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MINUTES OF THE MEETING OF

KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

February 18-21, 2016

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MINUTES OF THE
MEETING OF THE KIWANIS INTERNATIONAL FOUNDATION BOARD OF
TRUSTEES

February 18-21, 2016

The meeting of the Board of Trustees of the Kiwanis International Foundation was held at the Kiwanis International Office in Indianapolis, Indiana, USA, February 18-21, 2016. Those present were: Mark B. Rabaut, President; Robert A. Parton, Jr., Immediate Past President; Chia Sing Hwang, President-Elect; John E. Mayfield, Treasurer; Stan D. Soderstrom, Executive Director; Trustees Karl Heinz Berger, John R. Button, George E. H. Cadman, Albert James Dooley, Angus S. Lamond, Jr., Benjamin R. Osterhout, James M. Rochford, Ronald E. Smith, Patrick E. Tritt, Norman A. Velnes, and Ann Wilkins; and Ann Updegraff Spleth, Chief Operating Officer.

The meeting was called to order by President Mark B. Rabaut, on Saturday, February 20, 2016 at 9:40 a.m. EST in Indianapolis, Indiana, USA.

REPORT OF THE PRESIDENT

The Report of the President was presented by Mark B. Rabaut as shown in **Tab 01**.

REPORT OF THE PRESIDENT-ELECT

The Report of the President-Elect was presented by Chia Sing Hwang, as shown in **Tab 02**.

REPORT OF THE TREASURER

The Report of the Treasurer was presented by John E. Mayfield, as shown in **Tab 03**.

REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION EXECUTIVE DIRECTOR

The Report of the Kiwanis International Foundation Executive Director was presented by Stan D. Soderstrom, as shown in **Tab 04**.

REPORT OF THE KIWANIS INTERNATIONAL REPRESENTATIVE

The Report of the Kiwanis International Representative was presented by James M. Rochford, as shown in **Tab 05**.

REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION CHIEF OPERATING OFFICER

The Report of the Kiwanis International Foundation Chief Operating Officer was presented verbally by Ann Updegraff Spleth.

GENERAL CONSENT ITEMS

Without objection, the following recommendation was adopted:

APPROVAL OF OCTOBER 21-24, 2015 MINUTES

That the Kiwanis International Foundation Board approves the minutes of the Board meeting held October 21-24, 2015, as shown in Tab 06.

APPROVAL OF DECEMBER 17, 2015 MINUTES

That the Kiwanis International Foundation Board approves the minutes of the Board meeting held December 17, 2015, as shown in Tab 07.

REPORT OF THE EXECUTIVE COMMITTEE

The Report of the 2015-16 Executive Committee, Mark B. Rabaut, Chair, was presented. (Tab 08)

REPORT ON CCS ASSESSMENT

Upon recommendation of the Executive Committee, it was moved and adopted:

That the Kiwanis International Foundation Board requests that an Assessment Implementation Committee be appointed by President Mark Rabaut, effective immediately, to assist in developing a four-year plan.

This completed the action of the Executive Committee and the report was accepted.

REPORT OF THE NOMINATING COMMITTEE

The Report of the 2015-16 Nominating Committee, Mark B. Rabaut, Chair, was presented. (Tab 09)

2016-17 KIWANIS INTERNATIONAL FOUNDATION BOARD OFFICER NOMINATIONS

Upon recommendation of the Nominating Committee, it was moved and adopted:

That the Kiwanis International Foundation Board accepts the nomination of officers for the 2016-17 administrative year, as follows:

President: Chia Sing Hwang
President-elect: John E. Mayfield
Treasurer: George E. H. Cadman

KIWANIS INTERNATIONAL FOUNDATION BOARD TRUSTEE NOMINATIONS

Upon recommendation of the Nominating Committee, it was moved and adopted:

That the Kiwanis International Foundation Board appoints the following Trustees, subject to a clear criminal history background check, to serve three-year terms beginning October 1, 2016:

Yu-Mei Shih, Taiwan District
Robert M. Garretson, Rocky Mountain District
Albert James Dooley, Illinois-Eastern Iowa District

That, in the event George E. H. Cadman is confirmed at the next Board meeting as the 2016-17 Foundation Treasurer, the Kiwanis International Foundation Board accepts the nomination of Ronald E. Smith, Southwest District, to fill the one-year vacancy that will be left in George's term as Trustee. This nomination is subject to verification of a clear criminal history background check.

This completed the action of the Nominating Committee and the report was accepted.

REPORT OF THE BOARD COMMITTEE ON BYLAWS AND POLICIES

The Report of the 2015-16 Board Committee on Bylaws and Policies, George E.H. Cadman, Chair, was presented. **(Tab 10)**

ADJUSTMENT OF BOARD COMMITTEE DUTIES

Upon recommendation of the Board Committee on Bylaws and Policies, it was moved and adopted:

That the Kiwanis International Foundation Board revises Policy D.1.g - Bylaws and Policies Committee, as follows:

D. COMMITTEES

1. STANDING COMMITTEES

g. Bylaws and Policies Committee (10/12)

The duties of the Bylaws and Policies Committee shall be to: (7/14)

- **Draft proposed amendments to the Bylaws and Policies when requested to do so by the Foundation Board, the Executive Committee, or the President.**
- **Regularly ~~At least every other year,~~ review the Foundation’s governing documents and recommend such amendments as may be necessary to accurately maintain them in accordance with Foundation practices. (7/14)**

This completed the action of the Board Committee on Bylaws and Policies and the report was accepted.

REPORT OF THE BOARD COMMITTEE ON DEVELOPMENT

The Report of the 2015-16 Board Committee on Development, Ronald E. Smith, Chair, was presented. (Tab 11)

MODIFICATION OF RECOGNITION POLICIES

Upon recommendation of the Board Committee on Development, it was moved and adopted:

That the Kiwanis International Foundation Board revises policy I-Giving and Recognition as shown in Exhibit A.

This completed the action of the Board Committee on Development and the report was accepted.

REPORT OF THE BOARD COMMITTEE ON FINANCE/INVESTMENT

The Report of the 2015-16 Board Committee on Finance/Investment, John E. Mayfield, Chair, was presented. (Tab 12)

ACCEPTANCE OF 2014-15 CONSOLIDATED AUDIT REPORT (KIWANIS, CIRCLE K, KIWANIS YOUTH PROGRAMS, AND KIWANIS INTERNATIONAL FOUNDATION)

Upon recommendation of the Board Committee on Finance/Investment, it was moved and adopted:

That the Kiwanis International Foundation Board accepts the 2014-15 consolidated audit report for Kiwanis International, Circle K International, Kiwanis Youth Programs and Kiwanis International Foundation and the related Management Letter.

SELECTION OF 2015-16 AUDITORS

Upon recommendation of the Board Committee on Finance/Investment, it was moved and adopted:

That the Kiwanis International Foundation Board selects BKD, LLP as auditors for Kiwanis International Foundation for the administrative year 2015-16.

CHIEF OPERATING OFFICER (COO) EXPENSE REPORT REVIEW

Upon recommendation of the Board Committee on Finance/Investment, it was moved and adopted:

That the Kiwanis International Foundation Board assigns to the Chair of the Finance/Investment Committee the responsibility of periodically reviewing the expense reports of the Chief Operating Officer, to ensure compliance with organization and U.S. Internal Revenue Service (IRS) policies. The Chair shall report any significant matters to the Finance/Investment Committee as warranted. This change shall be effective October 1, 2016.

SPENDING POLICY

Upon recommendation of the Board Committee on Finance/Investment, it was moved and adopted:

That the Kiwanis International Foundation Board approves revisions to Policy F.1.d.(4) - Spending Policy, effective October 1, 2016, as follows:

F.1.d. 4 : Spending Policy: In keeping with Indiana’s current Uniform Prudent Management of Institutional Funds Act (UPMIFA), the net appreciation, realized and unrealized may be expended in an amount not to exceed 7% of the market value by the Board for the uses and purposes for which each fund was established. The Board will advise the investment advisor of the amount of expected distributions as soon as possible to enable the advisor to provide sufficient liquidity while maintaining the long-term investment program. To the extent permissible by UPMIFA, the annual distribution is 5% of the permanent fund balance of each endowment fund as of December 31 of the preceding calendar year. (Example: The spending policy amounts for the 2017-18 budget year will be determined based upon 5% of the permanent fund balances at December 31, 2016). ~~determined based on a rolling average market value system. The Distribution Value is the average of the fair market value of the Fund as of the close of each of the preceding 12 calendar quarters, calculated as soon as reasonably possible following the close of each calendar year. Currently, the annual distribution is 5% of the calculated Distribution Value. All distributions will be made no later than the end of January of the subsequent fiscal year. (2/14) (10/15)~~

GRANT TO US FUND FOR UNICEF

Upon recommendation of the Board Committee on Finance/Investment, it was moved and adopted:

That the Kiwanis International Foundation Board approves a grant to the US Fund for UNICEF for US\$2 million for The Eliminate Project.

This completed the action of the Board Committee on Finance/Investment and the report was accepted.

REPORT OF THE BOARD COMMITTEE ON GRANTS

The Report of the 2015-16 Board Committee on Grants, Benjamin R. Osterhout, Chair, was presented. (Tab 13)

REVIEW OF HEROISM NOMINATION (ROBERT P. CONNELLY MEDAL OF HEROISM AWARD)

Upon recommendation of the Board Committee on Grants, it was moved and adopted:

That the Kiwanis International Foundation Board awards the Robert P. Connelly Medal of Heroism to Desmond Powell.

FUNDING RECOMMENDATIONS FOR UNRESTRICTED GRANTS

Upon recommendation of the Board Committee on Grants, it was moved and adopted:

That the Kiwanis International Foundation Board approves grants to Kiwanis-family entities as outlined in Exhibit A.

This completed the action of the Board Committee on Grants and the report was accepted.

NEXT BOARD MEETING – JUNE 22, 2016

The next meeting of the Board of Trustees will be June 22, 2016, in Toronto, Ontario, Canada

The meeting adjourned sine die on Saturday, February 20, 2016 at 1:35 p.m. EST.