A CLUB FROM SEEKING TO INFLUENCE CLUBS IN OTHER NATIONS REGARDING THAT NATION'S DOMESTIC AND FOREIGN AFFAIRS

Article XIV, Sections 1-5, of the Standard Form for Club Bylaws permit clubs to express their attitudes on public questions and proposed legislation in that club's community, state/province, and nation. If a public question or proposed legislation affects other clubs in a district, the club must first gain the approval of the district. If the issue affects clubs outside the district, the matter must be submitted to the International Board.

Article XIV, Sections 1-2, of the Standard Form for District Bylaws, makes the same provisions regarding the expression of attitudes on public questions and proposed legislation by a district.

In July 1985, the Kiwanis Club of Panama City, Panama, with the approval of the Andean & Central America District, circularized all US clubs and asked them to sign a prepared letter to their Congressional Representatives endorsing opposition to the government of Nicaragua.

The Standard Form for Club Bylaws provides procedures and restrictions for a club's expressions of attitude on public issues, and the Standard Form for District Bylaws does the same for the district, but the International Bylaws do not contain any provisions on this subject.

If the International Board wishes to prevent future actions similar to that of the Panama City Club, Kiwanis policy on these matters should be clarified and/or strengthened.

Recommendation #7

The Committee recommends the following amendment to the International Bylaws for consideration by the 1986 International House of Delegates:

"Article IV, Section 8. A member chartered club may give expression by proper means to its attitudes on public questions and proposed legislation affecting the community, state or province, and nation in which the club is located, according to the procedures and restrictions contained in Articles XIV of the Standard Forms for Club and District Bylaws. Except in the manner provided for the adoption of district and international resolutions, a club may not solicit the expression of attitudes by clubs located in other nations regarding the domestic or foreign policies of those nations."

I move Recommendation #7 be adopted.

Respectfully submitted,

C. A. DILLON
KURT K. HUBER
J. DONOVAN JACKSON
ROBERT G. SINN, Chairman

THE FOLLOWING CHARTERS WILL BE REVOKED
 AT THE INTERNATIONAL BOARD MEETING
 January 23-28, 1986

<u>CLUBS BY DISTRICT</u>	<u>KEY NO.</u>	<u>ORGANIZATION DATE</u>	<u>NOT MEETING DATE</u>	<u>OUTSTANDING ACCT'S RECEIVABLE</u>
<u>INDIANA</u>				
Zionsville, Indiana	05906	06-08-64	12-01-84	\$ 109.50
<u>LOUISIANA-MISSISSIPPI-WEST TENNESSEE</u>				
Baker, Louisiana	10578	12-14-81	11-30-84	165.75
Humboldt, Tennessee	10530	10-06-81	11-30-84	33.20
West Baton Rouge, Louisiana	11181	05-03-84	11-30-84	317.55
West Shreveport, Louisiana	08357	05-17-76	10-01-85	129.60
<u>NEBRASKA-IOWA</u>				
Hartley, Iowa	05987	01-27-65	11-30-85	-0-
Melvin, Iowa	04756	03-19-57	11-16-84	-0-
<u>NEW YORK</u>				
Fresh Meadows, New York	03262	02-08-49	02-25-85	94.50
Greater Goshen, New York	10976	08-18-83	11-18-84	434.70
Mechanicville Stillwater, NY	09882	03-19-80	11-18-84	-0-
Melville Dix Hills, NY	08271	03-11-76	11-18-84	310.50
Mill Basin Georgetown Carnarsie, NY	10016	07-24-80	02-22-85	278.85
Montgomery Township, NY	07726	03-11-75	07-01-85	94.20
Our Lady of Grace Golden K, NY	11305	09-25-84	07-01-85	263.50
<u>PACIFIC NORTHWEST</u>				
Klamath Sunrisers, Klamath Falls, OR	10594	12-21-81	01-31-85	351.90
Lincoln East, Tacoma, WA	10699	05-25-82	05-28-85	-0-
Maple Ridge, Haney, BC	05407	05-09-61	09-30-85	233.03
Rocky Butte, Portland, OR	03054	11-06-47	04-01-85	-0-
Wallace, ID	02833	10-21-46	09-30-85	82.95
<u>PENNSYLVANIA</u>				
East Side Erie, PA	09306	09-15-78	10-01-84	372.60
East Suburban Pittsburgh	09307	09-15-78	10-01-84	9.00 -
Punxsutawney, PA	00791	06-06-22	09-10-84	-0-

-2-

<u>CLUBS BY DISTRICT</u>	<u>KEY NO.</u>	<u>ORGANIZATION DATE</u>	<u>NOT MEETING DATE</u>	<u>OUTSTANDING ACCT'S RECEIVABLE</u>
<u>PHILIPPINE LUZON</u>				
Apalit, Pampanga	10764	08-21-82	10-13-84	\$ 30.00
Bacolor, Pampanga	08691	02-05-77	10-13-84	375.00
Baguio City	09915	01-19-80	10-29-84	30.00
Bataan, Bataan	08491	08-15-76	10-25-85	547.50
Beach County, Gubat, Sorsogon	10346	04-11-81	10-25-85	840.00
Cabugao, Ilocos Sur	10317	02-20-81	10-29-84	787.50
Caloocan City	10284	02-06-81	10-29-84	30.00
Cathedral Heights, Quezon City	10146	08-16-80	10-29-84	585.00
Florida Blanca	11037	10-12-83	10-13-84	1,233.40
Greenhills, Metro Manila	10549	11-04-81	02-01-82	-0-
Guinobatan	09224	02-07-78	10-25-85	825.00
Irosin, Sorsogon	10825	08-23-82	10-25-85	100.00
Isarog - Tigaon	10685	02-28-82	10-25-85	1,162.50
Libon	09271	06-25-78	03-11-81	-0-
Ligao	07515	06-01-74	10-29-84	457.50
MMIC-Island Cement	10134	10-01-80	10-25-85	1,055.00
Marikina Valley, Metro Manila	10908	04-18-83	10-29-84	30.00
Mayantoc	08603	11-28-76	04-01-83	195.00
Mercedes	09612	04-30-79	10-29-84	405.00
Minalin, Pampanga	11036	10-14-83	10-13-84	420.00
Moon (The), Bulan, Sorsogon	10579	12-14-81	10-25-85	60.00
Nabua	08561	09-12-76	10-29-84	360.00
New Manila	11129	03-17-84	10-25-85	795.00
Novaliches Central, Quezon City	10510	07-11-81	05-29-82	390.00
Rizal Molave	09651	07-26-79	10-25-85	562.50
Sinait, Ilocos Sur	10740	06-30-82	04-01-83	-0-
Solano, Nueva Viscava	09856	11-04-79	04-01-83	-0-
Sta. Ignacia Central	09684	08-26-79	04-01-83	240.00
Tabaco	07043	08-19-72	10-25-85	660.00
Talugtug, Nueva Ecija	09695	04-20-79	10-25-85	937.50
Vinzons, Camarines Norte	10708	06-06-82	10-25-85	60.00
Wall Street, Makati, Metro Manila	10747	07-21-82	10-25-85	240.00
<u>TEXAS-OKLAHOMA</u>				
Bellaire, TX	03743	11-13-51	12-15-84	274.80
Dallas International, TX	10115	09-30-80	12-15-84	281.25
Hennessey, OK	10079	09-23-80	09-07-84	310.50
High Noon, Dallas, TX	02962	05-30-47	09-07-84	-0-
Keller-Golden Triangle, TX	11101	02-20-84	12-15-84	328.50
Northside, Oklahoma City, OK	02246	09-19-38	12-15-85	211.50
Quad-County, Frankston, TX	09749	10-06-79	12-15-84	112.95
Sallisaw, OK	06687	09-30-70	12-15-84	120.45
San Marcos Evening, TX	10947	06-07-83	12-15-84	664.65
Van Area, TX	11110	03-01-84	12-15-84	262.80
Vinita, OK	07691	02-10-75	09-07-84	78.00

TOTAL 65\$19,322.13

REPORT OF BOARD COMMITTEE ON COMMUNICATIONS
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

January 23-28, 1986

Date of Committee Meeting: January 25, 1986

Place of Committee Meeting: International Office

Present: Members - Morton O. Alper, D.D.S., William L. Lieber, John D. Morton, Sr.
Chairman - W. J. "Wil" Blechman, M.D.

Staff - Steven W. Baker, David L. Blackmer, William A. Brown, Patrick
A. Hatcher, Larry J. Horney, Charles M. Jonak, David Moore,
James Patterson, Christopher J. Rice, Kelly Sears,
A. G. Terry Shaffer, David B. Williams

CONVENTION

Favorable new information has been forwarded by the Orlando Convention Bureau which accompanied a re-bid on their part. Staff will visit the site and prepare a summary for use during President Don's visit to Florida next month. Other areas applying for the 1989 Convention include Atlanta, Miami Beach, New Orleans, and Salt Lake City.

Anaheim, Las Vegas, New Orleans, Salt Lake City, Atlanta, and San Diego have forwarded bids for 1991 and may have site inspections if they have had district approval.

The Meetings and Conventions Department is also working with Circle K on its 1986 International Convention in Boston.

Following the Committee's request, lines of communication among the convention managers of Kiwanis, Lions, and Rotary have been opened. In time, this should prove beneficial to all three organizations.

The main sessions agenda and pre/post convention meetings have been reviewed. Certain items still require completion, but the Committee feels confident that the Convention is well under way.

The following items are for the Board's information:

Panelists and moderators will be required to attend an instructional meeting Sunday from 10:30 a.m.-11:30 a.m. at the Houston Convention.

Some of our forums are being reduced to one hour in length with a maximum of two panelists in these. Staff was requested to handle the logistics and panelists of all forums. We will once again hold two Contemporary Issues sessions. These will be on Wednesday from 2:15 p.m.-3:15 p.m.

Materials regarding computerized voting were reviewed. Further investigation is required, and staff has been requested to present additional information at the October Board meeting.

American Airlines has been named Official Airlines for our Houston Convention.

The Committee reviewed background materials used as a basis to reach that decision.

The Committee has reevaluated the issue of creating a Policy or Procedure on campaign practices and declines further action.

The procedures relating to control of exhibit space are being rewritten by the appropriate Committee. No action will be taken on this at present.

Sales within the exhibit area and the convention center have raised concerns, and the Committee feels that additions to the current procedure are necessary to prevent acceptance of financial gifts or pledges.

Recommendation #1:

The Committee recommends that the current Procedure 155(f) (1), under the heading of Prohibited Activities Shall Be, be amended as follows:

155(f) (1) solicitation or acceptance of financial gifts or pledges, or the selling or taking of orders for goods or services by exhibitors, individuals, Kiwanis districts or clubs, at or within the exhibit hall and/or convention center, with the exception of the Kiwanis International Foundation and the Kiwanis International Supplies Department.

I move that Recommendation #1 be adopted and that it be referred to the Board Committee for Administration - Constitution and Bylaws for insertion in Procedures.

The Committee also feels that the current Procedure 155(f) (2), under the heading of Prohibited Activities Shall Be, does not specifically establish physical limitations on the conduct of drawings or any other contest of chance or skill. The Committee feels that realistically the control of such activities will be limited to the exhibit hall/convention center, though it would like to discourage such activities anywhere in the convention city during the week of convention.

Recommendation #2:

The Committee recommends that the current Procedure 155(f) (2), under the heading of Prohibited Activities Shall Be, be amended to read:

155(f) (2) conducting a drawing or any other contest of chance or skill at or within the exhibit hall and/or convention center.

I move that Recommendation #2 be adopted and that it be referred to the Board Committee for Administration-Constitution and Bylaws for insertion in Procedures.

The Committee also discussed several alternatives for establishing International Convention quotas for districts and will continue to study this matter, with a recommendation to the Board at the April meeting.

President Don Williams reiterated his support of the Committee's request that bid specifications for the Kiwanis International Convention must be reevaluated and reduced into a workable criteria sheet that can be used by the Kiwanis International Board of Trustees to make appropriate decisions with regard to convention cities.

The Committee feels that written guidelines regarding approval of potential convention sites are necessary. Involved district(s) must be in support of the bidding cities and must be willing to provide the manpower to execute an International Convention before any city is seriously considered. The Committee feels that once a city and district is selected as the site for a Kiwanis International Convention, that city/district should be reminded each successive year that they have made that commitment.

The Committee then received an update on plans for the Houston Convention. A verbal commitment has been made with both The Lettermen and Shirley Jones for Superstar night, and a written contract should be received and signed within two weeks. We also have a verbal commitment from Roger Williams for the Wednesday evening session, with contract to follow.

The Committee was updated on acquiring additional shuttle bus bids for Houston. The Committee was informed that a bid for shuttle service had been received by The Planners Logistics Management/Resources, Inc. The services offered by this company are not currently sufficient for our needs, and additional specifications have been given to the company so that a more appropriate bid can be prepared.

General Host Committee Chairman Kirby Ewing is in the process of discussing our shuttle needs with the Houston Transit Authority, and the Committee will be informed of any developments in that regard.

The Convention Department has sent out five transportation specifications for the Washington, D.C. convention, the deadline for receiving proposals being February 10, 1986. This deadline will assist in budgeting for the 1987 convention. It was reported that use of the metro transit system in Washington, D.C. is not feasible for our convention. With regard to reducing shuttle cost in Washington, D.C., we are in the process of reducing our room blocks from 8,500 rooms to a more realistic 5,700 rooms. This reduction will assist in lowering costs for transportation.

Governors-elect Conference

The Committee recommends that both Board Vice-Presidents be invited to the Governors-elect Conference at Kiwanis International expense. It will be helpful to the man who eventually reaches the office of President-elect and will therefore also be of benefit to the organization.

Recommendation #3:

The Committee recommends that the two vice-presidents should be requested to attend the governors-elect conference.

I move that Recommendation #3 be adopted and that it be referred to the Board Committee on Administration - Constitution and Bylaws for insertion in Procedures.

Because of the proximity of both current Vice-Presidents to Indianapolis, it is not anticipated that an adjustment in the 1985-86 travel line items relating to the Governors-elect Conference budget is necessary. The Committee wishes to note that nearly all details related to the Governors-elect Conference, to be held April 3-6, are complete. Extensive work has been done to determine reactions of current Governors to the 1985 Conference and incorporate their suggestions into the program.

Council Meeting in Houston

The Committee began preliminary discussions on the program for the Sunday morning Council Meeting at the Houston Convention. Finalization of that program will take place at the April meeting.

KIWANIS MAGAZINE

Kiwanis Magazine's 1985-86 Deficit Budget

Kiwanis magazine is entering into a deficit-budget pattern. In the interest of fiscal soundness, the Finance Committee requested earlier this year that staff analyze the magazine's budget and recommend appropriate action.

Based on discussions with staff, and after reviewing budget data, the Communications Committee recommends a \$2 subscription increase effective October 1, 1986, pending approval from the Board and the House of Delegates at the International Convention in Houston. This subscription increase is necessary to avoid a budget-deficit pattern, and will also allow certain needed improvements.

The current member subscription rate to Kiwanis magazine is \$4.50. This rate was set in 1979, following a \$1.50 subscription increase that was approved by the House of Delegates at the 1979 International Convention in Toronto.

During the 1985-86 administrative year, revenue (subscription income and advertising sales) is estimated at \$1,631,000, while magazine expenses are estimated to total \$1,734,000--a deficit of \$103,000.

Although the magazine has not undergone any significant changes in size, production techniques, or circulation, inflationary factors--particularly in the areas of postage, paper, and printing--have brought on this projected deficit.

In 1979-80, postage, paper, and printing costs totaled \$772,785. It is estimated that those same budget items will cost \$1,089,621 during 1985-86. That represents an increase of 41 percent over a six-year period.

Subscription income has declined steadily since 1979-80.

The subscription rate, by comparison, to Rotarian magazine--the most similar publication to Kiwanis magazine in the association publication field--is \$8. A \$2 subscription increase for Kiwanis magazine would still leave Kiwanians' subscription cost at a \$1.50 less than Rotarian, and they will receive a publication of equal or better quality.

A \$2 subscription increase would--if inflationary factors remain consistent with past years--allow the magazine to avoid a deficit budget for an estimated five or six years. Of note, the 1979 increase was projected to cover costs for only three years. Sound fiscal policy and management has allowed Kiwanis magazine to stretch that increase over six years.

The Committee feels that the \$2 subscription increase would avoid a deficit budget prior to 1992.

Recommendation #4:

The Committee recommends that the member subscription price of Kiwanis magazine be increased by \$2 (to \$6.50) per year, and that the Administration-Constitution and Bylaws Committee prepare an Amendment to the Bylaws to be brought to the delegate body in Houston.

I move that Recommendation #4 be adopted.

Editorial

The Committee reviewed recent and future editorial content. The November/December 1985 issue's cover story, "The Completion Drive," focused on the obtainment of a balance between compulsive completion and procrastination. It was noted with satisfaction that the editor's of Reader's Digest magazine plan to reprint this article in a future issue.

The January 1986 issue showed a service emphasis in its editorial content, including the feature articles "The Evolution of Voluntarism" and "Preparing Children for the Future," as well as President Don's "Anniversary Message."

The February 1986 issue's cover story, "Highroads to Houston," which is the International Convention Travel Guide, was the first of a series of pre-convention feature articles. The April and May issues will also feature convention-related stories, and the Kiwanis Scene section will be providing on-going reports about pre-convention plans.

The Committee reviewed the results of the current magazine subscription campaign. Magazine ads and a flyer in the October 1985 general mailing resulted in 90 gift subscriptions. The Committee also noted that the results of a readership survey conducted by staff will be presented in April and that plans are underway to "enliven" the Convention Daily in Houston.

Art and Production

Art and Production reported on description of responsibilities outside the magazine area, as well as reporting on the youth publications.

Advertising

The Committee reviewed 1985 advertising revenue totals--up 35% for outside sales, 30% for total ad sales; and 1986 ad totals to date--up 16% through January (books closed on these issues), up 13% through March. February and March revenues are still subject to finance department adjustment.

The Committee discussed advertising quality from both the standpoint of credit and aesthetics. Bad debt write-offs for the fiscal year ending September 30, were originally budgeted at \$17,000. Actual expenditures, now audited, however, were only \$8,690.57, a reduction of roughly 50%.

A review of advertising from an aesthetic viewpoint will be initiated by staff over the next six months with a formal report to be made of changes initiated or to be initiated in advertising acceptance policies.

Because of lost advertising revenue due to the absence of a December issue; staff is giving consideration to a December-January issue instead of a November/December issue. This can be achieved with few, if any, budgetary considerations while increasing the likelihood of additional advertising revenues.

Public Relations

Kiwanis public service messages are getting dramatic exposures in both the print and broadcast media. All three commercial U.S. television networks continue to air spots featuring both President and Mrs. Reagan and also Miami Dolphin star Mark Clayton. The first couple of media spots are also being featured on more than 500 local stations. New PSA's are in production featuring other celebrities and also spots featuring the Kiwanis motto in several foreign languages.

Numerous regional editions of major publications continue to carry Kiwanis public service print ads and President and Mrs. Reagan are being seen on billboards across the country--including the first ever "his and her" campaign where they are both featured on adjoining boards.

On NBC's Today Show, weatherman Willard Scott highlighted the Kiwanis participation in "Operation Care and Share" in November with an interview of Joe Hillier, Capital District Governor, and they saluted us again in January on the 71st anniversary of Kiwanis International.

The second edition of the television documentary, "Volunteers in Action: Kiwanis Today" has been completed and is ready for distribution. Ten different activities from around the world make this a lively and visually-appealing half hour of Kiwanis in Action. All district officers have now been provided with the documentary featuring the International Office on both film and videotape. This production has also been offered in German, French, and Italian for our European membership.

Because of our Federal court case in New Jersey, the Public Relations Department has devoted much time in handling press queries. An outgrowth of this has been our participation in the development of a planned observance of the 200th anniversary of the First Amendment of the United States Constitution in cooperation with the National Conference of Private Organizations. Upon completion, numerous organizations like ours will have the opportunity to publicize the freedom of association offered by the First Amendment.

To date, \$10,500 has been raised to support the efforts of our first World Service Medal recipient, Dr. Giuseppe Maggi. Since eighty percent of this has come from European clubs, greater efforts are being made by the Public Relations Department to publicize this most worthwhile project in the United States. Included are efforts to seek support from major corporations and foundations with hopes that a much larger amount will be realized by the end of this year.

The Committee next considered nominations for the 1985-86 Kiwanis World Service Medal. After considering the merits of each candidate, the committee recommends the nominee of the Kiwanis Club of Pittsburgh, Pennsylvania.

Recommendation #5:

The Committee recommends the approval of Mrs. Nancy Reagan as the 1985-86 Kiwanis World Service Medal recipient, for her remarkable personal efforts to address the tragedy of school-age drug and alcohol abuse, not only in the United States but around the world.

I move that Recommendation #5 be adopted.

In keeping with the procedures adopted for the Kiwanis World Service Medal, the Committee also offers this resolution for favorable recommendation by the Board to the International Committee on Resolutions:

Recommendation #6:

RESOLVED, That the following resolution is proposed by the International Board to the International Committee on Resolutions for presentation to the 1986 House of Delegates:

"WHEREAS, Kiwanis clubs have been actively combatting the tragic consequences of school-age drug and alcohol abuse since our first Major Emphasis Program, 'Operation Drug Alert,' in 1969;

"AND WHEREAS, United States First Lady Nancy Reagan has devoted a large share of her personal time to creating greater public awareness and effective action to achieve this same laudable goal, not only in the United States but around the world;

"AND WHEREAS, Mrs. Reagan is the 1986 recipient of the Kiwanis World Service Medal;

"THEREFORE, BE IT RESOLVED, That Kiwanis International urges every Kiwanis club to sponsor or support community programs to prevent school-age drug abuse and rehabilitate its victims;

"AND BE IT FURTHER RESOLVED, That Kiwanis International invites clubs and members to make contributions to the Nancy Reagan World Service Fund administered by the Kiwanis International Foundation from which donations will be made to anti-drug and alcohol abuse programs."

I move that Recommendation #6 be adopted.

Bulletin for Kiwanis Officers-Regional Editions

The Committee reviewed the progress made to date regarding the production of BKO-regional editions.

Production is on schedule, with three issues planned for the Asia-Pacific and European editions. Two issues of both the African and the Andean and Central American editions are also scheduled.

The issue of translating certain editions was discussed by the Committee. Currently, the Asia-Pacific edition is published in English, the European and African editions in French/English, and the Andean and Central American edition in Spanish. The Committee recognized that budget considerations and the translation capabilities of staff limit current translations to Spanish and French. The Committee expressed its concern, however, that these translations will not meet the needs of a number of Non-North American members.

Staff was instructed to monitor the reactions of Non-North American members to the BKO-regional editions and report to the Committee in April.

Respectfully submitted,

MORTON O. ALPER, D.D.S.

WILLIAM L. LIEBER

JOHN D. MORTON, SR.

W. J. "WIL" BLECHMAN, M.D., Chairman

REPORT OF THE SPECIAL COMMITTEE ON FINANCIAL PROCEDURES
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

January 23-28, 1986

Date of Committee Meeting: January 25, 1986
Place of Committee Meeting: International Office
Present: Member - Anton J. Kaiser, Noris A. Lusche, and Gene R. Overholt
Chairman - Frank J. DiNoto
Staff : - Ronald L. West, Robert M. Scroggin and William
Parker
Guest - Kenneth Masick, Wolf & Company

The Special Committee on Financial Procedures reviewed existing financial procedures and proposed procedures covering assets and liabilities. These procedures are being presented to the Board for its review, and will be presented for adoption at our April meeting.

Respectfully submitted,

Anton J. Kaiser
Noris A. Lusche
Gene R. Overholt
Frank J. DiNoto, Chairman

110. BOARD OF TRUSTEES

111. Responsibilities

111.1 Administration

(new) The Board of Trustees is the administrative body of Kiwanis International. The Board has control over its finances and affairs.

(Then renumber present 111 to 111.2.)

800. FINANCE

- Notes: 1. Change "General Office" to "International Office."
2. On each of the applicable pages, correct headings to indicate "800 - Finance" and the particular section which is also applicable.

801.1 Purposes (New section - renumber 801.1 to 801.2, etc.)

(new) The purposes of the financial statements are to communicate information regarding the organization's resources and the way such resources may be used or have been used to carry out the organizations' program, objectives and administrative costs.

801.9 Current Assets

(new) Current assets are those expected to be realizable within one year.

801.10 Current Liabilities

Current liabilities are those expected to be liquidated within one year.

804. Budget and Forward Plan (New title - substitute for "Budget")

804.2 c. The President-elect shall consult with the Staff by December 15 and the Committee on Finance by the January meeting concerning the budget assumptions, travel expense, and any programs or services proposed to be emphasized, discontinued or changed during his term as President, including the cost of such items. (Changes underlined)

804.9 Adoption by the Board

(new) By the October meeting, the Board shall adopt the operating and capital budgets for the current fiscal year and the forward plans for the next two years.

805.2 Auditor (Change "auditors" to "auditor" and add the following sentence)

(new) The auditor shall be an independent certified public accountant.

805.4 Distribution of Annual Report (New title - substitute for "Mailing to Clubs")

(new) a. Clubs - (Present 805.4 becomes 805.4 a) - Change "February 1" to "March 1" and "audit report" to "annual report."

805.4 Distribution of Audit Report (continued)

(new) b. Members

A copy of the annual report shall be sent to members of the Board, Past Presidents, governors and district secretaries, and, upon request to other Kiwanis members.

809.2 b. (1) Add - In districted areas, unless a fiscal agent is appointed by the International Secretary, the district governor...

812.1 Carrying Value (Renumber present 812.1 to 812.2, etc.)

- a. Donated investments are recorded at their fair market value at date of receipt. The initial fair market value will be considered the cost of the investments for purposes of computing lower of cost or market adjustments.
- b. All investments classified as a current asset shall be carried at lower of cost or market.
- c. Investments shall be carried at cost and written down only when the market value has declined below cost and the decline is deemed to be a permanent impairment.

812.6 Pooled Investments

(new) If investments for the various funds participate in a pool, gains or losses and income will be allocated proportionately.

The following are all "new" sections

813. Accounts Receivable

813.1 Amount

Under the accrual basis of accounting, income is recorded as when earned even if it has not yet been received.

813.2 Dues and Subscriptions

a. Club

Accounts receivable for dues and subscriptions shall be recorded for active and non-service clubs but not for non-meeting clubs.

b. Adjustments

At each regular meeting of the Board, the Committee on Finance shall review the accounts receivable. Any adjustments shall be made in accordance with Section 814.2.

813.3 Supplies

A club or person must pay cash or by credit card for the purchase of supplies. If an order is received and the amount of payment tendered equals 90% or more of the total amount due, or the difference is less than \$10.00, the order will be processed and the club or person will be billed for the balance due.

813.4 Extension of Credit

- a. A district may have credit extended for the purchase of supplies or other purposes. The credit limit for any district shall be \$5,000 and for a period not to exceed 90 days.
- b. Clubs or individuals are required to pay cash or by credit card for all amounts payable to Kiwanis International.

813.5 Inter-Kiwanis Family Accounts

Accounts receivable and offsetting accounts payable may be maintained among Kiwanis, Key Club, Circle K and the Foundation. Such accounts shall be settled at least monthly, and interest shall be charged on the average monthly balance at the average rate currently being paid on investments.

813.6 Direct Write-offs

Quarterly, any account receivable from clubs or individuals with a balance of \$2.49 or less and past due more than 90 days will be written off.

813.7 Delinquent Clubs Re Convention

Approximately 60 days prior to the International Convention, each club that is financially delinquent to Kiwanis International will be informed that its official delegates cannot be seated unless such delinquency is paid. The Certificate of Election of Delegates and Alternates sent to all clubs shall also carry this information.

814. Allowance for Uncollectible Accounts

814.1 Amount

An allowance for uncollectible accounts shall be maintained in a reasonable amount.

814.2 Adjustments

- a. Accounts receivable, if deemed uncollectible, shall be charged against the allowance.
- b. A list of charge-offs of accounts receivable must be submitted to the Committee on Finance and to the Board.

815. Inventories

815.1 Carrying Value

Supplies, printed materials and other items shall be carried in inventory first in, first, out cost or market, whichever is lower. Generally, any item in inventory which will take three years or more to sell will be carried at a nominal value.

815.2 Records

Perpetual inventory records shall be maintained and periodic physical inventories on selected items shall be taken to verify the items on hand. A complete physical inventory shall be taken at least annually.

815.3 Purchase Systems

- a. The International Secretary shall develop a purchase order receipt of goods and payments systems as described in Section 821.
- b. Vendor selection, when practical, shall be on a bid basis.

816. Building, Furniture and Equipment

816.1 Capitalized Value

The capitalized value of the International Office furniture, fixtures and equipment will be cost. Donated fixed assets will be recorded at fair market value at the date of gift. Only assets costing \$500 or more will be capitalized.

816.2 Depreciation

Capitalized fixed assets will be depreciated on a straight line method over their estimated useful lives. For the International Office, depreciation will be over a 50-year estimated useful life, and for furniture, fixtures or equipment, depreciation will be over the estimated useful life, generally 3 to 15 years.

816.3 Funded Depreciation

The annual depreciation expense for fixed assets will be considered as an operating expense and will be paid in cash annually from the unrestricted fund to the building reserve fund.

819. Other Assets

819.1 Accrued Receivables

Interest on investments and income on other assets shall be accrued during the period such interest or income is earned, although it will be collected at a future date.

819.2 Prepaid and Deferred Expenses

Prepaid and deferred expenses such as insurance premiums, taxes, etc. which are \$1,000 or more, may be capitalized and expensed over the period the expenses are incurred.

819.3 Deposits

Utility, postal services and similar deposits of \$250 or more shall be capitalized as an asset.

819.4 Advances

- a. All monies paid for future travel or other expenses to or on behalf of Staff or others shall be recorded as an advance. Within 30 days after completion of travel, the individual shall either repay the advance or report the amount on an approved expense report.
- b. Any request for a cash advance must list the reasons for the advance and be approved by the employee's supervisor. Such advances may include transportation costs and an allowance for hotels, meals and incidentals not to exceed the period of travel.

819.5 Deferred Compensation

Cash or investments made for future payments due retired employees will be treated as deferred compensation.

819.6 Retiree Death Benefit

A self-insured insurance plan was set up for the benefit of the beneficiaries of certain former employees. The amount of the fund and the deposits required annually must be reasonable in relation to the liability Kiwanis has assumed.

820 Liabilities

821. Accounts Payable

821.1 Amount

Accounts payable shall be recorded on an accrual basis.

821.2 Purchasing System

Using purchase orders, the International Secretary shall maintain a purchasing system which provides proper cost, quantity, quality and internal controls.

821.3 Receiving of Goods

The International Secretary shall maintain receiving procedures and reports to assure the quantity and quality of goods received conform to the purchase orders.

821.4 Payment and Invoices

- a. The International Secretary shall maintain a system to ensure that invoices are paid only for goods or services received, and that such invoices conform to the purchase orders and receiving procedures and reports for such goods or services as to cost, quantity and quality.
- b. Payment of invoices shall be by voucher checks, prepared only on the basis of adequate and approved documentation, i.e., purchase order, receiving report and invoice. The check amount, payee and account charged must agree with the support documentation.
- c. All properly approved invoices should be paid within fifteen days following receipt of goods and the approved documentation specified in this Section 821, unless the invoice specifies another period of time when due.

822. Notes Payable

The amount of funds borrowed including capital lease obligations shall be recorded as notes payable. The Board must approve all borrowings before such debt is incurred.

823. Accruals

Taxes, interest and other expenses incurred monthly but payable over different periods of time will be recorded as expenses and liabilities in the proper period.

824. Inter-fund Accounts

In fund accounting, each fund is a separate accounting entity with a self-balancing set of accounts for recording assets, liabilities, fund balance, revenues and expenses. Amounts due from or to other funds is a balancing account, and interest at average rate currently being received on investments will be charged or credited.

828. Deferred Income

828.1 General

If income is received but is to be earned in a future period, such as dues, subscriptions, insurance premiums, life memberships, etc., the unearned amounts shall be credited to a deferred income account and then taken into income as earned.

828.2 Life Memberships

Income received for life memberships will be credited to deferred life memberships and amortized into income on a straight-line basis over a period of ten years. Cash received for deferred life memberships will be included as operating funds and is not to be invested separately.

828.3 Convention, Registrations and Other Income

When income is received for Convention, registrations and other income, it will be credited to the deferred Convention income account and taken into income as Convention expenses are incurred. Cash received for such Convention income will become part of the International Convention fund and any excess amounts should be invested.

REPORT OF THE BOARD COMMITTEE ON YOUTH SERVICES
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES
JANUARY 23-28, 1986

Date of Committee Meeting: January 26, 1986

Place of Committee Meeting: General Office

Present: Members - Morton O. Alper, D.D.S.

C.A. Dillon, Jr.

W. Donald Goodfellow, Q.C.

John D. Morton, Sr.

Robert A. Wagner

Chairman - Raymond B. Allen

Staff - Speegle Berry, George F. Langguth, Carolyn J. Seymour,
 James P. Tinsley, Jr.

KEY CLUB

Proposed Operating Objectives of Key Club International

The Committee reviewed the Proposed Operating Objectives of Key Club International that were developed by staff for consideration and review by the Long Range Planning Committee. These proposals were approved by the Committee and forwarded to the Long Range Planning Committee.

Approval of Proposed Changes to Key Club International Board Policies

The Committee reviewed the proposed changes to the Key Club International Board Policies which were passed by the Key Club International Board at its October Board Meeting (See Exhibit A). The Committee considers the proposed changes to be acceptable, and therefore makes the following recommendation:

Recommendation #1

The Committee recommends approval of the proposed changes to the Key Club International Board Policies, as shown in Exhibit A.

I move that Recommendation 1 be adopted.

Budget Adjustments

The Committee reviewed proposed adjustments to the Key Club Department Budget (#15) as submitted by the Key Club International Board and the Key Club Department. These adjustments are 1) to bring grant expenses/income in line with the amounts as approved by the Kiwanis International Foundation; and 2) to expand programming and services to local Key Clubs and Key Club districts. The total of these adjustments is \$16,050 and can be adequately covered by the \$73,110 surplus that is projected. The Committee believes these are appropriate and necessary adjustments.

Recommendation #2

The Committee recommends that the adjustments to Key Club Department Budget (#15) as outlined in Exhibit B be approved.

I move that Recommendation 2 be adopted.

Development of Board Procedure on Submission of Grant Requests to the Kiwanis International Foundation

The Committee reviewed a recommended procedure for the submission of grant requests to the Kiwanis International Foundation. The procedure was developed to assure proper review and approval by Senior Staff and the Kiwanis International Board of all grant requests to the Kiwanis International Foundation prior to their submission to the Foundation.

Recommendation #3

The Committee recommends the adoption of Kiwanis International Board Procedure 198 - Submission of Grant Requests to the Kiwanis International Foundation, as shown in Exhibit C.

I move that Recommendation 3 be adopted.

Report on Financial Procedures Development

Trustee Bob Wagner presented a report on the development of procedures for the management of Key Club finances. He stated that, due to past misunderstandings of policies and procedures, new guidelines are being developed in conjunction with the Key Club International Board and the Key Club Department staff. The procedures will codify the relationship between Key Club International and Kiwanis International in the area of finances. These procedures will be presented to this board for approval at the April Board Meeting.

Review of Key Club Operational Survey Results

The Committee reviewed the preliminary results of the Key Club Operational Survey that was sent to all Key Club faculty advisors. The purpose of this survey was to ascertain the impact that the Equal Access Act, federal and state laws, and local school board policies are having on Key Clubs. The Committee was pleased to learn that, at this time, the majority of Key Clubs have not been adversely affected. The Committee will continue to monitor this situation and keep the board apprised of future developments and findings.

Review of Key Club International Board Travel

The Committee then reviewed the travel reports submitted by the Key Club International Board members. The reports were found to be within the established procedures.

-3-

Other Items

The following informational item was brought to the Committee's attention:

- Key Club organizational statistics and graphs. (The Committee was pleased to note the member increase of almost 8,000 compared to this time last year).

CIRCLE K

Policy and Procedure Code

The Committee was informed that the Circle K International Board of Officers is continuing to review the Policy and Procedures Code so that a complete document can be presented to the Kiwanis International Board of Trustees in the near future.

Dues Increase

The Committee noted that the Circle K International Board of Officers has passed a recommendation to request a \$3.00 (U.S.) increase in International dues and an increase of the ceiling for district dues by \$3.00 (U.S.). Should this proposal pass in the House of Delegates at the 31st Annual Convention of Circle K International in Boston, this would bring International dues to \$8.00 (U.S.) and the District dues could be increased to an amount not to exceed \$10.00 (U.S.).

Alcohol Use Position Statement

The Committee reviewed and discussed the Resolution on the Responsible Use of Alcohol as submitted by the Circle K International Board of Officers. The Committee urges that Circle K International consider implementing a position statement which would prohibit the use of alcohol at all Circle K International official functions. (See Exhibit D)

International Convention Location

The Committee discussed the possibility of changing the location of the 1987 Convention in St. Louis, Missouri to a college or university campus. However, as a signed contract with the hotel is on file, the change in location was believed not to be feasible. The Committee also recognized the necessity for the Circle K International conventions to become financially self sufficient. Following a lengthy discussion concerning the possibility of moving future conventions to the college or university campuses, the following recommendation was proposed:

Recommendation #4

The Committee recommends that staff be directed to advise the Florida District of Circle K International and the Circle K International Board of Officers that Kiwanis International will not fund any Circle K International Convention deficits, and that consideration be given to holding the 1988 Circle K International Convention on a college or university campus.

I move that Recommendation 4 be adopted.

Alumni Association

While Kiwanis International has not endorsed alumni associations, the Committee noted that the Circle K International Board of Officers will be distributing an interest and opinion survey. A detailed survey will also be sent to Circle K District Governors and Administrators. The results of these surveys will be considered by this Committee at its April meeting.

International Expansion of Circle K International

It was reported to the Committee that the Circle K International Board of Officers has continued to gather information regarding the desirability and feasibility of expanding the organization beyond the original 30 Circle K districts. The Committee requested staff to investigate the use of the Circle K trademark, and its registration in the Philippines, Ghana, Kenya and West Germany, which have expressed interest to affiliate with Circle K. The findings will be reported to the Kiwanis International Board of Trustees at the next meeting.

Feasibility of Corporate Underwriting of Circle K International Activities

At the January Circle K International Board of Officers meeting, the Michigan District of Circle K presented a bid for the 1989 convention which proposed corporate underwriting as a method of financing this Circle K International activity. As this is an issue which has not been discussed by the Kiwanis International Board of Trustees, the Committee weighed the many facets of corporate underwriting. Members of the Committee recognized the need to investigate alternative methods of financially supporting Circle K activities, and directed staff to develop stringent guidelines for corporate sponsorship of Circle K International activities for consideration at the April Board meeting.

International Officers Travel Itineraries

The Committee reviewed travel forms submitted by the members of the Circle K International Board of Officers and found them to be in order.

BUILDERS CLUBS

Promotional Efforts on Behalf of Builders Clubs

The Committee noted that a general mailing to sponsoring Kiwanis clubs will be sent within a month to ascertain membership figures and activities of Builders Clubs. The findings will be reported at the April Board meeting.

Respectfully submitted,

Morton O. Alper, D.D.S.
C. A. Dillon, Jr.
W. Donald Goodfellow, Q.C.
John D. Morton, Sr.
Robert A. Wagner
Raymond B. Allen, Chairman

Exhibit A of the Report of the Board Committee on Youth Services,
Proposed Changes to Key Club International Board Policy, is now
Exhibit #15 of the January 23-28, 1986, minutes.

BUDGET ADJUSTMENTS



Key Club Department (15)



January 26, 1986

<u>Acct/Item</u>	<u>Currently in Budget</u>	<u>Adjustment</u>	<u>Explanation</u>
330-01 Theme and MEP Audio-Visual	23,000	25,000	We have discussed the production of this A-V with three production companies and we are not able to produce the product for less than \$25,000 (and maintain quality at the same time). \$25,000 has already been approved by the Kiwanis International Foundation to pay for this program. (Effect on Key Club budget is -0- due to offsetting amount in grant income).
330-02 Valley Forge Leadership Seminar	15,120	14,850	The actual cost for the 1986 Conference will be less than originally projected. (Effect on Key Club budget is a decrease of \$270).
330-04 Sponsorship Award	-0-	2,000	At the time of budgeting last year we did not know if we would continue this recognition program for Kiwanis clubs. Since then we have received a \$2,000 Kiwanis International Foundation grant to continue it. (Effect on Key Club budget is -0- due to offsetting amount in grant income).
Member Education Audio-Visual	-0-	22,000	This is for the remake of our current A-V which is out-dated and in need of revision. \$15,000 has already been approved by the Kiwanis International Foundation to pay for part of this program. (Effect on Key Club budget is an increase of \$7,000).

150 Regional Training 11,550
Conferences

16,060

Membership Recruitment -0-
Poster

4,500

Over the past several years there has been consistent requests from the Key Club governors and administrators to extend these RTC's by a half-day. This extra time would allow staff to meet one-on-one with each district and work on specific district problems. This extension would require an extra night's lodging, 2 additional meals, and 2 additional breaks. \$12,000 has already been approved by the Kiwanis International Foundation to pay for part of this program. (Effect on Key Club budget is an increase of \$4,060).

This comes from a recommendation made by the Key Club International Board at its October board meeting. These posters would be used throughout schools to promote joining Key Club. They would become a standard literature item that clubs could order (at no charge). (Effect on Key Club budget is an increase of \$4,500).

Pace-setter Club -0-
Award Patch

500

This comes from a recommendation made by the Key Club International board at its October board meeting. These patches are to recognize Key Clubs that have achieved the goal of having each club member perform 50 manhours of service during the year. This is a part of the "Manhours for Mankind" program. (Effect on Key Club budget is an increase of \$500).

106-05 International 140
Service Day Banner
Patch

400

This comes from a recommendation made by the Key Club International Board at its October board meeting. This patch will replace the certificates that clubs have gotten in the past. The clubs would now have a place to display its award (i.e. club banner). (Effect on Key Club budget is an increase of \$260).

Overall these adjustments will result in increased expenses of \$16,050. The current budget projects a surplus of \$73,110 and thus would more than adequately cover these additional expenditures.

198 - Submission of Grant Requests to the Kiwanis International Foundation

- a. All grant requests to the Kiwanis International Foundation shall be signed by the Assistant Secretary responsible for the function for which the grant is sought.
- b. Upon signing such a grant request, the Assistant Secretary certifies by implication that:
 - (1) he has read the contents of the grant application as prepared by his staff, and
 - (2) that he is familiar with the contents thereof and believes that it is a proper grant request, and
 - (3) that he has discussed the grant request at Senior Staff Meeting and is satisfied that it is not a duplication of any other grant request, and
 - (4) That the amount and the function for which the grant is requested has been approved by the Kiwanis International Board of Trustees.

CIRCLE K INTERNATIONAL
RESOLUTION ON THE
RESPONSIBLE USE OF ALCOHOL

WHEREAS, The abuse and mis-use of alcoholic beverages has had a significant negative impact on our society, our economy and on our strength and resolve as a nation; and

WHEREAS, Circle K International has a mission to assist our members in attaining their educational goals, thus enabling them to assume the duties and responsibilities of leadership and service; and

WHEREAS, Circle K International supports the principle of individual freedom and choice, and believes that our members are responsible for their individual actions and decisions, and

WHEREAS, Circle K International members, by their actions as individuals, affect their clubs and the Kiwanis International family in general:

THEREFORE, BE IT RESOLVED, by the Circle K International Board of Officers, on behalf of the Circle K International member clubs, that the following positions are adopted:

- 1) That the possession, sale, use and/or consumption of alcoholic beverages during an official Circle K event, or in any situation sponsored or endorsed by Circle K International be discouraged.
- 2) That moderation is encouraged during lawful consumption, and that alternative, non-alcoholic, beverages be made available to those who choose to use them.
- 3) That the virtues of personal worth and character be the primary focus of membership recruitment efforts, and that alcohol not be used as a method or vehicle during the recruitment process.
- 4) That each individual member is encouraged to make a responsible decision about alcohol use, and that all members respect such decisions as sacred to spirit and conscience.
- 5) That every member consider the impact that his decision and his actions have on his club and Circle K International, and that members choose behavior that adds to the considerable prestige of Circle K International.
- 6) That each club, under the leadership of the President and Membership Development and Education Chairman, is encouraged to include alcohol awareness education as part of the Membership Development and Education Program.
- 7) That all volunteers and professional leaders of Kiwanis International working with Circle K International are encouraged to obtain continuing education in alcohol awareness and are further encouraged to provide a positive role model for our undergraduate members by their responsible use of alcohol.

AND, BE IT FURTHER RESOLVED, that this Resolution be distributed among the clubs of Circle K International and shared with all Kiwanis International professional leaders working with member clubs and also with the dedicated professionals who work with Circle K International clubs on campuses throughout our membership.

**PROPOSED CHANGES
TO KEY CLUB INTERNATIONAL BOARD POLICY**

You will note that in the column parallel to the proposed changes, the present wording is included. where no policy previously existed the present column will read - no previous policy. Deletions are indicated by brackets [].

PRESENT

4.4 C Care shall be taken not to deface or destroy any property, or to throw objects from windows. Any damages will be paid for by the individual responsible.

4.4 K No previous policy

5.1 Any member in good standing who is an undersclassman may become a candidate for International Office. An officer candidate cannot extend his/her pre-convention campaigning out of his/her home district. If qualified, however, he/she will be permitted to travel to the following Key Club functions:...

PROPOSED

4.4 C Care shall be taken not to deface or destroy any property, or to throw objects from windows. The placing of signs or messages on the windows of the hotel rooms is prohibited. Any damages will be paid for by the individual responsible.

4.4 K The tapping of glasses and dishes with silverware, tying of napkins, writing on tablecloths, and other such disruptive and distracting behavior during meal sessions will not be tolerated.

5.1 Any member in good standing who is an underclassman may become a candidate for International Office. An officer candidate cannot extend his/her preconvention campaigning out of his/her home district. When visiting other districts or Key Club functions outside his/her home district an individual is not permitted to be introduced as a candidate for International Office. If qualified, he/she will be permitted to travel to the following Key Club functions:...

PRESENT

7.7 No previous policy

PROPOSED

7.7 In the event that a professional fundraising company requests approval for their company's material to be added in a Key Club International general mailing, they must abide by the following guidelines:

1. Fundraising materials may only be added in a general mailing if the mailing is under-weight. Key Club material should not be precluded because of these materials.
2. The professional fundraising company's materials must be approved by the Administrator of Key Club International.
3. The professional fundraising company must pay for a portion of the cost of sending the general mailing. This rate will be established by the Administrator of Key Club International.
4. No more than one professional company's fundraising materials may be added in any one general mailing.

7.8 No previous policy

7.8 Administration of cash reserves shall be restricted by the following:

- A. Following the annual audit, the Key Club International Administrator will obtain from the Kiwanis International Department of Finance the current amount of cash reserve set aside for Key Club International.

PRESENT

PROPOSED

- B. The Key Club International Board may use no more than 25% of the cash reserves in any given year.
- C. Cash reserves can only be used if the current budget cannot accommodate the proposed expenditure.
- D. Prior to the authorization of the expenditure of cash reserves, the proposal must be reviewed by the Executive Committee and the Finance and Membership Development Committee, approved by the Administrator, and gain final approval from the Treasurer of Kiwanis International.

Following said review and approval, the expenditure must be approved by a 2/3 vote of the Key Club International Board.

REPORT OF THE BOARD COMMITTEE ON ADMINISTRATION-CONSTITUTION AND BYLAWS
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

January 23-28, 1986

Date of Committee Meeting: January 24 and 25, 1986

Place of Committee Meeting: Indianapolis, Indiana

Present: Member - W. Donald Goodfellow, Q.C., Avelino V. "Beling"
 Tanjuakio, Robert A. Wagner
 Chairman - Noris A. Lusche
 Other - Frank J. DiNoto, Gene R. Overholt
 Staff - Ronald L. West, Sharon H. Alford, Donald Collins
 and Barbara Urian

PROPOSED FEDERATION AMENDMENT

The Committee was given the proposed amendment to the Kiwanis International Constitution entitled "Federation Model" (Sixth Draft - January 24, 1986) on Friday, January 24. This proposal is lengthy and complex. With insufficient time for proper review the Committee will study the proposal with possible action to be taken at the April board meeting. The Committee invites comments from all members of the Board.

PROPOSED CONSTITUTION AMENDMENT

The Committee reviewed the proposed Constitution amendment concerning the omission of the office of the Immediate Past President.

Inasmuch as a special Ad Hoc Committee has been meeting on Board representation and this Committee has not received that Committee report, it is the feeling of this Committee that portions of this proposed amendment may be in conflict with the findings of the Ad Hoc Committee.

Therefore, action on this proposed amendment is being deferred until after the Ad Hoc Committee report is received. The Committee will reconsider the proposed amendment at the April Board Meeting.

PRICES QUOTED IN SUPPLIES CATALOG

The committee reviewed the pricing quotations in the supplies catalogs and it was determined that a great deal of confusion exists between U.S. and Canadian dollar quotations.

The 1986/87 supplies catalog will be quoted in U.S. dollars only. Catalogs that will be furnished to Canadian Kiwanis clubs and districts will have a special insert listing prices in U.S. currency that Canadian members and districts will be required to pay.

The Committee is requesting the International Secretary to obtain comments from the EC&C and Western Canada Districts together with the Canadian Lt. Governors of the Pacific Northwest District concerning their preferences to continue to purchase Kiwanis supplies from Canadian sources or purchase them directly from the International Office.

PRICING OF SUPPLIES

To ensure direction and consistency to the Supplies Department we need a pricing policy that gives maximum service to our membership and still allows flexibility. This policy will give the lowest cost possible for those items which are essential to clubs, and still allow the department to be able to receive a reasonable gross margin.

Recommendation No. 1

The Committee recommends that the Supply Department constantly strive for a minimum margin of 20% for club essential items and a minimum of 50% for non-essential items. These margins do not apply to sale items or discounts.

I move that Recommendation No. 1 be adopted and referred to the Board Committee on Administration - Constitution and Bylaws for insertion in Procedures.

PER DIEM AND OFFICER CONTINGENCY

The committee reviewed the per diem and International Officer's contingency allowance for members of the Board and invites input from members of the Board prior to our April board meeting. There have been no adjustments in these allowances since prior to 1979.

DISTRICT CONVENTION DATE REQUEST

The Committee received a request from the Florida District to schedule the 1987 District Convention on the dates of September 17-20. This change being necessary because adequate facilities are not available at the convention site prior to that date.

Recommendation No. 2

The Committee recommends that the Florida District be permitted to hold their District Convention on September 17 to 20, 1987.

I move Recommendation No. 2 be adopted.

TRAVEL MEDICAL INSURANCE FOR BOARD MEMBERS

The concern that Board Members and their wives might become ill or suffer an accident while traveling out of their native country was addressed. Present travel accident insurance covers only accidental death and dismemberment. Personal coverage of Board Members may be inadequate or uncollectable in another country. The Committee feels that coverage for this exposure should be secured immediately. Several proposals were secured from Ed Hecht, Insurance Broker, for our consideration. The proposal that will provide the coverage desired at this time will provide \$100,000.00 medical coverage for accident or illness for Board Members and their spouses while outside their native country. The cost will be \$3.00/day for persons under age 70 and \$5.00/day for persons over age 70. A deposit will effect coverage and be subject to adjustments as required.

Recommendation No. 3

The Committee recommends that a deposit be made for the travel medical policy to effect coverage immediately.

I move Recommendation No. 3 be adopted.

MEMBERSHIP DUES BILLING

Currently in North America, Kiwanis bills clubs semi-annually for dues based on members receiving the Kiwanis International magazine. Clubs are permitted a 60-day period of time after the October 1 and April 1 dates to pay such dues. As a result many clubs delete, as of September 30, club members who actually terminated membership in October, November or December prior to payment of such dues. A similar case occurs for the second installment of dues. As a result Kiwanis is not receiving a substantial amount of money which should be paid to the organization.

A problem also occurs with respect to membership figures used by Kiwanis and each of the districts. Certified membership is based on dues paid by each club while districts use the number of members shown on the September 30 monthly reports. The Committee believes that it would be beneficial for Kiwanis to use the September 30 and March 31 monthly club report as a basis for the billing of semi-annual dues, magazine subscriptions and liability insurance. Such billings should result in additional funds being paid to Kiwanis and minimize the membership discrepancies reported by International and each district. As to clubs that fail to supply timely monthly reports on the dates indicated, Kiwanis International will request from each district the number of members in such clubs.

Recommendation No. 4

The Committee recommends that effective September 30, 1986 all semi-annual billings, for dues, magazine subscriptions and insurance be based on membership as of September 30, and March 31, as shown on the September and March club monthly reports and, that a budget adjustment of \$1,300.00, from operating surplus, be approved to cover the cost of the additional forms.

I move Recommendation No. 4 be adopted.

RECODIFICATION OF THE KIWANIS INTERNATIONAL BOARD OF TRUSTEES' PROCEDURES

The Committee reviewed the Board's current Procedures and noted the need to eliminate inconsistencies and ambiguities. It also recognized the need to determine what topics are not currently covered in this document but should be. Finally, the Committee noted the considerable time which will be required to undertake this job and concluded that a qualified former staff member is best suited to do so.

Recommendation No. 5

The Committee recommends that a qualified individual be retained to undertake the task of recodifying the Board's Procedures.

I move that Recommendation No. 5 be adopted.

Recommendation No. 6

The Committee recommends that \$2,500.00, from operating surplus, be allocated to cover the expenses attendant to this task.

I move that Recommendation No. 6 be adopted.

AMENDMENT OF PROCEDURE 112

Since the 1985/86 committee structure is a departure from prior years the 1985/86 Board Committee duties and responsibilities are not in harmony with Procedure 112 - Board Committee Areas of Responsibilities and Concern.

Delineating the duties and responsibilities of the Board Committees serves to clarify their respective tasks and enhance the overall effectiveness of the Committee system. To not continue this practice is to invite confusion and misunderstanding among the Committees, Board, and staff.

Leaving Procedure 112 as it is would violate an important administrative principle which Board and staff are striving to consistently observe; namely, that Kiwanis International's Constitution and Bylaws and the Board's Policies and Procedures should be strictly adhered to or changed, but never ignored or permitted to lapse into disuse.

Recommendation No. 7

The Committee recommends that Board Procedure 112 be amended to read as follows:

112 - Board Committee Duties and Responsibilities

112.1 - Executive

In any interim between meetings of the Board of Trustees, the administrative authorities of this Board shall be and hereby are delegated to the Executive Committee, and the action of such committee under such delegation shall have the force and effect of action by the Board of Trustees unless subsequently disapproved by vote of the Board of Trustees. All action by the Executive Committee which is not disapproved by the Board of Trustees shall be formally ratified by the Board of Trustees. This delegation of authority shall not include the right to waive or change policy.

112.2 - Administration - Constitution and Bylaws

- a. Employee Benefit Programs
- b. Building Supervision
- c. Constitution and Bylaws Amendments
- d. Policies and Procedures
- e. KI-KIF Administrative Relationship
- f. Supplies Pricing and Marketing
- g. Distinguished Governor and District Administrative Excellence Award program

112.3 - Communications

- a. Kiwanis magazine, including editorial content, production, and advertising
- b. Bulletin for Kiwanis Officers
- c. Public Relations
- d. Meetings and Convention planning

112.4 - Long-Range Planning

- a. Develop, implement, and periodically review Kiwanis' Strategic Planning program

112.5 - Member Services - International Extension

- a. Membership growth and retention
- b. New club building
- c. International Extension
- d. Club administration and structure
- e. Awards program
- f. Kiwanianne program

112.6 - Finance

No change - Same as specified in Board Minutes, June 28 and July 4, 1985.

112.7 - Program Services - Education

- a. Program development
- b. International Council
- c. Governors-elect Training Conference
- d. Leadership education

112.8 - Youth Services

- a. Key Club
- b. Circle K
- c. Builders Club
- d. Other youth organizations and programs.

I move that Recommendation No 7 be adopted.

MAINTENANCE AGREEMENT FOR CPT AUTOMATION SYSTEM

Staff and Committee discussed the Service Agreement for our new CPT Office Automation System which was installed this month. The new equipment is warranted for 90 days. The service contract would become effective April 15, 1986, and the cost is \$1,050.00 per month, for the balance of 1985/86.

Recommendation No. 8

The Committee recommends a budget adjustment of \$5,775.00 from Operating Surplus to Line Item 07-178-01 for the purpose of obtaining the Service Agreement for our new CPT Office Automation System.

I move Recommendation No. 8 be adopted.

DISTINGUISHED GOVERNOR AND DISTRICT ADMINISTRATIVE EXCELLENCE AWARDS

The Committee reviewed the proposed criteria for the 1986/87 Distinguished Governor's and District Administrative Excellence Awards (Exhibit A)

The proposed criteria for each award parallels one another.

The District Administrative Excellence Award will be given on the basis of one Honor and one Honorable Mention award in each of the five groups (Diamond, Ruby, Emerald, Coral and Pearl), to the top two districts respectively, regardless of the number of points scored by the district.

Recommendation No. 9

The Committee recommends that the Board adopt the proposed criteria (Exhibit A) as the criteria for the District Administrative Excellence Award in 1986/87 awarding an Honor and an Honorable Mention Award in each of the five groups - Diamond, Ruby, Emerald, Coral and Pearl.

I move Recommendation No. 9 be adopted.

Inasmuch as the criteria for Distinguished Governor is a new criteria based upon points, the Committee together with Staff and the President-Elect arrived at an award level of 1,320 points to achieve this award. It is, however, felt that because we have no prior comparables on which to base our judgment if the 1,320 points may be too high, the Committee suggests that a minimum of seven governors be eligible for the distinguished award for 1986/87 only.

Recommendation No. 10

The Committee recommends that for 1986/87 only, a minimum of seven governors with the highest point scores be eligible for the Distinguished Governor Awards, provided each has sponsored at least three new members.

I move Recommendation No. 10 be adopted.

Recommendation No. 11

The Committee also recommends a budget adjustment of \$1,300.00 from Operating Surplus, be approved to cover the cost of the necessary Lt. Governor report forms in the Distinguished Governor criteria.

I move Recommendation No. 11 be adopted.

FINANCIAL SOFTWARE PACKAGE

At our October, 1985 Board Meeting the amount of \$55,000.00 was approved for the purchase of a general Ledger and Accounts Payable software package from Computer Associates International. Since that time, staff has discovered that the package was not adaptable to our system.

Recommendation No. 12

The Committee recommends that the prior action of the approval of an expenditure of \$55,000.00 to purchase the Computer Associates International software package be rescinded.

I move Recommendation No. 12 be adopted.

Staff has advised the Committee that we can purchase a General Ledger and Accounts Payable software package that is compatible with our Nixdorf system for a total amount of \$20,000.00 which is broken down as follows:

IMS Software	\$10,000.00
Bancroft Software	5,000.00
Generic Report Writer	5,000.00
	<u>\$20,000.00</u>

Recommendation No. 13

The Committee recommends the capital expenditure of \$20,000.00 for the purchase of the software package recommended by staff.

I move Recommendation No. 13 be adopted.

With the purchase of the software package in Recommendation No. 13, we will be required to keep the IBM System 3 for approximately 4 months at a maintenance cost of \$7,000.00 maximum.

Recommendation No. 14

The Committee recommends the allocation of \$7,000.00 to be entered in line Item 07-178-01 for the purpose of maintaining the IBM System 3 until our new software package is in operation.

I move Recommendation No. 14 be adopted.

The net result of Recommendations Nos. 13 and 14 is a savings of \$28,000.00.

PENSION PLAN EXPENSES

Staff informed the Committee that during the last budget preparation the amount of \$4,250.00 was overlooked when computing expenses for our pension plans.

Recommendation No. 15

The Committee recommends that a budget adjustment of \$4,250.00, from Operating Surplus, be added to Line Item 32-113-02, to cover this expense.

I move Recommendation No. 15 be adopted.

IRS COMPLIANCE

Our most recent Acturial Evaluation of our Employees Pension Plan noted that we should acknowledge compliance with TEFRA and REA laws. The Committee has requested Secretary Gil Zitzelsberger to sign the compliance acknowledgement and have same forwarded to the IRS prior to February 5, 1986. (See Exhibit B)

Recommendation No. 16

The Committee recommends that the Employees Pension Plan (Exhibit B) be adopted in toto with the changes as suggested by McCreedy & Keene.

I move Recommendation No. 16 be adopted.

ASIA-PACIFIC CONFERENCE

The Asia-Pacific Conference guidelines require that the dates of the Annual Conference be approved by the Kiwanis International Board of Trustees.

Recommendation No. 17

The Committee recommends that the dates of April 12-14, 1986 be approved as the dates of the Asia-Pacific Conference.

I move Recommendation No. 17 be adopted.

STAFF ORGANIZATION

The Committee reviewed the current staff organizational chart. At the present time there are 132 employees. Last year at this time there were 131 employees on our staff.

Respectfully submitted,

W. Donald Goodfellow, Q.C.
Aveline "Beling" Tanjuakio
Robert A. Wagner
Noris A. Lusche, Chairman

EXHIBIT A

Exhibit A of the report of the Board Committee on Administration - Constitution and Bylaws is now Exhibit #17 of the January 23-28 minutes.

1986-87 Distinguished Governor's and District Administrative Excellence Awards

1986-87 District Administrative Excellence Award

1986-87 District Administrative Excellence Award Groups

EXHIBIT B

Exhibit B of the report of the Board Committee on Administration - Constitution and Bylaws is now Exhibit #18 of the January 23-28 minutes -- Kiwanis International Employees' Pension Plan.



1986-87

DISTINGUISHED GOVERNOR'S

and

DISTRICT ADMINISTRATIVE EXCELLENCE

AWARDS

The following criteria must be met for a governor to achieve a **DISTINGUISHED GOVERNOR'S AWARD**:

1. The district must achieve a point score of 1320 or more in the District Administrative Excellence Award Program.
2. During the administrative year, the governor personally must sponsor at least three (3) new active members, including one in his own Kiwanis club.

GRADING PLAN FOR THE DISTRICT ADMINISTRATIVE EXCELLENCE AWARD PROGRAM:

1. LEADERSHIP TRAINING.....	100 Points
2. OFFICIAL VISITS.....	100 Points
3. CONVENTIONS AND MEETINGS.....	100 Points
4. CLUB OFFICERS TRAINING.....	100 Points
5. LIEUTENANT GOVERNOR REPORTS.....	250 Points
6. ANNUAL CLUB REPORT.....	50 Points
7. SECRETARY REPORTS.....	150 Points
8. CLUB ELECTION REPORTS.....	100 Points
9. INTERNATIONAL CONVENTION ATTENDANCE.....	100 Points
10. CLUB REPRESENTATION - INTERNATIONAL CONVENTION.....	50 Points
11. CLUB REPRESENTATION - DISTRICT CONVENTION.....	100 Points
12. DUES.....	100 Points
13. MEMBERSHIP GROWTH.....	100 Points
14. NEW CLUB BUILDING.....	100 Points

TOTAL = 1500 Points



1986-87

DISTRICT ADMINISTRATIVE EXCELLENCE

AWARD

For the purpose of this award program, the Kiwanis districts will be divided into five (5) groups based on membership. Each of two (2) districts achieving the highest scores in each group will be designated as an "Honor District," and both the Governor and the Secretary will receive recognition.

1. **LEADERSHIP TRAINING:** Before September 15, 1986, the governor must have completed the prescribed training of all lieutenant governors and district committee chairmen at a training conference or by prearranged meetings, and filed the required report with Kiwanis International by October 15, 1986. (100 points)*
2. **OFFICIAL VISITS:** Before June 1, 1987, the governor must have completed his official visit to each division in his district, and filed the required report with Kiwanis International by July 1, 1987. (100 points)*
3. **CONVENTIONS AND MEETINGS:** The governor must have attended the International Convention, District Convention, all District Board Meetings, the Official Visit of the International President (when made to his district), and the District Key Club and Circle K Conventions. (100 points - Deduct 25 points for each not attended.)
4. **CLUB OFFICERS TRAINING:** Each lieutenant governor must have trained the club officers in his division prior to October 1, 1986, and filed the required report with the district and Kiwanis International by December 1, 1986. (100 points)*
5. **LIEUTENANT GOVERNOR REPORTS:** Each lieutenant governor must have filed the following reports with the district and International Office by the dates specified, such dates being for the purpose of this award only. (Maximum 250 points)

Report of Club President's Training Conference for Club Officers and Committee Chairmen - November 15. (50 points)**

Contact Reports; Reports of Official Visits; Reports of Board Meeting Visits - December 15. (100 points)*

(If club is more than 100 miles from Lieutenant Governor, Contact and Official Visit may be combined.)

Evaluation Reports (100 points)*:

First Quarter (October, November, December) - March 31.

Second Quarter (January, February, March) - June 30.

Third Quarter (April, May, June) - September 30.

6. **ANNUAL CLUB REPORT:** Each club must have filed its "Annual Club Report" with the district by December 31, 1986. (50 points)**

(continued...)

7. **SECRETARY REPORTS:** All the minutes or reports designated must have been submitted to the International Office by the date specified in order to earn any points in that specific category. (Maximum 150 points)

Minutes of all District Board of Trustees' Meetings - within 30 days after each meeting. (50 points)
Six copies of winning Annual Club Reports - by January 10, 1987. (25 points)
Report of District Election and Secretary-designate Information - within 10 days after district convention: (25 points)
District Convention Report - within 30 days after convention. (25 points)
Required reports relating to "District Administrative Excellence" Award Program (25 points):
Criteria 6 (Annual Club Report) - January 10, 1987.
Criteria 11 (Club Representation at District Conv.) - October 15, 1987.
Criteria 12 (Dues) - October 15, 1987.

8. **CLUB ELECTION REPORTS:** Each club must have filed its club election report with the district and International Office by August 1, 1986. (100 points)*
9. **INTERNATIONAL CONVENTION ATTENDANCE:** The district must have achieved the percentage of the established quota for membership attendance. (100 points)*
10. **CLUB REPRESENTATION - INTERNATIONAL CONVENTION:** The district must have achieved the percentage of the established quota for club attendance. (50 points)**
11. **CLUB REPRESENTATION - DISTRICT CONVENTION:** The percentage of clubs represented by the Club President or President-designate at the District Convention. (100 points)* (A report will be required of the District Secretary.)
12. **DUES:** The percentage of clubs that paid district and International dues during the administrative year. (100 points)* (A report will be required of the District Secretary for district dues.)
13. **MEMBERSHIP GROWTH:** From October 1 to October 1, the district must have achieved a net growth in membership equal to or exceeding the district average for the previous ten (10) years, but not less than zero. (If average quota is achieved, 50 points. For each percentage above average or quota, add 25 points; for each percentage below average or quota, deduct 50 points. Maximum 100 points; minimum 0)***
14. **NEW CLUB BUILDING:** The quota will be the average number of clubs built in the district in the last ten (10) years. (If average is achieved, 50 points. For each percentage above average, add 1/2 point; for each percentage below average or quota, deduct 1 point. Maximum 100 points; minimum 0)****

- - - - -

*One point for each percentage point achieved; for example, if 90% of criteria is achieved, 90 points are earned.

**One-half (1/2) point for each percentage point achieved; for example, if 90% of criteria is achieved, 45 points are earned.

(continued...)

***Example: The district's average membership growth for the past ten (10) years is a 1% gain. If the current year's growth is 2.1%, or 1.1% more than the average, the score would be 77.5 points ($1.1 \times 25 = 27.5$; $50 + 27.5 = 77.5$). If the current year's growth is 0.4%, the score would be 20 points ($-0.6 \times 50 = -30$; $50 - 30 = 20$).
NOTE: For a district to receive any points, some growth must be achieved.

****Example: The district's average for new clubs built for the past ten (10) years is 8. If 12 clubs are built during the current year, the average is exceeded by 50% and the point score is 75 ($50 \times 1/2 = 25$; $50 + 25 = 75$). If 6 clubs are built during the current year, which would be 25% below average, the point score is 25 ($50 - 25 = 25$).

1986-87

DISTRICT ADMINISTRATIVE EXCELLENCE AWARD GROUPS

(Grouping based on 9-30-85 Certified Figures)

DIAMOND GROUP

(12,000 members or more)

California-Nevada-Hawaii
Florida
New York

Ohio
Pacific Northwest
Texas-Oklahoma

RUBY GROUP

(9,000-11,999 members)

Capital
Carolinas
Eastern Canada and the Caribbean
Georgia

Illinois-Eastern Iowa
Indiana
Missouri-Arkansas
New England
Wisconsin-Upper Michigan

EMERALD GROUP

(5,000-8,999 members)

Alabama
Benelux-France-Monaco
Kentucky-Tennessee
Louisiana-Mississippi-West Tennessee
Michigan

Minnesota-Dakotas
Nebraska-Iowa
New Jersey
Pennsylvania
Southwest

CORAL GROUP

(2,000-4,999 members)

Austria-Germany
Kansas
Montana
Norden
Philippine Luzon

Rocky Mountain
Switzerland-Liechtenstein
Utah-Idaho
Western Canada
West Virginia

PEARL GROUP

(1,999 members or fewer)

Andean and Central America
Australia
Iceland
Italy

Japan
Korea (Provisional District of)
New Zealand
Philippine South
Republic of China

The entire readopted Employees' Pension Plan contains 43 pages and is included in the International Secretary's official copy of the minutes. It is not included in your copy of the minutes because of its size.

REPORT OF BOARD COMMITTEE ON FINANCETO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEESJanuary 23-28, 1986

Date of Committee Meeting: January 27, 1986

Place of Committee Meeting: Indianapolis, Indiana

Present: Members - Frank J. DiNoto, Kurt K. Huber, M.D., Noris A. Lusche, Anton J. Kaiser, Robert G. Sinn

Chairman - Gene R. Overholt

Staff - Kathy Cadwell, Robert M. Scroggin, Ronald L. West

Guest - Ken Masick, CPA, Wolf & Company

REVIEW OF ANNUAL AUDIT REPORTS

The Committee met with Ken Masick, CPA, Wolf & Company and reviewed the Preliminary Annual Audit Reports for Kiwanis, Circle K and Key Club. These reports were reviewed page by page. Mr. Masick presented the Committee with several interesting charts and graphs showing Kiwanis history of revenues, membership growth and subsidies to Sponsored Youth.

MANAGEMENT LETTER

Mr. Masick discussed with the Committee each item in the 1985 management letter. It was noted that the comments did not contain any serious problems and that our financial records and procedures have improved during the past year. Staff was requested to provide a follow-up report, concerning the items in the management letter, to the Committee at the April Board meeting.

LINE OF CREDIT

Staff and the Committee discussed obtaining a \$1,000,000.00 line of credit from Merchants National Bank at the "base rate." No fee will be charged if Kiwanis maintains a 5% compensating balance. The Committee requested that staff pursue the establishment of this line of credit with Merchants National Bank.

CAPITAL EXPENDITURE

The Committee discussed with staff the need for a data shredder and office partitions and furnishings to accommodate additional personnel and personnel moves.

Recommendation #1

The Committee recommends Capital Expenditures of \$1,695.00 to cover the cost of a Data Shredder, and \$20,102.80 to cover the cost of office partitions and furnishings.

I move Recommendation #1 be adopted.

INVESTMENT GUIDELINES

Representatives of American Fletcher National Bank (AFNB) were invited to visit with the Committee to review the status of our current financial investments. The Committee then reviewed the current investment procedures with our investment counselors. The Committee found that the investment program with AFNB is working in a satisfactory manner.

In response to our counselor's request for more flexibility in our investment guidelines, which should result in increased income from Kiwanis investments, the Committee suggests the revised investment guidelines as presented in Exhibit A be substituted for existing procedures.

Recommendation #2

The Committee recommends the adoption of the investment guidelines as presented in Exhibit A.

I move that recommendation #2 be adopted and referred to the Board Committee on Administration-Constitution and Bylaws for insertion in the Procedures.

BUDGET ASSUMPTIONS FOR 1986-87 BUDGET

The Committee reviewed the preliminary budget assumptions as presented by staff. After discussion with staff, the revised budget assumption as guidelines shown in Exhibit B are recommended by the Committee as guidelines in preparing the 1986-87 budget.

Recommendation #3

The Committee recommends the adoption of the budget assumptions as guidelines as shown in Exhibit B.

I move the adoption of recommendation #3.

It has been noted by the Finance Committee that several budget adjustments have been authorized by action taken at this Board Meeting.

Recommendation #4

The Committee recommends that the line items remain as budgeted, that the Board authorized expenditures in excess of amount budgeted, and that each of the recommendations previously adopted be changed to reflect this recommendation.

I move the adoption of recommendation #4.

EXHIBIT A

Exhibit A of the Report of the Board Committee on Finance is now
Exhibit #19 of the January 25-29, 1986, minutes -- Revised Investment
Guidelines.

BOARD COMMITTEE ON FINANCEJANUARY 23-28, 19861. Budget Assumptions for 1986/87 budget

Assumptions for the 1986/87 Preliminary Operating Budget are presented as follows:

(1) Membership levels of Kiwanis

Total annual dues-paying members - 300,000

Number of new clubs formed - 325

Number of new members paying processing fees - 43,500

(2) Program Services and levels

Sponsorship will continue for Circle K, Key Club; support of the Kiwanis International Foundation will continue. Subsidies for EC&C District will continue.

Kiwanis International-Europe operations will continue at the same level.

The present number of Field Service representatives will be retained.

International Council will be held in October.

Awards and leadership materials will be continued.

Regional Governor Conferences and Secretaries Conference will be held.

(3) Inflation Rate Levels

Postage - Bulk, permit and first class - 3%

Postage - Second Class (magazine) - 5%

Utilities - 10%

Printing, outside - 5%

Travel - 5%

Wages - 5%

Interest rate for income - 6½%

General overall inflation rate - 4%

FICA Tax rate for 1986 is 7.15% on the first \$42,000

(4) An operating surplus must be budgeted.

REVISED INVESTMENT GUIDELINES

Delete Procedures Section 812.1a and substitute the following:

812.1 a. Quality Standards

- (1) United States Government securities guaranteed with respect to the payment of principal and interest by the U.S. Government.
- (2) Commercial Paper rating of A-1 by Standard & Poor's and P-1 by Moody's (the highest rating).
- (3) Certificates of Deposit and Banker's Acceptances of Banks rated P-2 or better by Moody's, A-1 or better by Standard & Poor's, B/C or better by Keefe, Bruyette & Woods, or 3 or better by McCarthy & Chrisanti

b. Portfolio Structure and Individual Issue Limitations

- (1) Maximum of 100 percent of book value of the bond portfolio may be invested in obligations of the U.S. Government and securities guaranteed with respect to payment of principal and interest by the U.S. Government.
- (2) Maximum of 100 percent of book value of the bond portfolio may be invested in bonds of various agencies of the Federal Government except Federal Farm Credit Bank.
- (3) Maximum purchase of 10 percent of any issue except securities issued by the U.S. Government or any agency of the U.S. Government and securities guaranteed with respect to payment of principal and interest by the U.S. Government.
- (4) No private placements may be purchased.
- (5) Maximum of \$500,000 may be invested in any single issuer except U.S. Government or any agency of the U.S. Government and securities guaranteed with respect to payment of principal and interest by the U.S. Government or any common trust fund maintained by the trustee.
- (6) The maximum average maturity of investment cannot exceed two and one-half years, and not less than 50% of the investments shall have a maturity of two years or less.

Delete Procedures Section 812.2 and substitute the following:

812.2 Maturity Standards

Maximum stated maturity of any instruments held in the portfolio shall be one year or less except for U.S. Government or agency securities which shall not exceed maturity of four years.

REPORT OF BOARD COMMITTEE ON FINANCE

TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

January 23-28, 1986

Date of Committee Meeting: January 27, 1986

Place of Committee Meeting: Indianapolis, Indiana

Present: Members - Frank J. DiNoto, Kurt K. Huber, M.D., Noris A. Lusche, Anton J. Kaiser, Robert G. Sinn

Chairman - Gene R. Overholt

Staff - Kathy Cadwell, Robert M. Scroggin, Ronald L. West

Guest - Ken Masick, CPA, Wolf & Company

REVIEW OF ANNUAL AUDIT REPORTS

The Committee met with Ken Masick, CPA, Wolf & Company and reviewed the Preliminary Annual Audit Reports for Kiwanis, Circle K and Key Club. These reports were reviewed page by page. Mr. Masick presented the Committee with several interesting charts and graphs showing Kiwanis history of revenues, membership growth and subsidies to Sponsored Youth.

MANAGEMENT LETTER

Mr. Masick discussed with the Committee each item in the 1985 management letter. It was noted that the comments did not contain any serious problems and that our financial records and procedures have improved during the past year. Staff was requested to provide a follow-up report, concerning the items in the management letter, to the Committee at the April Board meeting.

LINE OF CREDIT

Staff and the Committee discussed obtaining a \$1,000,000.00 line of credit from Merchants National Bank at the base rate. No fee will be charged if Kiwanis maintains a 5% compensating balance. The Committee requested that staff pursue the establishment of this line of credit with Merchants National Bank.

CAPITAL EXPENDITURE

The Committee discussed with staff the need for a data shredder and office partitions and furnishings to accommodate additional personnel and personnel moves.

Recommendation #1

The Committee recommends Capital Expenditures of \$1,695.00 to cover the cost of a Data Shredder, and \$20,102.80 to cover the cost of office partitions and furnishings.

I move Recommendation #1 be adopted.

INVESTMENT GUIDELINES

Representatives of American Fletcher National Bank (AFNB) were invited to visit with the Committee to review the status of our current financial investments. The Committee then reviewed the current investment procedures with our investment counselors. The Committee found that the investment program with AFNB is working in a satisfactory manner.

In response to our counselor's request for more flexibility in our investment guidelines, which should result in increased income from Kiwanis investments, the Committee suggests the revised investment guidelines as presented in Exhibit A be substituted for existing procedures.

Recommendation #2

The Committee recommends the adoption of the investment guidelines as presented in Exhibit A and that it be referred to the Board Committee on Administration-Constitution & Bylaws for insertion in Board Procedures.

I move that recommendation #2 be adopted and referred to the Board Committee on Administration-Constitution and Bylaws for insertion in the procedures.

BUDGET ASSUMPTIONS FOR 1986-87 BUDGET

The Committee reviewed the preliminary budget assumptions as presented by staff. After discussion with staff, the revised budget assumption as guidelines shown in Exhibit B are recommended by the Committee as guidelines in preparing the 1986-87 budget.

Recommendation #3

The Committee recommends the adoption of the budget assumptions as guidelines as shown in Exhibit B.

I move the adoption of recommendation #3.

It has been noted by the Finance Committee that several budget adjustments have been authorized by action taken at this Board Meeting.

Recommendation #4

The Committee recommends that the line items remain as budgeted and that each of the recommendations previously adopted be changed to reflect this recommendation.

I move the adoption of recommendation #4.

Delete Procedures Section 812.1a and substitute the following:

812.1 a. Quality Standards

- (1) United States Government securities guaranteed with respect to the payment of principal and interest by the U.S. Government.
- (2) Commercial Paper rating of A-1 by Standard & Poor's and P-1 by Moody's (the highest rating).
- (3) Certificates of Deposit and Banker's Acceptances of Banks rated P-2 or better by Moody's, A-1 or better by Standard & Poor's, B/C or better by Keefe, Bruyette & Woods, or 3 or better by McCarthy & Chrisanti

b. Portfolio Structure and Individual Issue Limitations

- (1) Maximum of 100 percent of book value of the bond portfolio may be invested in obligations of the U.S. Government and securities guaranteed with respect to payment of principal and interest by the U.S. Government.
- (2) Maximum of 100 percent of book value of the bond portfolio may be invested in bonds of various agencies of the Federal Government except Federal Farm Credit Bank.
- (3) Maximum purchase of 10 percent of any issue except securities issued by the U.S. Government or any agency of the U.S. Government and securities guaranteed with respect to payment of principal and interest by the U.S. Government.
- (4) No private placements may be purchased.
- (5) Maximum of \$500,000 may be invested in any single issuer except U.S. Government or any agency of the U.S. Government and securities guaranteed with respect to payment of principal and interest by the U.S. Government or any common trust fund maintained by the trustee.
- (6) The maximum average maturity of investment cannot exceed two and one-half years, and not less than 50% of the investments shall have a maturity of two years or less.

Delete Procedures Section 812.2 and substitute the following:

812.2 Maturity Standards

Maximum stated maturity of any instruments held in the portfolio shall be one year or less except for U.S. Government or agency securities which shall not exceed maturity of four years.

BOARD COMMITTEE ON FINANCE

JANUARY 23-28, 1986

1. Budget Assumptions for 1986/87 budget

Assumptions for the 1986/87 Preliminary Operating Budget are presented as follows:

(1) Membership levels of Kiwanis

Total annual dues-paying members - 300,000

Number of new clubs formed - 325

Number of new members paying processing fees - 43,500

(2) Program Services and levels

Sponsorship will continue for Circle K, Key Club; support of the Kiwanis International Foundation will continue. Subsidies for EC&C Districts will continue.

Kiwanis International-Europe operations will continue at the same level.

The present number of Field Services Representatives will be retained.

International Council will be held in October.

Awards and leadership materials will be continued.

Regional Governor Conferences and Secretaries Conference will be held.

(3) Inflation Rate Levels

Postage - Bulk, permit and first class - 3%

Postage - Second Class (magazine) - 5%

Utilities - 10%

Printing, outside - 5%

Travel - 5%

Wages - 5%

Interest rate for income - 6½%

General overall inflation rate - 4%

FICA Tax rate for 1986 is 7.15% on the first \$42,000

(4) An operating surplus must be budgeted.

REPORT OF TREASURER
TO THE INTERNATIONAL BOARD OF TRUSTEES

JANUARY 23-28, 1986

On December 31, 1985, Kiwanis International had cash and investments totalling \$5,332,945. The average current interest rate is 6.1%.

On December 31, 1985, Kiwanis International had uncollected dues, magazine subscriptions, and liability insurance revenues of \$684,415. Operations to date are within budget and the projected budget surplus should be realized.

Respectfully submitted,

Anton J. Kaiser, Treasurer

REPORT OF THE BOARD COMMITTEE ON ADMINISTRATION-CONSTITUTION AND BYLAWS
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

January 23-28, 1986

Date of Committee Meeting: January 24 and 25, 1986

Place of Committee Meeting: Indianapolis, Indiana

Present: Member - W. Donald Goodfellow, Q.C., Avelino V. "Beling"
Tanjuakio, Robert A. Wagner
Chairman - Noris A. Lusche
Other - Frank J. DiNoto, Gene R. Overholt
Staff - Ronald L. West, Sharon H. Alford, Donald Collins
and Barbara Urian

PROPOSED FEDERATION AMENDMENT

The Committee was given the proposed amendment to the Kiwanis International Constitution entitled "Federation Model" (Sixth Draft - January 24, 1986) on Friday, January 24. This proposal is lengthy and complex. With insufficient time for proper review the Committee will study the proposal with possible action to be taken at the April board meeting. The Committee invites comments from all members of the Board.

PROPOSED CONSTITUTION AMENDMENT

The Committee reviewed the proposed Constitution amendment concerning the omission of the office of the Immediate Past President.

Inasmuch as a special Ad Hoc Committee has been meeting on Board representation and this Committee has not received that Committee report, it is the feeling of this Committee that portions of this proposed amendment may be in conflict with the findings of the Ad Hoc Committee.

Therefore, action on this proposed amendment is being deferred until after the Ad Hoc Committee report is received. The Committee will reconsider the proposed amendment at the April Board Meeting.

PRICES QUOTED IN SUPPLIES CATALOG

The committee reviewed the pricing quotations in the supplies catalogs and it was determined that a great deal of confusion exists between U.S. and Canadian dollar quotations.

The 1986/87 supplies catalog will be quoted in U.S. dollars only. Catalogs that will be furnished to Canadian Kiwanis clubs and districts will have a special insert listing prices in U.S. currency that Canadian members and districts will be required to pay.

The Committee is requesting the International Secretary to obtain comments from the EC&C and Western Canada Districts together with the Canadian Lt. Governors of the Pacific Northwest District concerning their preferences to continue to purchase Kiwanis supplies from Canadian sources or purchase them directly from the International Office.

PRICING OF SUPPLIES

To ensure direction and consistency to the Supplies Department we need a pricing policy that gives maximum service to our membership and still allows flexibility. This policy will give the lowest cost possible for those items which are essential to clubs, and still allow the department to be able to receive a reasonable gross margin.

Recommendation No. 1

The Committee recommends that the Supply Department constantly strive for a minimum margin of 20% for club essential items and a minimum of 50% for non-essential items. These margins do not apply to sale items or discounts.

I move that Recommendation No. 1 be adopted and referred to the Board Committee on Administration - Constitution and Bylaws for insertion in Procedures.

PER DIEM AND OFFICER CONTINGENCY

The committee reviewed the per diem and International Officer's contingency allowance for members of the Board and invites input from members of the Board prior to our April board meeting. There have been no adjustments in these allowances since prior to 1979.

DISTRICT CONVENTION DATE REQUEST

The Committee received a request from the Florida District to schedule the 1987 District Convention on the dates of September 17-20. This change being necessary because adequate facilities are not available at the convention site prior to that date.

Recommendation No. 2

The Committee recommends that the Florida District be permitted to hold their District Convention on September 17 to 20, 1987.

I move Recommendation No. 2 be adopted.

TRAVEL MEDICAL INSURANCE FOR BOARD MEMBERS

The concern that Board Members and their wives might become ill or suffer an accident while traveling out of their native country was addressed. Present travel accident insurance covers only accidental death and dismemberment. Personal coverage of Board Members may be inadequate or uncollectable in another country. The Committee feels that coverage for this exposure should be secured immediately. Several proposals were secured from Ed Hecht, Insurance Broker, for our consideration. The proposal that will provide the coverage desired at this time will provide \$100,000.00 medical coverage for accident or illness for Board Members and their spouses while outside their native country. The cost will be \$3.00/day for persons under age 70 and \$5.00/day for persons over age 70. A \$500.00 deposit will effect coverage and be subject to adjustments as required.

Recommendation No. 3

The Committee recommends that a deposit for the travel medical policy to effect coverage immediately.

I move Recommendation No. 3 be adopted.

MEMBERSHIP DUES BILLING

Currently in North America, Kiwanis bills clubs semi-annually for dues based on members receiving the Kiwanis International magazine. Clubs are permitted a 60-day period of time after the October 1 and April 1 dates to pay such dues. As a result many clubs delete, as of September 30, club members who actually terminated membership in October, November or December prior to payment of such dues. A similar case occurs for the second installment of dues. As a result Kiwanis is not receiving a substantial amount of money which should be paid to the organization.

A problem also occurs with respect to membership figures used by Kiwanis and each of the districts. Certified membership is based on dues paid by each club while districts use the number of members shown on the September 30 monthly reports. The Committee believes that it would be beneficial for Kiwanis to use the September 30 and March 31 monthly club report as a basis for the billing of semi-annual dues, magazine subscriptions and liability insurance. Such billings should result in additional funds being paid to Kiwanis and minimize the membership discrepancies reported by International and each district. As to clubs that fail to supply timely monthly reports on the dates indicated, Kiwanis International will request from each district the number of members in such clubs.

Recommendation No. 4

The Committee recommends that effective September 30, 1986 all semi-annual billings, for dues, magazine subscriptions and insurance be based on membership as of September 30, and March 31, as shown on the September and March club monthly reports. And, that a budget adjustment of \$1,300.00, from operating surplus, be approved to cover the cost of the additional forms.

I move Recommendation No. 4 be adopted.

RECODIFICATION OF THE KIWANIS INTERNATIONAL BOARD OF TRUSTEES' PROCEDURES

The Committee reviewed the Board's current Procedures and noted the need to eliminate inconsistencies and ambiguities. It also recognized the need to determine what topics are not currently covered in this document but should be. Finally, the Committee noted the considerable time which will be required to undertake this job and concluded that a qualified former staff member is best suited to do so.

Recommendation No. 5

The Committee recommends that a qualified individual be retained to undertake the task of recodifying the Board's Procedures.

I move that Recommendation No. 5 be adopted.

Recommendation No. 6

The Committee recommends that \$2,500.00, from operating surplus, be allocated to cover the expenses attendant to this task.

I move that Recommendation No. 6 be adopted.

AMENDMENT OF PROCEDURE 112

Since the 1985/86 committee structure is a departure from prior years the 1985/86 Board Committee duties and responsibilities are not in harmony with Procedure 112 - Board Committee Areas of Responsibilities and Concern.

Delineating the duties and responsibilities of the Board Committees serves to clarify their respective tasks and enhance the overall effectiveness of the Committee system. To not continue this practice is to invite confusion and misunderstanding among the Committees, Board, and staff.

Leaving Procedure 112 as it is would violate an important administrative principle which Board and staff are striving to consistently observe; namely, that Kiwanis International's Constitution and Bylaws and the Board's Policies and Procedures should be strictly adhered to or changed, but never ignored or permitted to lapse into disuse.

Recommendation No. 7

The Committee recommends that Board Procedure 112 be amended to read as follows:

112 - Board Committee Duties and Responsibilities

112.1 - Executive

In any interim between meetings of the Board of Trustees, the administrative authorities of this Board shall be and hereby are delegated to the Executive Committee, and the action of such committee under such delegation shall have the force and effect of action by the Board of Trustees unless subsequently disapproved by vote of the Board of Trustees. All action by the Executive Committee which is not disapproved by the Board of Trustees shall be formally ratified by the Board of Trustees. This delegation of authority shall not include the right to waive or change policy.

112.2 - Administration - Constitution and Bylaws

- a. Employee Benefit Programs
- b. Building Supervision
- c. Constitution and Bylaws Amendments
- d. Policies and Procedures
- e. KI-KIF Administrative Relationship
- f. Supplies Pricing and Marketing
- g. Distinguished Governor and District Administrative Excellence Award program

112.3 - Communications

- a. Kiwanis magazine, including editorial content, production, and advertising
- b. Bulletin for Kiwanis Officers
- c. Public Relations
- d. Meetings and Convention planning

112.4 - Long-Range Planning

- a. Develop, implement, and periodically review Kiwanis' Strategic Planning program

112.5 - Member Services - International Extension

- a. Membership growth and retention
- b. New club building
- c. International Extension
- d. Club administration and structure
- f. Awards program
- g. Kiwanianne program

112.6 - Finance

No change - Same as specified in Board Minutes, June 28 and July 4, 1985.

112.7 - Program Services - Education

- a. Program development
- b. International Council
- c. Governors-elect Training Conference
- d. Leadership education

112.8 - Youth Services

- a. Key Club
- b. Circle K
- c. Builders Club
- d. Other youth organizations and programs.

I move that Recommendation No 7 be adopted.

MAINTENANCE AGREEMENT FOR CPT AUTOMATION SYSTEM

Staff and Committee discussed the Service Agreement for our new CPT Office Automation System which was installed this month. The new equipment is warranted for 90 days. The service contract would become effective April 15, 1986, and the cost is \$1,050.00 per month, for the balance of 1985/86.

Recommendation No. 8

The Committee recommends a budget adjustment of \$5,775.00 from Operating Surplus to Line Item 07-178-01 for the purpose of obtaining the Service Agreement for our new CPT Office Automation System.

I move Recommendation No. 8 be adopted.

DISTINGUISHED GOVERNOR AND DISTRICT ADMINISTRATIVE EXCELLENCE AWARDS

The Committee reviewed the proposed criteria for the 1986/87 Distinguished Governor's and District Administrative Excellence Awards (Exhibit A)

The proposed criteria for each award parallels one another.

The District Administrative Excellence Award will be given on the basis of one Honor and one Honorable Mention award in each of the five groups (Diamond, Ruby, Emerald, Coral and Pearl), to the top two districts respectively, regardless of the number of points scored by the district.

Recommendation No. 9

The Committee recommends that the Board adopt the proposed criteria (Exhibit A) as the criteria for the District Administrative Excellence Award in 1986/87 awarding an Honor and an Honorable Mention Award in each of the five groups - Diamond, Ruby, Emerald, Coral and Pearl.

I move Recommendation No. 9 be adopted.

Inasmuch as the criteria for Distinguished Governor is a new criteria based upon points, the Committee together with Staff and the President-Elect arrived at an award level of 1,320 points to achieve this award. It is, however, felt that because we have no prior comparables on which to base our judgment if the 1,320 points may be too high, the Committee suggests that a minimum of seven governors be eligible for the distinguished award for 1986/87 only.

Recommendation No. 10

The Committee recommends that for 1986/87 only, a minimum of seven governors with the highest point scores be eligible for the Distinguished Governor Awards, provided each has sponsored at least three new members.

I move Recommendation No. 10 be adopted.

Recommendation No. 11

The Committee also recommends a budget adjustment of \$1,300.00 from Operating Surplus, be approved to cover the cost of the necessary Lt. Governor report forms in the Distinguished Governor criteria.

I move Recommendation No. 11 be adopted.

FINANCIAL SOFTWARE PACKAGE

At our October, 1985 Board Meeting the amount of \$55,000.00 was approved for the purchase of a general Ledger and Accounts Payable software package from Computer Associates International. Since that time, staff has discovered that the package was not adaptable to our system.

Recommendation No. 12

The Committee recommends that the prior action of the approval of an expenditure of \$55,000.00 to purchase the Computer Associates International software package be rescinded.

I move Recommendation No. 12 be adopted.

Staff has advised the Committee that we can purchase a General Ledger and Accounts Payable software package that is compatible with our Nixdorf system for a total amount of \$20,000.00 which is broken down as follows:

IMS Software	\$10,000.00
Bancroft Software	5,000.00
Generic Report Writer	5,000.00
	<u>\$20,000.00</u>

Recommendation No. 13

The Committee recommends the capital expenditure of \$20,000.00 be for the purchase of the software package recommended by staff.

I move Recommendation No. 13 be adopted.

With the purchase of the software package in Recommendation No. 13, we will be required to keep the IBM System 3 for approximately 4 months at a maintenance cost of \$7,000.00 maximum.

Recommendation No. 14

The Committee recommends the allocation of \$7,000.00 to be entered in line Item 07-178-01 for the purpose of maintaining the IBM System 3 until our new software package is in operation.

I move Recommendation No. 14 be adopted.

The net result of Recommendations of Nos. 13 and 14 is a savings of \$28,000.00.

PENSION PLAN EXPENSES

Staff informed the Committee that during the last budget preparation the amount of \$4,250.00 was overlooked when computing expenses for our pension plans.

Recommendation No. 15

The Committee recommends that a budget adjustment of \$4,250.00, from Operating Surplus, be added to Line Items 32-113-02, to cover this expense oversight.

I move Recommendation No. 15 be adopted.

IRS COMPLIANCE

Our most recent Actuarial Evaluation of our Employees Pension Plan noted that we should acknowledge compliance with TEFRA and REA laws. The Committee has requested Secretary Gil Zitzelsberger to sign the compliance acknowledgement and have same forwarded to the IRS prior to February 5, 1986. (See Exhibit B)

Recommendation No. 16

The Committee recommends that the Employees Pension Plan (Exhibit B) be adopted in toto with the changes as suggested by McCready & Keene.

I move Recommendation No. 16 be adopted.

ASIA-PACIFIC CONFERENCE

The Asia-Pacific Conference guidelines require that the dates of the Annual Conference be approved by the Kiwanis International Board of Trustees.

Recommendation No. 17

The Committee recommends that the dates of April 12-14, 1986 be approved as the dates of the Asia-Pacific Conference.

I move Recommendation No. 17 be adopted.

STAFF ORGANIZATION

The Committee reviewed the current staff organizational chart. At the present time there are 132 employees. Last year at this time there were 131 employees on our staff.

Respectfully submitted,

W. Donald Goodfellow, Q.C.
Aveline "Beling" Tanjuakio
Robert A. Wagner
Noris A. Lusche, Chairman