TO: Recipients of the Minutes of the February 28-March 2, 2013, Meeting of the Kiwanis International Foundation Board of Trustees

Attached are the proposed minutes of the February 28-March 2, 2013, Meeting of the Kiwanis International Foundation Board of Trustees.

They can be found on KiwanisOne.org, at the following link: http://community.kiwanisone.org/media/g/international_boards/default.aspx

These minutes will become "official" when approved by the KI Foundation Board of Trustees at its next scheduled meeting, June 26, 2013, in Vancouver, British Columbia.

Sincerely,

Stan Soderstrom
Executive Director

SDS/dap

Enclosures
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KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

February 28-March 2, 2013

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The meeting of the Board of Trustees of the Kiwanis International Foundation was held at the Kiwanis International Office in Indianapolis, Indiana, February 28-March 2, 2013. Those present were: Peter J. Mancuso, President; D. Hugh Siggins, Immediate Past President; Lance M. Incitti, President-Elect; Robert A. Parton, Jr., Treasurer; Stan D. Soderstrom, Executive Director; Trustees J. LaMar Anderson, John R. Button, Cynthia Champer, Valeria Gringeri, John C. Holley, Edward V. Humphries, Chia Sing Hwang, Alan Penn, Mark B. Rabaut, and Alice M. Savage; and Ann Updegraaff Spleth, Chief Operating Officer. Absent: Mary M. Langdon
The meeting was called to order by President Peter J. Mancuso on Saturday, March 2, 2013 at 9:30 a.m. in Indianapolis, Indiana.

**REPORT OF THE PRESIDENT**
The Report of the President was presented by Peter J. Mancuso, as shown in Tab 01.

**REPORT OF THE PRESIDENT-ELECT**
The Report of the President-Elect was presented by Lance M. Incitti, as shown in Tab 02.

**REPORT OF THE TREASURER**
The Report of the Treasurer was presented by Robert A. Parton, Jr., as shown in Tab 03.

**REPORT OF THE KIWANIS INTERNATIONAL REPRESENTATIVE**
The Report of the Kiwanis International Representative was presented by John R. Button, as shown in Tab 04.

**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 05.

**REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION CHIEF EXECUTIVE OFFICER**
The Report of the Kiwanis International Foundation Chief Executive Officer was presented verbally by Ann Updegraff Spleth.

**REPORT OF THE ELIMINATE PROJECT CAMPAIGN COMMITTEE**
Upon motion duly made, supported, and carried it was:

  RESOLVED, That the Kiwanis International Board accepts the report of the Eliminate Project Campaign Committee presented verbally by Vice-Chairman Dave Curry, Treasurer Robert A. Parton, Jr., and Campaign Project Director Tiffany Boyles.
REPORT OF MERRILL LYNCH

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board accepts the verbal report of Merrill Lynch.

APPROVAL OF OCTOBER 18-21, 2012 MINUTES

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board approves the minutes of the Board meeting held October 18-21, 2012 in Indianapolis, Indiana, as shown in Tab 06.

APPROVAL OF DECEMBER 13, 2012 MINUTES

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board approves the minutes of the Board meeting held December 13, 2012, via conference call, as shown in Tab 07.

REPORT OF THE EXECUTIVE COMMITTEE

The Report of the 2012-13 Executive Committee, Peter J. Mancuso, Chair, was presented. (Tab 08)

GRANT TO US FUND FOR UNICEF

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board grants US$1.25 million to US Fund for UNICEF for The Eliminate Project.

REPORT OF THE BOARD PERFORMANCE ASSESSMENT COMMITTEE

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board accepts the report of the Board Performance Assessment Committee, as shown in Exhibit A.
Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board provides an additional US$8 million pledge to US Fund for UNICEF for The Eliminate Project.

KI FOUNDATION BOARD MEMBER SELECTION PROCESS

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board directs staff to recommend criteria for service on the Kiwanis International Foundation Board.

FURTHER RESOLVED, That the Kiwanis International Foundation Board directs staff to formulate a proposal to improve the selection process, which is to be the subject of consultation between the executive officers of Kiwanis International and Kiwanis International Foundation.

KEY CLUB INTERNATIONAL’S 501(c)(3) STATUS

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board recommends to the Kiwanis International Board that the finance and fundraising aspects of the 501(c)(3) status of Key Club International, which includes Key Club, Key Leader, Builders Club, and K-Kids, be placed under the supervision of the Kiwanis International Foundation, effective October 1, 2013.

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

REPORT OF THE FINANCE COMMITTEE

The Report of the 2012-13 Finance Committee, Robert A. Parton, Jr., Chair, was presented. (Tab 09)
**Review of the Current Financial Statements**

Upon motion duly made, supported, and carried it was:

**Resolved,** That the Kiwanis International Foundation Board accepts the January 2013 Financial Statements, as shown in Exhibit A.

**2011-12 Audit Report/Management Letter and Consolidated Audit Report**

Upon motion duly made, supported, and carried it was:

**Resolved,** That the Kiwanis International Foundation Board accepts the 2011-12 audit report for Kiwanis International Foundation and Consolidated Affiliates, as shown in Exhibits B and C, and the Management Representation letter.

**Selection of 2012-13 Auditors for Kiwanis International Foundation**

Upon motion duly made, supported, and carried it was:

**Resolved,** That the Kiwanis International Foundation Board selects BKD, LLP as auditors for Kiwanis International Foundation for the administrative year 2012-13.

**Further Resolved,** That the Kiwanis International Foundation Board instructs Staff to investigate the feasibility of completing consolidated audit reports for Kiwanis International, Circle K International, Key Club International and Kiwanis International Foundation. The consolidated audit report should include appropriately designed supplemental schedules for all individual entities.

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

**Report of the Development Committee**

The Report of the 2012-13 Development Committee, Chia Sing Hwang, Acting Chair, was presented. *(Tab 10)*
**APPROVAL OF ADDITIONAL ANNUAL GIVING COMMITTEE MEMBERS**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board approves the appointment of H.E. “Bert” Barker and John A. Rey to the Annual Giving Committee, effective immediately, to fill vacancies in two three-year terms which began October 1, 2012, and shall end September 30, 2015.

**REVISION OF DESCRIPTION OF TABLET OF HONOR IN POLICIES**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board adopts the following revision to Policy III.D.1.c - Tablet of Honor/Recognition, to reflect the following:

III. Board Committees Responsibilities

D. RESPONSIBILITIES OF THE DEVELOPMENT COMMITTEE

1. TABLET OF HONOR

   c) Recognition

   The Tablet of Honor recipient is presented with an attractive wall plaque featuring a personalized inscription. The recipient also receives a lapel pin and a Tablet of Honor crest.

**ENGAGEMENT OF TRUSTEES AT INTERNATIONAL CONVENTION**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board directs staff to create a schedule of opportunities for Board members to volunteer at all International Conventions.
DEVELOPMENT OF CLUB RECOGNITION PROGRAM

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board directs staff to develop a program to recognize clubs for their consecutive years of giving to, and loyal support of, the Annual Club Gift Campaign to be presented to the Board for consideration by February 1, 2014.

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

REPORT OF THE BYLAWS AND POLICIES COMMITTEE

The Report of the 2012-13 Bylaws and Policies Committee, J. LaMar Anderson, Chair, was presented. (Tab 11)

NEW POLICY ON SPIRIT OF PHILANTHROPY AWARD

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board adds new Policy III.D.5 – Spirit of Philanthropy, as shown below to incorporate the Spirit of Philanthropy Award.

III. Board Committees Responsibilities

D. RESPONSIBILITIES OF THE DEVELOPMENT COMMITTEE

5. Spirit of Philanthropy Award

The Spirit of Philanthropy will be presented no more frequently than annually to individuals, couples, families, corporations or foundations with a proven record of generosity who, through sharing of time, talents, and resources, have demonstrated exceptional charitable responsibility, and whose generosity encourages others to embrace philanthropic leadership roles on the local, national and/or international levels. (10/10) (10/12)
**Clarification of Policy VIII - Investments**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board amends Policy VIII – Investments to reflect the wording shown in Exhibit A, as advised by Merrill Lynch, entirely replacing any current and former versions of this policy.

**Policy Revisions Regarding Annual Giving**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board revises Policy IV.B – Annual Giving Committee, as shown in Exhibit B to incorporate new or revised recognition for annual giving by clubs and districts, effective October 1, 2013.

FURTHER RESOLVED, That the Kiwanis International Foundation Board revises Policy IV.B – Annual Giving Committee, as shown in Exhibit C to incorporate new recognition for annual giving by individuals, effective immediately.

**New Policy on Ethics and Accountability**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board adopts new Policy II.D – Code of Ethics and Conduct and Policy II.E – Pledge of Service, as shown in Exhibit D to codify annual acknowledgement by Kiwanis International Foundation Board members of a code of ethics and (separate) pledge of service.

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

**Report of the Grants and Connelly Committee**

The Report of the 2012-13 Grants and Connelly Committee, Mark B. Rabaut, Chair, was presented. (Tab 12)
**REVIEW OF ROBERT P. CONNELLY MEDAL OF HEROISM NOMINEE LUCAS VANSICKLE**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board approves the award of the Medal of Valor for Lucas Vansickle and awards Vansickle a US$250 American Express gift card.

**REVIEW OF SLP AND CLUB/DISTRICT GRANT REQUESTS**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board approves the grants, as outlined in Exhibit A.

FURTHER RESOLVED, That the Kiwanis International Foundation Board denies the grants, as outlined in Exhibit B.

**SELECTION OF ROBERT P. CONNELLY MEDAL OF HEROISM RECIPIENT**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board invites Robert P. Connelly Medal of Heroism recipient Nicole Bunting to receive special recognition at the 2013 Kiwanis International convention.

**SELECTION OF ALTERNATE ROBERT P. CONNELLY MEDAL OF HEROISM RECIPIENT**

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board invites Robert P. Connelly Medal of Heroism recipient Lara Gross to receive special recognition at the 2013 Kiwanis International convention, in the event the committee’s first choice, Nicole Bunting, is unable to attend.
REVISIONS TO POLICIES ON HEROISM RECOGNITION, GRANTS, AND DISASTER RELIEF

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board approves the revisions to Policy III.E – Responsibilities of the Grants and Connelly Committee, as outlined in Exhibit C.

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

REPORT OF THE INVESTMENT COMMITTEE

The Report of the 2012-13 Investment Committee, D. Hugh Siggins, Chair, was presented. (Tab 13)

No action was taken by the Investment Committee.

REPORT OF THE STRATEGIC PLANNING COMMITTEE

The Report of the 2012-13 Strategic Planning Committee, John C. Holley, Chair, was presented. (Tab 14)

KIWANIS INTERNATIONAL BOARD AND KIWANIS INTERNATIONAL FOUNDATION BOARD COLLABORATION

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board encourages the executive officers of Kiwanis International and the Kiwanis International Foundation to meet together quarterly to work on the strategic agenda of both organizations.

KIWANIS INTERNATIONAL BOARD COMMITTEE STRUCTURE

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board directs staff to work with the President-elect to reduce the number of committees of the Foundation Board.

This completed the action of the Strategic Planning Committee and the report was accepted.
NEXT BOARD MEETING – JUNE 26, 2013

The next meeting of the Board of Trustees will be June 26, 2013 in Vancouver, British Columbia, Canada.

The meeting adjourned sine die on Saturday, March 2, 2013, at 4:30 p.m.
REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION PRESIDENT TO THE KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
FEBRUARY 28-MARCH 2, 2013

Welcome back to Indianapolis for our second Board meeting! The first five months of this year have been eventful. We have made significant staffing changes, implemented our new tiered individual recognition program, adopted a new club recognition program to take effect next year, created a disciplinary procedure for our trustees and a background check process for those under consideration to become trustees, and made a $750,000 grant to support The Eliminate Project. Last month we also achieved our highest monthly fund raising total to date for the campaign, in excess of US$2 million. Meanwhile, our Annual Club Gift Campaign continues to be a struggle, underscoring the importance of each of us contacting the district chairs whom we counsel on a regular basis to encourage and support their efforts.

Much exciting work lies ahead of us at this Board meeting, and even before our meeting officially begins, with workshops on Board Governance and Liability Issues. We will also have presentations from our investment advisors and from The Eliminate Project campaign team. Our agenda will otherwise cover a great deal of ground, including the approval of an additional grant for The Eliminate Project; consideration of a written commitment to the US Fund for UNICEF for next year’s grants; review and approval of our annual audit; and review of a number of revisions to our bylaws and policies to incorporate our prior decisions as to donor recognition, investment policies and our code of ethics.

I thought it might also be useful to present to you the following detailed look at our fundraising and grant activities to date during this administrative year, which staff has so ably complied for me. The sweeping scope of our activities is truly impressive.
**Individual and Club Giving**

As of February 15, 2013, Kiwanis International Foundation donated revenue for the 2012-2013 Kiwanis year totaled US$3,186,469.71. This total includes gifts for The Eliminate Project. Donations (including individual, club and corporate gifts) were designated for the following programs:

<table>
<thead>
<tr>
<th>Fund description</th>
<th>Total US$ as of 2/15/13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Fund</strong></td>
<td>$560,890.07</td>
</tr>
<tr>
<td>(Annual Club Gift, Kiwanis Children’s Fund, Unrestricted Hixson, Skip-A-Meal)</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Fund</strong></td>
<td>$14,897.85</td>
</tr>
<tr>
<td>(Kiwanis Leadership Society, Miscellaneous unrestricted)</td>
<td></td>
</tr>
<tr>
<td>The Eliminate Project</td>
<td>$2,333,989.46</td>
</tr>
<tr>
<td>(General, Zeller, Trick-or-Treat, Mother’s Day)</td>
<td></td>
</tr>
<tr>
<td><strong>Permanently restricted/Endowments</strong></td>
<td>$243,816.30</td>
</tr>
<tr>
<td>(General, Heritage Society, Cunat International Scholarship, Key Leader, IDD Sustainability, Hixson Ambassador, Youth Opportunities, Tomorrow Fund)</td>
<td></td>
</tr>
<tr>
<td><strong>Temporarily restricted</strong></td>
<td>$32,876.03</td>
</tr>
<tr>
<td>(Disaster relief, Key Leader, Sleeping Children Around the World, Youth Opportunities Service Act, Tomorrow Fund, 6 Cents Initiative)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,186,469.71</td>
</tr>
</tbody>
</table>

Two e-solicitations were created and sent by staff. The first was launched on October 17, 2013 with the introduction of the new tiered giving structure. It went to approximately 92,000 Kiwanians, encouraging them to make a gift to “activate” their membership in the foundation. The second e-
solicitation was a year-end appeal sent on December 26, 2012 to nearly 10,000 members who had not made gifts in the October appeal.

2012-13 Kiwanis membership appeal  Total US$ as of 2/15/13

Number of email appeals delivered (2 blasts)  101,524
Total given (Kiwanis Children’s Fund)  $10,988.50
Number of donors  120
Average gift for all donors as of 2/15/13  $91.57
Number of new donors  38
Average gift for new donors as of 2/15/13  $83.16
Number of new recurring gifts  17
Estimated annual total for new recurring gifts  $1,680.00

Given the continued challenges of fundraising for the Annual Club Gift Program, staff has developed a comprehensive marketing and solicitation plan for the balance of the administrative year, as well as a draft plan for the 2013-2014 administrative year.

Annual Club Gift appeal  Total US$ as of 2/15/12

Total given  $301,361.49
Number of clubs responding  1,555
Average gift  $193.80
Major/Planned Giving Program

Staff continues to focus its time on conducting a series of strategic “moves,” “touches” or contacts to inform and engage donors, and to strengthen their connection to the foundation. Raiser’s Edge has provided the means to document these contacts as staff identifies prospects, builds relationships, solicits gifts, and steward relationships. The goal of 10 personal visits per month was impacted in the first quarter of the administrative year by the realignment of staff, and the need to provide orientation for the Alumni and Annual Fund Administrator. Here is a breakdown of staff time in major and planned gifts work from October 1, 2012-January 19, 2013:

<table>
<thead>
<tr>
<th>Type of Contact</th>
<th>Number of Contacts</th>
<th>Percentage of Contacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email</td>
<td>28</td>
<td>15%</td>
</tr>
<tr>
<td>Letter/Handwritten note</td>
<td>110</td>
<td>58%</td>
</tr>
<tr>
<td>Personal visit</td>
<td>20</td>
<td>11%</td>
</tr>
<tr>
<td>Telephone</td>
<td>30</td>
<td>16%</td>
</tr>
<tr>
<td>Total Number of Contacts</td>
<td>188</td>
<td></td>
</tr>
<tr>
<td>AVG # Contacts Per Month</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>AVG # Personal Visits Per Month</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>

Recent gifts closed by staff include a US$25,000 bequest and a US$20,000 charitable gift annuity. There is a verbal commitment for a US$100,000 outright gift to the foundation, and verbal commitments for three additional planned gifts: one US$50,000 gift and two US$100,000 gifts. Discussion continues with two donors whose gifts would be in the low six-figure range.

Pending gifts to The Eliminate Project solicited by staff total US$3,600,000. Several of these gifts are expected to close in the near future.

With the realignment and addition of staff completed, much more focus will on traveling to cultivate and solicit major and planned gifts.
Staff is moving forward to implement a comprehensive marketing plan for planned gifts, including a series of direct mail and other mailings to Kiwanis leadership, and general promotion to members via e-mail and direct mail, and print media.

Grants and Scholarships

The following outlines funding of grants and scholarships:

- Grants - $930,786 (includes allocation grant to Kiwanis International and grants to US Fund for UNICEF, $25,016 of which comes from New Zealand)
- Disaster relief grants - $64,000
- Connelly awards - $759

**Total: US$995,545**

Thank you again for your service to our International Foundation, both at this Board meeting and throughout the remainder of this administrative year.

Respectfully submitted,

Peter J. Mancuso
2012-13 President
Kiwanis International Foundation
REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION PRESIDENT-ELECT
TO THE KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
FEBRUARY 28-MARCH 2, 2013

The President-Elect year is a year of learning and preparing for the year as President. The primary functions are as follows:

1. Support the President and complete any tasks assigned
2. Conduct a training session in November for the 2013-14 Governors-Elect
3. Attend the KI Board meetings as the KIF Officer representative
4. Conduct KIF district chair training for the 2013-14 KIF district chairs

The Governors-Elect training was held in November and due to Super Storm Sandy, I was not able to attend; however, KIF staff and I were in communication prior to the training and I was involved in the decision making process that included the materials to be presented. The presentations were conducted by our COO and the Executive Director.

I have attended both the October and January KI board meetings and was well received by the KI officers and trustees. Staff prepared a booklet for me that was my report to the KI board at the January meeting. Our COO and I made a presentation to the KI board at the committee of the whole. Our message was that we are not only to support the mission of KI but to educate our constituents and that included the KI board.

District chair training is scheduled for the weekend after the KI April board meeting (April 20-22, 2013) and based on the decisions made by our board the materials for that training will be developed by staff. Our COO and I have had preliminary discussion about the training and we feel an interactive session could be very beneficial to our organization.

I have met with Staff to start the planning process for the 2013-14 year and while dates have not been finalized, the process for committee meetings and organization are underway. One change is that the Finance Committee and the Investment Committee will be comprised of the same members and will be chaired by the 2013-14 Treasurer.

Respectfully submitted,

Lance M. Incitti
2012-13 President-Elect
Kiwanis International Foundation
president-elect’s report to the
Board of Trustees
February 2013
Kiwanis International Foundation
President-elect's report to the Board of Trustees
February 2013

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Kiwanis International Foundation staff

Kiwanis International Foundation staff/The Eliminate Project

Today, Tomorrow, Forever: Kiwanis International Foundation funding model

Progress in increasing foundation efficiency and accountability

Foundation board counselor list

Kiwanis International Foundation district chairs
Kiwanis International Foundation Staff

Ann Updegraff Spleth, CFRE
Chief Operating Officer
auspleth@kiwanis.org
317-217-6155
- Foundation strategic planning, management and oversight
- Staff the Executive, Nominating and Strategic Planning Committees
- Board of trustees
- Lead and major gifts
- Fundraising campaign for The Eliminate Project
- Endowment/planned giving
- Kiwanis International and foundation relations

Connie Berg
Information Services Administrator
cberg@kiwanis.org
317-217-6158
- Manage Raiser’s Edge database
- Liaison with IT department
- Manage foundation’s on-line presence
- The Eliminate Project data liaison
- Manage recognition system
- Special projects and research
- Supervise donor representatives

Jeremy Grinslade
Alumni and Annual Fund Administrator
jgrinslade@kiwanis.org
317-217-6157
- Manage the annual fund
- Manage club giving program
- Staff the Annual Giving Committee
- Oversee activity of alumni groups
- Create and implement alumni giving program
- Liaison with Service Leadership Programs
- Increase individual giving through direct mail and personal solicitations

Matthew Morris
Major/Planned Gifts Officer
mmorris@kiwanis.org
317-217-6234
- Supervise fundraising staff
- Fundraising campaign for The Eliminate Project
- Lead and major gifts
- Staff the Development Committee
- Endowment/planned giving
- Workshops related to philanthropy

Brittany Faulkner
Administrative Associate
bfaulkner@kiwanis.org
317-217-6254
- Manage appointments and travel for the foundation’s Chief Operating Officer
- Point of contact for foundation inquiries
- Liaison with board support and meetings department
- Budget prep and liaison with finance department
- Coordinate material distribution and inventory

Julie Taylor
Program Services Manager
jtaylor@kiwanis.org
317-217-6159
- Coordinate all foundation programs
- Manage grants program
- Staff Board Assessment and Grants and Connelly Committees
- Supervise The Eliminate Project program staff
- Oversee scholarship program
- Manage Donor Advised Funds program

Nikki Hieston
Donor Representative
nhieston@kiwanis.org
317-217-6236
- Funds and pledge processing
- Donor gift acknowledgments
- Memorials and tributes
- Donor services
- Database and recognition support

Pam Chambers
Donor Representative
pchambers@kiwanis.org
317-217-6244
- Funds and pledge processing
- Donor gift acknowledgments
- Memorials and tributes
- Donor services
- Database and recognition support
Kiwanis International Foundation Staff
The Eliminate Project

Lisa Dudeck
Production Supervisor
ldudeck@kiwanis.org
317-217-6235
- Oversee and manage the production process for campaign materials
- Coordinate campaign communications initiatives

Neil Hudelson
Area Director
nhudelson@kiwanis.org
317-217-6226
- The Eliminate Project, field staff
- Coordinate campaign fundraising team in USA, region 4

Pat Patterson
Digital Communications Specialist
ppatterson@kiwanis.org
317-217-2192
- The Eliminate Project website manager
- Kiwanis International Foundation website support
- Newsletter and blog content manager and writer
- Email marketing
- Social media marketing

Michael Malik
Area Director
mmalik@kiwanis.org
317-217-6219
- The Eliminate Project, field staff
- Coordinate campaign fundraising team in USA, region 3

Lori Murray
Database Analyst
lmurray@kiwanis.org
317-217-6166
- Assemble, analyze and report campaign fundraising and volunteer activity
- Manage data tracking and reporting mechanisms

Ruth Pollak
Area Director and Service Leadership Program Administrator
Gent, Belgium
rpollak@kiwanis.org
32-9-216-77-77
- The Eliminate Project, field staff
- Coordinate campaign fundraising teams in Europe
- Liaison to service leadership programs
- Service leaders for philanthropy committee

Steve Hinson
Area Director
shinson@kiwanis.org
317-217-6208
- The Eliminate Project, field staff
- Coordinate campaign fundraising team in USA, region 1

Sarah Gindes
Program Specialist
sgindes@kiwanis.org
317-217-6102
- Manage reporting and recognition for The Eliminate Project's volunteer leadership
- Global financial tracking and reporting
- Service projects and service project toolkits
- Coordinate foundation scholarship funds

Elle Walls
Administrative Associate
ewalls@kiwanis.org
317-217-6213
- Point of contact for The Eliminate Project
- Coordinate campaign material distribution and inventory
- Oversee campaign office tasks and projects
Kiwanis International Foundation Funding Plan and Model

The financial resources of the Kiwanis International Foundation are focused on three basic purposes:

- **Programs**, funded by annual gifts that support current initiatives **TODAY**
- **Special Projects**, funded by gifts to execute a unique initiative **TOMORROW**
- **Protecting Programs**, funded by deferred gifts to preserve programs **FOREVER**

The new fundraising model – Today, Tomorrow, Forever – will focus on three outcomes: establishing a solid base of donors who think strategically about their philanthropy; building a continuum of donor giving; and focusing staff resources on building relationships that result in major and planned gifts.

**Kiwanis International Foundation Membership**

Gifts of all sizes make a difference. Thus, any donor who invests in the work of the foundation as it supports the important mission of Kiwanis International will be considered an active member of the foundation. Every foundation member/donor will be acknowledged. The level of acknowledgement and recognition will be commensurate to the level of investment in the foundation’s work. As members/donors become more informed about and involved in the foundation’s mission, their level of support will increase.

**TODAY AND TOMORROW**

**Annual Giving**

Purpose: To provide incremental giving levels that offer donors opportunities to invest in the foundation with gifts commensurate to their financial means and levels of interest and involvement. Over time these opportunities will expand the foundation’s donor base, increasing the number of prospects for special, major, lead and planned gifts.

<table>
<thead>
<tr>
<th>Membership Level</th>
<th>Gift amount (in US$)</th>
<th>TY letter</th>
<th>Impact card</th>
<th>Certificate</th>
<th>Grant report</th>
<th>TY call, web listing</th>
<th>Annual report listing</th>
<th>Pin/Brooch</th>
<th>Invite to ICON donor event</th>
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<tr>
<td>Supporter</td>
<td>$25 to $249</td>
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<td>X</td>
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<tr>
<td>Sustainer</td>
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<td>X</td>
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<td>Patron</td>
<td>$500-$999</td>
<td>X</td>
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<td>Advocate</td>
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<td>X</td>
<td>X</td>
<td></td>
<td></td>
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<tr>
<td>Leader</td>
<td>$2,500-$4,999*</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Impact Circle</td>
<td>$5,000+ *</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
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* The George F. Hixson Fellowship and Tablet of Honor will continue to be important means of giving and recognizing service and leadership. The programs will continue be promoted, and donors and recipients will receive the appropriate benefits and diamond levels.
The impact card will be a specially designed small certificate and will match the foundation's new look. This piece will reinforce our message of the foundation's effort to extend donor impact.

The grant report will be a current snapshot of how individual gifts – pooled together to fund club, district and Kiwanis International projects and initiatives – transform lives. It will illustrate the foundation's global reach through statistics, photos, and quotes from Kiwanians and those helped. A link to more information about grants could be included.

Consecutive Year Giving

**Kiwanis Loyalists**

Purpose: Kiwanis Loyalists recognizes donors who include the foundation among their philanthropic priorities annually without missing a year. The foundation appreciates and salutes these most loyal supporters. Kiwanis Loyalists will complement the annual giving recognition by building and expanding the foundation's base of steadfast donors.

<table>
<thead>
<tr>
<th>Consecutive years of giving</th>
<th>TY letter</th>
<th>Website recognition</th>
<th>ICON ribbon</th>
<th>Annual report listing</th>
<th>Birthday card</th>
<th>Invite to ICON donor event</th>
<th>Personal visit/gift</th>
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<td>5</td>
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<td></td>
</tr>
<tr>
<td>25</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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</tr>
</tbody>
</table>

The most loyal of foundation donors would be invited to a reception/event at the international convention. It would serve as a cultivation and stewardship opportunity. Benefactors of 25 years would be visited by staff or leadership (where practical and feasible) to express personal thanks and to present a special memento reflective of the foundation's work and the donor's philanthropy.

Cumulative Giving

**Benefactor and Honored Benefactor**

Benefactor: A special group of donors who have contributed either by a one-time gift or through cumulative gifts of US$5,000 or more.

Honored Benefactor: A special group of donors who have contributed either by a one-time gift or through cumulative gifts of US$10,000 or more.
<table>
<thead>
<tr>
<th>Cumulative giving</th>
<th>Recognition Level</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$5,000</td>
<td>Benefactor</td>
<td>Certificate signed by foundation president</td>
</tr>
<tr>
<td>US$10,000</td>
<td>Honored Benefactor</td>
<td>Framed and matted certificate signed by foundation president</td>
</tr>
</tbody>
</table>

**Founders Circle**

Purpose: These are individuals of means whose extraordinary generosity helps Kiwanis International turn its vision into reality. This group of philanthropists provides, and will expand, our base of major, lead and potentially “ultimate” (largest outright gift of their lifetime) donors. Annually we will review the list of top donors to identify individuals and couples whose giving is within range of the next Founders Circle level. A personal visit will be scheduled to discuss a gift that would move the individual or couple to the next recognition.

<table>
<thead>
<tr>
<th>Lifetime giving</th>
<th>Founders Circle pin</th>
<th>Eagle</th>
<th>Visit by foundation leadership</th>
<th>ICON VIP credentials pickup</th>
<th>ICON reserved seating</th>
<th>ICON on-stage recognition</th>
<th>Name on Kiwanis office plaque</th>
<th>Kiwanis office space naming opportunity</th>
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<tbody>
<tr>
<td>$25,000</td>
<td>First</td>
<td>X</td>
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<td>$100,000</td>
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<tr>
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<td>X</td>
<td>X</td>
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<tr>
<td>$500,000</td>
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<tr>
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<td>Diamond</td>
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<td></td>
<td></td>
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<td>X</td>
<td>X</td>
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</table>

Additionally, all Founders Circle members receive these benefits:

- Thank you letter
- Website recognition
- ICON ribbon
- Annual report listing
- Birthday card
- Invitation to ICON donor event
- Personal visit by staff

**FOREVER**

**Legacy Giving**

Purpose: These donors will provide the real capital to build and sustain the foundation. The Heritage and Shafer societies provide a way for the foundation to recognize and thank donors during their lifetimes. Donors may choose to remain anonymous; however, we want participation to be an inspirational experience that may encourage others to make planned gifts.
Currently there are nearly 1,900 Heritage Society donors, with fewer than one-third of individuals providing documentation of the anticipated value of the gift. Much of that documentation is quite dated. For stewardship purposes, staff will focus on visiting donors with larger, documented gifts. As feasible, staff will attempt to visit other planned gift donors to quantify those gifts.

**Heritage Society**

Kiwanians and friends are inducted into the Heritage Society upon receipt of written confirmation by the individual or couple that a planned gift (i.e., a bequest, gift through trust, annuity or other deferred gift) of US$10,000 or more has been made to the foundation.

Beginning October 1, 2012, new members of the Heritage Society will be recognized with:

- Heritage Society Pin or Brooch
- Certificate
- Patch for club banner
- Name on foundation website (including members prior to October 1, 2012)

Donors will also receive an engraved brick on the Pathway to the Future and plaque to be awarded at the member’s club meeting. This is a marked change from the previous recognition in which new Heritage Society members received both an engraved brick and plaque – no matter what the level (US$1 or US$25,000). The change in recognition will affect only new members.

**Mary and Bo Shafer Legacy Society**

Individuals or couples who provide written confirmation of a planned gift with an estimated value of US$50,000 or higher are welcomed into the Mary and Bo Shafer Legacy Society. The society is named in honor of the past international president and his late, beloved wife.

Members of the Mary and Bo Shafer Legacy Society are recognized with:

- Plaque and certificate presented at the club meeting
- Engraved brick in the Pathway to the Future at Kiwanis International
- Patch for the club banner
- Name on website and in annual report
- Invitation to private reception at the international convention
- Thank you visit by foundation leadership
Kiwanis International Foundation
Charity Evaluation Summary

Issue

• In carrying out its mission to financially assist Kiwanis International in serving the children of the world, the Kiwanis International Foundation Board of Trustees and staff take very seriously their responsibility to gain and maintain the trust of the organization's donors and the public at large.

• Two organizations that monitor and evaluate U.S. charities – Charity Navigator and the Better Business Bureau – have posted public reviews of the Kiwanis International Foundation as of September 2012. Charity Navigator has given the foundation a rating of two out of four stars. However, if you look at the Charity Navigator website you will see that we are just under three stars (below). We believe this is significant progress. Last year we were zero stars. The Better Business Bureau has found that the foundation does not meet two of its twenty charity accountability standards (down from seven unmet in 2010).

![](https://example.com/screenshot.png)

Screen shot taken from www.charitynavigator.org

• The foundation's mediocre Charity Navigator rating primarily results from relatively low program expenses and high fundraising costs in relation to overall expenses, as well as negative program expense growth reported on its most recent Form 990.
• The foundation's failure to meet two of the Better Business Bureau's standards is due to not spending at least 65 percent of its total expenses on program activities and not providing a detailed functional breakdown of expenses, both determined by an assessment of the foundation's 2010-2011 audited financial statements. The latter was due to the recent change to a new accounting firm that did not provide the same detailed functional breakdown of expenses included in the audited financial statements provided for prior years by a different firm.

• A third organization, Guidestar.org, has given the Kiwanis International Foundation their highest rating, the Guidestar Exchange Seal as a Valued Partner.

![Valued Partner](image)

**Corrective actions**

• The foundation board and staff previously made several changes to decrease the number of unmet BBB standards from seven (in 2010) to two (in 2012), including:
  1. adoption of a policy on organizational effectiveness;
  2. formation of a Performance Review Committee;
  3. publishing an annual report;
  4. posting resources related to donor accountability on its website (e.g., financial disclosures, governance documents and donor privacy policy); and
  5. providing fundraising material samples enabling the BBB to assess whether the foundation is truthful and makes recommended disclosures to its donors.

• The foundation is required to spend a minimum of 65 percent of total expenses on program activities to meet BBB standards. According to the foundation's 2010-2011 audit and Form 990, it spent 45 percent of total expenses on program activities. As The Eliminate Project Campaign gains momentum and the foundation is able to make larger grants to UNICEF, its program expenses are expected to increase relative to its administrative and fundraising expenses.

• Charity Navigator gave the foundation a two-star rating because of its relatively low program expenses, high fundraising expenses (above 10 percent of total expenses), inefficient fundraising (amount spent per dollar raised), and negative program expense growth over the past few years. Charity Navigator's review of the foundation's 2010-2011 Form 990 found it spent 45 percent of total expenses on
program activities and 39 percent on fundraising, spent $0.27 per U.S. dollar raised, and had -4.4 percent growth in its program expenses in recent years.

- It should be noted that the foundation has recently been in the early stages of a very large campaign, which required significant investment of fundraising dollars before showing significant income. This explains the recent short-term increase in its fundraising expense percentages, a common occurrence in large campaigns. Its fundraising costs relative to program expenses will dramatically decline as The Eliminate Project continues to gain momentum.

- The foundation has made significant progress meeting Charity Navigator’s new accountability and transparency metrics, with only one deficiency left to correct (sharing its Form 990 with the full board in advance of filing). The foundation’s near-perfect score has earned it four out of four stars for this rating dimension.

Summary

Because the Kiwanis International Foundation is at the beginning of a US$110 million fundraising campaign, its program expenses are low and its fundraising expenses are high. As fundraising increases and more grants are made to UNICEF, this trend will reverse.

The Board of Trustees and staff are committed to meeting not only the standards of Charity Navigator and the Better Business Bureau, but the performance metrics of such recognized entities as the Association of Fundraising Professionals. The foundation anticipates the ratings will continue to increase in coming years.
Kiwanis International Foundation board counselors for 2012 – 2013

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<tr>
<th>Name</th>
<th>Region</th>
<th>State</th>
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<td>Montana</td>
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<td></td>
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<td>Utah-Idaho</td>
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<tr>
<td>Valeria Gringeri</td>
<td>All KIEF Districts</td>
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<td></td>
<td>John Button</td>
<td>Eastern Canada &amp; Caribbean</td>
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<td>Cindy Champer</td>
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REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION TREASURER
TO THE KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
FEBRUARY 28-MARCH 2, 2013

As KI Foundation Treasurer and Chair of the Finance Committee, I receive and review the monthly financial reports of our organization. I often have questions to help me understand how certain numbers are obtained. My normal method of ascertaining answers is to bring my questions to the Chief Operating Officer (COO). The COO has either been able to answer my questions or defers to the KI Chief Financial Officer (CFO) or Controller. From time to time, a conference call has been conducted with Staff and myself. I have found everyone to be very cooperative and knowledgeable in answering my questions.

I have received and reviewed the audit and management letter prepared by BKD, our accounting firm. I also reviewed the annual Form 990 BKD had prepared. The COO was very helpful in pointing out that we had been “dinged” in the past by Charity Navigator for not having a statement on the IRS Form 990 that KIF submits, stating that the 74 page report had not been reviewed by the management team and KI Foundation Treasurer. This year the appropriate language was added to the form after the CFO, COO, Controller and Treasurer had fully reviewed the report. That should help raise the KI Foundation’s score with Charity Navigator.

The fundraising efforts of our organization have been very fruitful, particularly as it relates to The Eliminate Project. Most of our financial reports include both the KI Foundation information and The Eliminate Project numbers. The COO and I communicate about how much we might be able to grant to the U.S. Fund for UNICEF. During the conference call in December 2012, the KI Foundation Board agreed to make grants to USF on a quarterly basis. At this meeting, the KI Foundation Board will be asked to approve the first One Million US$ grant for the elimination of MNT. We can be very proud of reaching this level of contribution.

As Chair of the Finance Committee, I have invited the CFO, Bob Broderick, to give us a review of his first four months in that position, as it relates to the Kiwanis International Foundation. He has graciously accepted our invitation and will make his report at our Finance Committee meeting. I have also asked to have a comprehensive report on all aspects of the finances of The Eliminate Project from inception to the end of January, 2013. Our goal is to evaluate how our actual numbers relate to the initially proposed budget for this campaign.
I want to thank everyone on Staff and the other members of the Executive Committee for being available to discuss and guide our progress through this huge fundraising effort.

Respectfully submitted,

Robert A. “Bob” Parton, Jr.
2012-13 Treasurer
Kiwanis International Foundation
Dear Board Members,

It has been a very busy fall. Since our October meeting, I have made three additional trips to Indianapolis – for the KI Foundation Board meeting, the Governor-elect training conference and initial 2014-15 planning meetings with staff. As well, I traveled to New Orleans to participate in the Service Club Leadership Conference.

It was a pleasure to participate in President-elect Gunter’s Governor-elect training conference. The curriculum was excellent, including both practical and goal-building sessions. Past International Presidents Steve Siemens and Paul Palazzolo made excellent presentations that made deep impressions on the participants. The 2013-14 class of Governors left Indianapolis invigorated, enthusiastic, full of team spirit and with the necessary tools. It is a great class! Kudos to Gunter and staff.

In early November, Debbie and I met with staff to begin planning 2014-15. I had preliminary conversations with many of them at our October meeting. It was very gratifying to see how they had embraced my ideas and run with them.

Nineteen organizations were represented at the Service Club Leadership Conference. There were 59 participants consisting of elected and staff leadership. Our host was Pilot International. The programme was varied and included presentations on the very successful restructuring and rebranding of Girl Scouts of America, recruitment, retention and marketing as well as a very interesting and engaging workshop on Roberts Rules of Order (I’m not kidding!). Throughout the conference, covetous glances were cast at our Service Leadership Programmes and their continuing growth. During the sessions, it became quite apparent that we are all facing the same challenges and opportunities.

Although it has been at times hectic, it has always been an enjoyable, energizing and satisfying three months. There has even been time for Debbie and I to participate in our own club’s activities as well as respond positively to requests for club visits.

Respectfully submitted,
John R. Button M.D.
Vice President
January 2013

Report of the Executive Director
To the
Boards of Trustees
Kiwanis International
Kiwanis International Foundation

Dear Kiwanis Leaders,

The new calendar year sees us working on a wide range of initiatives including a strategic plan, convention site reselection for 2014, convention site selection for 2017, membership challenges (our new club charters for the first three months are low compared to previous years), and a fundraising campaign for the Eliminate Project (our cash and pledges totals have been running ahead of our campaign plan projections).

At the January meeting of the Kiwanis International Board of Trustees, there are four critical issues that are in the center of our KI Office spotlight.

1. **Strategic Plan development.**
   Our ongoing work with the strategic planning consultants was to have concluded at this meeting. A workshop to develop strategies evolved from the goals and objectives defined in October was originally scheduled. We will spend committee of the whole time discussing the plan’s progress to date instead.

2. **Financial stability.**
   In October, I submitted a white paper entitled *Strategic Thinking: The Financial Future for Kiwanis.* In it, I recommended that Kiwanis must:

   1. Continue to grow and develop corporate partnership opportunities
   2. Restructure the Key Club International subsidiary
   3. **Rescind membership discounts and recapture lost income**
   4. Utilize our financial assets to supplement annual income
   5. Restructure our Foundation to efficiently support the work of Kiwanis International
   6. **Create flexibility within the magazine fund**
   7. **Restructure the liability fund to include a broader range of liability functions**
Items 3, 6, and 7 (shown in bold) are scheduled for consideration at the January KI Board meeting. In February, the Foundation Board continues its work on item number 5.

Most critical is the issue of recapturing lost revenues through membership discounts that haven’t produced any of the desired results. If we do not take steps to add this revenue back, we will not have the funds next year to support the 100th anniversary celebration and maintain a surplus budget.

3. **100th Anniversary Celebration.**
   In October 2012, we submitted the draft of a proposed plan for the 100th anniversary of Kiwanis. We recognized that our celebration truly begins in 2013 (with the celebration of the first Kiwanis club in Europe) and extends through 2016 (celebrating the 100th anniversary of Kiwanis in Canada). The plan is the culmination of recommendations from the 100th Anniversary Committee as well as research, review and “borrowing” of some ideas from other similar organizations’ centennial celebrations.

   It is critical a plan be approved so we can be ready for the Vancouver convention. A copy of this plan was in the October 2012 Board books and is provided again with this report.

4. **Liability Issues.**
   Since our last meeting, we became aware of several Kiwanis-related issues tied to the release of the Boy Scouts of America’s ineligible volunteer list. This caused us to stop and review where Kiwanis stands today, and our staff team has produced a white paper entitled *Protecting our youth and children: Plan for Changes in Liability Management.*

   We present seven recommendations for consideration by the Kiwanis International Board to protect the minors our clubs and districts serve and strengthen the protection for our entire organization. I am sorry to report there is not a cheap alternative here, and cutting corners by buying cheaper insurance or less extensive backgrounds checks is not a good solution. I encourage us to prioritize these discussions.

   A copy of this white paper is provided with the officer reports.

   Our two Board meetings in January and February will be very busy.

   Thank you for the opportunity to work with you.

   Respectfully submitted,

   Stan D. Soderstrom
   Executive Director
“The Platinum Project”
The Plan to Celebrate Kiwanis’ 100th Anniversary
Plan Outline as of October 8, 2012 – with estimated costs

Objectives

1. Celebrate Kiwanis’ history throughout the Kiwaniverse (Kiwanis universe)
2. Instill pride in membership via internal promotion
3. Build the Kiwanis brand
4. Leverage the anniversary for growth in membership, service and our foundation(s)

The official “birth date” is January 21, 1915, the date the State of Michigan granted official charter to the Kiwanis club of Detroit.

The 100th anniversary day is Wednesday, January 21, 2015. The birthday week will be observed from Sunday, January 18 to Saturday, January 24, 2015.

Summary

What Kiwanis International will do:
- Celebrate the organization’s rich legacy, beginning in 2013 and ending in 2016
- Integrate important milestones of Kiwanis in Europe, Asia-Pacific and Canada
- Use existing events as the cornerstone for the celebration
- Launch a Kiwanis road show to visit major cities with Kiwanis’ presence
- Make a birthday gift to the world in the completion of The Eliminate Project
- Coordinate government observances on stamps and coins

What every district should do:
- Integrate the anniversary messaging into all events
- Help support the centennial club initiative
- Arrange for state and provincial recognition by government leaders and legislative bodies
- Assist in government observances on stamps and coins (Non-North American districts, as possible)
- Use the 100th anniversary logo and graphics on all printed materials
- Display the 100th anniversary banners and signage at meetings, projects and other events.

What every club is asked to do:
- Become a centennial club by reaching more than 100 members
- Commit to a community impact goal of 100 hours of service per member
- Make a birthday gift to a community
  - For your own community, make a birthday gift in the form of a new playground, park, community center, reading room, etc.
  - For another community, make a birthday gift of a new Kiwanis club
  - For the global community, support an education, health or community project in a developing nation
- Celebrate at a special meeting during the birthday week
- Arrange for local recognition by city, town, village leaders and councils
- Encourage all members to wear 100th anniversary attire
- Use the 100th anniversary logo and graphics on all club printed materials
- Display the 100th anniversary banners and signage at club meetings, projects and other events.
**Initiatives**

**Detroit #1 Club Anniversaries**
Major celebrations to occur in January 2014 and 2015
2014 – Begin a one year countdown to 2015
2015 – Major Friday/Saturday event (January 23 and 24)

- Numerous options:
  - Option 1 (two day)
    - evening dinner, keynote/entertainer, book drive (service)
    - tours in the morning, luncheon and closing, afternoon free (auto show)
  - Option 2 (one day)
    - service, breakfast (pancake), dinner celebration with keynote/speaker/entertainer (book drive)

- KI Board meeting
- KIF Board meeting
- Consider KI Council meeting
- Coordinate with SLP conference?
- Include a signature service element
- Identify a Kiwanis signature service project that will remain in the community
- Investigate opportunity for a permanent monument or sculpture
- Investigate opportunities for murals and signage on buildings
- Unresolved: Detroit historical archives

**ELIMINATE Project celebration**
The elimination of maternal and neonatal tetanus is Kiwanis' birthday gift to the world

- Goal reached in cash & pledges announces in 2015
- Celebration at KI Convention to include UNICEF and other partners

**Foundation Centennial Campaign**
Having successfully completed the Eliminate Project, launch a one-year campaign to build the KIF endowment

- Donors asked to repeat their pledges for one additional year (2016) to the foundation’s Centennial campaign (support for the next 100 years)
- Announce at the Detroit event in January 2015
- Conclude by the end of 2015

**Government-related items**
Utilize existing governmental relations, and establish new ones, to place Kiwanis in the public eye through various means

- Stamps in various Kiwanis nations
- US silver dollar (following Lions model)
- January 21, 2015 observances by cities, states, provinces, nations
  - Mayoral proclamations
  - Congratulations messages
  - Legislative resolutions
  - Executive proclamations
- Kiwanis day at the White House (repeated)
- Create a Canada government event
- Other nations are encouraged to host a government event
Indianapolis
Develop an Indianapolis strategy to engage local support around the home city of Kiwanis, building to the convention celebration in 2015. Engage the local clubs, Indiana district leadership, other not-for-profits, local and state governments, and the corporate community.

- Hire local person/firm on contract to assist pull these people together to coordinate.
- Build a strategy for local corporate underwriting
- Explore opportunities with the NCAA Final Four in April 2015
- Hold a gala event prior to the convention – tied to Indianapolis 500 Festival?
- Identify a Kiwanis signature service project that will remain in the community
- Investigate opportunity for a permanent monument or sculpture
- Investigate opportunities for murals and signage on buildings
- Investigate opportunity with other service/charity partners – Children’s Hospital, Boys and Girls Club, etc/
- Billboards and street banners
- Billboards
- Indianapolis clubs – Lincoln Day in February
- Indiana district convention – August in West Lafayette

Kiwanis Communities of Impact
Recognize 100 Kiwanis Communities of Impact during the 100 days before the 2015 convention

- Invite clubs to opt-in via an online sign-up
- Engage through a website (sharing of photos, videos and stories) and local public relations initiatives
- Coordinate with Kiwanis road show, Kiwanis One Day and other events during the period
- Produce a book of the 100 communities

Kiwanis International Convention 2015
The 100th Anniversary celebration will culminate with the 2015 Kiwanis International Convention in Indianapolis

- CKI and Key Club to hold conventions
- Convention themes: Kiwanis family day, Anniversary day, Eliminate Project day
- Kiwanis event at the ballpark, to include fireworks and concert
- Super Bowl best practices to include Georgia Street party, street signs and banners, open air concert, major building signage, special events
- Tours and events at the KI Office
  - Tent - exclusive event
  - Round trips by motorcoach
  - Special merchandise for office visit (pin, bannerette)
- Service event to invite peer service organizations
- Consider opportunity to create a time capsule

Kiwanis One Day
Designate Kiwanis One Day as a special 100th Anniversary observance

- Relate 2015 Kiwanis Day of Service to the number 100, for example…
  - 100 hrs of service
  - 100 Kiwanis family members
  - 100 cartons of food collected
- Coordinate with the road show
- Special patch
- Revamp online tool kit
Kiwanis magazine
Having expanded Kiwanis magazine in issues and more English-speaking nations, utilize the platform to educate Kiwanians about the organization’s history and celebration

- Expanded issue in January 2015
- Kiwanis history articles, photos throughout 2014 and 2015

Membership strategies
The 100th Anniversary is the opportunity to provide a birthday gift to a community and to encourage membership development in all existing clubs

- Provide a birthday gift to a community
  - Your community – centennial project: gift of a new project (playground, park, etc)
  - Another community – centennial project: gift of a new club
- All clubs chartered during the year would receive special recognition
- All existing clubs that had 100 members or more would be designated centennial clubs
- All clubs that contribute 100 hours of service per member would receive special recognition

Merchandising
An entire line of new merchandise will be created for the observance of the 100th Anniversary. Ideas include:

- Special officer pins (modeled from 75th anniversary)
- Attire
  - Retro look
- Books
  - Cookbook
  - Coffee table book
- Promotional materials
  - Signs and Billboards
  - Banners
  - Flags
  - Car magnets and clings
- Jewelry
- Commemorative coins and pins
- Mini sculpture of larger Detroit/Indianapolis sculptures

Office
Upgrade of office display space for display of historical archives and major events at the office

- Exhibits
- Remodel Past Presidents room
- External signage external (100 sign on adjacent lot)
- New tour plan
- Time capsule

PR/Public Awareness
Create public relations/public awareness resources for clubs and districts

- Online tool kit
- Television and video PSAs
- Magazine plan coordination
- Google doodle
- Road show
- #Kiwanis100 hash tag
Trivia questions for club meetings
- Link to the archives
- Engage PR firm for support

Road show
Beginning with the January Tournament of Roses Parade and ending in June before the convention, the President participates in a Kiwanis Road show, taking the Kiwanis message to major and secondary Kiwanis media markets around the world
- Include Kiwanis and on-Kiwanis events:
  - NYSE opening bell ringing
  - Detroit celebration
  - Kiwanis One Day
  - Clubs chartered in 1915
  - White House or US government event
  - Canada government event
- Major PR support
  - Major advertising
  - Local media exposure
  - Coordinated by PR firm
- Events in every city
- High profile service project
- Ticketed luncheon, dinner, gala
- Unresolved: What to do with other high profile events?
  - Cheyenne Days - July

Tournament of Roses Parade
Utilize the Kiwanis float in the New Years Day Tournament of Roses Parade as the launch of the 2015 Road show
- In 2014, launch the one year informational campaign for the 100th Anniversary
- In 2015, launch the Kiwanis 100th Anniversary Road show with the parade
  - Increase size and expenditure on the float
  - Celebrity ridership
  - Add peripheral events before and after the parade
## Timeline and estimated costs

**2013**

*Goals: 1) Celebrate 50 years of Kiwanis in Europe  
2) Begin Preparation for 100th Anniversary*

<table>
<thead>
<tr>
<th>Month</th>
<th>Event Description</th>
<th>Activities</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>Detroit #1 Club 98th Anniversary DATE: TBD</td>
<td>Begin preparation and planning for 99th and 100th Anniversary events</td>
<td>Estimated cost: $2,500</td>
</tr>
<tr>
<td>March</td>
<td>Vienna 50th Anniversary</td>
<td>KI leadership participation in the 50th Anniversary of Kiwanis in Europe</td>
<td>Estimated cost: $15,000</td>
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<tr>
<td>June</td>
<td>Kiwanis International Convention in Vancouver</td>
<td>Begin education for 100th Anniversary</td>
<td>Estimated costs:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exhibit booth: $2,000,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Materials: $1,500</td>
</tr>
<tr>
<td>August to</td>
<td>Kiwanis District Conventions</td>
<td>Begin education for 100th Anniversary</td>
<td>Estimated costs:</td>
</tr>
<tr>
<td>September</td>
<td></td>
<td></td>
<td>Materials: $12,000</td>
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### Other

<table>
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<tr>
<th>Month</th>
<th>Event Description</th>
<th>Activities</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>Logo and graphics</td>
<td>Finalize logo and graphic &amp; design for celebration</td>
<td>Estimated costs: internal</td>
</tr>
<tr>
<td>June</td>
<td>Merchandise plan</td>
<td>Complete merchandise plan for 100th Anniversary</td>
<td>Estimated costs: internal</td>
</tr>
<tr>
<td>May</td>
<td>100th Anniversary website and E-Book</td>
<td>Construct and launch special 100th anniversary website, add last 10 years to 90th Anniversary book</td>
<td>Estimated costs: $13,000 for book update</td>
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<tr>
<td>September</td>
<td>PR Firm (campaign)</td>
<td>Select and contract PR firm to support all aspects of the 100th Anniversary</td>
<td>Estimated costs: $25,000</td>
</tr>
<tr>
<td>September</td>
<td>PR Firm (Indy)</td>
<td>Select and contract PR firm to organize and support initiatives for Indianapolis</td>
<td>Estimated costs: $5,000</td>
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</table>

<table>
<thead>
<tr>
<th>Contingency (10%)</th>
<th>$7,600</th>
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<tbody>
<tr>
<td><strong>Estimated costs</strong></td>
<td><strong>$83,600</strong></td>
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</tbody>
</table>
**2014**

**Goals:**
1) Celebrate 50 years of Kiwanis in Asia-Pacific
2) Launch informational campaign for 100th Anniversary

<table>
<thead>
<tr>
<th>Month</th>
<th>Event Description</th>
<th>Estimated cost:</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td><strong>Tournament of Roses Parade</strong></td>
<td>Launch informational campaign of the 100th Anniversary</td>
</tr>
<tr>
<td>January</td>
<td><strong>Detroit #1 Club 99th Anniversary DATE: TBD</strong></td>
<td>Begin one year countdown to birthday celebration</td>
</tr>
<tr>
<td>January</td>
<td><strong>Unveil 100th anniversary merchandise lines</strong></td>
<td>New merchandise lines are launched with release of 2014 catalog</td>
</tr>
<tr>
<td>April</td>
<td><strong>Kiwanis One Day</strong></td>
<td>Kiwanis One Day begins 100th Anniversary theme as part of promotion</td>
</tr>
<tr>
<td>June</td>
<td><strong>Tokyo 50th Anniversary and Kiwanis International Convention in Asia-Pacific</strong></td>
<td>KI leadership participation in the 50th Anniversary of Kiwanis in Europe</td>
</tr>
<tr>
<td>August to September</td>
<td><strong>Kiwanis District Conventions</strong></td>
<td>Begin education for 100th Anniversary</td>
</tr>
<tr>
<td>September/October</td>
<td><strong>Indianapolis preparation</strong></td>
<td>100th anniversary materials put on display in KI Office; Office upgrade; Launch event with special celebration</td>
</tr>
<tr>
<td>November</td>
<td><strong>Governors-elect Education</strong></td>
<td>Prepare 2014-15 district governors for anniversary celebration</td>
</tr>
</tbody>
</table>

**Other**

<table>
<thead>
<tr>
<th>Month</th>
<th>Event Description</th>
<th>Estimated cost:</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td><strong>Leadership Education</strong></td>
<td>Integrate 100th Anniversary messages into all club and district education</td>
</tr>
<tr>
<td>Ongoing</td>
<td><strong>100th anniversary merchandise lines</strong></td>
<td>Promotion of new merchandise lines</td>
</tr>
<tr>
<td>Ongoing</td>
<td><strong>PR Firm (campaign)</strong></td>
<td>Support all planning aspects of the 100th Anniversary</td>
</tr>
<tr>
<td>Ongoing</td>
<td><strong>PR Firm (Indy)</strong></td>
<td>Support all planning aspects of the Indianapolis events</td>
</tr>
<tr>
<td>Contingency (10%)</td>
<td>$39,00</td>
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<tr>
<td>Estimated costs</td>
<td>$429,000</td>
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## 2015

### Goal: 1) Celebrate 100 years of Kiwanis worldwide

<table>
<thead>
<tr>
<th>Month</th>
<th>Event Description</th>
<th>Details</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td><strong>Tournament of Roses Parade</strong> Launch celebration on New Year’s Day</td>
<td></td>
<td>$120,000</td>
</tr>
<tr>
<td>January</td>
<td><strong>Detroit #1 Club 100th Anniversary</strong> DATE: January 23-24 Special Birthday event</td>
<td></td>
<td>$40,000</td>
</tr>
<tr>
<td>January</td>
<td><strong>Major Stock Exchange Openings</strong> Celebrate the 100th by ringing the opening bell at the NYSE and Tokyo stock exchange on January 21</td>
<td></td>
<td>$5,000</td>
</tr>
<tr>
<td>January</td>
<td><strong>Google doodle</strong> Kiwanis as part of the Google doodle January 21</td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>January</td>
<td><strong>Celebrate Birthday Week</strong> All clubs are encouraged to hold a special meeting this week to celebrate the 100th Anniversary</td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>January</td>
<td><strong>Begin Kiwanis Road Show</strong> KI presidential visits converted to a road show to various major cities (concludes in May)</td>
<td></td>
<td>(10 N Amer. cities @ $10K ea + 8 global cities at $20K ea): $260,000</td>
</tr>
<tr>
<td>March</td>
<td><strong>Begin 100 Kiwanis Communities of Impact promotion</strong> Celebrate 100 Kiwanis communities around the world (one per day). Begin March 17 and end the day before the KI convention.</td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td>March</td>
<td><strong>Kiwanis Asia-Pacific Convention</strong> 100th Anniversary celebrated by Asia-Pacific</td>
<td></td>
<td>$10,000</td>
</tr>
<tr>
<td>April</td>
<td><strong>Kiwanis One Day</strong> Kiwanis One Day 100th Anniversary theme</td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>May</td>
<td><strong>Kick-off Indianapolis celebration</strong> City-wide event hosted by area clubs</td>
<td></td>
<td>$20,000 net</td>
</tr>
<tr>
<td>May</td>
<td><strong>Kiwanis KI-EF Convention</strong> 100th Anniversary celebrated by Europe</td>
<td></td>
<td>$10,000</td>
</tr>
<tr>
<td>June</td>
<td><strong>Kiwanis International Convention in Indianapolis</strong> Celebration of Kiwanis’ gift to the world, the elimination of maternal and neonatal tetanus</td>
<td></td>
<td>$200,000</td>
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<tr>
<td>August to September</td>
<td><strong>Kiwanis District Conventions</strong> 100th Anniversary celebrated by every district</td>
<td></td>
<td>Exhibits: $10,000 Materials: $50,000</td>
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<td>Month</td>
<td>Category</td>
<td>Description</td>
<td>Estimated costs</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>November</td>
<td>Governors-elect Education</td>
<td>Prepare 2014-15 district governors for anniversary celebration</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Translations: $20,000</td>
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**Other**

<table>
<thead>
<tr>
<th>Ongoing</th>
<th>100th anniversary merchandise lines</th>
<th>Promotion of new merchandise lines</th>
<th>$5,000</th>
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</thead>
<tbody>
<tr>
<td>Ongoing</td>
<td>PR Firm (campaign)</td>
<td>Support all aspects of the 100th anniversary</td>
<td>$50,000</td>
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<tr>
<td>Ongoing</td>
<td>PR Firm (Indy)</td>
<td>Support all aspects of the Indianapolis events</td>
<td>$20,000</td>
</tr>
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</table>

**Contingency (10%)**

| Estimated costs | $94,000 |

**Estimated costs**

| Estimated costs | $1,034,000 |
**Goal:**  
1) Celebrate 100 years of Kiwanis in Canada  
2) Prepare to announce next global campaign

<table>
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<tr>
<th>Month</th>
<th>Event</th>
<th>Date</th>
<th>Estimated cost: Unknown</th>
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</thead>
<tbody>
<tr>
<td>January</td>
<td>Tournament of Roses Parade</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>Detroit #1 Club 101st Anniversary</td>
<td>TBD</td>
<td></td>
</tr>
</tbody>
</table>
| May    | Kiwanis International Convention     | TBD        | 100th Anniversary of Kiwanis in Canada  
                                             Announcement regarding next global campaign |
Additional ideas

Ideas out of convention workshops

- 1 ct. diamond to raffle
- Club historian
- Laser light show
- Database for sharing/reporting their club activities
- 100 donations to a food bank
- Kiwanis logo on landmarks (like Rotary)
- Fireworks displays
- Parades

Staff ideas:

- Keep it simple - don’t overwhelm the clubs
- Photo of the month
- Old audio and video (call from members) from former conventions
- Kiwanis challenge during convention (passport style?, trivia? trinket?)
- How to celebrate with other early clubs?
Protecting our youth and children: Plan for Changes in Liability Management

Recommendations for the Kiwanis International Board of Trustees

January 2013
January 2013

Dear Board Member,

In recent months, we were shocked to learn that we had a few long time Kiwanis members show up on the list of ineligible volunteers for the Boy Scouts of America. In at least one instance, an individual who had knowingly resigned from involvement as a scout troop master was working with our Key Club as a district administrator.

Sadly, this is not the only instance where we have discovered a Kiwanis member with a criminal record or a history of inappropriate behavior working with our youth.

Our clubs and our organization remain committed to lifting up the next generation. Children and youth have been entrusted to us through our projects, in the school activities we sponsor, by attending weekend camps, conferences and conventions. Should any part of our organization ever violate that trust, the consequences could be devastating.

Since October, we have been reviewing our liability management practices and procedures. Our staff team and legal counsel recommend that we consider taking some steps to increase the level of protection we provide to the youth and children we serve, and increase the liability protection for Kiwanis International.

We offer the following recommendations for consideration at the January and April meetings of the Board of Trustees.

Stan D. Soderstrom
Executive Director
What we know...

What do we know?

• It only takes one incident to seriously harm a child for a lifetime. That same incident could damage Kiwanis’ stellar reputation.
• By watching other organizations, we’ve learned that it only takes a few bad apples to bring harm to children and an organization.
• Easy access to children can attract those bad apples.
• Those bad apples have been in our organization (as we have identified them through incident or via our background check process)
• Parents entrust their children to us. We should act accordingly with the highest standard of care and reporting
• One abuse claim recently settled for US$550,000 may have been prevented by a US$25 criminal history background check
• The cost of that same abuse claim is equal to 27 years worth of background checks.
Youth Protection Guidelines

Background
KI Board Procedure 432 – GUIDELINES FOR ADULTS WORKING WITH KIWANIS SPONSORED PROGRAMS was approved in January 2007. For the first time, the organization offered suggested practices for adult Kiwanis members and advisors who were working with minors. Some additional revisions were approved in 2012.

Recommendation #1
Kiwanis International should strengthen these guidelines and make mandatory certain aspects, including reporting of any illegal or unsafe situations regarding minors at any Kiwanis event. The Board Committee on Programs and Partnerships will review this item as part of its January 2013 meeting agenda. Exhibit A offers suggested revisions to Procedure 432.

Rationale
A stronger, more direct set of guidelines is needed to maximize the level of protection Kiwanis International, its districts and Kiwanis clubs should offer to the youth and children who benefit from Kiwanis service leadership programs and young children’s projects. In addition, the organization should deploy a high set of standards to protect the organization and its clubs should any unfortunate incident occur in the future. And, by adhering to the fourth and sixth Objects, it’s the right things to do.
Criminal Background Checks

Background
With the introduction of Key Leader in 2005, Kiwanis International began requiring background checks for adults participating as overnight attendees. The practice was extended to the Key Club International convention in 2007. A clear criminal background check and the ability to demonstrate clear criminal history was mandatory.

In June 2010, delegates to the Kiwanis International convention adopted an amendment to the organization’s Bylaws requiring a clear criminal background check for all persons serving as governor, governor-elect, vice governor or in service on the Kiwanis International Board of Trustees (88% voted in favor).

In October 2012, The Kiwanis International Foundation Board of Trustees enacted a policy provision requiring a clear criminal background check for anyone serving on that Board.

Recommendation#2
Kiwanis International should extend the requirement for a mandatory clear criminal history background check, managed by Kiwanis International, to the following:
1. All Kiwanis members working with any Service Leadership Programs at the Kiwanis International or district levels; and
2. All district officers and chairs, elected or appointed, whether their position does or does not work directly with children or youth.

Rationale
While a criminal background check is certainly not fail-safe, it is the best mechanism available to provide the first line of protection for youth. The check must be conducted through a vendor that offers extensive records review and maintains state-of-the-art privacy protection.
Criminal Background Checks

Recommendation #3
Kiwanis International should require a clear criminal background check for all Kiwanis members working with minors at any local club project.

Rationale
As stated for recommendation #2 above, a criminal background check is the first line of protection for youth. As most public and private schools now require and offer methods for conducting background checks of adults working with students, local Kiwanis clubs should have the flexibility to rely upon these background checks as required. Kiwanis International or other vendors are available as a resource for criminal background checks as well.
Mandatory Reporting

**Background**
Various state, provincial and national laws require mandatory reporting of abuse to or illegal activity involving children or minors. At the present time, Kiwanis International has no provision requiring mandatory reporting of any inappropriate behavior or activity to the organization.

**Recommendation #4**
That Kiwanis International should require its clubs and members to report any illegal or unsafe behavior involving children or youth at any Kiwanis event or project to the proper authorities and to Kiwanis International.

**Rationale**
Any activity that may be criminal, improper or unsafe to children or youth should be reported to the proper authorities immediately. Those authorities may be law enforcement, school or other local government officials or counselors. This is in the best interest of the minors.

In addition, mandatory reporting to Kiwanis International should become an added requirement for all Kiwanis family clubs. This will help the organization better manage its liability risk and exposure, and may preclude another club or other minors from being exposed to similar risk in the future.
Prevent offenders from re-entering the organization

Background
Under the organization’s Bylaws, people are members of clubs and clubs are member of Kiwanis International. All membership invitation and approval takes places at the local (club) level.

On several occasions, Kiwanis International has become aware that former members of a Kiwanis club who were removed for inappropriate conduct involving minors, or former members who had a criminal conviction rejoined another Kiwanis club in another district. There presently is no system to share such information, and Kiwanis International has no authority to veto anyone joining a club.

Recommendation#5
Kiwanis International Bylaws should be amended to give the organization the authority to reject new members of local clubs in the cases of prior removal for conduct unbecoming involving minors, criminal activity involving minors or any behavior deemed to be high risk for minors, or failed background checks AND that mandatory reporting of such offenses to Kiwanis International be implemented (see Recommendation #4).

Rationale
The organization cannot legally (under its present Bylaws) take any steps to prevent any known child abuser or molester from joining a Kiwanis club. The organization can notify the club, and if the club chooses not to act, the club’s charter can be revoked. This proposal would provide for a much more direct solution, and it would give the organization a mechanism by which former member offenders can be tracked and prevented from re-joining other clubs.
Create an education and support system for all clubs and members

**Background**
The organization’s education for club and district officers includes very little information on liability issues involving youth and children, yet the organization prides itself on its programs and projects for teens, adolescents and young children.

**Recommendation#6**
Kiwanis International implement member and club education to include a designated annual education week for all clubs, and a basic education module to be delivered online and through every officer education program offered by the organization, AND that a district liability coordinator position (similar to a district risk manager) be created to ensure education and compliance takes place in every district.

**Rationale**
Adequate compliance with all policies and guidelines will begin with education. These issues are important and deserve a dedicated position in every district.
Update the defined purpose of the Liability Fund

**Background**
A restricted Liability Insurance Fund was created under Procedure 704.8 in 1990 as the self-insured portion of the general liability program for North America and the Caribbean. The fund receives revenues from the premiums paid by Kiwanis clubs in the US, Canada and some Caribbean nations. The fund’s expenses include annual premiums, claim losses and administrative expenses. There is presently a stated ceiling for the fund of US$2 million, but the fund balance today is in the range of US$10 million.

**Recommendation#7**
The Liability Insurance Fund should be redefined to be a Liability Fund, to include its present definition to be the self-insured portion of the Kiwanis general liability insurance program, but that 1) the stated ceiling should be removed, and 2) all background checks revenue and expenses and additional staff and administrative costs should be incurred within the fund.

**Rationale**
There should be no cap on the fund when the uncertainty of future claims has a potential high side in the millions of dollars. And Kiwanis’ exposure is in excess of the current $2 million cap. The expansion of a liability protection program as proposed will cost money, but the existing financial resource base within this fund can provide the foundation to accomplish this.
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**KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES**

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MINUTES OF THE

MEETING OF THE KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

October 18-21, 2012

The meeting of the Board of Trustees of the Kiwanis International Foundation was held at the Kiwanis International Office in Indianapolis, Indiana, October 18-21, 2012. Those present were: Peter J. Mancuso, President; D. Hugh Siggins, Immediate Past President; Lance M. Incitti, President-Elect; Robert A. Parton, Jr., Treasurer; Stan D. Soderstrom, Executive Director; Trustees J. LaMar Anderson, John R. Button, Cynthia K. Champer, Valeria Gringeri, John C. Holley, Edward V. Humphries, Chia Sing Hwang, Mary M. Langdon, Alan Penn, Mark B. Rabaut, and Alice M. Savage; and, Ann Upegraff Spleth, Chief Operating Officer.
The meeting was called to order by President Peter J. Mancuso on Saturday, October 20, 2012 at 9:30 a.m. in Indianapolis, Indiana.

**REPORT OF THE PRESIDENT**
The Report of the President was presented by Peter J. Mancuso, as shown in Tab 01.

**REPORT OF THE IMMEDIATE PAST PRESIDENT**
The Report of the Immediate Past President was presented by D. Hugh Siggins.

**REPORT OF THE PRESIDENT-ELECT**
The Report of the President-Elect was presented by Lance M. Incitti, as shown in Tab 02.

**REPORT OF THE TREASURER**
The Report of the Treasurer was presented by Robert A. Parton, Jr., as shown in Tab 03.

**REPORT OF THE KIWANIS INTERNATIONAL REPRESENTATIVE**
The Report of the Kiwanis International Representative was presented by John R. Button, as shown in Tab 04.

**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 05.

**REPORT OF THE KIWANIS INTERNATIONAL FOUNDATION CHIEF EXECUTIVE OFFICER**
The Report of the Kiwanis International Foundation Chief Executive Officer was presented by Ann Updegraff Spleth.

**APPROVAL OF JUNE 27, 2012 MINUTES**

RESOLVED, That the Kiwanis International approves the minutes of the Kiwanis International Foundation Board meeting held June 27, 2012 in New Orleans, Louisiana, as shown in Tab 06.
APPROVAL OF 2012-13 STANDING COMMITTEES

RESOLVED, That the Kiwanis International Foundation Board approves appointment of the chairs and members of the various Foundation standing committees for 2012-13, as shown in Tab 07.

APPROVAL OF 2012-13 SPECIAL COMMITTEES

RESOLVED, That the Kiwanis International Foundation Board approves appointment of the chairs and members of the various Foundation special committees for 2012-13, as shown in Tab 07.

APPROVAL OF 2012-13 ANNUAL GIVING COMMITTEE

RESOLVED, That the Kiwanis International Board approves appointment of the chair and members of the 2012-13 Annual Giving Committee, as shown in Tab 07.

APPROVAL OF 2012-13 PLANNED GIVING COMMITTEE

RESOLVED, That the Kiwanis International approves appointment of the chair and members of the 2012-13 Planned Giving Committee, as shown in Tab 07.

APPROVAL OF 2012-13 DISTRICT CHAIRS FOR THE KIWANIS INTERNATIONAL FOUNDATION

RESOLVED, That the Kiwanis International Foundation Board approves the 2012-13 district chairs for the Kiwanis International Foundation as submitted by the District Governors, as shown in Tab 08.

REPORT OF THE ELIMINATE PROJECT CAMPAIGN COMMITTEE

RESOLVED, That the Kiwanis International Board accepts the Report of The Eliminate Project Campaign Committee presented by Chairman Randolph DeLay.

REPORT OF MERRILL LYNCH

RESOLVED, That the Kiwanis International Board accepts the Report of Merrill Lynch, as shown in Tab 09.
REPORT OF THE EXECUTIVE COMMITTEE

The Report of the 2012-13 Executive Committee, Peter J. Mancuso, Chairman, was presented, as shown in Tab 10.

HIXSON FELLOWSHIP DESIGNATION

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board approves donations received from Hixson Fellowship to remain as unrestricted unless otherwise designated by the donor for the 2012-13 and 2013-14 years.

THE ELIMINATE PROJECT CAMPAIGN VICE CHAIR APPOINTMENT

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board accepts the resignation of Sue Petrisin as The Eliminate Project Campaign Vice Chair for Service Leadership Programs and expresses its thanks to her for her hard work and dedication to The Eliminate Project Campaign, and further, that the Board approves Jeffrey Wolff of the Capital District as Vice Chair for The Eliminate Project Campaign.

REVIEW OF DISTRICT FOUNDATIONS AND KI-EF PROJECT FUNDING

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board directs a review of all existing agreements with the district Kiwanis foundations and the Kiwanis International-European Federation to ensure they are consistent with current policies.

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

REPORT OF THE FINANCE COMMITTEE

The Report of the 2012-13 Finance Committee, Robert A. Parton, Jr., Chairman, was presented, as shown in Tab 11.
**Review of the 2011-12 KIF and The Eliminate Project Campaign Financial Statements**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board receives and accepts the August 2012 Financial Statements, as shown in Exhibit A.

**2012-2013 KIF and The Eliminate Project Campaign Budgets**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board approves the revised 2012-13 budgets for Kiwanis International Foundation (surplus US$37,126) and The Eliminate Project Campaign (surplus US$2,018,679) for a total surplus of US$2,055,805 (see Exhibit B).

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

**Report of the Development Committee**

The Report of the 2012-13 Development Committee, Mary M. Langdon, Chairman, was presented, as shown in Tab 12.

**Simplified Club/District Recognition**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board adopts a new program as shown in Exhibit A, effective October 1, 2013, to recognize clubs and districts for their financial support, encouraging increased individual philanthropy and better understanding of the foundation’s role and mission.

**Spirit of Philanthropy Award**

Upon motion duly made, supported, and carried it was:

**RESOLVED,** That the Kiwanis International Foundation Board revises the Spirit of Philanthropy Award, originally adopted in October 2010, as follows:

The Spirit of Philanthropy will be presented no more frequently than annually at the Kiwanis International Convention to individuals, couples, families, corporations or foundations with a proven record of generosity who, through sharing of time, talents, and
resources, have demonstrated exceptional charitable responsibility, and whose generosity encourages others to embrace philanthropic leadership roles on the local, national and/or international levels.

The Kiwanis International Foundation’s Board of Trustees will confer this honor upon an individual, couple, family, corporation, or foundation who meets the following criteria:

1. Demonstrates exceptional support of Kiwanis International’s efforts locally, nationally, and/or internationally.
2. Embodies philanthropic ideals which demonstrate the philosophy of voluntary action for the public good.
3. Serves as an exemplar for Kiwanians as well as civic business and professional leaders in their community and beyond.

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

REPORT OF THE BYLAWS/POLICIES COMMITTEE

The Report of the 2012-13 Bylaws/Policies Committee, J. LaMar Anderson, Chairman, was presented, as shown in Table 13.

CLARIFY PROVISIONS REGARDING APPOINTMENT OF SPECIAL COMMITTEES

Upon motion duly made, supported, and carried it was:

a. RESOLVED, That the Kiwanis International Foundation Board amends the Foundation Bylaws, Article V, Section 2, as follows:

   Article V. Committees

   Section 2. The president shall appoint the chairs and members of each special committee, subject to the approval of the Foundation Board. The chairs and other members of special committees shall be appointed as established by the Foundation Board of Trustees and provided in policy.

ESTABLISH THE APPOINTMENT PROCESS FOR THE INVESTMENT COMMITTEE

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board amends Foundation Policy IV, Section F, as follows:

Policy IV. Special Committees
F. Investment Committee

The primary purpose of the committee is to provide the Finance Committee with fiduciary oversight of the organization’s investments. The committee shall be made up of three-five members. The President shall appoint the chair and other members of the committee, subject to the approval of the Foundation Board. The committee shall make recommendations to the Finance Committee for prudent investment and reinvestment decisions regarding all restricted and unrestricted funds. They may seek appropriate investment advisory and counseling services and be charged with recommending to the Finance Committee the selection, retention, and termination of those investment managers and advisors. In overseeing the investments, the committee will take into account the financial needs of the organization based on the advice of the Treasurer.

CREATE A STANDING COMMITTEE OF BYLAWS AND POLICIES

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board amends the Foundation Bylaws, Article V, Section 1, as follows:

Bylaws Article V. Committees

Section 1. Standing Committees. The Foundation shall have the following standing committees: Executive (per Article III), Development, Finance, Grants and Connelly, Nominating, Strategic Planning, Bylaws and Policies, and Executive Director Performance Review. The chairs and members of all standing committees, other than the Executive Committee and the Executive Director Performance Review Committee, shall be appointed by the President, subject to approval by the Foundation Board. The Foundation Board shall define the responsibilities of each standing committee.

FURTHER RESOLVED, That the Kiwanis International Foundation Board amends Foundation Policy III, by adding a new Section G, as follows:

Policy III. Board Committee Responsibilities

G. Responsibilities of the Bylaws and Policies Committee

The Bylaws and Policies Committee shall draft proposed amendments to the Bylaws and Policies when requested to do so by the Foundation Board, the Executive Committee, or the President. The Committee also shall regularly review the Foundation’s governing documents and recommend such amendments as may be necessary to accurately maintain them in accordance with Foundation practices.
CAPTURE NEW CRITERIA FOR THE HERITAGE SOCIETY AS PREVIOUSLY ADOPTED BY BOARD

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board amends Foundation Policy IV, Section C.15 as follows:

Policy IV. Special Committees

15. Membership Qualifications of The Heritage Society

Any individual who informs KIF, in writing, that they have included the KIF in their estate plan with a minimum deferred gift of US$10,000 shall qualify for membership in The Heritage Society of KIF. All Heritage Society members are encouraged to inform KIF of the manner and extent to which they have included KIF in their estate plan.

This may be accomplished in the following ways:

a) By making an outright gift of money, land, stock, insurance, copyright, oil rights, letter stock, restricted stock, or an undivided fractional interest to the endowment fund of KIF, subject to the Policies and Procedures established by the KIF Board. Cash gifts must be a minimum of US$5,000. Gifts given for other purposes such as the Hixson Fellowship do not qualify.

(Paragraphs b-d shall be renumbered as a-c.)

All Heritage Society Members prior to October 1, 2012, are grandfathered according to the original criteria of their membership.

COMPREHENSIVE REVIEW OF FOUNDATION BYLAWS AND POLICIES

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board requests Staff to conduct a comprehensive review of Foundation bylaws and policies as to whether they conform to current practices. If they do not, revisions should be suggested for Board consideration.
ADD CRIMINAL HISTORY BACKGROUND CHECKS PROVISIONS

Upon motion duly made, supported, and carried it was:

RESOLVED, That the Kiwanis International Foundation Board amends the Foundation Bylaws, Article II, by adding a new Section 13 as follows, codifying mandatory background checks for sitting Board members as well as nominees for Trustees.

Bylaws Article II. Board of Trustees

Section 13. Discipline of Board Members and Preclusion of Nominees for Trustee

Each member of the Foundation Board shall be required to have a clear criminal history background check conducted and verified every two years by Kiwanis International, at the Board member’s own expense. Nominees for Trustee shall be required to have had a clear background check conducted and verified by Kiwanis International, at the Foundation’s expense, within the previous two (2) years of the submission of his/her name to the Kiwanis International President.

Conviction of a felony or conviction of a misdemeanor involving larceny or moral turpitude shall be grounds for discipline of a sitting Board member, to be decided by a majority vote of the Foundation Board, excluding the Board member in question. Disciplinary options shall include censure, suspension from office, and removal from office. The same conviction criteria shall disqualify a person from any further consideration as a nominee for Trustee.

All background checks shall be reviewed and evaluated by the Executive Director or designee, and the Foundation Board shall only be advised if a check indicates a problem or concern that may require further investigation or disciplinary action. In the event that a Board member is determined in a background check to be subject to disciplinary action, he or she shall be notified of same by the Executive Director within ten (10) days of that determination. If that determination is not disputed in writing by the Board member to the Executive Director within ten (10) days of receiving notice, the KIF Board shall decide upon disciplinary action. If the determination is so disputed, the matter shall be referred the standing Appeals Committee established by Kiwanis International. The Appeals Committee shall meet within thirty (30) days of such referral to consider the alleged facts. The Board member shall be given twenty (20) days’ notice of the committee meeting and shall have the right to attend and provide information at his or her own expense. The Appeals Committee shall report its findings to the Foundation Board within fifteen (15) days after its meeting, such report to include a detailed summary of its discussion and any votes taken in connection with the proceedings. In the event that the Appeals Committee concludes that the Board member in question is subject to disciplinary action, it may recommend specific discipline to the Foundation Board, but is not required to do so.
After considering the Appeals Committee report, the Foundation Board shall decide by a majority vote excluding the Board member in question, whether there are grounds for discipline and, if so, by separate vote, what action shall be taken. These actions shall be final.

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

REPORT OF THE GRANTS AND CONNELLY COMMITTEE

The Report of the 2012-13 Grants and Connelly Committee, Mark B. Rabaut, Chairman, was presented, as shown in Tab 14.

**REVIEW OF CONNELLY MEDAL NOMINEE LARA GROSS**

Upon motion duly made, supported, and carried it was:

**RESOLVED, That the Kiwanis International Foundation Board approves the nomination of Lara Gross to receive the Robert P. Connelly Medal.**

**REVIEW OF CONNELLY MEDAL NOMINEE NATHAN SOLIBAKKE**

Upon motion duly made, supported, and carried it was:

**RESOLVED, That the Kiwanis International Foundation Board approves the nomination of Nathan Solibakke to receive the Robert P. Connelly Medal.**

**REVIEW OF CONNELLY MEDAL NOMINEE ANJA HANSEN**

Upon motion duly made, supported, and carried it was:

**RESOLVED, That the Kiwanis International Foundation Board approves the award of the Certificate of Courage to Anja Hansen.**

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

REPORT OF THE INVESTMENT COMMITTEE

The Report of the 2012-13 Investment Committee, D. Hugh Siggins, Chairman, was presented, as shown in Tab 15.

No action was taken by the Investments Committee.
The report of the Investment Committee was accepted.

REPORT OF THE STRATEGIC PLANNING COMMITTEE

The Report of the 2012-13 Strategic Planning Committee, John C. Holley, Chairman, was presented, as shown in Tab 16.

No action was taken by the Strategic Planning Committee.

The report of the Strategic Planning Committee was accepted.

REPORT OF THE BOARD PERFORMANCE ASSESSMENT COMMITTEE

The Report of the 2012-13 Board Performance Assessment Committee, Edward V. Humphries, Chairman, was presented, as shown in Tab 17.

No action was taken by the Board Performance Assessment Committee.

The report of the Board Performance Assessment Committee was accepted.

NEXT BOARD MEETING – FEBRUARY 28-MARCH 2, 2013

The next meeting of the Board of Trustees will be February 28-March 2, 2013 in Indianapolis, Indiana.

The meeting adjourned sine die on Saturday, October 20, 2013, at 3:45 p.m.
MEETING OF THE KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

December 13, 2012

The meeting of the Board of Trustees of the Kiwanis International Foundation was held via telephone conference on Thursday, December 13, 2012. Those present were: Peter J. Mancuso, President; D. Hugh Siggins, Immediate Past President; Lance M. Incitti, President-Elect; Robert A. Parton, Jr., Treasurer; Stan D. Soderstrom, Executive Director; Trustees John R. Button, Cynthia K. Champer, Valeria Gringeri, John C. Holley, Edward V. Humphries, Chia Sing Hwang, Mary M. Langdon, Alan Penn, Mark B. Rabaut, and Alice M. Savage; and, Ann Updegraff Spleth, Chief Operating Officer. Absent: J. LaMar Anderson, Trustee.

The meeting was called to order by President Peter Mancuso on Thursday, December 13, 2012, at 11:00 a.m. EST.

GRANT TO US FUND FOR UNICEF

The Executive Committee recommends that a grant of US$750,000 be made to US Fund for UNICEF to benefit The Eliminate Project before the end of the calendar year. This retains US$153,329 in U.S. accounts, and US$42,809 in Europe accounts (as of October 31, 2012).

Recommendation #1: That the Kiwanis International Foundation Board approves a grant of US$750,000 to US Fund for UNICEF.

(ADOPTED)

HUMANITARIAN EMERGENCY GRANT REQUEST

The Grants and Connelly recommends a grant of US$5,000 to support the “Akamasoa” project of Pater Pedro, 2006 World Service Medal recipient.

Recommendation #2: That the Kiwanis International Foundation Board approves a grant in the amount of US$5,000 to support the “Akamasoa” project to provide food for the children of Madagascar.

(ADOPTED)
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
COMMITTEE REPORT

EXECUTIVE COMMITTEE

February 28, 2013
9:00-11:30 a.m. EST
International Office, Indianapolis, Indiana USA
Past Presidents Room

Committee Members
Peter J. Mancuso, Chair
Lance M. Incitti
Robert A. Parton, Jr.
Alan Penn
D. Hugh Siggins

Staff
Stan Soderstrom, Staff Liaison (absent)
Ann Updegraff Spleth, Staff Liaison
Brittany Faulkner, Staff

1. Call to Order

2. Consent Report

   a. Grant to US Fund for UNICEF – Recommendation to grant US$1.25 million to US Fund for UNICEF
   b. Report of the Board Performance Assessment Committee - Recommendation to accept the report

3. Action Report

   a. Request from US Fund for UNICEF for US$8 million pledge letter – Recommendation to provide US$8 million pledge to US Fund for UNICEF
   b. KI Foundation Board member selection process – Direct staff to establish criteria for service and update Board member selection process for the Kiwanis International Foundation Board
   c. Key Club International’s 501(c)(3) status – Recommendation to the Kiwanis International Board to have the Key Club International 501(c)(3) financial and fundraising aspects be supervised by the Kiwanis International Foundation
4. Information Report

   a. Increasing the representative nature of the Kiwanis International Foundation Board
   b. Evaluation of The Eliminate Project Campaign leadership
   c. Post-Campaign of The Eliminate Project
   d. Agreements that exist with other Kiwanis Foundations
   e. Proposed new outline for Bylaws and Policies revisions
   f. Report on Kiwanis International Board: Lance Incitti
   g. Update on Path to 2015 and staffing changes

5. New Business

   None
KIWANIS INTERNATIONAL BOARD OF TRUSTEES

EXECUTIVE COMMITTEE

Consent Report

a. Grant to US Fund for UNICEF

The Foundation Board grants funds to US Fund for UNICEF on a quarterly basis.

Recommendation #1: That the Kiwanis International Foundation Board grants US$1.25 million to US Fund for UNICEF for The Eliminate Project.

(ADOPTED)

Strategic Intent: Support The Global Campaign for Children
Governance: In compliance
Capacity: Adequate funds have been raised.
Finance: US$1,250,000
Metrics: Not applicable
Effective Date: Immediately

b. Report of the Board Performance Assessment Committee

The design of this report includes a review from the Board Performance Assessment Committee, which takes into consideration the evaluations submitted by outgoing Foundation Board members. The report is then reviewed by the Executive Committee and submitted to the Foundation Board. Given the feedback from this report, staff actions were identified. First, adjust the Board self assessment question six, to identify Merrill Lynch as responsible for investing funds. Second, the grant impact question, which is currently being addressed by staff. Last, provide a report on fundraising goal setting and metrics at the Vancouver meeting.

Recommendation #2: That the Kiwanis International Foundation Board accepts the report of the Board Performance Assessment Committee, as shown in Exhibit A.

(ADOPTED)
REPORT OF THE EXECUTIVE COMMITTEE

Strategic Intent: To review the performance of the Kiwanis International Foundation and its Board
Governance: In compliance
Capacity: Not applicable
Finance: Not applicable
Metrics: As shown in Exhibit A
Effective Date: Effective immediately

Action Report

a. Request from US Fund for UNICEF for US$8 million pledge letter

The Foundation Board regularly provides USF with pledge projections so that they can plan immunization activities.

Recommendation #3: That the Kiwanis International Foundation Board provides an additional US$8 million pledge to US Fund for UNICEF for The Eliminate Project.

(ADOPTED)

Strategic Intent: To provide US Fund for UNICEF with documentation of the Kiwanis International Foundation Board’s intent to support The Eliminate Project.
Governance: In compliance
Capacity: Fundraising campaign in place
Finance: US$8,000,000 pledge
Metrics: Not applicable
Effective Date: October 1, 2013

b. Kiwanis International Foundation Board Member Selection Process

The committee discussed the current Kiwanis International Foundation Board selection process and agreed that adjustments should be made in order to require specific criteria in identifying leaders.

Recommendation #4: That the Kiwanis International Foundation Board directs staff to recommend criteria for service on the Kiwanis International Foundation Board.

(ADOPTED)

Strategic Intent: A more effective board selection process
Governance: In compliance
Capacity: Within existing staff capacity
Finance: Not applicable
Metrics: Not applicable
Effective Date: June 1, 2013

Recommendation #5: That the Kiwanis International Foundation Board directs staff to formulate a proposal to improve the selection process, which is to be the subject of consultation between the executive officers of Kiwanis International and the Kiwanis International Foundation.

(ADOPTED)

Strategic Intent: A more effective board selection process
Governance: In compliance
Capacity: Within existing staff capacity
Finance: Not applicable
Metrics: Not applicable
Effective Date: June 1, 2013

c. Key Club International’s 501(c)(3) status

The committee discussed their concerns regarding the potential liabilities associated with Key Club International’s 501(c)(3) status. A recommendation was made to improve the oversight of the fiduciary aspects of their 501(c)(3) status.

Recommendation #6: The Kiwanis International Foundation Board recommends to the Kiwanis International Board that the finance and fundraising aspects of the 501(c)(3) status of Key Club International, which includes Key Club, Key Leader, Builders Club, and K-Kids, be placed under the supervision of the Kiwanis International Foundation, effective October 1, 2013.

(ADOPTED)

Strategic Intent: Organizational effectiveness
Governance: In compliance
Capacity: Within staff capacity
Finance: Not applicable
Metrics: Not applicable
Effective Date: October 1, 2013
**Information Report**

a. **Increasing the representative nature of the Kiwanis International Foundation Board**

KI Immediate Past President Alan Penn raised the question of incorporating Circle K and Key Club representatives on the Board in order to represent the largest part of our organization. They have tremendous giving power and have the trajectory to lead into the alumni group. This is a long term strategic discussion which should not be the subject of immediate action.

b. **Evaluation of The Eliminate Project Campaign Leadership**

The committee considered and evaluated the performance of the Eliminate Project leadership.

c. **Post-Campaign of The Eliminate Project**

The Foundation leadership has had discussions with a variety of international health organizations about the next Global Campaign for Children.

d. **Agreements that exist with other Kiwanis Foundations**

The committee believes that the current agreements with other Kiwanis Foundations are functioning well and the charitable work is being rendered.

e. **Proposed new outline for Bylaws and Policies revisions**

Staff is currently working on a Bylaws and Policies overhaul so that they are presented in a more logical manner by subject matter, as opposed to the current structure.

f. **Report on the Kiwanis International Board: Lance Incitti**

A need to educate the Kiwanis International Board on the functions of the Kiwanis International Foundation and its Board was identified.

g. **Update on the Path to 2015 and staffing changes**

The Foundation is ahead of schedule in the staffing changes required by its planned reorganization.

**New Business**

None
**Directions:** This checklist is designed to be completed by the Performance Assessment Committee and submitted to the Board of Directors at the annual meeting. Please discuss each topic and rate the degree to which the Kiwanis International Foundation has performed in each area. If you do not know whether the goal has been achieved, please check “Don’t Know.”

**PART I: BOARD GOVERNANCE**

<table>
<thead>
<tr>
<th>Board Governance Functions</th>
<th>Don’t Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The nonprofit’s mission and bylaws are clearly written and reviewed regularly.</td>
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<td>X</td>
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<tr>
<td>Date of last bylaws review/revision:</td>
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<td>October 2012</td>
</tr>
<tr>
<td>2. The board determines the direction of the organization and takes primary responsibility for:</td>
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<tr>
<td>a. Goal setting</td>
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<tr>
<td>b. Determining policy</td>
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<tr>
<td>c. Funding strategy</td>
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<tr>
<td>d. Financial and legal oversight</td>
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<tr>
<td>e. Evaluation</td>
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<tr>
<td>3. The board creates, revises, and insures compliance with policies in the areas of personnel, planning, finance, community relations, and organizational operations.</td>
<td></td>
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<tr>
<td>4. The board reviews the resource needs of the organization and approves a comprehensive funding strategy.</td>
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<tr>
<td>5. The board monitors and evaluates the results of fundraising efforts.</td>
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<tr>
<td>6. Each board member participates in fundraising efforts as appropriate.</td>
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</tr>
<tr>
<td>Board Governance Functions</td>
<td>Don't Know</td>
<td>Inadequately Achieved</td>
<td>Partially Achieved</td>
<td>Fully Achieved</td>
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<tr>
<td>7. The board assures that the organization and its programs comply with all federal, state, and local requirements.</td>
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<tr>
<td>8. The board reviews, approves, and monitors the operating budget and financial plans for development activities.</td>
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<td>X</td>
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<tr>
<td>9. The board requires appropriate accounting and financial reporting.</td>
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<tr>
<td>10. The board assures that the organization's work is evaluated in relation to its goals.</td>
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<td>X</td>
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<tr>
<td>11. The Treasurer is appropriately qualified.</td>
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<tr>
<td>12. The board appropriately reflects the diversity, ethnicity, educational and economic status of the organization.</td>
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<td>X</td>
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<tr>
<td>13. The board follows an appropriate policy on conflicts of interest.</td>
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<tr>
<td>14. The board has the skills, knowledge, and background needed to fulfill its responsibilities.</td>
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<td>X</td>
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<tr>
<td>15. Board members understand and are committed to the organization's mission, bylaws, policies, programs, and their roles and responsibilities as board members.</td>
<td></td>
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<tr>
<td>16. New board members have adequate orientation to the organization and their roles and responsibilities.</td>
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<tr>
<td>17. The board receives ongoing training and/or information as needed to fulfill its roles and responsibilities.</td>
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<tr>
<td>18. Board members have written and relevant job descriptions.</td>
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<tr>
<td>19. The board’s effectiveness is evaluated periodically.</td>
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<tr>
<td>20. A regular board meeting schedule is developed and followed.</td>
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<td>X</td>
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<tr>
<td>Board Governance Functions</td>
<td>Don’t Know</td>
<td>Inadequately Achieved</td>
<td>Partially Achieved</td>
<td>Fully Achieved</td>
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<tr>
<td>21. Board meetings are an effective and efficient means of handling formal business.</td>
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<tr>
<td>22. Board meetings are focused on policy and planning issues as appropriate.</td>
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<td>23. There is a provision for handling urgent matters between meetings.</td>
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<tr>
<td>24. The rules of meeting conduct as stated in the bylaws and/or board actions are followed.</td>
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<tr>
<td>25. Materials to be considered at a meeting are received by members in advance of the meeting.</td>
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<tr>
<td>26. Board meeting minutes are recorded, reviewed for accuracy, and approved by the board.</td>
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<tr>
<td>27. Board members around the world are encouraged to present opinions and ideas.</td>
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<tr>
<td>28. Board turnover is orderly, allowing for both consistency and new perspectives.</td>
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<tr>
<td>29. Actual turnover follows planned turnover.</td>
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<tr>
<td>30. The board selects, employs, and evaluates the Executive Director.</td>
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<tr>
<td>31. The board sets expectations and qualifications of the Executive Director which are clear and written.</td>
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<tr>
<td>32. The board evaluates the Executive Director in relationship to these expectations.</td>
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<tr>
<td>33. The roles of the board and the Executive Director are appropriately differentiated and respected.</td>
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<tr>
<td>34. The board delegates the operation of the organization to the Executive Director</td>
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<td>X</td>
</tr>
<tr>
<td>Board Governance Functions</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>35. The executive board has a procedure for selecting future board officers that reflects the diversity of the organization and the procedure includes nominations from the KIF Board of Trustees.</td>
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<td>X</td>
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<tr>
<td>36. The board’s size is appropriate for accomplishing its work.</td>
<td></td>
<td>X</td>
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<tr>
<td>37. Board terms are limited. Elections are held regularly as specified in the bylaws.</td>
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<td>X</td>
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</tbody>
</table>
## PART II: PLANNING AND EVALUATION

<table>
<thead>
<tr>
<th>Planning and Evaluation Functions</th>
<th>Don’t Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>38. The organization has a clear and meaningful mission or purpose statement that is reflected</td>
<td></td>
<td></td>
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<td>X</td>
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<tr>
<td>in its short-term projects and activities.</td>
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<tr>
<td>39. The organization has a clear and meaningful mission or purpose statement that is reflected</td>
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<tr>
<td>in its long term projects and activities.</td>
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<tr>
<td>40. The mission statement functions as a guide to decisions of the board, staff, and volunteers.</td>
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<td>X</td>
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<tr>
<td>41. The board reviews short-term goals regularly and modifies them as appropriate.</td>
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<td></td>
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<td>X</td>
</tr>
<tr>
<td>42. The board reviews long-term goals regularly and modifies them as appropriate.</td>
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<td></td>
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<td>X</td>
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<tr>
<td>43. The board reviews the mission statement regularly and modifies it as appropriate.</td>
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<td>X</td>
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<tr>
<td>44. The board reviews the organization’s ongoing operations and development activities to assure</td>
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<td></td>
<td>X</td>
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<tr>
<td>that they support its mission.</td>
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<tr>
<td>45. The organization’s planning process includes consideration of the changing social environment.</td>
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<tr>
<td>46. The long range planning process includes consideration of the organization’s strengths and</td>
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<td></td>
<td>X</td>
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<tr>
<td>weaknesses.</td>
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<tr>
<td>47. Volunteers, staff and key constituents around the world, participate in the planning process.</td>
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<tr>
<td>48. Goals for the current fiscal year and beyond are developed and approved by the board with</td>
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<tr>
<td>the input of staff.</td>
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<tr>
<td>49. Goals are broken down into measurable objectives.</td>
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<td>X</td>
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<tr>
<td>50. Objectives include work plans, timelines, and human and financial resources and indicate</td>
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<td>X</td>
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<tr>
<td>who is responsible for achieving them.</td>
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</tr>
</tbody>
</table>
### Planning and Evaluation Functions

<table>
<thead>
<tr>
<th>Planning and Evaluation Functions</th>
<th>Don't Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>51. There is a realistic plan/strategy for matching human and financial resources with objectives.</td>
<td></td>
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<td>X</td>
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<tr>
<td>52. Objectives are communicated to all appropriate staff and volunteers.</td>
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<tr>
<td>53. Actual performance relative to objectives and work plans is reviewed and assessed by management and is formally reviewed by the board periodically.</td>
<td></td>
<td></td>
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<td>X</td>
</tr>
<tr>
<td>54. If goals and objectives are not being met, appropriate modifications are approved by the board and implemented by staff.</td>
<td></td>
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<td>X</td>
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<tr>
<td>55. Are publications printed and published adequately in other languages.</td>
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<td>X</td>
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</tbody>
</table>

### PART III. FINANCIAL MANAGEMENT

**Financial Management Functions**

<table>
<thead>
<tr>
<th>Financial Management Functions</th>
<th>Don't Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>56. The organization follows accounting practices which conform to accepted standards, i.e. FASB Statements of Financial Accounting Standards #116 &amp; #117 and asks funder specified accounting rules.</td>
<td></td>
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<td>X</td>
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</tbody>
</table>

**Financial Management Functions**

<table>
<thead>
<tr>
<th>Financial Management Functions</th>
<th>Audit</th>
<th>Review</th>
<th>Neither</th>
</tr>
</thead>
<tbody>
<tr>
<td>57. An independent audit or review of the organization's financial condition is conducted annually by a Certified Public Accountant.</td>
<td>X</td>
<td></td>
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</tr>
<tr>
<td>Financial Management Functions</td>
<td>Don't Know</td>
<td>Inadequately Achieved</td>
<td>Partially Achieved</td>
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<tr>
<td>58. The audit report is accompanied by a management letter containing recommendations for improvements in the accounting system.</td>
<td>X</td>
<td></td>
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<tr>
<td>59. The organization prepares an annual report which includes a statement of its financial position, and is available to interested parties.</td>
<td>X</td>
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<tr>
<td>60. The board or an appropriate committee reviews the audit report and management letter and institutes necessary improvements.</td>
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<tr>
<td>61. The organization has established written fiscal policies and procedures and follows them consistently.</td>
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<tr>
<td>62. Purchase of service agreements (including any modifications to original agreements) between the organization and other organizations or individuals are in writing. The organization has adequate procedures in place to assure compliance.</td>
<td></td>
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<tr>
<td>63. The organization monitors the cost of operating programs and development projects, and determines whether costs are reasonable in comparison to community norms, using the Better Business Bureau model.</td>
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<tr>
<td>64. The organization practices cost containment in a manner consistent with the maintenance of quality and effectiveness.</td>
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<tr>
<td>65. The organization has insurance coverage which provides suitable protection for the organization, members of the board, staff members, volunteers, and organization tenants/customers.</td>
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<tr>
<td>Financial Management Functions</td>
<td>Don't Know</td>
<td>Inadequately Achieved</td>
<td>Partially Achieved</td>
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<tr>
<td>66. The organization has procedures which make certain that the organization property is insured adequately during all stages of development.</td>
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<tr>
<td>67. The organization prepares a comprehensive annual budget which includes all program and management elements, all development activities, and all sources and uses of funds.</td>
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<tr>
<td>69. The organization's monthly financial statements compare actual operating revenues and expenses to the organization's approved budget for revenues and expenses.</td>
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<tr>
<td>70. The monthly financial reports facilitate monitoring development activities in relation to budget and stage of development.</td>
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</tbody>
</table>

**PART IV. PERSONNEL MANAGEMENT**

<table>
<thead>
<tr>
<th>Personnel Management Functions</th>
<th>Don't Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>71. The organization has written personnel policies and procedures, reviewed and updated as appropriate to maintain compliance with legal requirements.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>72. A copy of the personnel policies and procedures is available for review by all employees.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
### Personnel Management Functions

<table>
<thead>
<tr>
<th>Function</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>73. The personnel policies include:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Hiring procedures</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>b. Performance reviews</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>c. Employee benefits policies &amp; procedures</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>d. Grievance procedures</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>e. Termination procedures</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>f. Non-discrimination and ADA compliance policies</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>g. Record keeping procedures</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>h. Payroll related policies &amp; procedures</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>i. Professional development and training policies &amp; procedures</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

| 74. The organization's personnel policies have been reviewed by an attorney with expertise on employment law within the past two years. | X   |    |

### Personnel Management Functions

<table>
<thead>
<tr>
<th>Function</th>
<th>Don't Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>75. The organization has a written Affirmative Action statement.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>76. The organization has written policies on wage and salary administration (i.e. compensation guidelines).</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>77. The organization has written job descriptions for all paid positions and key volunteers.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>78. The organization hires qualified staff.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
### PART V. PUBLIC AND COMMUNITY RELATIONS

<table>
<thead>
<tr>
<th>Public and Community Relations Functions</th>
<th>Don't Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>79. The organization has an effective system for informing the community about programs and resources, including written material.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>80. The organization has a process for reviewing and responding to ideas, suggestions, and perceptions from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Members</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b. Clubs &amp; districts</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>c. The general public</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>81. The organization is involved in advocacy and/or lobbying for its constituency, within the limits allowable for 501(c)(3) organizations.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>82. The organization participates with the appropriate networks and/or coalitions.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>83. There is a written plan to address advocacy and/or lobbying.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

### PART VI. FINANCIAL CONDITION

<table>
<thead>
<tr>
<th>Financial Condition Functions</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>84. Do the most recent audited financial statements report that the organization has a positive net worth (fund balance or net assets)?</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>85. Has the organization experienced any significant cash flow problems in the past two years?</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>86. Does the organization own some or all of the facilities it uses for its operations?</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>87. Does the organization have cash reserves equal to three months' operating expenses?</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>88. Is the organization working actively to increase its reserves?</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>89. The organization regularly analyzes its financial position to identify opportunities for more effective management of debt and cash reserves.</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
## PART VII. FUNDING STRATEGIES

<table>
<thead>
<tr>
<th>Funding Strategy Functions</th>
<th>Don’t Know</th>
<th>Inadequately Achieved</th>
<th>Partially Achieved</th>
<th>Fully Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>90. The organization has a written plan describing its comprehensive funding strategy including clear goals for both contributed, development, and program/rental income.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>91. The organization has a detailed annual fundraising plan which encompasses all types of fundraising activities.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>92. The organization regularly evaluates the cost effectiveness of its fundraising activities.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>93. To what extent did the organization achieve the funding goals established in its last year’s budget?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>94. The organization has an active evaluation process for the grants it gives to assure funds are used as grantee says they will be.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>95. The organization has a process to measure the impact of its grants.</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Question</td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----</td>
<td>----</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Our board understands that its role is to set policy for the governance of the organization and to delegate day-to-day management authority to the Chief Operating Officer (COO). If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Our board is comfortable delegating management responsibility to the COO and conveys in clear terms what we expect of him or her. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Our board understands the importance of the chain of command policy and refers all complaints, concerns or comments from staff and the public to the COO and Executive Director. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Board members understand they can only act under the full board’s authority, not as individuals. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The board monitors finances in a responsible fashion, by approving the budget, monitoring regular financial reports and providing for an annual audit. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. The board creates policy for financial management and approves the budget, but the COO is responsible for investing funds, paying bills and day-to-day purchases. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. The board is responsible for writing and monitoring progress on a strategic plan, but the COO and staff implement the plan. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. The board sets board policies that affect personnel, but the COO and Executive Director are responsible for writing job descriptions, and hires, disciplines, promotes, evaluates or fires staff. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. All new board members receive a formal orientation to board service from the COO and Board President. If “No,” how can we improve in this area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. What do we need to know that we have not asked?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
KIWANIS INTERNATIONAL FOUNDATION BOARD SELF ASSESSMENT RESULTS

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q2</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q3</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q4</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q5</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q6</td>
<td>8</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Q7</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q8</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q9</td>
<td>12</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Q10</td>
<td>1</td>
<td>12</td>
<td>0</td>
</tr>
</tbody>
</table>

*Information obtained from 13 respondents.

Q6 – The board creates policy for financial management and approves the budget, but the COO is responsible for investing funds, paying bills and day-to-day purchases.

- I thought investments were handled by investment committee/Merrill Lynch?
- At present, this has been delegated to Merrill-Lynch, but new staff will also help in the future.
- Currently, the Board with its Finance and Investment Committees works through Merrill Lynch to determine investments. The COO is responsible with payment of bills and day-to-day procedures.
- The portion of the question which reflects “COO is responsible for investing funds…” should be deleted, the other portion of the question is good.

Q9 – All new board members receive a formal orientation to board service from the COO and Board President.

- There may be other areas for training to be included in the future, i.e. Today, Tomorrow, Forever project

Q10 - What do we need to know that we have not asked?

- How can staff make us more effective counselors to our district chairs?
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
COMMITTEE REPORT

FINANCE COMMITTEE

Thursday, February 28, 2013
1:30 – 3:45 p.m. EST
Past Presidents Room

International Office, Indianapolis, Indiana USA

Committee Members
Robert A. Parton, Jr., Chair
Peter J. Mancuso
Lance M. Incitti
D. Hugh Siggins
John C. Holley
Edward V. Humphries
Mark B. Rabaut

Staff
Bill Parker, Staff Liaison
Bob Broderick, KI, Staff Liaison
Ann Updegraff Spleth
Janice Schepers
Jeff Oatess

Guests
Chia Sing Hwang, KIF Trustee
Richard Wittgren, BKD

1. Call to Order

2. Consent Report

None

3. Action Report

b. 2011-12 Audit Report/Management Letter and Consolidated Audit report – Approval of reports.
4. Information Report
   a. CFO Update
   b. 2013-14 Preliminary Budget and Spending Policy

5. New Business
   a. Review of Current Financial Statements
   b. Review/Approval of 2013-2014 Budget
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

REPORT OF THE
FINANCE COMMITTEE

Consent Report
None

Action Report

a. Review of the Current Financial Statements

Staff presented various financial statements as of January 2013 for both the Kiwanis International Foundation and the Eliminate Project. See Exhibit A for a copy of the January 2013 financial statements. The financial statements show the contributions that are restricted on a permanent or temporary basis or are not restricted at all.

Below is a summary of the financial information received. All amounts are US$.

<table>
<thead>
<tr>
<th>STATEMENT OF NET ASSETS</th>
<th>000'S (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JANUARY 2013</td>
</tr>
<tr>
<td></td>
<td>KIF</td>
</tr>
<tr>
<td>Assets</td>
<td>$14,602</td>
</tr>
<tr>
<td>Liabilities</td>
<td>($318)</td>
</tr>
<tr>
<td>Net Assets</td>
<td>$14,284</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STATEMENT OF ACTIVITIES</th>
<th>000'S (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JANUARY 2013</td>
</tr>
<tr>
<td></td>
<td>KIF</td>
</tr>
<tr>
<td>Revenues</td>
<td>$952</td>
</tr>
<tr>
<td>Expenses</td>
<td>($344)</td>
</tr>
<tr>
<td>Grants</td>
<td>($221)</td>
</tr>
<tr>
<td>Investment Income (Loss)</td>
<td>$476</td>
</tr>
<tr>
<td>Surplus/Deficit</td>
<td>$863</td>
</tr>
</tbody>
</table>
Recommendation #1: That the Kiwanis International Foundation Board accepts the January 2013 Financial Statements, as shown in Exhibit A.

(ADOPTED)

Strategic Intent: To report our financial results.
Governance: In compliance with Board policy to report such information.
Capacity: Existing Staff can prepare the reports as required.
Finance: The financial statements report actual income/expenses compared to budget and prior year amounts.
Metrics: Reporting this information to the Board and Staff provides a way to communicate the effectiveness of our activities compared to our plan. It also helps Kiwanis International Foundation identify ways to improve the financial reporting process.
Effective Date: Ongoing.

b. 2011-12 Audit Report/Management Letter and Consolidated Audit Report

BKD, LLP auditing firm performed the 2011-12 annual audit for Kiwanis International Foundation. This was their second year doing the audit. The audit was completed according to the planned schedule (November 7-26, 2012).

A representative from BKD attended the meeting and made a presentation on the 2011-12 financial statements and the Management Recommendation letter. In addition, BKD answered questions that the committee had regarding the reports.

See Exhibits B and C for copies of the Statements of Financial Position, Statements of Activities, and supplemental schedules taken from the audit report for Kiwanis International Foundation and the Consolidated Affiliates.

As a result, the committee makes the following recommendation:

Recommendation #2: That the Kiwanis International Foundation Board accepts the 2011-12 audit report for Kiwanis International Foundation and Consolidated Affiliates, as shown in Exhibits B and C, and the Management Representation letter.

(ADOPTED)

Strategic Intent: This is in accordance with Kiwanis International Foundation policy and procedures.
Governance: To comply with Bylaws, Policy and/or Procedures.
Capacity: Staff to assist the independent accountants that have been contracted to perform the audit.
Finance: Cost to complete audit for 2011-12 was US$22,940.

Metrics: The auditors will provide Kiwanis International Foundation tangible audit report documents and reports its findings to the Board.

Effective Date: October 1, 2011 to September 30, 2012.

c. Selection of 2012-13 Auditors for Kiwanis International Foundation

BKD, LLP was selected in April 2011 as the independent accountants for Kiwanis International, Circle K International, Key Club International and Kiwanis International Foundation for a 3-year term. The Finance Committee and Staff are happy with the services provided to the Foundation by BKD.

As required by policy and procedures, the Board is responsible for approving the independent auditors each year.

The original proposed costs for the audit are noted as follows:

<table>
<thead>
<tr>
<th>Organization</th>
<th>2012-13</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kiwanis</td>
<td>$33,430</td>
<td>$34,430</td>
</tr>
<tr>
<td>Circle K</td>
<td>$ 9,420</td>
<td>$ 9,700</td>
</tr>
<tr>
<td>Key Club</td>
<td>$10,450</td>
<td>$10,760</td>
</tr>
<tr>
<td>Kiwanis-Employee Benefits</td>
<td>$11,020</td>
<td>$11,350</td>
</tr>
<tr>
<td>TOTAL KIWANIS $USD</td>
<td>$64,320</td>
<td>$66,240</td>
</tr>
<tr>
<td>KI Foundation</td>
<td>$22,940</td>
<td>$23,630</td>
</tr>
<tr>
<td>TOTAL KI &amp; KIF $USD</td>
<td>$87,260</td>
<td>$89,870</td>
</tr>
</tbody>
</table>

NOTE: The Kiwanis International, Circle K and Key Club fees are for information and comparison only.

In addition, the committee discussed a recommendation from Staff to perform a consolidated audit for 2012-13 or as soon as possible instead of separate audits for all entities. A consolidated audit will comply with all of the legal, accounting and reporting requirements and should be less expensive. In addition, the Consolidated audit report will have supplemental information reports that will satisfy the reporting needs of the Kiwanis International Board and Staff.

Recommendation #3: That the Kiwanis International Foundation Board selects BKD, LLP as auditors for Kiwanis International Foundation for the administrative year 2012-13.

(ADOPTED)
REPORT OF THE  
FINANCE COMMITTEE

Strategic Intent: To approve auditor in accordance with Foundation bylaws, policy and/or procedures.

Governance: To comply with Kiwanis International Foundation bylaws, policies and procedures…currently in compliance.

Capacity: Kiwanis Staff and Kiwanis International Foundation will assist the independent accountants that have been contracted to perform the audit.

Finance: See table above for financial impact (US$22,940). Staff provides sufficient data and input to auditors for them to complete their work as expected.

Metrics: The auditors will provide Kiwanis International Foundation with tangible audit report documents and report its findings to the Board.

Effective Date: For fiscal year 2012-13.

Recommendation #4: That the Kiwanis International Foundation Board instructs Staff to investigate the feasibility of completing consolidated audit reports for Kiwanis International, Circle K International, Key Club International and Kiwanis International Foundation. The consolidated audit report should include appropriately designed supplemental schedules for all individual entities.

(ADOPTED)

Strategic Intent: To allow for a more cost effective audit process—less cost and Staff time.

Governance: In compliance with governance documents and policy and procedures.

Capacity: Should result in less Staff time needed to assist auditors.

Finance: Should result in less cost. Current fee US$22,940; revised cost should be less. All fee reductions will be adjusted on a pro-rata basis by entity.

Metrics: The auditors will provide a tangible audit report and discuss its findings with the Board.

Effective Date: For fiscal year 2012-13 or as soon as possible

Information Report

a. CFO Update

Bob Broderick gave a presentation on his overall impressions/observations of Kiwanis International and Kiwanis International Foundation and expressed the need for system integration, staff training and process improvement.

b. 2013-14 Preliminary Budget and Spending Policy

The committee was informed that one of the main responsibilities of the Finance Committee is to review and recommend approval of the budget by the Board of Trustees.
Staff reported to the committee that following this meeting, they will begin the process of developing the 2013-14 budgets for all funds. The committee was reminded that the standard practice is to have the 2013-14 budgets prepared and ready for approval by the Finance Committee and Board at the June 2013 meeting.

The tentative 2013-14 budget preparation time frame is as follows (dates are approximate):

- March 22 - Directors are to submit preliminary budgets, new initiatives and capital expenditures to the Finance Department;
- June 18 - final proposed budgets will be emailed to the Board for review prior to approval at the June 2013 Convention Board Meeting.

In addition to discussing the timetable, Staff discussed with the committee many of the processes to be used by Staff during the preparation of the budgets, and the assumptions that need to be considered as Staff begins to prepare the budget.

Also, the committee was informed that several years ago the Kiwanis International Foundation Board approved a spending policy that allowed the organization to spend 4% of permanently restricted funds annually, even in years when the market change was negative. The amount was to be determined by taking 4% of the 12 quarter rolling average of the long-term investment portfolio balance as of December 31 of each calendar year-end.

The committee was informed that this spending policy amount would be the amount used for grant budgeting for the following fiscal year (2013-14 fiscal year). The amount calculated for the 2013-14 budget is US$425,175.

After thorough preparation by Staff, the 2013-14 Kiwanis International Foundation budget will be presented to the Finance Committee and Board for approval at the June 2013 meeting.

NOTE: The committee agreed that, going forward, any changes to an approved budget will not change the budget but will be considered and reported as budget variances and documented accordingly.


The committee received a report on the status of the Annual Club Gift campaign showing reported gifts for 2010-11 of US$717,609 and for 2011-12 of US$628,272, a decrease of US$89,337. In addition, they noted that the 2012-13 gifts were trending below budget.

As a result, the committee understands the needs for additional education and training in this area in order to increase the contribution amounts.
New Business

a. Review of Current Financial Statements
b. Review/Approval of 2013-2014 Budget
c. Review of the Accounting Manual
### Operating Unrestricted
<table>
<thead>
<tr>
<th></th>
<th>Temporary</th>
<th>Temporary</th>
<th>Temporary</th>
<th>Permanent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>Fund</td>
<td>Fund</td>
<td>Fund</td>
<td>Fund</td>
</tr>
<tr>
<td>01/31/13</td>
<td>09/30/12</td>
<td>01/31/13</td>
<td>09/30/12</td>
<td>01/31/13</td>
</tr>
<tr>
<td><strong>TOTAL KIF</strong></td>
<td><strong>TOTAL KIF</strong></td>
<td><strong>TOTAL KIF</strong></td>
<td><strong>TOTAL KIF</strong></td>
<td><strong>TOTAL KIF</strong></td>
</tr>
</tbody>
</table>

### CURRENT ASSETS

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash-US</td>
<td>1,282,279</td>
<td>1,166,540</td>
<td>1,166,540</td>
<td>2,448,819</td>
</tr>
<tr>
<td>Cash-Non US</td>
<td>141,525</td>
<td>738,751</td>
<td>738,751</td>
<td>880,276</td>
</tr>
<tr>
<td>Accts Rec-Pledges</td>
<td>4,190</td>
<td>1,416,900</td>
<td>1,416,900</td>
<td>1,428,905</td>
</tr>
<tr>
<td>Accts Rec Affiliates</td>
<td>110,000</td>
<td>-</td>
<td>-</td>
<td>110,000</td>
</tr>
<tr>
<td>Prepaid Other</td>
<td>-</td>
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### LONG TERM PLEDGES RECEIVABLE

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### LONG TERM INVESTMENTS

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### TOTAL ASSETS

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Kiwanis International Foundation (Including Eliminate Project)
STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
January 31, 2013

REPORT OF THE FINANCE COMMITTEE
EXHIBIT A
PAGE 2 OF 6

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Kiwanis International Foundation (Including Eliminate Project)
STATEMENTS OF ACTIVITIES (UNAUDITED)
Fiscal Year-to-Date as of January 31, 2013

REPORT OF THE FINANCE COMMITTEE
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</table>

**Kiwanis International Foundation (Including Eliminate Project)**

**STATEMENTS OF ACTIVITIES (UNAUDITED)**

Fiscal Year-to-Date as of January 31, 2013

**REPORT OF THE FINANCE COMMITTEE**

**EXHIBIT A**

**PAGE 6 OF 6**

**U:in\fin153\My Documents\BOARD MEETINGS\2012-13 admnry\KIF\2013-02 Feb\Minutes\Exhibit A KIF&EP Cond FS Jan 13**
## Kiwanis International Foundation

**Statements of Financial Position**

**September 30, 2012 and 2011**

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<tr>
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<th>2012</th>
<th>2011</th>
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<td><strong>Assets</strong></td>
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<tr>
<td>Cash</td>
<td>$2,391,029</td>
<td>$2,887,156</td>
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<tr>
<td>Investments</td>
<td>11,938,400</td>
<td>10,075,048</td>
</tr>
<tr>
<td>Contributions receivable, net</td>
<td>6,682,007</td>
<td>1,483,975</td>
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<tr>
<td>Other assets</td>
<td>12,609</td>
<td>71,571</td>
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<td>Cash surrender value of life insurance</td>
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<td>Advances to affiliates</td>
<td>110,000</td>
<td>75,000</td>
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<td>Beneficial interest in assets held by others</td>
<td>163,570</td>
<td>133,086</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$21,509,178</td>
<td>$14,911,851</td>
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<td><strong>Liabilities</strong></td>
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<tr>
<td>Accounts payable - affiliates</td>
<td>$498,516</td>
<td>$1,160,997</td>
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<td>Accounts payable</td>
<td>18,126</td>
<td>1,064</td>
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<tr>
<td>Grants payable</td>
<td>62,221</td>
<td>44,091</td>
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<tr>
<td>Annuities payable</td>
<td>135,876</td>
<td>162,947</td>
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<td><strong>Total liabilities</strong></td>
<td>714,739</td>
<td>1,369,099</td>
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<td><strong>Net Assets</strong></td>
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<tr>
<td>Unrestricted</td>
<td>(437,640)</td>
<td>(508,066)</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>10,086,344</td>
<td>3,189,675</td>
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<tr>
<td>Permanently restricted</td>
<td>11,145,735</td>
<td>10,861,143</td>
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<td><strong>Total net assets</strong></td>
<td>20,794,439</td>
<td>13,542,752</td>
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<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$21,509,178</td>
<td>$14,911,851</td>
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# Kiwanis International Foundation

## Statements of Activities

### Years Ended September 30, 2012 and 2011

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<td><strong>Revenues and Support</strong></td>
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<td>Contributions</td>
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<td>Net assets released from restrictions</td>
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<td><strong>Expenses and Losses</strong></td>
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<td>Management and general</td>
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<td>Fundraising</td>
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<td>Bad debts - uncollectible pledges</td>
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<td><strong>Total expenses and losses</strong></td>
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<td><strong>Net Assets, End of Year</strong></td>
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<td>$10,086,344</td>
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### Kiwanis International Foundation

**Operating and Eliminate Project Statements of Financial Position**  
**September 30, 2012 and 2011**

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<td>Total</td>
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<td>Investments</td>
<td>11,938,400</td>
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<td>11,938,400</td>
<td>10,075,048</td>
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<td>12,609</td>
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<td>Cash surrender value of life insurance</td>
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<td>186,015</td>
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<td>186,015</td>
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<td>Advances to affiliates</td>
<td>110,000</td>
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<td>110,000</td>
<td>75,000</td>
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<td>$ 14,911,851</td>
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<td>Annuities payable</td>
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<td>20,794,439</td>
<td>11,757,888</td>
<td>1,784,864</td>
<td>13,542,752</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$ 13,737,350</td>
<td>$ 7,771,828</td>
<td>$ 21,509,178</td>
<td>$ 12,080,464</td>
<td>$ 2,831,387</td>
<td>$ 14,911,851</td>
</tr>
</tbody>
</table>
Kiwanis International Foundation
Operating and Eliminate Project Statements of Activities
Year Ended September 30, 2012 and 2011

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th></th>
<th>2012</th>
<th>2011</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operating</td>
<td>Eliminate</td>
<td>Total</td>
<td>Operating</td>
<td>Eliminate</td>
<td>Total</td>
</tr>
<tr>
<td><strong>Revenues and Support</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$1,515,471</td>
<td>$11,868,318</td>
<td>$13,383,789</td>
<td>$2,001,607</td>
<td>$4,717,879</td>
<td>$6,719,486</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>275,633</td>
<td>-</td>
<td>275,633</td>
<td>313,488</td>
<td>-</td>
<td>313,488</td>
</tr>
<tr>
<td>Investment income (loss), net of fees</td>
<td>1,826,791</td>
<td>(464)</td>
<td>1,826,327</td>
<td>(89,123)</td>
<td>1,173</td>
<td>(87,950)</td>
</tr>
<tr>
<td><strong>Total revenue and gains</strong></td>
<td>3,617,895</td>
<td>11,867,854</td>
<td>15,485,749</td>
<td>2,225,972</td>
<td>4,719,052</td>
<td>6,945,024</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>941,388</td>
<td>2,723,914</td>
<td>3,665,302</td>
<td>1,043,376</td>
<td>1,195,065</td>
<td>2,238,441</td>
</tr>
<tr>
<td>Management and general</td>
<td>688,565</td>
<td>340,455</td>
<td>1,029,020</td>
<td>530,223</td>
<td>220,973</td>
<td>751,196</td>
</tr>
<tr>
<td>Fundraising</td>
<td>376,053</td>
<td>2,916,519</td>
<td>3,292,572</td>
<td>362,399</td>
<td>1,499,079</td>
<td>1,861,478</td>
</tr>
<tr>
<td>Bad debts - uncollectible pledges</td>
<td>11,255</td>
<td>297,554</td>
<td>308,809</td>
<td>7,894</td>
<td>78,446</td>
<td>86,340</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>2,017,261</td>
<td>6,278,442</td>
<td>8,295,703</td>
<td>1,943,892</td>
<td>2,993,563</td>
<td>4,937,455</td>
</tr>
<tr>
<td><strong>Change in Net Assets Before Other Changes</strong></td>
<td>1,600,634</td>
<td>5,589,412</td>
<td>7,190,046</td>
<td>282,080</td>
<td>1,725,489</td>
<td>2,007,569</td>
</tr>
<tr>
<td><strong>Other Changes in Net Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in value of annuities payable</td>
<td>61,641</td>
<td>-</td>
<td>61,641</td>
<td>(30,927)</td>
<td>-</td>
<td>(30,927)</td>
</tr>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>1,662,275</td>
<td>5,589,412</td>
<td>7,251,687</td>
<td>251,153</td>
<td>1,725,489</td>
<td>1,976,642</td>
</tr>
<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td>11,757,888</td>
<td>1,784,864</td>
<td>13,542,752</td>
<td>11,506,735</td>
<td>59,375</td>
<td>11,566,110</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>$13,420,163</td>
<td>$7,374,276</td>
<td>$20,794,439</td>
<td>$11,757,888</td>
<td>$1,784,864</td>
<td>$13,542,752</td>
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</tbody>
</table>
## Kiwanis International Foundation
### Eliminate Project Statements of Activities - Project History
#### Years Ended September 30

<table>
<thead>
<tr>
<th></th>
<th>September 30</th>
<th>Total Eliminate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
<td>2011</td>
</tr>
<tr>
<td><strong>Revenues and Support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$11,868,318</td>
<td>$4,717,879</td>
</tr>
<tr>
<td>Investment income (loss), net of fees</td>
<td>(464)</td>
<td>1,173</td>
</tr>
<tr>
<td><strong>Total revenue and gains</strong></td>
<td>$11,867,854</td>
<td>$4,719,052</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>2,723,914</td>
<td>1,195,065</td>
</tr>
<tr>
<td>Management and general</td>
<td>340,455</td>
<td>220,973</td>
</tr>
<tr>
<td>Fundraising</td>
<td>2,916,519</td>
<td>1,499,079</td>
</tr>
<tr>
<td>Bad debts - uncollectible pledges</td>
<td>297,554</td>
<td>78,446</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>6,278,442</td>
<td>2,993,563</td>
</tr>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>5,589,412</td>
<td>1,725,489</td>
</tr>
<tr>
<td><strong>Net Assets, Beginning of Year</strong></td>
<td>1,784,864</td>
<td>59,375</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>$7,374,276</td>
<td>$1,784,864</td>
</tr>
</tbody>
</table>
Kiwanis International and Affiliates  
Consolidated Statements of Financial Position  
September 30, 2012 and 2011

<table>
<thead>
<tr>
<th>Assets</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$4,974,862</td>
<td>$4,646,763</td>
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<tr>
<td>Investments</td>
<td>34,432,440</td>
<td>30,230,829</td>
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<tr>
<td>Receivables</td>
<td>280,296</td>
<td>343,372</td>
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<tr>
<td>Contributions receivable</td>
<td>6,682,007</td>
<td>1,483,975</td>
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<tr>
<td>Merchandise inventory</td>
<td>933,445</td>
<td>537,401</td>
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<tr>
<td>Prepaid expenses and other</td>
<td>921,073</td>
<td>1,018,437</td>
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<tr>
<td>Cash value of life insurance contracts</td>
<td>211,563</td>
<td>186,015</td>
</tr>
<tr>
<td>Beneficial interest in assets held by others</td>
<td>163,570</td>
<td>133,086</td>
</tr>
<tr>
<td>Advances to affiliates</td>
<td>-</td>
<td>48,744</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>5,310,015</td>
<td>5,874,525</td>
</tr>
<tr>
<td></td>
<td><strong>Total assets</strong></td>
<td><strong>$53,909,271</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$1,845,398</td>
<td>$1,681,605</td>
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<tr>
<td>Accounts payable - affiliates</td>
<td>112,264</td>
<td>46,533</td>
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<tr>
<td>Grants payable</td>
<td>62,221</td>
<td>44,091</td>
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<tr>
<td>Deferred revenue and other liabilities</td>
<td>51,950</td>
<td>157,325</td>
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<tr>
<td>Liability insurance accrual</td>
<td>875,201</td>
<td>1,060,733</td>
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<tr>
<td>Annuities payable</td>
<td>135,876</td>
<td>162,947</td>
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<tr>
<td></td>
<td><strong>Total liabilities</strong></td>
<td><strong>3,082,910</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>29,561,096</td>
<td>27,260,509</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>10,119,530</td>
<td>3,228,261</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>11,145,735</td>
<td>10,861,143</td>
</tr>
<tr>
<td></td>
<td><strong>Total net assets</strong></td>
<td><strong>50,826,361</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$53,909,271</strong></td>
</tr>
</tbody>
</table>
Kiwanis International and Affiliates  
Consolidated Statement of Activities  
Year Ended September 30, 2012

<table>
<thead>
<tr>
<th>Revenue, Gains and Other Support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership dues and fees</td>
<td>$ 16,197,906</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 16,197,906</td>
</tr>
<tr>
<td>Contributions</td>
<td>1,165,094</td>
<td>11,923,993</td>
<td>293,677</td>
<td>13,382,764</td>
</tr>
<tr>
<td>Merchandise sales</td>
<td>1,700,276</td>
<td>-</td>
<td>-</td>
<td>1,700,276</td>
</tr>
<tr>
<td>Advertising</td>
<td>80,287</td>
<td>-</td>
<td>-</td>
<td>80,287</td>
</tr>
<tr>
<td>Investment income, net of fees</td>
<td>261,236</td>
<td>260,944</td>
<td>-</td>
<td>522,180</td>
</tr>
<tr>
<td>Service Leadership Programs</td>
<td>621,997</td>
<td>-</td>
<td>-</td>
<td>621,997</td>
</tr>
<tr>
<td>Grants and other</td>
<td>472,542</td>
<td>-</td>
<td>-</td>
<td>472,542</td>
</tr>
<tr>
<td></td>
<td>20,499,338</td>
<td>12,184,937</td>
<td>293,677</td>
<td>32,977,952</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net assets released from restriction</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,487,519</td>
<td>(6,487,519)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total revenue, gains and other support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26,986,857</td>
<td>5,697,418</td>
<td>293,677</td>
<td>32,977,952</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Programs:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Membership growth and education</td>
</tr>
<tr>
<td></td>
<td>Communications</td>
</tr>
<tr>
<td></td>
<td>Corporate relations and branded programs</td>
</tr>
<tr>
<td></td>
<td>Service Leadership Programs</td>
</tr>
<tr>
<td></td>
<td>Global Services</td>
</tr>
<tr>
<td></td>
<td>Merchandise, including cost of sales</td>
</tr>
<tr>
<td></td>
<td>Magazine</td>
</tr>
<tr>
<td></td>
<td>International convention</td>
</tr>
<tr>
<td></td>
<td>Liability insurance</td>
</tr>
<tr>
<td></td>
<td>Grants, programs and education</td>
</tr>
<tr>
<td></td>
<td>Total program services</td>
</tr>
<tr>
<td></td>
<td>General and administrative</td>
</tr>
<tr>
<td></td>
<td>Membership services</td>
</tr>
<tr>
<td></td>
<td>Governance</td>
</tr>
<tr>
<td></td>
<td>Fundraising</td>
</tr>
<tr>
<td></td>
<td>Currency exchange, bad debt losses and other</td>
</tr>
<tr>
<td></td>
<td>Total expenses</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Net Assets Before Other Gains (Losses)</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(518,326)</td>
<td>5,399,864</td>
<td>284,592</td>
<td>5,166,130</td>
</tr>
</tbody>
</table>

| Realized and unrealized gains on investments | 2,757,272 |
| Change in value of annuities payable | 61,641 |

| Change in Net Assets | 2,300,587 |
|                      | 6,891,269 |

| Net Assets, Beginning of Year | 27,260,509 |
|                              | 3,228,261 |
|                              | 10,861,143 |
|                              | 41,349,913 |

| Net Assets, End of Year | $ 29,561,096 | $ 10,119,530 | $ 11,145,735 | $ 50,826,361 |
## Kiwanis International and Affiliates
### Consolidated Statement of Activities
#### Year Ended September 30, 2011

### Revenue, Gains and Other Support

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership dues and fees</td>
<td>$16,558,380</td>
<td>$-</td>
<td>$-</td>
<td>$16,558,380</td>
</tr>
<tr>
<td>Contributions</td>
<td>300,065</td>
<td>5,488,738</td>
<td>292,368</td>
<td>6,081,171</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>313,488</td>
<td>-</td>
<td>-</td>
<td>313,488</td>
</tr>
<tr>
<td>Merchandise sales</td>
<td>1,788,901</td>
<td>-</td>
<td>-</td>
<td>1,788,901</td>
</tr>
<tr>
<td>Advertising</td>
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<td>-</td>
<td>-</td>
<td>179,553</td>
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<tr>
<td>Investment income, net of fees</td>
<td>648,714</td>
<td>(51,159)</td>
<td>-</td>
<td>597,555</td>
</tr>
<tr>
<td>Service Leadership Programs</td>
<td>264,296</td>
<td>-</td>
<td>-</td>
<td>264,296</td>
</tr>
<tr>
<td>Grants and other</td>
<td>155,337</td>
<td>-</td>
<td>-</td>
<td>155,337</td>
</tr>
<tr>
<td><strong>Total revenue, gains and other support</strong></td>
<td>20,208,734</td>
<td>5,437,579</td>
<td>292,368</td>
<td>25,938,681</td>
</tr>
<tr>
<td>Net assets released from restriction</td>
<td>3,810,050</td>
<td>(3,756,088)</td>
<td>(53,962)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue, gains and other support</strong></td>
<td>24,018,784</td>
<td>1,681,491</td>
<td>238,406</td>
<td>25,938,681</td>
</tr>
</tbody>
</table>

### Expenses

#### Programs:

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership growth and education</td>
<td>3,314,287</td>
<td>-</td>
<td>-</td>
<td>3,314,287</td>
</tr>
<tr>
<td>Communications</td>
<td>1,113,572</td>
<td>-</td>
<td>-</td>
<td>1,113,572</td>
</tr>
<tr>
<td>Corporate relations and branded programs</td>
<td>15,855</td>
<td>-</td>
<td>-</td>
<td>15,855</td>
</tr>
<tr>
<td>Service Leadership Programs</td>
<td>393,372</td>
<td>-</td>
<td>-</td>
<td>393,372</td>
</tr>
<tr>
<td>Global Services</td>
<td>964,120</td>
<td>-</td>
<td>-</td>
<td>964,120</td>
</tr>
<tr>
<td>Merchandise, including cost of sales</td>
<td>2,155,408</td>
<td>-</td>
<td>-</td>
<td>2,155,408</td>
</tr>
<tr>
<td>Magazine</td>
<td>1,405,741</td>
<td>-</td>
<td>-</td>
<td>1,405,741</td>
</tr>
<tr>
<td>International convention</td>
<td>2,309,947</td>
<td>-</td>
<td>-</td>
<td>2,309,947</td>
</tr>
<tr>
<td>Liability insurance</td>
<td>1,660,124</td>
<td>-</td>
<td>-</td>
<td>1,660,124</td>
</tr>
<tr>
<td>Grants, programs and education</td>
<td>2,881,785</td>
<td>-</td>
<td>-</td>
<td>2,881,785</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>16,214,211</td>
<td>-</td>
<td>-</td>
<td>16,214,211</td>
</tr>
<tr>
<td>General and administrative</td>
<td>3,920,070</td>
<td>-</td>
<td>-</td>
<td>3,920,070</td>
</tr>
<tr>
<td>Membership services</td>
<td>1,462,201</td>
<td>-</td>
<td>-</td>
<td>1,462,201</td>
</tr>
<tr>
<td>Governance</td>
<td>1,443,715</td>
<td>-</td>
<td>-</td>
<td>1,443,715</td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,861,478</td>
<td>-</td>
<td>-</td>
<td>1,861,478</td>
</tr>
<tr>
<td>Currency exchange, bad debt losses and other</td>
<td>56,040</td>
<td>78,446</td>
<td>5,974</td>
<td>140,460</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>24,957,715</td>
<td>78,446</td>
<td>5,974</td>
<td>25,042,135</td>
</tr>
</tbody>
</table>

### Change in Net Assets Before Other Gains (Losses)

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Gains)</td>
<td>(938,931)</td>
<td>1,603,045</td>
<td>232,432</td>
<td>896,546</td>
</tr>
<tr>
<td>Realized and unrealized losses on investments</td>
<td>(483,453)</td>
<td>-</td>
<td>-</td>
<td>(483,453)</td>
</tr>
<tr>
<td>Change in value of annuities payable</td>
<td>(30,927)</td>
<td>-</td>
<td>-</td>
<td>(30,927)</td>
</tr>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>(1,453,311)</td>
<td>1,603,045</td>
<td>232,432</td>
<td>382,166</td>
</tr>
</tbody>
</table>

### Net Assets, Beginning of Year

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>28,713,820</td>
<td>1,625,216</td>
<td>10,628,711</td>
<td>40,967,747</td>
</tr>
</tbody>
</table>

### Net Assets, End of Year

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$27,260,509</td>
<td>$3,228,261</td>
<td>$10,861,143</td>
<td>$41,349,913</td>
</tr>
</tbody>
</table>
DEVELOPMENT COMMITTEE

March 1, 2013
International Office, Indianapolis, Indiana USA

9:00 a.m.-12:00 p.m. EST
Past Presidents Room

Committee Members
- Chia Sing Hwang, Acting Chair
- John R. Button
- Peter J. Mancuso
- Alice M. Savage
- Mary M. Langdon (absent)

Staff
- Matthew C. Morris, Staff Liaison
- Ann Updegraff Spleth, Chief Operating Officer
- Jereme Ginslade, Annual and Alumni Fund Administrator

Guests
- John C. Holley
- Robert A. Parton
- D. Hugh Siggins
- Andy Austin, staff
- Tony Knoderer, staff
- Gary Ransburg, staff

1. Call to Order

2. Consent Report

   None

3. Action Report

   a. Approval of Additional Annual Giving Committee Members – Two individuals have been selected to fill vacancies on the Annual Giving Committee after the October 2012 Board meeting.
   b. Revision of Description of Tablet of Honor in Policies – As part of the “refreshed” program of recognition reflecting the foundation’s “Today, Tomorrow, Forever”
marketing program, a policy describing the Tablet of Honor requires a minor
revision.
c. Engagement of Trustees at International Convention – It was requested that staff
create a schedule of opportunities for Board members to volunteer (e.g., the
foundation booth, forums, presentations, etc.) at the Vancouver International
Convention.
d. Development of Club Recognition – Staff is asked to propose club recognition
opportunities similar to those offered to individual donors through the Tiered
Giving Program.

4. Information Report
   a. “Refresh” of Kiwanis International Foundation Recognition Pieces
   b. 2013-2014 Club/District Recognition Program
   c. Tiered Giving Program
   d. Planned Giving Marketing Plan
   e. Campaign and Foundation Fundraising Collaboration
   f. District Chair Training
   g. Annual and Planned Giving Committees
   h. Annual and Alumni Fund Administrator
   i. Annual Giving Activities
   j. Major/Planned Giving Activities
   k. Support for Kiwanis International Foundation District Chairs
   l. Promotion of Women in Philanthropy

5. New Business
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

REPORT OF THE
DEVELOPMENT COMMITTEE

Consent Report

None

Action Report

a. Approval of Additional Annual Giving Committee Members

Two individuals have been selected to fill vacancies on the Annual Giving Committee after the October 2012 Board meeting: H.E. “Bert” Barker, of the Kiwanis Club of Roseville, California, and John A. Rey, member of the Kiwanis Club of DeKalb, Illinois. These new members are being recommended for approval. Both bring a wealth of expertise from the experience leading non-profit organizations and/or serving on foundation boards. Both are annual donors as well.

Recommendation #1: That the Kiwanis International Foundation Board approves the appointment of H.E. “Bert” Barker and John A. Rey to the Annual Giving Committee, effective immediately, to fill vacancies in two three-year terms which began October 1, 2012, and shall end September 30, 2015.

(ADOPTED)

Strategic Intent: Provides full roster for key advisory committee to Development Committee
Governance: In compliance
Capacity: Within staff role to support committee
Finance: Within existing budget
Metrics: Recommendations accepted by committee; increased individual and club gifts
Effective Date: Upon approval

b. Revision of Description of Tablet of Honor in Policies

To provide an accurate description of the Tablet of Honor, the description of this recognition piece needs a minor revision. The Tablet of Honor received a makeover, along with most foundation donor recognition pieces, as the foundation’s “Today, Tomorrow, Forever” marketing program continues to be implemented.
Recommendation #2: That the Kiwanis International Foundation Board adopts the following revision to Policy III.D.1.c - Tablet of Honor/Recognition, to reflect the following:

III. Board Committees Responsibilities

D. RESPONSIBILITIES OF THE DEVELOPMENT COMMITTEE

1. TABLET OF HONOR

c) Recognition

The Tablet of Honor recipient is presented with an attractive wall plaque featuring a personalized inscription. The recipient also receives a lapel pin and a Tablet of Honor crest.

(ADOPTED)

Strategic Intent: To bring policy in line with development marketing program
Governance: In compliance
Capacity: Within current staff responsibilities
Finance: Meets budget parameters
Metrics: Informal feedback from donors
Effective Date: Upon approval

c. Engagement of Trustees at International Convention

During a review of plans for the Kiwanis International Foundation’s presence at the Vancouver International Convention, committee members asked staff to compile a list of opportunities and develop a schedule for Board members to volunteer. These opportunities will include helping at the foundation booth in the exhibit hall, interacting with donors at the foundation reception, and participating in other activities such as forums.

Recommendation #3: That the Kiwanis International Foundation Board directs staff to create a schedule of opportunities for Board members to volunteer at all Kiwanis International Conventions.

(ADOPTED)
Strategic Intent: To further foundation brand and presence
Governance: In compliance
Capacity: Within trustee role
Finance: None
Metrics: Number of trustees engaged
Effective Date: June 3, 2013.

d. Development of Club Recognition Program

Following a review of the new tiered giving program that launched on October 1, 2012, the committee requested that the staff develop similar initiatives to recognize clubs that have participated in the Annual Club Gift Program. Trustees said that the recognition of consecutive years of giving (i.e. 5, 10, 20 and 25 years) would demonstrate appreciation of club giving as well as foster goodwill among clubs, just as it is intended to do among individual donors.

Recommendation #4: That the Kiwanis International Foundation Board directs staff to develop a program to recognize clubs for their consecutive years of giving to, and loyal support of, the Annual Club Gift Campaign to be presented to the Board for consideration by February 1, 2014.

(ADOPTED)

Strategic Intent: To mirror Tiered Giving Program and build loyalty
Governance: In compliance
Capacity: Within current staff responsibilities
Finance: Meets budget parameters
Metrics: Number of clubs achieving consecutive year recognition levels
Effective Date: February 1, 2014

Information Report

a. “Refresh” of Kiwanis International Foundation Recognition Pieces

Staff from the Kiwanis International Communications Department presented the new collection of recognition pieces, including Leadership Society, Heritage Society, Tablet of Honor, Annual Club Gift and the Bo and Mary Shafer Society.

The refresh includes a change from the ceramic, heavy and fragile eagle to a lighter, sturdier eagle for Founders Circle members. The option of a crystal piece on a base, featuring the Kiwanis International Foundation logo and an etched message, will be offered as well.
Trustees and District Chairs will be given fact sheets that will include photos of the recognition pieces, along with a description of their purpose and what items they replaced.

Staff also shared about the efforts to build a library of Kiwanis-specific images for publications, e-communications, the website and other uses. This will include images from grant recipients and programs supported by the Kiwanis International Foundation.

b. 2013-2014 Club/District Recognition Program

Staff updated the committee on progress to plan and implement the 2013-14 Club/District Recognition Program approved by the Board at its October 2012 meeting. At the request of the committee during its January 22, 2013 conference call, staff was asked to proceed with implementing a multi-channeled plan to introduce and communicate the new program. This was the result of confusion by current leadership, including District Governors and Kiwanis International Foundation District Chairs, over the current administrative year parameters (suggested $6 amount) for the Annual Club Gift.

Staff is moving forward to implement the 2013-2014 recognition. The plan includes significant discussion at the District Chair Conference, April 19-21, 2013, and continued communication through the next administrative year.

c. Tiered Giving Program

Use of Raiser’s Edge software, funding for which the Board approved in 2010, is being utilized to track and manage the benefits associated with the tiered giving program, which was initiated on October 1, 2012. Along with managing the recognition program, without resorting to “parallel” or duplicate databases, Raiser’s Edge enables staff to record important information about each donor’s relationship with our organization and also identify donors likely to increase their annual support through cultivation, solicitation and stewardship. These are donors with whom personal visits can and will be scheduled as staff plans travel.

d. Planned Giving Marketing Plan

Staff presented an overview of a planned giving marketing plan designed to significantly increase the number of deferred gifts to the foundation. Over the next three years, staff expects to “close” at least 30 new planned gifts. Here is an outline of the plan:

**STRATEGIES**

1. Utilize existing donor base as prospect pool to find leads for planned gifts
2. Leverage existing programming opportunities that will appeal to an older donor base
REPORT OF THE
DEVELOPMENT COMMITTEE

3. Incorporate planned giving into annual and major gift efforts

TACTICS

Prospecting

- Engage current donors to solicit peer leadership groups.
  - Kiwanis International Board
  - Kiwanis International Foundation Board
  - Past International Presidents
  - Kiwanis International Foundation District Chairs
  - Other fundraising leadership
- Engage Planned Giving Committee to identify and solicit prospects.
- Annual e-newsletter to Heritage and Shafer Society members and known prospects with high planned giving likelihood rating.
- Annual direct mail to niches:
  - Kiwanis Loyalists who are not members of the Heritage Society.
  - Legion of Honor members (signed by Heritage Society)
  - Life Members (signed by Heritage Society member)
- Include planned giving article in each Kiwanis magazine.
- Include planned giving article bimonthly for website.
- Include check box on all reply devices for donors to self-identify planned giving intentions or to request contact.
- Pilot estate planning seminars at International and key District Conventions, and implement webinar.
- Integrate deferred giving requests with annual and major gift solicitations.

Stewardship

- Personal visits where appropriate.
- Annual e-newsletter to Heritage and Shafer Society members and known prospects with high planned giving likelihood rating.
- Birthday calls/postcards to key donors.
- Invitation to annual International Convention reception.

Future Tactic

- Targeted direct mail solicitations (Service Leadership Program alumni, advisors and other affinity groups)
Measures of Success

These and other metrics will be tracked to determine progress toward long and short term goals:
- Growth in number of bequest inquires
- Number of Heritage Society contacts (visits, phone, email)
- Personal solicitations for bequests or other planned gifts
- Growth in verified bequests
- Growth in dollar amount of bequest intentions
- Total number and value of planned giving vehicles

Long Term Measures of Success
- Bequest income
- Growth in endowments

c. Campaign and Foundation Fundraising

The close working relationship between the Eliminate Project Campaign staff and foundation continues to benefit both fundraising initiatives. Ann Updegraph Spleth and Matt Morris meet weekly with Andrew Bradford, Campaign Lead, Major & Joints Gift Director, to discuss cultivation and solicitation strategy, as well as status of gift proposals. Additionally, staff and the Campaign Region Directors have been collaborating to engage major gift prospects in the campaign and also as part of strategy toward securing $100K Club commitments. Dialogues are being prompted by staff utilization of Raiser’s Edge software to document discussions and gift proposals.

d. District Chair Training

Staff updated the committee on plans for 2013-2014 District Chair Training, April 19-21, in Indianapolis. Along with a major focus on the fundraising trends of the foundation, with emphasis on the Annual Club Gift, participants will be highly engaged in providing feedback and creating strategies to ensure successful implementation and communication of the Club and District Recognition Program that will commence on October 1, 2013.

g. Annual and Planned Giving committees

These two committees have conducted conference calls. The calls have been opportunities to engage the volunteers to promote the Tiered Giving Program and solicit feedback on the planned giving marketing plan. Both committees have expressed interest in meeting at the International Convention. Conference calls are being conducted quarterly.
h. **Annual and Alumni Fund Administrator**

Committee members heard from new staff member Jereme Grinslade, who is developing business plans for the individual and club giving programs. He shared about some initial steps, including qualitative and quantitative research, to begin creating a development plan focused on alumni of SLP.

i. **Annual Giving Activities**

Staff reported on an email solicitation to acquire new donors and the annual end-of-year appeal. Statistical data is included in the President’s report to the Board.

On a related matter, the foundation and campaign received several gifts from promotion of reauthorization by the U.S. Congress for 2012 and 2013 of the provision that allows individuals to make gifts of up to $100,000 per year from their Individual Retirement Accounts to charities, without first incurring income tax on the withdrawal. A marketing plan to promote the IRA Charitable Rollover is being implemented during the coming months.

j. **Major/Planned Giving Activities**

Staff shared about the ongoing efforts to inform and engage donors, and to strengthen their connection to the foundation. Raiser’s Edge has provided the means to document these contacts as staff identifies prospects, builds relationships, solicits gifts, and steward relationships. The goal of 10 personal visits per month was impacted in the first quarter of the administrative year by the realignment of staff, and the need to provide orientation for the Alumni and Annual Fund Administrator. The President’s report to the Board has data related to major and planned gifts activity.

k. **Support for Kiwanis International Foundation District Chairs**

Staff informed the committee of efforts to provide assistance and resources to District Chairs for conferences and other presentations. The committee was reminded of the communication for chairs to discontinue using the outdated foundation displays and materials. Increased support will be offered prior to the International Convention as chairs plan for district conventions.

l. **Promotion/Recognition of Women in Philanthropy**

Staff reported on continuing initiatives to highlight women who are generous to the foundation. These initiatives include articles in Kiwanis magazine and on the website.
New Business

None
March 1, 2013  
International Office, Indianapolis, Indiana USA  
2:00 – 3:30 p.m. EST  
Past International Presidents Room

Committee Members  
J. LaMar Anderson, Chairman  
Cynthia K. Champer  
Valeria Gringeri  
Peter J. Mancuso  
(Absent: Mary M. Langdon)

Staff  
Diana O’Brien, Governance Specialist, Staff Liaison

Guests  
Kristen Vogen, Merrill Lynch  
Elisa Lucci-Riester, Interpreter for Valeria Gringeri

1. Call to Order

2. Consent Report

   a. Policy Revisions Regarding Annual Giving  
   b. New Policy on Spirit of Philanthropy Award  
   c. New Policy on Ethics and Accountability  
   d. Clarification of Policy VIII – Investments

3. Action Report

   (None)

4. Information Report

   a. Comprehensive Review of Foundation Bylaws and Policies

5. Future Business

   a. Continue Comprehensive Review of Foundation Bylaws and Policies
Consent Report

a. New Policy on Spirit of Philanthropy Award

In October 2010, the Foundation Board adopted a then-new Spirit of Philanthropy Award. In October 2012, the Foundation Board revised the criteria and timing of the award to allow more flexibility. It was then discovered the award had never been codified in Foundation Policies. Since both the original action and the recent revision came through the Development Committee, it is suggested the new award be placed in Policy III.D - Responsibilities of the Development Committee.

Recommendation #1: That the Kiwanis International Foundation Board adds new Policy III.D.5 – Spirit of Philanthropy, as shown below to incorporate the Spirit of Philanthropy Award.

III. Board Committees Responsibilities

D. RESPONSIBILITIES OF THE DEVELOPMENT COMMITTEE

5. Spirit of Philanthropy Award

The Spirit of Philanthropy will be presented no more frequently than annually to individuals, couples, families, corporations or foundations with a proven record of generosity who, through sharing of time, talents, and resources, have demonstrated exceptional charitable responsibility, and whose generosity encourages others to embrace philanthropic leadership roles on the local, national and/or international levels. (10/10) (10/12)

(ADOPTED)

Strategic Intent: In compliance
Governance: Maintaining governing documents
Capacity: No resources required
Finance: No cost incurred or required
Metrics: Informal positive response from donors
Effective Date: Immediately
b. Clarification of Policy VIII – Investments

In reviewing Foundation Policies and subsequently researching past Foundation Board meeting minutes, Staff found conflicting information regarding revisions to Foundation’s investment policy since 2010. To clarify which version of the policy is accurate and proper, the committee consulted Merrill-Lynch, which advised the new policy is correct and the former policy should no longer exist.

**Recommendation #2:** That the Kiwanis International Foundation Board amends Policy VIII – Investments to reflect the wording shown in Exhibit A, as advised by Merrill Lynch, entirely replacing any current and former versions of this policy.

(ADOPTED)

**Strategic Intent:** In compliance

**Governance:** Maintaining governing documents

**Capacity:** No resources required

**Finance:** No cost incurred or required

**Metrics:** Not applicable

**Effective Date:** Immediately

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**Action Report**

c. Policy Revisions Regarding Annual Giving

In January 2012, the Foundation Board adopted new or revised recognition for annual giving by individuals, which was effective October 1, 2012. However, this new recognition was never incorporated into Foundation Policies.

Additionally, at its meeting in October 2012, the Foundation Board adopted new or revised recognition for annual giving by clubs and districts, effective October 1, 2013. This also needs to be incorporated into Foundation Policies.

**Recommendation #3:** That the Kiwanis International Foundation Board revises Policy IV.B – Annual Giving Committee, as shown in Exhibit B to incorporate new or revised recognition for annual giving by clubs and districts, effective October 1, 2013.

(ADOPTED)

**Strategic Intent:** In compliance
AGENDA WITH COMMENTS
BYLAWS AND POLICIES COMMITTEE

Governance: Maintaining governing documents
Capacity: No resources required
Finance: No cost incurred or required
Metrics: Informal positive response from donors
Effective Date: Immediately

Recommendation #4: That the Kiwanis International Foundation Board revises Policy IV.B – Annual Giving Committee, as shown in Exhibit C to incorporate new recognition for annual giving by individuals, effective immediately.

(ADOPTED)

Strategic Intent: In compliance
Governance: Maintaining governing documents
Capacity: No resources required
Finance: No cost incurred or required
Metrics: Informal positive response from donors
Effective Date: Immediately

d. New Policy on Ethics and Accountability

As required by Foundation Bylaws and Policies, Foundation Board members sign, annually, a conflict of interest statement. Apparently they also sign, also annually, a code of ethics statement and a pledge of service; however, those are not mentioned either in Foundation Bylaws or Policies. If these are required items, they should be mentioned in Policies.

Recommendation #5: That the Kiwanis International Foundation Board adopts new Policy II.D – Code of Ethics and Conduct and Policy II.E – Pledge of Service, as shown in Exhibit D to codify annual acknowledgement by Kiwanis International Foundation Board members of a code of ethics and (separate) pledge of service.

(ADOPTED)

Strategic Intent: In compliance
Governance: Maintaining governing documents
Capacity: No resources required
Finance: No cost incurred or required
Metrics: Not applicable
Effective Date: Immediately
Information Report

a. Comprehensive Review of Foundation Bylaws and Policies

Because Foundation Bylaws have been receiving regular updates over the last couple of years, attention is primarily being focused initially on Foundation Policies.

Staff has begun the comprehensive review and update of Foundation Policies by first considering how the material should be organized. Currently, information on giving programs and recognition is organized based on which Board committee is responsible for each particular program. However, committees can change from year to year, and finding information requires a person to know in advance which committee handles it, which is not always the case. Policies should be organized by general topic, with all information regarding a particular program or recognition (i.e., Heritage Society) grouped together in one area as much as possible. This order will be more consistent with best practices for nonprofits and also make it easier for readers to find information, including Foundation Board members, Kiwanis members, and Staff. The proposed outline, which the committee agreed with, is attached as Exhibit E. Note: This outline could change as we delve deeper into the content of policies and may find that additional adjustments would be best.

Other steps will include:
- Separating true policy (broad organizational principles or guidelines on a topic) from procedure (the administrative process regarding a topic).
- When relevant, reducing the amount of text regarding procedure.
- When appropriate, updating and streamlining the language of policies for greater clarity and to reflect current practice.
- When appropriate, changing words “will,” “should,” and “would,” etc. to “shall,” to agree with standard policy terminology. That is: a policy is not just a good idea, but a rule….something that is followed.
- Identifying which text in Foundation Bylaws more appropriately belongs in policy (if any).
- Identifying which policies Foundation may be lacking and thus should be considered for future adoption, according to the best practices of foundations.

Staff will continue its work on these steps, with the goal of having a final product for the Foundation Board to approve at its October 2013 meeting. An update will be provided for the Foundation Board meeting at the Kiwanis International convention in June, and interim reports may be provided between Board meetings.

Future Business

a. Continue Comprehensive Review of Foundation Bylaws and Policies
KIWANIS INTERNATIONAL FOUNDATION INVESTMENT POLICY STATEMENT

BACKGROUND

» MISSION OF THE KIWANIS INTERNATIONAL FOUNDATION ENDOWMENT FUND

The purpose of the Endowment Fund (the Fund) is to manage the endowment gifts entrusted to Kiwanis International Foundation to support its goals and objectives. Management of Fund assets should always reflect this purpose. The Fund was endowed by designated donor gifts and is expected to exist in perpetuity, and therefore, maintaining purchasing power is the Fund’s primary objective. High volatility of investment returns should be avoided where possible. Through investment in a diversified portfolio, the investment manager should employ a total return approach while managing risk and seeking consistency of investment performance.

» PURPOSE OF THE DOCUMENT

The purpose of this Investment Policy Statement (IPS) is to assist the Board of Directors of the Kiwanis International Foundation (Directors) in effectively planning, overseeing, monitoring, and evaluating the management of the assets. The Endowment Fund’s investment program is defined in the various sections of the IPS by:

- Stating in a written document the Directors’ attitudes, expectations, objectives, and guidelines for the investment of assets.
- Setting forth an investment structure for managing assets. This structure includes various asset classes, asset allocation policies, and investment approaches. In total, the structure is expected to produce adequate diversification and total investment return over a long-term horizon.
- Stating in a written document the Directors’ spending policy for the Fund.
- Providing guidelines for each investment portfolio so that all assets are managed in accordance with stated objectives.
- Encouraging effective communications between the Directors and service providers.
- Establishing formalized criteria to monitor and evaluate service provider results on a regular basis.
- Complying with all applicable laws, rules and regulations and fiduciary, prudence and due diligence requirements.

» STATEMENT OF OBJECTIVES

The Directors will manage the assets in a manner consistent with the provisions of this Investment Policy Statement and applicable laws and regulations. The Directors will maintain an aggregate asset allocation consistent with the minimum and maximum commitments that may be made in equities, fixed income, and other appropriate investments. The Directors will approve investment managers and investment vehicles to secure professional management of each component of the investment mix.

The objectives of the Fund have been established in conjunction with a comprehensive review of the Kiwanis International Foundation’s current and projected financial requirements. The objectives are:

- To comply with applicable laws, rules and regulations and to meet fiduciary, prudence and due diligence requirements.
- To follow a stated spending policy.
• To strive to expand the purchasing power of the Fund.

The Directors acknowledge that investment results are a critical component in achieving the Kiwanis International Foundation’s funding and financial objectives.

GUIDELINES

» TIME HORIZON

The guidelines are based on an investment horizon of beyond 10 years. Interim fluctuations in the financial position of the Fund are to be expected and should be viewed in the context of the long-term objectives and strategies of the Fund. The Fund’s strategic allocation is based on this long-term perspective.

» RISK TOLERANCE

The Directors acknowledge that some risk to the value of the Fund must be accepted in order to achieve the Fund’s long-term investment objectives.

The Directors assessed the financial health and future growth prospects for the Kiwanis International Foundation in determining the Fund’s ability to accept risk in investment returns. The Directors determined that the totality of the factors suggest that the Fund can tolerate interim fluctuations in market value and rates of return in order to achieve long-term objectives.

The Directors have identified the following risks, beginning with the risk of greatest concern and descending:

• Loss of principal.
• Loss of purchasing power.
• Volatility of returns.
• Liquidity/marketability of assets.

» PORTFOLIO PERFORMANCE

The Directors have identified the following factors to be included in the evaluation of the portfolio

• Liquidity
• Principal preservation
• Preserving purchasing power
• Satisfying annual distribution requirements
• Growth in size of portfolio
• Stability of returns from year to year
• Avoid underperformance vs. benchmarks
• Avoiding negative returns

The investment objective is a long-term rate of return on assets that approximates 7.0%. The target rate of return for the Fund is based on the assumption that future real returns will approximate the long-term rates of return experienced for each asset class in the IPS as adjusted for current valuation and future expectations.
» **SPENDING POLICY**

In keeping with Indiana’s current Uniform Prudent Management of Institutional Funds Act (UPMIFA), the net appreciation, realized and unrealized, not to exceed 7% of the market value, may be expended by the Directors for the uses and purposes for which each fund was established. The Directors will advise the investment manager of the amount of expected distributions as soon as possible to enable the manager to provide sufficient liquidity while maintaining the long-term investment program. To the extent permissible by UPMIFA, the annual distribution is determined based on a rolling average market value system. Currently, the annual distribution will be 4% of the calculated Distribution Value. 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. All distributions will be made no later than the end of January of the subsequent fiscal year.

» **ASSET ALLOCATION**

The Directors believe that the Fund’s risk and liquidity postures are primarily a function of the asset mix. The Directors reviewed the long-term risk, return, and correlation characteristics of various asset classes. The following asset classes were selected for inclusion in the asset mix since, as a group, they provide opportunity to pursue desired return objectives while offering diversification benefits:

- Equities
- Fixed Income
- Alternative Investments

The Fund’s time horizon, risk tolerances, performance expectations, socially responsible investment policy, and asset class preferences were used to estimate an efficient Fund asset allocation. The Target Asset Allocation is attached as Appendix I.

» **SOCIA LLY RESPONSIBLE INVESTMENT POLICY**

Investment managers will screen out corporations known to be substantial producers of alcohol, tobacco, and gaming. An exception to this policy would be considered only with the intent of initiating a shareholder action on corporate policies or in the event investments are in a commingled fund. This will lead to a more socially responsible portfolio, which is in line with the worldwide activities of the Kiwanis International Foundation in promoting health and betterment of children. The Directors understand that use of commingled funds, such as exchange traded funds (ETFs) and mutual funds (MFs), may be desired in order to maximize diversification within certain asset classes. Such investments will be permitted while understanding that they cannot accommodate investment restrictions by sector.

» **REBALANCING**

Rebalancing Fund allocation within the strategic ranges for the various asset classes serves the purpose of maintaining the risk and expected return characteristics of the Fund within parameters set by the Directors. Reallocations among asset classes shall reflect the following considerations:

- Generally allocated within the stated asset class ranges, and
- The investment manager will rebalance the portfolio within the asset allocation ranges stated herein when the risk and expected reward potential is perceived to be such that an asset class weighting should be tilted toward the approved policy maximum or minimum.
- The asset class weightings will not go outside the stated ranges without notification of the Directors.
The Directors believe that the objectives of the Fund are most likely to be achieved if superior asset class managers manage the portfolio. Since the total portfolio is expected to be broadly diversified with respect to asset classes, asset class managers and individual securities, each asset class manager is allowed latitude in selecting individual investments and in construction of its component of the total portfolio.

» MANAGER PERFORMANCE

The following factors should be used to evaluate manager performance, in order of importance from high to low:

- Provide a consistent return over all time periods
- Exhibit the characteristics of the appropriate benchmark
- Outperform benchmarks on a risk adjusted basis
- Outperform peer managers on a risk adjusted basis

» EQUITIES

- Domestic Equities:

  The Directors’ decision to invest in domestic equities is based on the expected benefits of investing in this higher returning asset class. Investments will be made in accordance with the following approved guidelines:

  - The domestic equity manager will manage an equity-oriented portfolio with exposure primarily to domestic securities.

  Performance will be evaluated against a relevant style-oriented index. It is expected that each active portfolio will achieve a return over a full market cycle in excess of the index.

- International Equities

  The Directors’ decision to diversify internationally is based on expected benefits of improved return from an increased investment universe and reduced volatility. Investments will be in accordance with the following approved guidelines:

  - The international equity manager will manage an equity-oriented portfolio. This is not intended to preclude the tactical use of non-U.S. dollar denominated and dollar or non-dollar short-term investments maturing in 12 months or less.
  - The international equity portfolio will provide ex-U.S. exposure that meets the diversification objectives for international investments.
  - Currency exposure may be hedged into U.S. dollars or into other currencies in an amount not to exceed total investment (including cash) in any currency being hedged.

  Performance will be evaluated against a relevant style-oriented index. It is expected that each active portfolio will achieve a return over a full market cycle in excess of the index.

» FIXED INCOME

The Directors’ decision to diversify into fixed-income investments is based on the expectation that allocations to this asset class will:
• Reduce volatility of the total fund,
• Provide liquidity for unanticipated cash needs, and
• Generate a relatively stable cash flow.

Performance will be evaluated against a relevant style-oriented index. It is expected that each active portfolio will achieve a return over a full market cycle in excess of the index.

» ALTERNATIVE INVESTMENTS

Alternative Investments as an asset class can help reduce the overall volatility of a total portfolio. This is due to the fact that many alternative assets have low correlation or no correlation to traditional markets. Additionally, alternative investments may help improve a portfolio’s total return over time. The Directors understand that within these investments alcohol, tobacco, and gaming sectors will not be able to be excluded. Performance will be evaluated against a relevant style-oriented index. It is expected that each portfolio will achieve a return over a full market cycle in excess of the index.

» CASH EQUIVALENTS

A small cash reserve allocation will be maintained to help ensure that liquidity needs are met.

GOVERNANCE GUIDELINES

» PERFORMANCE EVALUATION

In an effort to maintain superior asset class managers, the Directors will monitor each asset class manager relative to both an appropriate asset class index benchmark and a representative universe of peer managers. Ongoing peer rankings that are deemed to be unacceptable may lead to an evaluation of the suitability of the manager within the broad portfolio structure.

» DUTIES AND RESPONSIBILITIES OF INVESTMENT MANAGER

The duties and responsibilities of the investment manager retained by the Directors include:

• Manage Fund assets under its care, custody, and/or control in accordance with the IPS objectives and guidelines set forth herein, and also expressed in separate written agreements.
• Acknowledge and agree in writing to their fiduciary responsibility to comply with the IPS set forth herein, and as modified in the future.
• Exercise investment discretion within the IPS objectives and guidelines set forth herein and also expressed in separate written agreements.
• Promptly inform the Directors in writing regarding all significant and/or material matters and changes pertaining to the investment of Fund assets and the ownership, management or financial stability of the investment manager.
• Promptly vote all proxies and related actions in a manner consistent with the long-term interests and objectives of the Fund, including the responsibility to vote proxies related to the investment manager’s proprietary investment funds held in the Fund, unless voting responsibility has been otherwise reserved in writing by the Directors or their designee. The manager has the right hereunder to solicit proxy voting recommendations from an independent qualified party, on matters that might involve potential conflicts of interest in the performance of the manager’s duties hereunder. Each manager shall keep detailed records of its proxy and corporate actions voting activities and comply with all regulatory obligations.
» **Monitoring Investment Portfolios**

Quarterly performance will be evaluated to assess progress toward attainment of longer-term objectives. The Directors understand that there are likely to be short-term periods during which investment performance results deviate from market and relevant style-oriented benchmarks. The Directors’ review of each portfolio will focus on:

- Adherence to IPS guidelines,
- Material changes in the manager’s organization, investment philosophy and/or personnel,
- Directors’ continuing confidence in the investment manager, and
- Performance comparisons with appropriate benchmarks and peer group rankings.

» **Investment Policy Statement Modifications**

The Directors shall review specific investment objectives and guidelines stated herein at least once annually. The Directors may modify this Investment Policy Statement in whole or in part at any time. The Directors shall communicate changes to this policy to investment managers and shall obtain written acknowledgement of the changes from the managers. All changes to the policy statement shall be in writing and signed by the Directors.

---

**APPENDIX I**

Asset Allocation Ranges

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>40%</td>
<td>75%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>15%</td>
<td>50%</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>5%</td>
<td>30%</td>
</tr>
<tr>
<td>Cash Equivalents</td>
<td>1%</td>
<td>30%</td>
</tr>
</tbody>
</table>
REVISIONS TO POLICY IV. B
Regarding Club and District Recognition for Annual Giving

IV. SPECIAL COMMITTEES

B. ANNUAL GIVING COMMITTEE

1. Annual Club Gift - District Recognition for Annual Giving (10-08)

The Annual Club Gift campaign is conducted between October 1 and September 30 each year to provide the Foundation with its primary source of unrestricted income. These funds help determine which programs the Foundation can support. Club banner patch awards are presented to participating clubs. Each club is asked to participate by budgeting for a contribution each year.

Awards (DISTRICT GOVERNORS & DISTRICT CHAIRS): Awards are given to district governors and district chairs for achieving a per-capita amount of $5 per member in their district. This is based on certified membership as of September 30. This recognition is based upon contributions received between October 1 and September 30. In addition, district governors and district chairs will receive an “Honor Blazer”, provided that they have not previously been awarded one

(LIEUTENANT GOVERNORS): Lieutenant governors are asked to support the Annual Club Gift campaign by directly encouraging the clubs in their division to contribute. Club presidents and secretaries shall receive special mailings from the KI Foundation reminding them of their important role in making the campaign a success.

After $5 per capita divisional participation is reached, the district chair shall notify the KI Foundation that the lieutenant governor qualifies to receive the Lieutenant Governor Award, which shall be sent for presentation at a district function by the district chair. This recognition is based upon contributions received between October 1 and September 30. (01/2012)

Club Banner Patch (CLUBS): Banner patches and acknowledgement letter shall be given to clubs that make an Annual Club Gift. This recognition is based upon contributions received between October 1 and September 30.
Matching Scholarships:

Districts qualify to receive matching scholarships based on per capita giving to the Annual Club Gift (ACG) campaign. (06-09)

- District with $5 USD or more per capita giving to the ACG campaign qualify to receive ten (10) matching scholarships for either high school or university students. (01/2012)
- Districts with a minimum of $4 USD per capita giving to the ACG campaign qualify to receive eight (8) matching scholarships for either high school or university students. (01/2012)
- Districts with a minimum of $3 USD per capita giving to the ACG campaign qualify to receive six (6) matching scholarships for either high school or university students. (01/2012)
- Districts with a minimum of $2 USD per capita giving to the ACG campaign qualify to receive two (2) matching scholarships for either high school or university students. (01/2012)
- Districts with a minimum of $1 USD per capita giving to the ACG campaign qualify to receive one (1) matching scholarship for either a high school or university student. (01/2012)
- Districts below $1 per capita giving to the ACG campaign do not qualify to receive matching scholarships.

PROVISO: Effective October 1, 2013, the text of Policy B.1 will be replaced with the following:

1. Annual Club Gift District Recognition for Annual Giving (10/12)

As an incentive for Kiwanis districts to promote the work of the Kiwanis International Foundation, these recognition opportunities are available: (10/12)
a. **Top Five Districts Per Capita in Annual Giving (10/12)**

The top five districts in per capita annual giving, excluding The Eliminate Project Campaign, shall be eligible for: (10/12)

1st: Five $2,000 scholarships for high school or university students in the district, and $1,000 gift card to Kiwanis Family Store for district club with highest per capita giving. (10/12)

2nd: Four $1,500 scholarships for high school or university students in the district, and $750 gift card to Kiwanis Family Store for district club with highest per capita giving. (10/12)

3rd: Three $1,000 scholarships for high school or university students in the district, and $500 gift card to Kiwanis Family Store for district club with highest per capita giving. (10/12)

4th: Two $1,000 scholarships for high school or university students in the district, and $250 gift card to Kiwanis Family Store for district club with highest per capita giving. (10/12)

5th: One $1,000 scholarship for high school or university students in the district, and $100 gift card to Kiwanis Family Store for district club with highest per capita giving. (10/12)

b. **Financial Support for Recognition (10/12)**

Each district of Kiwanis International will receive a grant from the foundation to support charitable activities and/or donor recognition activities. Grants will be 5% of the district total amount contributed by September 30 to the Each Kiwanian/Each Year Campaign. The Annual Club Gift and gifts by individual members to the Kiwanis International Foundation would be counted in determining per capita giving, excluding gifts to The Eliminate Project Campaign. (10/12)

*(continued on next page)*
Club Recognition for Annual Giving

c. 100% George F. Hixson Fellow Club (10/12)

Any Kiwanis club in which all dues-paying members are George F. Hixson Fellows will be recognized as a 100% George F. Hixson Fellow Club. Recognition will be based on September 30 certified membership as determined by Kiwanis International. Recognition includes:

• one-time special recognition banner from the Kiwanis International Foundation
• listing on special Club Recognition Page on foundation website
• listing in foundation annual report
• invitation for club president and one member to private reception at the International Convention with the International President and Kiwanis International Foundation Board of Trustees
• recognition badge for club website
(10/12)

d. Club Banner Recognition (10/12)

These club recognitions are awarded annually at the end of the Kiwanis year, based on September 30 certified membership as determined by Kiwanis International. Eligible clubs will be determined by the Kiwanis International Foundation. Recognition will be sent to the current district governor for presentation. (10/12)

e. 100% Kiwanis International Foundation Sustaining Club (10/12)

This recognition honors clubs in which every dues-paying member personally contributes $100 or more to the Kiwanis Children’s Fund during the Kiwanis administrative year. Along with the banner patch, the club will receive:

• listing on special Club Recognition Page on foundation website
• listing in foundation annual report
• recognition badge for club website
• invitation for club president and one member to private reception at the International Convention with the International President and Kiwanis International Foundation Board of Trustees
(10/12)
f. **Each Kiwanian, Each Year Club (10/12)**

Clubs are honored that achieve a minimum $25 per capita from active dues-paying members and 100 percent participation with every active member contributing some amount to the Kiwanis Children’s Fund during the Kiwanis administrative year. The Annual Club Gift and gifts by individual members to the Kiwanis International Foundation would be counted in determining per capita giving. Along with the banner patch, the club will receive:
- listing on special Club Recognition Page on foundation website
- listing in foundation annual report
- recognition badge for club website

(10/12)

g. **Top Three Per Capita in Kiwanis Children’s Fund Giving (10/12)**

Banners are given to the top three per capita giving clubs in each district. To be eligible, clubs must achieve a minimum $50 per capita to the Kiwanis Children’s Fund. Along with the banner, the club will receive:
- listing on special Club Recognition Page on foundation website
- listing in foundation annual report
- recognition badge for club website
- invitation for club president and one member to private reception at the International Convention with the International President and Kiwanis International Foundation Board of Trustees

(10/12)
REVISIONS TO POLICY IV. B
Regarding Individual Recognition for Annual Giving

IV. SPECIAL COMMITTEES

B. ANNUAL GIVING COMMITTEE

2. Individual Recognition for Annual Giving

The financial resources of the Kiwanis International Foundation are focused on three basic purposes:
• Programs, funded by annual gifts that support current initiatives Today
• Special Projects, funded by gifts to execute a unique initiative Tomorrow
• Protecting Programs, funded by deferred gifts to preserve programs Forever

Fundraising will focus on three outcomes:
• Establishing a solid base of donors who think strategically about their philanthropy;
• Building a continuum of donor giving; and
• Focusing staff resources on building relationships that result in major and planned gifts.

a. Kiwanis International Foundation Active Membership

Gifts of all sizes make a difference. Thus, any donor who invests in the work of the foundation as it supports the important mission of Kiwanis International will be considered an active member of the foundation. Every foundation member/donor will be acknowledged. The level of acknowledgement and recognition will be commensurate to the level of investment in the foundation’s work. As members/donors become more informed about and involved in the foundation’s mission, their level of support will increase.

b. Annual Giving

Purpose: To provide incremental giving levels that offer donors opportunities to invest in the foundation with gifts commensurate to their financial means and levels of interest and involvement. Over time these
opportunities will expand the foundation’s donor base, increasing the number of prospects for special, major, lead and planned gifts.

Benefits: See the following table.

<table>
<thead>
<tr>
<th>Membership Level</th>
<th>Gift Amt</th>
<th>TY letter</th>
<th>Impact card</th>
<th>Certificate</th>
<th>Grant report</th>
<th>TY call, web listing</th>
<th>Listing in annual report</th>
<th>Pin/Brooch</th>
<th>Invite to ICON donor event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporter</td>
<td>$25 to $249</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainer</td>
<td>$250-$499</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patron</td>
<td>$500-$999</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advocate</td>
<td>$1,000-$2,499</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leader</td>
<td>$2,500-$4,999</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact Circle</td>
<td>$5,000+ *</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

The impact card will be a specially designed small certificate and will match the foundation’s new look. This piece will reinforce our message of the foundation’s effort to extend donor impact.

The grant report will be a current snapshot of how individual gifts – pooled together to fund club, district and Kiwanis International projects and initiatives – transform lives. It will illustrate the foundation’s global reach through statistics, photos, and quotes from Kiwanians and those helped. A link to more information about grants could be included.

* The George F. Hixson Fellowship and Tablet of Honor will continue to be important means of giving and recognizing service and leadership. The programs will be promoted, and donors and recipients will receive the appropriate benefits and diamond levels.

c. **Consecutive Year Giving: Kiwanis Loyalists**

Purpose: Kiwanis Loyalists recognizes donors who include the foundation among their philanthropic priorities annually without missing a year. The foundation appreciates and salutes these most loyal supporters. Kiwanis Loyalists will complement the annual giving recognition by building and expanding the foundation’s base of steadfast donors.
Benefits: See the following table.

<table>
<thead>
<tr>
<th>Consecutive Years of Giving/Benefit</th>
<th>TY letter</th>
<th>Website recognition</th>
<th>ICON ribbon</th>
<th>Annual report listing</th>
<th>Birthday card</th>
<th>ICON donor event</th>
<th>Personal visit/gift</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
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<tr>
<td>20</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

The most loyal of foundation donors shall be invited to a reception/event at the International Convention. It would serve as a cultivation and stewardship opportunity.

Benefactors of 25 years shall be visited by staff or leadership (where practical and feasible) to express personal thanks and to present a special memento reflective of the foundation’s work and the donor’s philanthropy.

d. **Cumulative Giving: Benefactor and Honored Benefactor**

**Benefactor:** A special group of donors who have contributed either by a one time gift or through cumulative gifts of $5,000 or more.

**Honored Benefactor:** A special group of donors who have contributed either by a one time gift or through cumulative gifts of $10,000 or more.

Benefits: See the following table.

<table>
<thead>
<tr>
<th>Lifetime Giving</th>
<th>Recognition Level</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,000</td>
<td>Benefactor</td>
<td>Certificate signed by foundation president</td>
</tr>
<tr>
<td>$10,000</td>
<td>Honored Benefactor</td>
<td>Framed and matted certificate signed by foundation president</td>
</tr>
</tbody>
</table>

e. **Founders Circle**

Purpose: These are individuals of means whose extraordinary generosity helps Kiwanis turn its vision into reality. This group of philanthropists provides, and will expand, our base of major, lead and potentially “ultimate” (largest outright gift of their lifetime) donors. The list of top donors will be reviewed annually to identify individuals and couples whose giving is within range of the next Founders Circle level. A personal
visit will be scheduled to discuss a gift that would move the individual or couple to the next recognition.

Benefits: See the following table.

<table>
<thead>
<tr>
<th>Lifetime Giving/Benefit</th>
<th>Founders Circle pin</th>
<th>Eagle</th>
<th>Visit by Foundation Leadership</th>
<th>ICON VIP Credentials Pickup</th>
<th>ICON reserved seating</th>
<th>ICON on-stage recognition</th>
<th>Name on Intl. Office plaque</th>
<th>KI Office Space Naming Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25,000</td>
<td>First</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>$50,000</td>
<td>Topaz</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000</td>
<td>Sapphire</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$250,000</td>
<td>Ruby</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$500,000</td>
<td>Emerald</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1,000,000</td>
<td>Diamond</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
</tbody>
</table>

Additionally, all Founders Circle members shall receive these benefits:
- Thank you letter
- Website recognition
- ICON ribbon
- Annual report listing
- Birthday card
- Invitation to ICON donor event
- Personal visit by staff
NEW KI FOUNDATION POLICIES ON ETHICS AND ACCOUNTABILITY

II. Board of Trustees

D. Code of Ethics and Conduct

To ensure the confidence of clubs and members and the reputation of Kiwanis International and its Foundation among the public and to fulfill the Board’s role of stewardship and leadership to the organization, the Kiwanis International Foundation expects all members of the Board to conduct themselves according to the highest ethical, professional, and moral principles. Each Board member and appointed committee chairman shall annually acknowledge, by signature, that he/she has read, understands, and accepts personal responsibility to adhere to the standards of conduct stated in this policy.

Each Board member shall, to his/her utmost ability:

- Personally comply with all applicable laws and regulations, as well as Kiwanis International and Kiwanis International Foundation Bylaws, Policies, and Procedures;
- Never knowingly allow the Kiwanis International Foundation to violate any applicable laws and regulations;
- Act with integrity, honesty, and trustworthiness and not engage in unethical practices, deceive others, or misrepresent Kiwanis and its Foundation in any business dealings;
- Treat others equitably, fairly, and with respect and not engage in any form of discrimination or harassment;
- Be loyal to Kiwanis International, its Foundation and its mission, above any loyalty to a particular individual or group of individuals;
- Demonstrate care for clubs and club members and the communities they serve, including the highest regard for the safety, health, and welfare of the public;
- Make responsible decisions for the future of the organization, ensuring Kiwanis International Foundation resources are prudently managed and expended;
- Practice transparency and accountability to clubs, members, and the public;
- Not use the name of Kiwanis, its Foundation or their Board position for personal benefit or advantage;
- Help create a cooperative and productive working environment at Board meetings and other Kiwanis functions;
- Respect and protect any privileged or confidential information, including the private information of members and donors, and support the final decisions of the Board;
BYLAWS AND POLICIES COMMITTEE
FEB 28 – MARCH 2, 2013
EXHIBIT D
Page 2

- Fulfill the duties of office to which they are elected and not attempt to exercise individual authority outside the purview of his/her office;
- Interact with Staff in a professional and respectful manner, following agreed channels of communication and authority;
- Not engage in any conduct that would tarnish the good reputation of Kiwanis or undermine the public’s trust.

Alleged violations of these standards of conduct shall be reported to the Executive Director, who shall inform the Executive Committee. If the Executive Director and Executive Committee determine that further investigation is warranted, the process shall be conducted in the same manner as violations of conduct unbecoming, including the right to defend him/herself, as defined in the Kiwanis International Foundation Bylaws. After the process is completed, any Board member found to have violated these standards of conduct shall be subject to disciplinary action as determined by the Board, up to and including suspension of duties or removal from office.

E. Pledge of Service

No fundraising quotas are set for members of the Kiwanis International Foundation Board, nor any rigid standards of fundraising measurement or achievement. Each Trustee will be asked to annually sign a pledge that they are fully committed to the vision and the work of the Foundation and that they are dedicated to fulfilling the Foundation’s mission to assist Kiwanis International in “Serving the Children of the World.”

Each Foundation Board member is expected to:
- Be committed to the Foundation’s mission and work to ensure that the Foundation has the necessary funds to fulfill its mission.
- Undertake “friend-raising” and fundraising for the organization.
- Learn as much as possible about the organization to better understand its work, its community outreach, and its vision for the future.
- Abide by the Foundation’s bylaws and policies.
- Financially support the Foundation by personal giving.
- Be a role model for others to follow.
- Actively engage in fundraising in whatever ways most effectively serve the purposes of the Foundation, which may include introduction to potential donors, individual solicitation, writing personal letters, and participating in special events.
- Be an enthusiastic partner and a positive advocate for the mission of the Foundation.
- Attend board meetings, be available for phone consultation, and serve on at least one special committee.
- Consider their work with and for the Foundation to be among their top priorities.
- Do everything possible to support the staff, encouraging them to grow both personally and professionally, and assisting them whenever it is appropriate.
- Strive to practice the “six A’s”:
  a. Be an Ambassador and tell the Foundation’s story.
  b. Be an Advisor and assist in making effective decisions regarding Foundation activities and programs.
  c. Be an Advocate for the Foundation.
  d. Provide Access to help influence others to support the Foundation’s mission.
  e. Provide Affluence by sharing of treasures.
  f. Provide Assistance by giving of time and talent.

Note: Current Policies D, E, and F will be renumbered accordingly.
TENTATIVE NEW ORDER FOR KI FOUNDATION POLICIES

A. KI Foundation Relationship with Other Kiwanis Entities
   1. KI Foundation and Kiwanis International
   2. KI Foundation and Kiwanis Global Campaign for Children
   3. KI Foundation and Kiwanis Districts  (*This will include district officer relations, district chairs, district agreements*)
   4. (*Need to make sure “Funds Collected on Behalf of Other Orgs” is covered somewhere.*)

B. Board of Trustees
   1. Orientation and Training
   2. Ethics and Accountability
   3. Responsibilities  (*This topic should probably move to Bylaws*)
   4. Operations

C. Committees
   1. Board Committees
   2. Other Committees

D. Staff and KI Foundation Office Operations
   1. Executive Director
   2. Board and Staff Relationship
   3. Employee Administration
   4. Document Retention and Destruction

E. Investments and Finances
   1. Investments
   2. Funds
   3. Accounting
F. Annual Giving
   1. Hixson
   2. Tablet of Honor
   3. Skip-A-Meal
   4. Founders Circle
   5. Kiwanis Children's Fund
   6. Annual Club Gifts

G. Planned/Deferred Giving
   1. Heritage Society
   2. Mary & Bo Shaffer Legacy Society
   3. Donor Advised Funds
   4. Endowed scholarships

H. Special Campaigns
   1. Global Campaign for Children

I. Grants
   1. Scholarships
   2. Clubs and districts
   3. Kiwanis Family program grants
   4. Emergency disaster relief grants
   5. World Service Medal grant

J. Heroism Recognition
   1. Robert P. Connelly Medal
   2. Medal of Valor
   3. Certificate of Courage
a. New Policy on Spirit of Philanthropy Award

In October 2010, the Foundation Board adopted a then-new Spirit of Philanthropy Award. In October 2012, the Foundation Board revised the criteria and timing of the award to allow more flexibility. It was then discovered the award had never been codified in Foundation Policies. Since both the original action and the recent revision came through the Development Committee, it is suggested the new award be placed in Policy III.D - Responsibilities of the Development Committee.

Recommendation #1: That the Kiwanis International Foundation Board adds new Policy III.D.5 as shown below to incorporate the Spirit of Philanthropy Award.

III. Board Committees Responsibilities

D. RESPONSIBILITIES OF THE DEVELOPMENT COMMITTEE

5. Spirit of Philanthropy Award

The Spirit of Philanthropy will be presented no more frequently than annually to individuals, couples, families, corporations or foundations with a proven record of generosity who, through sharing of time, talents, and resources, have demonstrated exceptional charitable responsibility, and whose generosity encourages others to embrace philanthropic leadership roles on the local, national and/or international levels. (10/10) (10/12)

(ADOPTED)

Strategic Intent: In compliance
Governance: Maintaining governing documents
Capacity: No resources required
Finance: No cost incurred or required
Metrics: Informal positive response from donors
Effective Date: Immediately
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
COMMITTEE REPORT

GRANTS AND CONNELLY COMMITTEE

March 1, 2013
International Office, Indianapolis, Indiana USA
9:00 a.m. – 12:00 p.m. EST
Seminar Room West

Committee Members
  Mark B. Rabaut, Chairman
  Lance M. Incitti
  Cynthia K. Champer
  Valeria Gringeri
  Edward V. Humphries

Staff
  Julie Taylor, Staff Liaison

Guests
  Elisa Lucchi-Riester, Interpreter

1. Call to Order

2. Consent Report
   a. Review of Robert P. Connelly Medal of Heroism nominee Lucas VanSickle
   b. Review of SLP and club/district grant requests
   c. Selection of Robert P. Connelly Medal of Heroism recipient – for recognition at
      the 2013 Kiwanis International convention
   d. Selection of alternate Robert P. Connelly Medal of Heroism recipient – for
      recognition at the 2013 Kiwanis International convention

3. Action Report
   a. Revisions to policies on heroism recognition, grants, and disaster relief

4. Information Report
   a. Review current grant application process

5. New Business
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

REPORT OF THE
GRANTS AND CONNELLY COMMITTEE

Consent Report

a. Review of Robert P. Connelly Medal of Heroism nominee Lucas VanSickle

The committee reviewed the nomination form and supporting document for Lucas VanSickle. VanSickle was nominated for the Connelly Medal of Heroism by the Tallahassee Northside Kiwanis Club.

Recommendation #1: That the Kiwanis International Foundation Board approves the award of the Medal of Valor for Lucas VanSickle and awards VanSickle a US$250 American Express gift card.

(ADOPTED)

Strategic Intent: Aligns with Path to 2015
Governance: In compliance with policy
Capacity: No impact to existing staff capacity
Finance: No change to current year budget
Metrics: Not applicable
Effective Date: April 2, 2013

b. Review of SLP and club/district grant requests

The committee reviewed grant requests submitted by Kiwanis Service Leadership Programs and Kiwanis clubs and districts and made recommendation for funding.

Recommendation #2: That the Kiwanis International Foundation Board approves the grants, as outlined in Exhibit A.

(ADOPTED)

Strategic Intent: Aligns with Path to 2015
Governance: In compliance with policy
Capacity: No impact to existing staff capacity
Finance: No change to current year budget
Metrics: Not applicable
Effective Date: April 2, 2013
Recommendation #3: That the Kiwanis International Foundation Board declines the grants, as outlined in Exhibit B.

(ADOPTED)

Strategic Intent: Aligns with Path to 2015
Governance: In compliance with policy
Capacity: No impact to existing staff capacity
Finance: No change to current year budget
Metrics: Not applicable
Effective Date: April 2, 2013

c. Selection of Robert P. Connelly Medal of Heroism recipient

The committee reviewed Robert P. Connelly Medal recipients from the previous twelve months to select one recipient to be recognized on stage at the 2013 Kiwanis International convention.

Recommendation #4: That the Kiwanis International Foundation Board invites Robert P. Connelly Medal of Heroism recipient Nicole Bunting to receive special recognition at the 2013 Kiwanis International convention.

(ADOPTED)

Strategic Intent: Aligns with Path to 2015
Governance: In compliance with policy
Capacity: No impact to existing staff capacity
Finance: No change to current year budget
Metrics: Not applicable
Effective Date: April 2, 2013

d. Selection of alternate Robert P. Connelly Medal of Heroism recipient

The committee reviewed Robert P. Connelly Medal recipients from the previous twelve months to select one recipient to serve as an alternate to be recognized on stage at the 2013 Kiwanis International convention in the event the committee’s first choice is unable to attend.

Recommendation #5: That the Kiwanis International Foundation Board invites Robert P. Connelly Medal of Heroism recipient Lara Gross to receive special recognition at the 2013 Kiwanis International convention, in the event the committee’s first choice, Nicole Bunting, is unable to attend.

(ADOPTED)
Strategic Intent: Aligns with Path to 2015
Governance: In compliance with policy
Capacity: No impact to existing staff capacity
Finance: No change to current year budget
Metrics: Not applicable
Effective Date: April 2, 2013

Action Report

a. Revisions to Policies on heroism recognition, grants, and disaster relief

Discrepancies have previously been identified in the existing policies regarding heroism recognition, grants, and disaster relief. Staff suggested revisions to resolve these discrepancies and align the policies with current practice as shown in Exhibit C.

Recommendation #6: The Kiwanis International Foundation Board approves the revisions to Policy III.E – Responsibilities of the Grants and Connelly Committee, as outlined in Exhibit C.

(ADOPTED)

Strategic Intent: Aligns with Path to 2015
Governance: In compliance with policy
Capacity: No impact to existing staff capacity
Finance: No change to current year budget
Metrics: Not applicable
Effective Date: Immediately

Information Report

a. Review current grant application process

Staff shared an overview of non-profit best practices for grant makers in terms of application format, review process, and housekeeping items related to strict adherence to Kiwanis International Foundation policy.

New Business

None
FUNDED CLUB AND DISTRICT GRANT REQUESTS

Circle K International
Amount approved: US$16,000
Purpose: 2013 Leadership Academy

Aktion Club
Amount approved: US$10,000
Purpose: 2013 Aktion Club Training and Leadership Conference

Key Leader
Amount approved: US$50,000
Purpose: Leadership development and program support for Key Leader

Kiwanis Club of Peninsula at Oyster Point, Capital District
Amount approved: US$4,646
Purpose: To establish a library which will serve boys who are incarcerated for minor crimes in Ilobasco, El Salvador

Indian River Kiwanis Club, Michigan District
Amount approved: US$6,000
Purpose: To support The Dream Project, a family-style orphanage for abandoned and impoverished children in Mozambique

Kiwanis Club of Federal Way, Pacific Northwest District
Amount approved: US$4,000
Purpose: To support Projecto Honduras and provide one year of treatment to the children of the Cloud Forest for the removal of worms and parasites

Kiwanis Club of Lombard, Illinois-Eastern Iowa District
Amount approved: US$8,000
Purpose: To ship 500 bikes to Lesotho for HIV/AIDS orphans

Kiwanis Club of Chatham Kent Golden K, Eastern Canada and the Caribbean District
Amount approved: US$8,600 (cannot go to salaries)
Purpose: To support Fatima House and School, a residential school for the destitute ages 3 to 14, in Sialkot, Pakistan
Menominee Area Kiwanis Club, Wisconsin – Upper Michigan District
Amount approved: US$1,150
Purpose: To purchase and ship 100 soccer balls and pumps to children in the Senegambia area of West Africa

Kiwanis Club of South Lake Charles, Louisiana – Mississippi – W. Tennessee District
Amount approved: US$2,500
Purpose: To purchase t-shirts and prizes for their BUG program, as well as pizza, Kiwanis certificates and supplies for the awards ceremonies and end of year awards for the Bug and SUPERBUG of the year.

Kiwanis Club of Vernon, Louisiana – Mississippi – W. Tennessee District
Amount approved: US$1,500
Purpose: In collaboration with Key Club, provide a free hot meal to needy members of the community twice a quarter

Kiwanis Club of Hutchinson, Kansas District
Amount approved: US$500
Purpose: Funding for people with disabilities class for Kansas state fair art exhibits

Kiwanis Club of Moses Lake, California-Nevada-Hawaii District
Amount approved: US$5,000
Purpose: Purchase automatic electronic defibrillators for Moses Lake School District

Homewood – Mt. Brook Kiwanis Club, Alabama District
Amount approved: US$5,000
Purpose: To create an outdoor learning center at Barrett Elementary for the students to learn in a “hands-on” natural environment

Town and Country Kiwanis Club, Nebraska – Iowa District
Amount approved: US$5,500 (for supplies)
Purpose: To support Teen Maze, a life-sized board game where seventh grade students learn about the potential consequences of their choices, in a fun and interactive environment.

Kiwanis Club of Portland, Pacific Northwest District
Amount approved: US$15,000
Purpose: To support an offsite adventure program for children with disabilities at Mt. Hood Kiwanis Camp

Rolla Missouri Noon Kiwanis Club, Missouri – Arkansas District
Amount approved: US$10,000
Purpose: To support Fill a Backpack, a program that provides children in need with nutritious, easy to prepare food for the weekends.

**Kiwanis Club of the Haddons, New Jersey District**  
Amount approved: US$5,000  
Purpose: To purchase a Premium Portable Dental Unit for the Healing the Children New Jersey organization for a volunteer pediatric dental trip to San Pablo, Ecuador

**Downtown Kiwanis Club of Rapid City, Minnesota – Dakotas District**  
Amount approved: US$3,000  
Purpose: To provide cribs and safe sleep survival kits to needy infants to reduce the infant mortality rate

**Kiwanis Club of Fata Morgana, Italy – San Marino District**  
Amount approved: US$23,000  
Purpose: Key Leader for Key Club experience for 50 children
Norden District
Amount requested: US$15,000
Purpose: To provide restrooms for a school in Torevice, Albania and support for Open School, to provide instruments and music lessons to mentally disabled youth and after school activities in Shkoder, Albania

Glenview-Northbrook Kiwanis Club, Illinois – Eastern Iowa District
Amount requested: US$15,000
Purpose: To support Kiwanis Peacemakers Summit, a three-day leadership summit in Israel for Israeli and Palestinian graduates of Hands of Peace, an interfaith dialogue program based in Glenview, IL

Kiwanis Club of Pointe a Pitre, Eastern Canada and the Caribbean District
Amount requested: US$20,456
Purpose: To provide equipment for a cultural and educational multimedia area for youth

Kiwanis Club of Medford, Wisconsin – Upper Michigan District
Amount requested: US$5,000
Purpose: Purchase bingo equipment
III. Board Committee Responsibilities

E. RESPONSIBILITIES OF THE GRANTS AND CONNELLY COMMITTEE

1. The Robert P. Connelly Medal for Heroism

The Grants and Connelly Committee should:

a) Define as clearly as possible the criteria for granting the Connelly Medal, Medal of Valor and/or the Certificate of Courage.

b) Review each nomination application to ensure that it provides the pertinent information on which the committee can reach a correct decision to grant a Connelly Medal, Medal of Valor or Certificate of Courage.

c) Seek additional information if the committee deems it necessary before final action on the nomination application.

d) Develop recommendations for promoting the prestige of the Connelly Award Medal and regarding how to increase the interest on the part of the clubs in submitting nominations applications for the Connelly Award Medal.

e) Develop material and promote recommendations to the submitting clubs for criteria used in presenting the approved award such as: (a) preferred time of presentations, i.e., large group such as district convention; (b) maximize public relations exposure of presentation; and, (c) use of a dignified setting for presentation.

f) Assist the president and staff in planning each year's presentation of a Connelly Medal at the Kiwanis International convention.

g) The Connelly Award Medal may include a financial award.

h) For any award applications Connelly Medal nominations must be received within five (5) years of the incident to be considered.

i) To qualify for the Robert P. Connelly Medal a person must:
GRANTS AND CONNELLY COMMITTEE
EXHIBIT C

1) Actually risk physical harm or death of his/her own life by accepting self-imposed personal responsibility in the effort to save the life of another human being. The nominee may be a Kiwanian or non-Kiwanian.

2) Perform the act of heroism outside their normal employment duties and/or hours.

   a) Acts of heroism by members of the police carrying out their duties are not eligible for a Connelly Medal.

   b) A police man on vacation voluntarily risking his life or health in an attempt to save a person from death would be eligible for the Connelly Medal.

3) Have no official responsibility for the rescue effort. A public safety officer, fireman, guard, etc., who attempts to rescue a person in the normal performance of their duty is not eligible for the Robert P. Connelly Medal.

4) Not be closely related to the person involved in the rescue effort. The risk of life or health for a member of the family does not fall within the scope of the Connelly Medal.

The Executive Committee may award a Connelly Medal in the event of a time constraint that prevents normal consideration by the Grants and Connelly Committee.

2. Medal of Valor

   Qualifications: This award is for those who performed an act of heroism in attempting to save the life of another human being and meet all other criteria for the Connelly Medal with the exception of not risking their life in the attempt but does not qualify for the Connelly because they did not risk their life in the attempt.

3. Certificate of Courage

   Qualifications: This certificate may be awarded to anyone involved in an attempted rescue, but for some reason who does not qualify for either of the two previous awards.
4. Grants Program

a) The Grants and Connelly Committee shall review the grant application form and make recommendations for improvement to the Board.

b) The KIF Board of Trustees approves funding of grants three times twice annually— September/October, January/February, and in June/July at the International Convention. Grant applications must be postmarked by Deadline for filing grant applications is July 15th for review in September/October, November 15th for review in January/February and by April 15th for review in June/July, at the International Convention. All applications must be postmarked by the above dates to be considered for the corresponding Board Meeting. The KIF Board of Trustees approves funding of grants twice annually: at its January/February meeting and at its June/July meeting. Grant applications must be postmarked by November 15 for review in January/February and by April 15 for review in June/July.

c) The committee shall set the schedule for the consideration of all grant requests to see that all requirements were satisfied, and request Prior to consideration, the Chief Operating Officer Executive Director or his or her designated staff members shall review applications for completeness and adherence to the guidelines comments of their worthiness and forward the comments to the committee.

d) The Committee shall give full consideration to grant requests from KI and its Sponsored Organizations and Programs.

e) Guidelines for filing grant applications:

1) Priority will be given to grants involving Kiwanis Service Leadership Programs and projects involving young children.

2) The KIF encourages Kiwanis-family sponsored programs to apply and will give them top funding priority.

3) The KIF-family will consider only grants from Kiwanis clubs or Districts for Kiwanis programs, which are deemed applicable to all Kiwanis clubs and districts. The Kiwanis International Foundation provides grants only to Kiwanis-family clubs and districts, for programs sponsored or supported by the club or district.
4) (3) Capital improvement Requests for land purchase will not be considered.

5) (4) The KIF Board will not consider applications for grants in excess of US$50,000. Clubs and districts may apply for grant funding up to US$25,000. The foundation may award less than the amount requested.

6) (5) The grant must further the goals and ideals of Kiwanis, and it must promote the growth and development of Kiwanis in the area where the project, program or organization is located.

7) (6) Nonprofit organizations in the U.S. U.S. organizations that are supported by Kiwanis International Foundation grants to Kiwanis clubs and districts must be qualified by the Internal Revenue Service for tax exemption as a 501(c)(3) organization and have proper liability insurance to indemnify the Kiwanis International Foundation.

8) The KIF Board approves funding of grants three times annually—September/October, January/February, and in June at the International Convention. Deadline for filing grant applications is July 15th for review in September/October, November 15th for review in January/February and April 15th for review at the International Convention. All applications must be postmarked by the above dates to be considered for the corresponding board meeting.

10) (7) The decision of the KIF Board is final.

9) (8) Notification of the decision of the KIF Board will be made no later than 30 days following the board’s decision.

11) (9) The KIF must be cited for funding the grant named and credited for grant funding.

12) (10) Grant funding commitments are made for twelve (12) consecutive months only.

13) (11) The KIF foundation will not provide funding a grant to a club or district for the same program, project or organization for more than three (3) consecutive years. The club or district must reapply each year for a grant in order to be considered for funding.

14) (12) Projects, programs and organizations supported by Kiwanis International Foundation grants to Kiwanis clubs and districts The recipient organization of an approved grant may spend up to and including the specified amount
for the sole purpose of the program for which the amount was approved, and will receive up to the approved amount after submitting copies of paid invoices to the Executive Director of the KIF, or may request that the KIF pay the vendor invoices directly.

13) The foundation requires grant recipients to submit six-month and one-year reports on the program or project being funded. The reports must include professional digital color photographs for publication purposes.

14) Grant funds will be disbursed to the club or district when copies of paid invoices and an IRS Form W-9 (U.S. clubs and districts only) are submitted to the foundation. The club or district may also request that the foundation pay the invoiced vendor directly.

If your grant request is approved, the KIF requires grant recipients to submit six-month and one-year reports on the program, including professional color photographs for publication purposes.

f) Grant program details to include: Grant applications should include the following information regarding the project, program or organization supported by the Kiwanis club or district:

1) How many children will benefit from this grant?
2) Can the money be obtained elsewhere?
3) Would a grant lesser than the amount requested still make the program viable?
4) Would a matching grant be appropriate?
5) What would be the long-term positive outcomes of the grant be?
6) Would this grant request require further funding?
7) Will the grant further the goals and ideals of Kiwanis and promote the growth and development of Kiwanis in the area?
8) What are the goals and purposes of the program?
9) How does the program relate to serving young children?
10) What are the objectives of the program? Are they measurable and how?
11) What are the specific activities that must be carried out to meet the objectives? Are they on schedule?
12) Who are the members of the staff that will carry out the program?
13) What are their backgrounds and qualifications?
14) What is the relationship of this program to the grantee organization’s/institution’s overall mission?
3. Grant requests originated in areas where KIF has an agreement with a local Kiwanis partner foundation may be funded on a matching basis as follows:

<table>
<thead>
<tr>
<th>KIWANIS INTERNATIONAL FOUNDATION</th>
<th>LOCAL FOUNDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1 100%</td>
<td>0%</td>
</tr>
<tr>
<td>Year 2 75%</td>
<td>25%</td>
</tr>
<tr>
<td>Year 3 50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

IX. Disaster Relief Funds (04/2011)

1. By action of the KIF Board a disaster relief fund has been created for voluntary contributions submitted by clubs or individuals or for monies allocated by action of the KIF Board.

2. In the event of a disaster and upon an agreement between the President of KI and the President of KIF, clubs may be invited to contribute voluntarily to a fund established by the Foundation for the purpose of providing relief funds for disasters. The disaster relief fund will be used only for this purpose. The Foundation shall accept disaster relief donations for a particular disaster only upon advising the donor that at such time as the Foundation, in its discretion, determines that disaster relief funds are no longer needed for that disaster, the Foundation may use any amount remaining of such donor funds for disaster relief elsewhere. The President of KI may authorize a letter to be sent to all Kiwanis clubs requesting voluntary contributions. Funds received from clubs specified for disaster relief shall be deposited in the special fund established by the KIF. (04/2011)

3. Disaster relief grants may be made by the Kiwanis International Foundation President in amounts not exceeding US$5,000 without Executive Committee or Board approval. Emergency or disaster relief grants requested in excess of US$5,000 may be honored only upon the approval of the Executive Committee or the KIF Board.

4. The Chief Operating Officer Executive Director is authorized to release monies from the revolving disaster relief fund by authorization of the KIF President.

5. The nature of the disaster fund and its proposed usage will be clearly delineated.

X. Approval of Foundation Grants

1. Grants made by KIF must conform to the objects and purposes prescribed in its bylaws.
GRANTS AND CONNELLY COMMITTEE
EXHIBIT C

2. Service projects, which relate to the ideals and objectives of KI or Kiwanis sponsored affiliates, will be accorded top priority.

3. Other projects of national or international scope, deemed applicable to all Kiwanis Clubs and Districts, may be considered for support. Except as provided in this article, local or regional projects are primarily regarded as the prerogative of club or district foundations. In areas of the world where there are no Kiwanis clubs or districts without resources to respond to requests, the KIF will continue to consider local projects. Any application received that is determined by Staff and the Chair of the Grants and Connelly Committee to be too local in nature for consideration, may be returned to the applicant without being presented to the entire Committee.

4. District foundations may submit one grant proposal per year. The KIF board may award grants to district foundations up to US$10,000. Preference is to be given to districts not previously funded or those which have not recently received a grant awarded.

5. Until such time that KIF has sufficient funds, grant requests for capital improvements will not be considered.

6. The name of the KIF should be clearly identified on all projects approved for a grant.

7. Commitments of more than one year can only be made subject to annual review by the KIF Board.

8. Notification of funding decisions the decision of the KIF Board will be communicated to applicants mailed no later than within 30 days following the board’s decision after being awarded.

9. The decision of the KIF Board is final.

10. Grants that provide for the full production and duplication cost of training, promotional or educational material shall be made on a non-income producing basis. No product so produced may be sold, nor may any contribution be solicited, except to cover reasonable postage and handling costs, in exchange for such material.
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
COMMITTEE REPORT

INVESTMENT COMMITTEE

Friday, March 1, 2013
2:00 – 3:00 p.m. EST
International Office, Indianapolis, Indiana USA
Seminar West Room

Committee Members
D. Hugh Siggins, Chair
John C. Holley
Robert A. Parton, Jr.
Mark B. Rabaut

Staff
Bob Broderick, CFO, Staff Liaison
Bill Parker, Controller - Staff Liaison
Ann Updegraff Spleth, KIF Chief Operating Officer
Jeff Oatess, Chief Operations Officer
Janice Schepers, Financial Analyst

Guests
Trent Cowles, Merrill Lynch

1. Call to Order

2. Consent Report

None

3. Action Report

None

4. Information Report

a. Review of Current Investment Report
b. Update on Current Investment Policy and Investment Managers
5. New Business
   
   a. Review of the Current Investment Report
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES

REPORT OF THE
INVESTMENT COMMITTEE

Consent Report

None

Action Report

None

Information Report

a. Review of Current Investment Report

Merrill Lynch representative, Trent Cowles, presented a comprehensive report of the Kiwanis International Foundation (KIF) investment portfolio as of January 31, 2013 to the members of the Investment Committee.

The Committee received a printed report of the investment portfolio, as of January 31, 2013, which showed the following information:

- Investment Policy Statement
- List of accounts/managers
- Investment earnings and cash flows
- Annualized performance
- Asset allocation overview
- Risk vs. return analysis
- Cash flows and performance by years (2004-2013)
- Performance by account for 2004-2013
- Time weighted rate of return for October 2012 to January 2013
- Portfolio review of Charitable Gift Annuities accounts
- Investment manager analyses reports
- Research Investment Committee Strategy Report – February 2013

The Merrill Lynch representative provided their expertise on how the investment portfolio has performed, where the portfolio is potentially going, and future expectations for the market and the portfolio.
Some of the significant information shared in the investment report by Merrill Lynch was as follows:

1) Total portfolio balance 9/30/2012 – US$11,718,192
2) Total portfolio balance 1/31/2013 – US$12,592,905
3) Asset allocation percentages – Equities (67.3%), Fixed Income (22.9%), Alternative Investments (6.1%), Cash (3.7%)
4) Asset allocation by style:
   - Large Cap Growth – US$2,611,066 (20.7%)
   - Large Cap Value – US$1,516,209 (12.1%)
   - Small/Mid Cap Growth – US$1,010,495 (8.1%)
   - Small/Mid Cap Value – US$1,173,181 (9.3%)
   - International – US$2,159,165 (17.1%)
   - Blend – US$9,746 (0.1%)
   - Fixed Income – US$2,876,736 (22.8%)
   - Cash – US$465,455 (3.7%)
   - Alternative Investments – US$770,852 (6.1%)
5) Rate of Return:
   - Last 3 months – 4.99% (5.30% benchmark)
   - Last 12 months – 9.35 % (11.97% benchmark)
   - Last 3 years – 9.22% (9.62% benchmark)
   - Last 5 years – 4.50% (3.25% benchmark)
   - Since inception 2000 – 3.19% (3.53% benchmark)

The Committee accepted the report of Merrill Lynch.

b. Update on Current of Investment Policy and Investment Managers

The Committee inquired with Merrill Lynch concerning investment policy statement changes and investment manager changes. Merrill Lynch indicated they did not have any changes to recommend at this time.

New Business

a. Review of the Current Investment Report
KIWANIS INTERNATIONAL FOUNDATION BOARD OF TRUSTEES
COMMITTEE REPORT

STRATEGIC PLANNING COMMITTEE

March 1, 2013
9:00 a.m. – 12:00 p.m. EST
International Office, Indianapolis, Indiana USA

Kiwanis Family Room

Committee Members
John C. Holley, Chair
J. Lamar Anderson
Robert A. Parton, Jr.
Alan Penn
D. Hugh Siggins

Staff
Stan Soderstrom, Staff Liaison (absent)
Ann Updegraff Spleth, Staff Liaison

1. Call to Order

2. Consent Report

None

3. Action Report

a. Kiwanis International Board and Kiwanis International Foundation Board collaboration - Recommendation regarding Kiwanis International and Kiwanis International Foundation officers meeting to work on the strategic agenda of the organization
b. Kiwanis International Foundation Board committee structure - Recommendation regarding simplification of the Board committee structure

4. Information Report

a. The Path to 2015 report
b. Kiwanis International Board’s strategic planning process

5. New Business

None
Consent Report

None

Action Report

a. Kiwanis International Board and Kiwanis International Foundation Board collaboration

The Committee discussed the need for the Kiwanis International and the Kiwanis International Foundation officers to meet regularly to work on a common vision for both organizations.

Recommendation #1: That the Kiwanis International Foundation Board encourages the executive officers of Kiwanis International and the Kiwanis International Foundation to meet together quarterly to work on the strategic agenda of both organizations.

(ADOPTED)

Strategic Intent: To ensure both the membership and foundation sides of Kiwanis International share a common vision for the organization

Governance: Not applicable

Capacity: In compliance

Finance: Not applicable

Metrics: Not applicable

Effective Date: Immediately

b. Kiwanis International Foundation Board committee structure

The Committee discussed the relative number of committees to board members, and the need to streamline the committee structure to maximize board members’ time and impact, possibly reducing the number of days of board meetings.

Recommendation #2: That the Kiwanis International Foundation Board directs staff to work with the President-elect to reduce the number of committees of the Foundation Board.

(ADOPTED)
REPORT OF THE
STRATEGIC PLANNING COMMITTEE

**Strategic Intent:** To operate at maximum efficiency when considering the Board’s time, impact and other resources spent during board meetings

**Governance:** In compliance

**Capacity:** Within existing staff capacity

**Finance:** Not applicable

**Metrics:** Not applicable

**Effective Date:** Immediately

**Information Report**

a. **The Path to 2015 report**

   The Committee received a report from the Chief Operating Officer regarding the progress toward the Path to 2015 document. The report reflected good progress being made.

b. **Kiwanis International Board’s strategic planning process**

   The Committee received a report from Kiwanis International Immediate Past President, Alan Penn, regarding the Kiwanis International Board’s strategic planning process.

**New Business**

None