

I N D E X

SUMMARY OF MINUTES

MEETING OF THE BOARD OF TRUSTEES

June 17-18, 1976

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SUMMARY OF MINUTES

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SUMMARY OF MINUTES

MEETING OF BOARD OF TRUSTEES

June 17-18, 1976

A meeting of the International Board of Trustees was held at the Westgate Hotel in San Diego, California, June 17 and 18, 1976. Those present: Ted R. Osborn, President; Stanley E. Schneider, President-elect; Roy W. Davis, Immediate Past President; Mark A. Smith, Jr. and Hilmar L. Solberg, Vice-Presidents; Maurice Gladman, Treasurer; Paul Chandler, Jack P. Delf, Merald T. Enstad, Dwight F. Gallivan, Stephen H. Hart, Jr., Ralph C. Keyes, E. B. "Mac" McKitrick, Carl F. Miller, Drew M. Petersen, M.D., John T. Roberts, Ernest Sturch, Jr., and Douglas Wasson, Trustees; R. P. Merridew, Secretary; L. A. Hapgood, Associate Secretary.

1. Message of the President

Message of the President is attached as Exhibit #1.

2. Report of the Secretaries

Report of the Secretaries is attached as Exhibit #2.

Recommendation: That, retroactive to May 1, 1976, Gerald R. Jindra be named Manager of Project Services.

Voted, that this recommendation be adopted.

Report received.

3. Approval of Summary of Minutes of Board Meeting, April 24-28, 1976

Voted, that the minutes of the Board Meeting of April 24-28, 1976, be approved.

4. Consideration and Approval of General Office Administrative Action

Voted, that the action of the General Office in approving the following be confirmed:

Elimination of membership of not-meeting clubs from active membership files
Organization of new clubs
Change of names of Kiwanis clubs
Club incorporations completed
Circle K clubs completed
Key Clubs completed
Incorporation of Kiwanis Club Foundations

5. Reports of Board Committees

Convention

Chairman Gladman presented the report of the committee. This is attached as Exhibit #3.

Recommendation 1. Contingent upon satisfactory final negotiations, that the Dallas Statler Hilton be named the official family hotel for the 1977 convention.

Voted, that this recommendation be adopted.

Report received.

Laws and Policies

Chairman Solberg reported that at its meeting the committee had discussed the method of presenting amendments and resolutions to the Council and the convention delegates as well as at the pre-convention forum.

Report received.

Leadership and Council

Chairman Sturch reported that the committee had reviewed the plans for the fall Council Meeting. He indicated that suggestions for an inspirational speaker for the last morning of the Council would be welcomed.

Report received.

6. Request of Texas-Oklahoma District for a Keywanettes District

It was reported that a request had been received from the District Chairman of Keywanettes of Texas-Oklahoma for permission to organize a Keywanettes District.

Voted, that pending receipt of an official request from the Board of Trustees of the Texas-Oklahoma District for the organization of a Keywanettes District that this matter be tabled.

7. Report of the Treasurer

Report of the Treasurer was presented by Maurice Gladman. This is attached as Exhibit #4.

Report received.

8. Report of Committee on Finance

Report of the Finance Committee, presented by Chairman Ralph C. Keyes, is attached as Exhibit #5.

Recommendation 1. That the write-off of accounts receivable totaling \$1,699.36 be made.

Voted, that this recommendation be adopted.

Recommendation 2. That the budget for the 1976-77 administrative year, which reflects a net income figure of \$24,466, be approved.

Voted, that this recommendation be adopted.

Recommendation 3. That the budget adjustments attached to the report of the committee be approved.

Voted, that this recommendation be adopted.

Recommendation 4. That the earnings from the Funded Reserve be retained in that reserve.

Voted, that this recommendation be adopted.

Recommendation 5. That an expenditure from the Building Expansion Reserve not to exceed \$4,000 be approved for the alteration of the physical layout of office space as required to improve efficiency and work flow of the General Office building.

Voted, that this recommendation be adopted.

Recommendation 6. That the Marsh and McLennan Agency be authorized to conduct a survey concerning group insurance for Kiwanians.

Voted, that this recommendation be adopted.

The committee indicated that it was retaining study of the financial policy concerning the preparation of the annual budget adjustments for report in the future.

Report received.

9. Report of World Secretariat Meeting

Minutes of the Meeting of the Kiwanis International World Secretariat, May 20-22, 1976, are attached as Exhibit #6.

Voted, that pending the necessity for convening a conference at some point in time, that the Board confirm the action of the World Secretariat and the previous action of the Board that the World Secretariat be dissolved, effective immediately.

10. Joint Meeting with Past International Presidents

The Board and Past Presidents met in a joint luncheon session.

Chairman Lorin Badskey of the Past Presidents Committee presented a progress report of the Past Presidents meeting and suggested that consideration be given in the future to the scheduling of the Past Presidents meeting so that it might be concluded before the Board Meeting is finished at both the Council and Convention, thus enabling the Past Presidents to bring necessary matters to the Board's attention for action at that time.

President Osborn commented on the Builders Clubs and reviewed the proposed amendments and resolutions to be presented at the convention.

Past President Eagles, Chairman of the World Secretariat, reported on the meeting held in Chicago on May 20-22, 1976.

Chairman Sturch of Leadership and Council Committee reviewed plans for the fall Council Meeting.

11. Kiwanis International Foundation

Secretary Reg presented a report on the Relationship of the Kiwanis International Foundation to the Budget of Kiwanis International, This is attached as Exhibit #7.

During discussion on this report, motion was made that it be recommended that the charges for service to the Kiwanis International Foundation be based on the formula used by Kiwanis International to establish such charges for its income-producing departments. Motion was further made to amend this recommendation to exclude the cost of telephone and telegraph. This amendment was defeated.

Voted, that the above recommendation be adopted.

Voted, that as of August 1, 1976, seventy-five percent of the formula be requested for the next Foundation year, this to increase to one hundred percent of the formula in the following Foundation year and thereafter. It was further voted that the Secretary communicate this action by way of his working paper and the motion adopted by this Board.

12. Report of Past International Presidents

(See Minutes of Post-Convention Board Meeting) (Exhibit #8)

13. Other Business

Auxiliaries

Voted, that the following statement be included in the policies of Kiwanis International: "A Kiwanis club may sponsor on the local level an organization which may include wives, widows, or other members of the families of Kiwanians. (Negative vote by Trustee Ralph Keyes)

Key Clubs

President Ted stated his concern about recent legal developments in connection with possible admission of girls into Key Club membership. After following previously approved procedures, several districts and a large number of individual Key Clubs now have female members and the legal pressures have increased considerably throughout the districts in the United States. After considerable discussion by the full Board, the following action was taken.

Voted, that the Board recommends that Key Club International give favorable consideration to amending its constitution to admit girls into membership. (Negative votes by Trustees Paul Chandler and John T. Roberts)

14. Next Board Meeting

The next Board Meeting was scheduled for Thursday, June 24, 1976.

Adjournment

SUMMARY OF MINUTES

MEETING OF BOARD OF TRUSTEES

June 24, 1976

A joint meeting of the 1975-1976 and 1976-1977 Boards of Trustees of Kiwanis International was held at the Westgate Hotel in San Diego, California, on June 24, 1976. Past International Presidents were invited to attend. Those present: Ted R. Osborn, President; Stanley E. Schneider, President-designate; Roy W. Davis, Immediate Past President; Mark A. Smith, Jr. and Hilmar L. Solberg, Vice-Presidents; Maurice Gladman, Treasurer; Paul Chandler, Jack P. Delf, Merald T. Enstad, Dwight F. Gallivan, Stephen H. Hart, Jr., Ralph C. Keyes, E. B. "Mac" McKitrick, Carl F. Miller, Drew M. Petersen, M.D., John T. Roberts, Ernest Sturch, Jr., and Douglas Wasson, Trustees; Egon Kuzmany and C. E. "Pete" Thurston, Jr., Trustees-designate; R. P. Merridew, Secretary; L. A. Hapgood, Associate Secretary. Also present: Lorin J. Badskey, Wes H. Bartlett, William M. Eagles, M.D., Harold M. Heimbaugh, T. R. Johnson, Albert J. Tully, and I. R. Witthuhn, Past International Presidents; Henry A. Boney, Chairman, and Orien W. (Junior) Todd, Honorary Chairman, San Diego Convention Committee; Harry S. Himmel, President, Kiwanis International Foundation.

Introductions

Chairman Henry Boney and Honorary Chairman Junior Todd were introduced and asked to make comments. Appreciation was expressed to them for their efforts in making the convention a success.

Report of Past International Presidents

Chairman Lorin J. Badskey of the Committee of Past International Presidents presented the report of the committee. This is attached as Exhibit #8.

Report of Meeting of Kiwanis International Foundation Board

Harry S. Himmel, President of Kiwanis International Foundation, presented the report of the meeting of the Foundation Board. This is attached as Exhibit #9.

Comments

Comments were received from the Past International Presidents and outgoing Officers.

New Board Members

Trustees-designate Egon Kuzmany and "Pete" Thurston were welcomed as members of the 1976-1977 International Board of Trustees.

Completion of Work of 1975-76 Board

Growth Programs and Membership Development. President Osborn stated that there were ninety-eight days left in this administrative year in which to work on growth programs and membership development, and urged that Kiwanis clubs be encouraged to continue their efforts on membership and Builders Clubs on the basis of a twelve-month year.

Chairman Jack Delf of the Board Committee on Membership Growth and Education discussed the growth kit which was distributed to the members of the Board and especially as pertaining to President's Day.

U. S. Treasury Ruling. Immediate Past President Roy Davis commented on the U. S. Treasury action. He stated that the Labor Department has come out with clarification on the ruling with reference to deductibility of expenses for those belonging to clubs such as Kiwanis that the real intent was not to discriminate against minorities or sex. This is in accordance with present practice. But if the final ruling should be that dues would not be deductible under any circumstances, he felt it would have an adverse effect on service clubs, and that Board members should write their representatives in Washington protesting the ruling.

Voted, that the Board members individually take action should there be an adverse ruling.

It was further suggested that should there be an adverse ruling, the organization send a letter to all club presidents asking that they take action at their level. President Osborn indicated that in such case the Executive Committee would have authority to take any necessary action.

Voting Procedure. Immediate Past President Roy Davis indicated that he felt it would be well to review the entire voting procedure with a view toward eliminating the necessity for opening and closing the House of Delegates.

Voted, that the Board Committee on Administration and Structure and the Staff be directed to research the voting procedure and to come in with a recommendation at the earliest possible Board Meeting of the new administrative year.

Appointments and Information for the 1976-1977 Administrative Year

President-designate Schnedier called attention to the Board Committee appointments and assignments to district conventions. These are attached.

Attention was called to the Calendar for the 1976-1977 year, and to the information forms for new members of the Board as well as changes in current information of the present Board members on stationery and in the directory.

Next Board Meeting

The next Board Meeting is scheduled to commence on September 29, 1976.

Adjournment.

MESSAGE OF THE PRESIDENTTO THEINTERNATIONAL BOARD OF TRUSTEESJune 17, 1976

On all fronts, Kiwanis is having another great year. It has been an exciting year, marked dramatically by the responses of Kiwanians around the world to our 1975-76 Theme, TOUCH A LIFE, which has inspired increased efforts by our clubs and Kiwanians to demonstrate their capacity to effectively serve when and where a need is evidenced.

It is my pleasure to commend each member of the Board for the capable and conscientious manner in which you have directed the affairs of our organization. You have considered many difficult matters of major importance, and your decisions have reflected your concern for the continuing success of our organization as it expands its areas of service throughout the world.

We have an excellent Board. We also have an excellent Staff, and I express my sincere appreciation to Secretaries Reg and Larry especially, and to all members of the General Office Staff for the outstanding cooperation given to me and the Board during this year. We have every reason to take special pride in the professional excellence of our Staff.

PRESIDENTIAL TRAVEL

Following the April Board Meeting, we visited the Rocky Mountain District, the California-Nevada-Hawaii District and the New York District, thus completing visitations to the thirty districts in the United States and Canada. The meetings in all the districts were well attended and I was highly pleased with the audience response to the Kiwanis International programs which I discussed during my presentations. I detected a renewed interest in Kiwanis this year, and I attribute this to the inspiration and direction provided by Past President Roy and the Board members who preceded us. The success of Kiwanis does not belong to any one year.....it is the sum total of our efforts in all years.

NEW CLUB BUILDING

Indications are that we will surpass the superb record established last year when 319 new clubs were organized. As of today, we have 265 new clubs as compared to 224 at the same time last year. Several districts are headed for record breaking years. A record number of Presidential trophies is being awarded and I know that the Derby Trophy has caused many clubs presidents and lieutenant governors to work harder than they ordinarily would.

District and club leaders deserve special recognition for this outstanding achievement, and, on behalf of the Board, I also commend Lonny Bryan and the Field Service Representatives for their dedicated work in extending the fellowship of Kiwanis into more communities than ever before.

MEMBERSHIP DEVELOPMENT

I think there has been no other time when there has been so much awareness of the need for growth through obtaining new members and retaining present members. This should mainly be credited to the work of the Board Committee on Membership Development and the International Committee, both ably assisted by Dick Misch. Promotional efforts this year have been outstanding, but the best is yet to come. Presidents' Day, or One Hour for Manpower

has been enthusiastically received wherever I have discussed it. Many Governors have expressed the feeling that Presidents' Day will result in their districts having a gain in membership this year. I request that every Board member communicate with the Governor of the districts you counsel to assure the success of this innovative program.

THE EUROPEAN FEDERATION
CONVENTION

On the 13th of this month, Della and I returned home from the Kiwanis International European Federation Convention in Luzern, Switzerland. The Convention was an exceptionally good one with attendance of over 700. We were warmly received by the Kiwanians and their wives at the convention and at Dijon, France, Haut Doubs, France, and Bregenze, Austria where we visited.

At the Convention, Bjarni Asgiernesson was elected President of the Federation and Walter Fruh was named President-elect. Next year's convention will be in London, England, June 11, 12, 13. Federation President Ernst Bar and his wife, Maria, will be in San Diego for the Convention as well as the Switzerland-Italy-Liechtenstein District Governor Kurt-Konrad Huber and his wife Elsbeth. I know you will join me in making them feel welcome.

WORLD
SECRETARIAT

The World Secretariat met at the General Office in Chicago, May 20, 21, 22. A more detailed account of this meeting will be in the Overseas Extension Report, but I can advise you that it was a most productive session. Many Kiwanians in Europe expressed to me their feeling that the Secretariat was very important for international goodwill and communication.

LADIES
AUXILIARIES

At the April Board Meeting, I recommended that the Board insert in Policy the statement that Ladies Auxiliaries on the local club level were not prohibited by the Constitution and Bylaws of Kiwanis International. This proposition was tabled.

After due deliberation, and feeling strongly that our past unofficial position on this subject was incorrect, and knowing as you do, that hundred of Kiwanis Clubs now have Ladies Auxiliaries which are of great assistance to the Kiwanis Clubs and to the communities, where they are located, I now ask that this matter be reconsidered by the Board during this meeting. I feel it is important to the future of Kiwanis International that we act positively on this matter and that our action not be further delayed. All things considered, this has my strongest recommendation.

THE FINAL
105 DAYS

Just as I have encouraged District and Club Officers of this administrative year to continue their efforts through September 30th, I encourage you to do likewise. Over one-fourth of our year remains. I refuse to accept as fact the often heard assertion that "you can't get anything done in the final 105 days." I am confident that we are going to build an additional 100 Kiwanis Clubs, an additional 50 Key Clubs, an additional 25 Circle K Clubs, an additional 50 Keywanettes Clubs and at least, an additional 100 Builders Clubs. We will also end the year with a substantial net gain in membership, and, most importantly, we will end the year with the most club service projects in history. I believe that the best is yet to be.

APPRECIATION Serving as President this year has been a joy which defies description. The pleasure of being associated with each of you on the 1975-76 Team has made mine an unforgettable experience. The memory of this year will forever warm my heart and each of you will forever be a part of my life.

For Kiwanians everywhere, I thank the Board Members and our Staff for the contributions you have made during this year. To those leaving the Board, especially friend Roy, I say it will not be the same without you. Ours is a remarkable yearwe have touched many lives.

TED R. OSBORN
President

GENERAL OFFICE ADMINISTRATIVE ACTION

June 17, 18 & 24, 1976

a. Elimination of membership of not-meeting clubs from active membership files:

<u>Club</u>	<u>Number of Members</u>	<u>Listed as Not Meeting</u>
Thorold, Ontario	20	4-20-76
Concord, Elkhart, Indiana	12	4-20-76
Saint Joe, Fort Wayne, Indiana	22	4-20-76
The Saint John Valley, Madawaska, Maine	8	4-20-76
Austin-Town Lake, Texas	15	4-20-76
Pickerington Area, Ohio	8	4-29-76
Warrensville-North Randall, Ohio	15	4-29-76
Halfway-Williamsport, Maryland	11	5-17-76
Centreville, Michigan	20	5-17-76
Vidor, Texas	12	5-17-76
Conway, Waccamaw, South Carolina	13	5-28-76
Duwamich Valley, Seattle, Washington	15	5-28-76

b. Organization of new clubs:

<u>Club</u>	<u>Date</u>	<u>Membership</u>
Youngsan, Seoul, Korea	3-7-76	21
Zell Am See, Austria	4-8-76	22
Bay De Noc, Golden K, Escanaba, Michigan	4-21-76	20
Konocti, Kelseyville, California	4-21-76	20
Golden K, Wakefield, Bronx, New York	4-22-76	59
St. Simons Island, Georgia	4-22-76	22
Milano Visconteo, Italy	4-22-76	20
Sarasota-Sunset, Florida	4-26-70	20
Carmel Mission, California	4-27-76	25
Willowbrook, Illinois	4-27-76	29
Pasadena, Hastings, California	4-27-76	20
Vista, Golden K, California	4-27-76	26
La Louviere "La Louve", Belgium	4-27-76	20
Nedre Eiker, Norway	4-28-76	20
Kuesnacht, Switzerland	4-28-76	24
Mayport, Mayville, North Dakota	4-29-76	26
Siracusa, Italy	4-30-76	25
Rome Tevere, Italy	4-30-76	25
Trapani, Italy	5-2-76	25
Golden K, Mt. Vernon, New York	5-3-76	37
Canton, Mississippi	5-4-76	20
Mandeville, Louisiana	5-4-76	21
Columbus, Centennial, Ohio	5-5-76	20
Northside, St. Petersburg, Florida	5-5-76	28
Pine Prairie, Louisiana	5-5-76	27
The Superstitions, Mesa, Arizona	5-5-76	26
Vendome, France	5-5-76	20
Golden K, Raleigh, North Carolina	5-6-76	34
Frayser, Tennessee	5-6-76	21
Thuin, Belgium	5-6-76	23

b. Organization of new clubs: (Cont'd)

<u>Club</u>	<u>Date</u>	<u>Membership</u>
Canon City, Colorado	5-7-76	24
Burlington, Indiana	5-8-76	20
Greater Malvern, Arkansas	5-10-76	23
Festival City, Stratford, Ontario	5-11-76	20
Far Northeast, Philadelphia, Pennsylvania	5-11-76	20
Crofton, Maryland	5-11-76	20
Kearsarge Area, Erie, Pennsylvania	5-12-76	28
Leesburg, Sunrise, Florida	5-14-76	27
Eureka, Spruce Point, California	5-17-76	21
Gun Barrel City, Texas	5-17-76	27
West Shreveport, Louisiana	5-17-76	30
Gallatin Canyon, Big Sky, Montana	5-19-76	24
Kayenta, Arizona	5-19-76	42
Corning, California	5-19-76	20
Uptown, Atlanta, Georgia	5-21-76	27
Streetsboro, Ohio	5-22-76	21
Attalla, Alabama	5-24-76	20
San Marcos, California	5-24-76	31
Girardot, Colombia	5-24-76	23
Table Rock Lake, Kimberling City, Missouri	5-25-76	23
Nipomo, California	5-25-76	20
Winnsboro, South Carolina	5-25-76	20
Grand River, Brandon, Manitoba	5-27-76	21
Buhler, Kansas	5-27-76	22
Mitchem, Australia	5-28-76	24
Fusagasuga, Colombia	5-28-76	21
Ville Marie, Quebec	5-31-76	25
Sint. Maarten-Saint Martin, Netherlands Antilles	6-1-76	23
Old Bridge, New Jersey	6-2-76	<u>21</u>
		1,434

c. Change of names of Kiwanis clubs:

From Kiwanis Club of:

Hacienda Hills, La Puente, California

To Kiwanis Club of:

Hacienda Hills, Hacienda Heights,
California

d. Club incorporations completed:

Bentonville-Bella Vista, Arkansas
 Bicentennial, Cloquet, Minnesota
 Carefree, Arizona
 Center, Colorado
 Charlotte-Hornets Nest, North Carolina
 Chula Vista-West, California
 Cocoa-Rockledge Early Risers, Florida
 Fairhaven, Bellingham, Washington
 Gulf Beaches, Madeira Beach, Florida
 Hay River, Northwest Territories
 Montgomery Township, New York
 North Panama City, Florida

Okeechobee, Florida
 Peotone, Illinois
 Port City, Mobile, Alabama
 Riverview, Michigan
 Sanibel-Captiva Islands, Florida
 Spalding County, Georgia
 Squirrel Hill, Pittsburgh, Pennsylvania
 State Fair, Detroit, Michigan
 Sullivan, Missouri
 Sun City-Sun Sky, Arizona
 Sylvester, Georgia
 Tallula, Illinois
 Waco, Early Risers, Texas

e. Circle K clubs completed:

Circle K Club

Kiwanis Sponsor

Galveston College
State Univ. of New York at Morrisville
York College of Pennsylvania
Emporia Kansas State College
Otterbein College
Butler County Community College

Jersey City State College

Kiwanis Club of Galveston, TX
Kiwanis Club of Waterville, NY
Kiwanis Club of York, PA
Kiwanis Club of Hi-Noon, Emporia, KS
Kiwanis Club of Westerville, OH
Kiwanis Club of El Dorado &
El Dorado, Bluestem, KS
Kiwanis Club of Hoboken, NJ

f. Key Clubs completed:

Key Club

Kiwanis Sponsor

Highland Park H.S.
Ingraham H.S.
Boyd County H.S.
North Beach Junior Senior H.S.
Loganville H.S.
Waukesha North H.S.
Cave Spring H.S.
Pioneer H.S.
Eastern H.S.
Kensington Senior H.S.
Dunn Senior H.S.
Hazelwood West H.S.
Mineral County H.S.
St. Willibrord Catholic H.S.
Buckeye Valley H.S.
Lassen Union H.S.

Highland Park, IL
Ballard, Seattle, WA
Ashland-Breakfast, KY
Ocean Shores, WA
Monroe, GA
Waukesha, WI
Southwest Roanoke, VA
Logansport, IN
Capitol Hill, Washington, D.C.
Kensington, Buffalo, NY
Dunn, NC
Florissant Valley, MO
Hawthorne, NV
Roseland, Chicago, IL
Delaware County, OH
Susanville, CA

g. Incorporation of Kiwanis Club Foundations:

None

h. Cancelled meetings:

None

i. District Bylaw Amendments

None

Jim Lynn, who took over the management of our Convention Department in mid-April, has done an excellent job of bringing arrangements for the convention to their present state of complete readiness. Final program details have been provided by Chairman Maury and the Convention Committee and all signs are "go" for a truly great convention.

MEMBERSHIP The certified A.P.S. membership as of March 31, 1976 is 276,055.
GROWTH This figure includes 7,497 members in the European Federation.
 On October 1, 1975 the certified A.P.S. figure was 272,120 including 6,732 members in the European Federation. The gain for the first six months of the 1975-76 administrative year is 3,935 or a 1.45% growth factor in all of Kiwanis International.

A comparison of growth during the first six months of the past three years is interesting: March 31, 1974 - 4,375; March 31, 1975 - 3,264; and March 31, 1976 - 3,935.

With the same number of new member adds for the first six months in the past two years, we note an increase in the membership of 671. This indicates that "Operation S.A.M." is having some effect.

We are moving into the most critical period of the administrative year. Fortunately plans have been made to stimulate an increased membership development effort through two programs. The first relates to clubs which started the year with 20 or less members. The program is "26 in '76". It is showing good results already with clubs qualifying for the special award approved by this Board.

The second program is even more exciting in that it involves the entire organization in "One Special Hour for Manpower" culminating in a President's Day set by the club to measure the club's own effort in growth. The design of the program is in reality to direct attention to growth during the period of the club's year when less attention seems to be given normally to such an effort. The cooperation of all counselors to districts in stimulating increased attention to the President's Day program will be much appreciated. We shall all watch with keen interest the results of this first organizationwide intensified effort on membership development during the critical last quarter of the administrative year.

NEW CLUB As of the time of this convention meeting of the Board, 265 new clubs
BUILDING have been organized this administrative year. Last year's convention report indicated that 224 clubs had been organized. Of the clubs organized, 190 are found in the 28 districts of the United States; 11 in Canada; 7 in the Andean District; 3 in Australia; 4 in the Philippine Luzon District; 10 in Philippine South District; 5 in non-districted areas; and 35 in the European Federation. Only New Zealand has yet to build a club this year but one is in formation at this time.

Osborn Trophy winners include 21 governors, 68 lieutenant governors and 79 club presidents.

All indications point to another record-breaking year. Even the goal of 356 clubs is in sight and if the organizations continue, it could become a reality. Such a success story can be written if the districts can and will do their share of the ground work. Again all are indebted to members of this Board who have constantly kept new club building challenges before the leadership of the districts which they counsel. This work has paid rich dividends.

OVERSEAS Last year at this time the Overseas Extension effort showed 443 clubs
EXTENSION in 47 countries and geographic areas. There are now 538 clubs in 51
areas. Since the last meeting of the Board, seventeen clubs have been
organized and Nigeria, with a club organized in Kano, has become the fifty-first
Kiwanis country. Two other clubs are well on their way to organization in this
new country.

Korea has been of some concern. A new club has been organized in an area of Seoul.
This is the first club there since 1970. The overall development of clubs in over-
seas areas is healthy with continuing interest and new interest evident almost
daily.

Preparations for appropriate visitations and conferences to enhance the educational
process for leaders in various areas of the Kiwanis world are progressing on sched-
ule. Both President Ted and President-elect Stan will participate actively in
these operations as planned.

SPONSORED YOUTH

CIRCLE K An appraisal of the Status of Circle K indicates some very real causes
for concern. The total number of Circle K clubs listed on the records
in either an active or inactive status remains about the same from a year ago.
The figure at this time is 686. The number of non-meeting clubs, however, has
increased from 86 to 112. The number of new clubs organized so far in this admin-
istrative year is 51, as compared to 60 last year. The membership as reported by
the 489 clubs which have paid their sponsorship fee is slightly ahead of a year
ago. Membership figures show 10,443 as being involved in these clubs. The crux
of the situation, however, is to be found in the fact that only 489 clubs have
paid their sponsorship fee as compared to 515 clubs at this time one year ago.
Thus there is an obvious reduction in income with which to function Circle K
International.

All of these facts point to two definite conclusions. One is that the strength
of Circle K on the campus of any college or university is to be found in its ac-
tive service-oriented membership. This factor seems to be improving and its im-
provement will be enhanced by an active growth plan now being developed and im-
plemented by Circle K members.

The second conclusion, however, is the one which causes great alarm. The sponsor-
ship relationship between Kiwanis clubs and Circle K clubs is in no way as posi-
tive as it should be. A definite plan is being developed to research the reasons
for the increase in non-meeting clubs and the reduction in either growth through
reactivation or the establishment of new clubs on new campuses. Failure to do
this in-depth study will find all continuing to wonder why certain conditions seem
to persist and these are the conditions which will either increase the support for
Circle K or will further undermine its ability to maintain financial stability.

KEY CLUBS Having described in some detail the Circle K situation, it is possible
to indicate the many areas where there are similar comparisons to be
made in Key Club. Membership in Key clubs is increasing and therefore
some additional dues income is evident this year. However, in order to support the
needed budget for the next administrative year a dues increase must be voted at the
forthcoming convention of Key Club International. Should this not happen, the
financial stability of Key Club is in jeopardy.

The number of Key Clubs is steadily decreasing. It now stands at 3676 as compared to 3747 one year ago. The number of non-meeting clubs has increased from 222 to 233. The number of new Key Clubs organized has dropped from 140 last year to 118. It is hard to say what effect the matter of young women being admitted to membership under certain circumstances has had on the organization. We do know that the concern has made a difference in the attitude of many district leaders regarding what they are trying to do about the growth of Key Clubs, in their districts. As is the case with Circle K, the greatest vigilance is mandated. As is the case with Circle K, it is rapidly becoming a matter, therefore, which needs to be researched in an attempt to determine why the dramatic changes in the organization are taking place and what can be done to rectify the conditions which now exist.

Of continuing concern is the successful court action brought by the American Civil Liberties Union in Pennsylvania. The court agreed that the young lady had both to be admitted to the Key Club and her right to attend the district Key Club Convention representing her Key Club had to be assured. The continuing litigation now involves the constitutionality of provisions of the Key Club Constitution and Bylaws because of the very close tie which exists between the Key Club organization and the school administration. Key Club is possibly faced with a constantly expanding number of court cases in state after state should the wording of the final statements from the court be tantamount to forcing all Key Clubs in the State of Pennsylvania to be automatically open to both young men and young women. Not only is this possible projection of potential action by ACLU costly, but its full ramifications for the Key Club organization are hard to determine at this time. The local option provision with the approval of the Kiwanis District leadership may prove to be unacceptable to the court.

In both Circle K and Key Club plans for the forthcoming International conventions are progressing well. Attendance should be excellent and the programs prepared will be very stimulating.

IMAGE BUILDING The public image of Kiwanis, created by the service projects and related efforts of the individual clubs in all 51 Kiwanis countries, can only be properly appreciated if those projects are properly publicized. Over the years our publicity support has been well above average but we would all like to see it continually increased. Organization, good district chairmen and good programs have made great progress in making Kiwanis public relations much more effective. We concur with the chairman of the International Committee on Public Relations in his belief that still more emphasis must be put on public relations training at mid-winter conferences, district conventions and even at Council. We also suggest to the 1976-77 Board Committee on Public Relations that consideration be given to the creation of a new, updated Public Relations Handbook. The years since it was originally developed have brought us the dominance of television, the increasing competition for air time and newspaper space, and the growing sophistication of the press which has made it more difficult for clubs to secure publicity space. We shall be looking to the Board Committee for guidance in this vital area.

WOMEN IN There are no proposed amendments among those to be presented to the
KIWANIS House of Delegates next Tuesday that call for the admission of women into regular dues-paying membership in Kiwanis clubs. However, there is a proposed amendment which would admit women into honorary membership. Although we have written you about developments in the Great Neck, New York suit, I would like to state for the record that the Appellate Court denied the appeal

of the representative of the former Great Neck Kiwanis Club by a vote of four to one. Since the plaintiff still has the right of further appeal, we are awaiting further developments and will keep you advised.

TREASURY ACTION During the April meeting of this Board we had considerable discussion of the announcement by a regional office of the United States Treasury Department which would prohibit banks and savings and loan associations from paying the dues and related expenses of employees in service clubs and similar organizations which discriminate against women and/or minorities in their membership criteria. This action was proposed, despite the judicial support of our legal right to establish membership criteria which we have just reported. Several members of the Board shared copies of their excellent letters of protest with us, as did a great many of our Kiwanis leaders who were responding to President Ted's suggestion that they register their objections with governmental leaders. The proposed Treasury Department action was later suspended temporarily but we are further advised that the Labor Department is preparing to issue a similar government-wide policy statement for guidance of compliance agencies. This is still a potentially critical problem for the service club movement and your continued verbal and written opposition is strongly urged.

FINANCES As we reported to you at the April meeting of this Board, the achievement of a positive net figure in our total operation for this administrative year depends upon the total number of Life Member Statuses which shall have been processed by September 30, 1976. The present total processed stands at 260--a conservative estimate of the number needed to hope for a break-even position would be at least double that figure. Our optimism with regard to achieving that goal is based upon the increased number ordered in recent weeks, the emphasis which will be placed upon Life Member Status at this convention, and a full-page statement in the July/August issue of The Kiwanis Magazine. We are also cognizant of the fact that we may receive a rush of orders near the end of the year from clubs, divisions and districts which may plan to award Life Member Status to club presidents, lieutenant governors and governors in appreciation of the leadership they have given during this administrative year.

We are pleased at the improvement in the supplies income and also to be able to report that the magazine expense is somewhat less than anticipated, due to some leveling off in paper costs and the fact that predicted increases in postage costs have not yet been imposed. In the meantime, however, we are exercising essential diligence in effecting economies throughout the operation of every department of the General Office.

STAFF Last January 31st, we requested and received the approval of this Board for several staff promotions, including that of our former Manager of Project Services to Director of Administrative Services. In the intervening months we have found the man we feel is ideally qualified to become our new Manager of Project Services. Gerald R. Jindra has been serving as Assistant Administrator of Key Club International and has demonstrated his high degree of efficiency and qualification for promotion to such an extent that we have selected him to fill this essential post.

We therefore cordially recommend:

That, retroactive to May 1, 1976, Gerald R. Jindra be named Manager of Project Services.

(adopted)

Respectfully submitted,

R. P. MERRIDEW
International Secretary

L. A. HAPGOOD
Associate Secretary

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

June 17, 18, 1976

Date of Committee Meeting: June 17, 1976

Place of Committee Meeting: San Diego, California

Present: Members - Stanley E. Schneider, Ernest Sturch, Jr.
Chairman - Maurice Gladman
Staff Members - R. P. Merridew, L.A. Hapgood, James L. Lynn

1. San Diego State University

The shortage of rooms available on Saturday, June 19, was discussed. The supplementary housing available at San Diego State University was reviewed.

2. Shuttle Bus System

The shuttle bus system was discussed. Break times of the general sessions, as they relate to the cost and operation of the system, were reconfirmed.

3. Dallas

The Statler Hilton and Fairmont hotels were discussed as possible official family hotels for the 1977 Dallas Convention. Rates, location, public space, and committable bedrooms were reviewed.

Recommendation #1:

The committee recommends that contingent upon satisfactory final negotiations, that the Dallas Statler Hilton be named the official family hotel for the 1977 convention.

I move that recommendation 1 be adopted.

(adopted)

I move this report be received.

Respectfully submitted,

STANLEY E. SCHNEIDER

ERNEST STURCH, JR.

MAURICE GLADMAN, Chairman

REPORT OF THE TREASURER

TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

June 18-19, 1976

Again at May 31, 1976 the Statement of Financial Position for Kiwanis International shows a slight improvement in the last twelve months. This improvement is reflected on the Statement of Financial Position which is attached.

Total Current Assets amounted to \$1,447,762 at May 31, 1976. The most significant change is a decrease in the Accounts Receivable balances which were down to \$222,795 at May 31. As you can see, the comparative Accounts Receivable figure was \$372,676 at this same time last year.

Current Liabilities amounted to \$868,552 at May 31, 1976. Other than the decrease in Accounts Payable, the other major change in the Current Liabilities section this year is the amount indicated as Due from Reserve. These are inter-fund transactions, and these figures can change substantially from month to month depending upon the maturity of Treasury bonds, certificates of deposit, etc., all of which are processed through the General Fund. Deferred Income also shows a significant increase over last year, and this of course is due to the increased rate in THE KIWANIS MAGAZINE from \$2.00 to \$3.00. The next figure of \$579,210 represents the Working Capital figure at May 31, 1976.

Other Assets, which include Deposits and Advances, amounted to \$95,831, to give us a Total Unrestricted Funds of \$675,041. The reserved Funds --- Funded \$321,243, Building Expansion \$215,564, and the balance sheet reflection of \$1.00 for the Kiwanis International Building, resulted in a Total of All Funds (or Net Assets) of \$1,211,849 at May 31, 1976.

Respectfully submitted,

MAURICE GLADMAN
Treasurer

KIWANIS INTERNATIONAL
 STATEMENT OF FINANCIAL POSITION
 MAY 31, 1976

	<u>1 9 7 6</u>	<u>1 9 7 5</u>
UNRESTRICTED FUNDS:		
CURRENT ASSETS:		
Cash	\$ 229,359	\$ 303,706
Short Term Investments	700,000	600,000
Accounts Receivable	222,795	372,676
Inventories	276,234	258,504
Prepaid Expenses	13,297	10,968
Unexpired Insurance	<u>6,077</u>	<u>6,426</u>
Total Current Assets	1,447,762	1,552,280
CURRENT LIABILITIES:		
Accounts Payable	89,499	148,618
Accruals	71,943	67,450
Amount Due Reserve	15,849	137,824
Deferred Income	<u>691,261</u>	<u>606,992</u>
Total Current Liabilities	<u>868,552</u>	<u>960,884</u>
Working Capital	<u>579,210</u>	<u>591,396</u>
OTHER ASSETS:		
Deposits	58,150	45,275
Advances	<u>37,681</u>	<u>31,436</u>
Total-Unrestricted Funds	<u>95,831</u>	<u>76,711</u>
	675,041	668,107
RESERVED FUNDS:		
Funded	321,243	316,957
Building Expansion	215,564	182,551
Kiwanis International Bldg.	<u>1</u>	<u>1</u>
Total--All Funds (Net Assets)	<u>\$1,211,849</u>	<u>\$1,167,616</u>

REPORT OF THE BOARD COMMITTEE ON FINANCETO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEESJUNE 17-18, 1976

Date of Committee Meeting: June 17, 1976

Place of Committee Meeting: San Diego, California

Present: Members - Maurice Gladman, Mark A. Smith, Jr.

Chairman - Ralph C. Keyes

Staff Members - Thomas W. Fitzgerald, R.P. Merridew, L.A. Hapgood

The committee reviewed the financial statement for the month of May, and for the eight-month period ended May 31, 1976. It was found in order and approved.

As indicated on the attached Summary Statement of Budget and Actual Income and Expenses for the period ended May 31, 1976 and 1975, total income amounted to \$2,610,826. The significant increase this year can be traced to income from magazine subscriptions, which reflects a total of \$542,353 as compared to \$359,441. As we have indicated during this administrative year, the additional income in magazine subscriptions is attributed to the rate increase from \$2 to \$3. We also show \$31,600 from the life member status program at May 31, 1976. Gross profit on the sale of supplies shows an increase during the last twelve months; \$342,000 compared to \$286,000.

On the other side of the ledger, expenses amounted to \$2,389,305 --- at this particular point in time the expense accounts are just about what was forecast earlier; they are either on budget, or will be on budget after our budget adjustments are made for this 1975-76 administrative year.

The final figure on the Statement of Income and Expenses is the excess of income over expenses, which was at \$221,521. Again, as of this date, this figure is just about as anticipated.

Among those clubs involved in charter revocations at the April Board Meeting, the following clubs had accounts receivable balances at that time:

<u>KIWANIS CLUB OF</u>	<u>AMOUNT</u>
Bi-County, Senior Citizens, Marysville, CA	\$ 131.80
Lynchburg, Timberlake, Virginia	61.75
Northampton, Eastville, Virginia	64.00
Warsaw, North Carolina	52.25
Myrtle Beach, South Carolina	109.25
Baxley, Georgia	154.75
Monticello, Illinois	100.00
Olathe-Downtown, Kansas	48.00
Wartburg, Tennessee	25.50
Sterling Heights, Michigan	53.00
Broken Bow, Nebraska	40.00
Gardiner Area, Maine	106.32
Juneau, Alaska	132.10
Jantzen Beach, Portland, Oregon	167.63

<u>KIWANIS CLUB OF</u>	<u>AMOUNT</u>
Cedar River-Renton, Washington	142.00
Bellmead, Texas	143.01
Burleson, Texas	51.00
Farmers Branch, Texas	59.50
Splendora, Texas	25.50
Sweeny, Texas	<u>32.00</u>
TOTAL	<u>\$1,699.36</u>

Recommendation #1:

The committee recommends that the write-off of accounts receivable totaling \$1,699.36 be made.

I move that recommendation 1 be adopted.

(adopted)

The committee again reviewed the proposed budget for the 1976-77 administrative year, which reflects a net income figure of \$24,466. However, the committee agreed to increase the budget from the gross profit on the sale of supplies by \$20,000. The committee also agreed to deduct \$20,000 from the Life Membership Status income budget which was originally indicated as \$150,000 for the 1976-77 administrative year.

Recommendation #2:

The committee recommends that the budget for the 1976-77 administrative year which reflects a net income figure of \$24,466 be approved.

I move that recommendation 2 be adopted.

(adopted)

The committee reviewed the annual list of budget adjustments which affects every department within the General Office, and we are in agreement that the budget adjustments for the 1976-76 administrative year be made.

Recommendation #3:

The committee recommends that the attached budget adjustments be approved.

I move that recommendation 3 be adopted.

(adopted)

The committee also discussed the policy of the annual budget adjustments. We are in agreement that this shall be retained for further study.

The committee discussed the funding for the Building Expansion Reserve. As you know, in April the Reserved Funds were discussed at length and it was made known at that time that the interest earnings from the Funded Reserve are transferred and credited to the Building Expansion Reserve. Now that the Building Expansion Reserve is at a level where the reserve can grow with its own interest on investment, the committee is of the opinion that the earnings from the Funded Reserve remain in that reserve.

Recommendation #4:

The committee recommends that the earnings from the Funded Reserve be retained in that reserve.

I move that recommendation 4 be adopted.

(adopted)

The committee also discussed the possibility of disbursing funds from the Building Expansion Reserve. The committee was in agreement that expenditures which are capital outlays in direct support of the Kiwanis International Building be made from the Building Reserve, and that all expenditures for the maintenance of the building be charged to the year involved.

Recommendation #5:

We recommend that an expenditure from the Building Expansion Reserve not to exceed \$4,000 be approved for the alteration of the physical layout of office space as required to improve efficiency and work flow of the General Office building.

I move that recommendation 5 be adopted.

(adopted)

The committee reviewed the report concerning possible income from fund raising activities and are in agreement that the staff continue their study in order to have sufficient information to make a specific recommendation in this area.

Secretary Reg presented a proposal from the Marsh and McLennan Insurance Agency concerning group insurance for Kiwanians.

Recommendation #6:

The committee recommends that the Marsh and McLennan Agency be authorized to conduct the proposed survey.

I move that recommendation 6 be adopted.

(adopted)

The committee discussed financing of future Kiwanis conventions. We recommend that the Board direct the proper committee and staff to conduct a long range study concerning the financing of future conventions. In addition, another committee should investigate the dues problems of some of our Golden K Clubs.

The committee reviewed the working paper compiled by the staff concerning the reimbursement of overhead and administrative expenses of the Kiwanis International Foundation to the general fund. The report has been distributed to the Board and we specifically request your recommendation concerning the financial matters discussed therein.

I move this report be received.

Respectfully submitted,

MAURICE GLADMAN

MARK A. SMITH, JR.

RALPH C. KEYES, Chairman

KIWANIS INTERNATIONAL

SUMMARY STATEMENT OF BUDGET & ACTUAL INCOME & EXPENSES

PERIOD ENDED MAY 31, 1976 & 1975

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>UNEXPENDED</u>	<u>ACTUAL</u>
	<u>1975-76</u>	<u>1975-76</u>	<u>1975-76</u>	<u>1974-75</u>
INCOME:				
Dues-General	\$1,272,000	\$ 853,831	\$ 418,169	\$ 867,607
Dues-Overseas Extension	262,500	178,366	84,134	173,000
Charter Fees	25,000	18,650	6,350	19,000
Interest	45,000	29,677	15,323	29,100
Liability Insurance (Net)	12,500	3,183	9,317	13,602
Life Membership	---	31,600	(31,600)	---
Processing Fees	130,000	88,149	41,851	89,497
Magazine Subscriptions	814,500	542,353	272,147	359,441
Magazine Advertising	210,000	152,932	57,068	158,026
Gross Profit-Sale of Supplies	415,000	342,494	72,506	286,290
Convention Registration Fees	344,500	330,553	13,947	330,988
Convention Dues	44,500	29,667	14,833	7,850
Mailers	7,000	7,946	(946)	5,107
Other	---	1,425	(1,425)	---
Total Income	<u>3,582,500</u>	<u>2,610,826</u>	<u>971,674</u>	<u>2,339,508</u>
EXPENSES:				
Board-Council-Comm. Admin.	294,000	259,253	34,747	215,348
Executive	177,114	129,662	47,452	114,617
Office Management	216,300	151,470	64,830	135,223
Public Relations	67,500	41,844	25,656	47,724
Overseas Extension	232,610	132,204	100,406	131,613
Field Service	340,790	236,849	103,941	185,315
Records & Data Processing	96,392	67,379	29,013	68,605
Program Development-Club Serv.	165,073	117,685	47,388	116,886
Circle K	30,000	26,190	3,810	32,870
Key Clubs	40,000	66,989	(26,989)	51,591
Bureau of Accounts	85,488	25,590	59,898	21,407
Publications	160,616	119,773	40,843	115,164
Magazine	903,697	602,140	301,557	562,544
Supplies	370,044	278,078	91,966	258,129
Convention	386,725	134,199	252,526	101,841
Total Expenses	<u>3,566,349</u>	<u>2,389,305</u>	<u>1,177,044</u>	<u>2,158,877</u>
EXCESS OF INCOME OVER EXPENSES	<u>\$ 16,151</u>	<u>\$ 221,521</u>	<u>\$ (205,370)</u>	<u>\$ 180,631</u>

KIWANIS INTERNATIONAL
 BUDGET ADJUSTMENTS
 1975-76 ADMINISTRATIVE YEAR

<u>ACCT.</u>	<u>DEPARTMENT</u>	<u>BUDGET 1975-76</u>	<u>PROPOSED BUDGET ADJUSTMENT</u>	<u>1975-76 ADJUSTED BUDGET</u>
104	Board, Council &	\$ 15,000	\$ 5,000	\$ 20,000
121	Committee Admin.	16,000	5,000	21,000
122	" " "	7,500	2,000	9,500
125	" " "	50,000	10,000	60,000
138	" " "	---	26,200	26,200
140	" " "	---	12,000	12,000
100	Executive	84,150	9,414	93,564
101	"	33,864	3,120	36,984
102	"	2,100	(1,200)	900
104	"	17,000	1,500	18,500
100	Office Management	13,350	1,410	14,760
101	" "	122,340	13,560	135,900
102	" "	12,000	(1,200)	10,800
109	" "	67,500	7,500	75,000
118	" "	47,000	(5,000)	42,000
100	Public Relations	21,300	1,400	22,700
101	" "	18,900	576	19,476
102	" "	1,300	(1,000)	300
104	" "	3,500	500	4,000
100	Overseas Extension	15,250	1,600	16,850
101	" "	16,200	300	16,500
102	" "	4,000	(40)	3,960
104	" "	8,000	2,000	10,000
110	" "	4,000	4,000	8,000
120	" "	6,500	2,500	9,000
124	" "	4,000	2,000	6,000
130	" "	19,500	4,500	24,000
143	" "	6,000	(5,000)	1,000
100	Field Service	20,550	1,500	22,050
101	" "	27,660	1,668	29,328
103	" "	4,500	500	5,000
105	" "	3,000	500	3,500

KIWANIS INTERNATIONAL
 BUDGET ADJUSTMENTS
 1975-76 ADMINISTRATIVE YEAR

<u>ACCT.</u>	<u>DEPARTMENT</u>	<u>BUDGET 1975-76</u>	<u>PROPOSED BUDGET ADJUSTMENT</u>	<u>1975-76 ADJUSTED BUDGET</u>
100	Records & Data Processing	\$ 31,900	\$ 1,700	\$ 33,600
101	" " "	56,292	4,404	60,696
104	" " "	12,500	1,000	13,500
100	Magazine	25,620	2,040	27,660
101	"	40,152	11,816	51,968
102	"	2,400	(1,900)	500
101	Advertising	9,250	50	9,300
100	Supplies	21,260	860	22,120
101	"	68,300	7,936	76,236
102	"	1,800	1,800	3,600
104	"	66,500	6,000	72,500
105	"	5,300	500	5,800
189	"	30,000	5,000	35,000
100	Program Development	61,959	632	62,591
101	" "	51,564	(1,788)	49,776
103	" "	15,000	1,000	16,000
104	" "	16,000	1,000	17,000
106	" "	750	350	1,100
100	Circle K	11,500	500	12,000
101	"	17,100	200	17,300
102	"	600	300	900
116	"	11,500	(1,000)	10,500
100	Key Club	11,200	1,300	12,500
101	"	34,932	(3,228)	31,704
311	"	(159,583)	1,928	(157,655)
100	Bureau of Accounts	60,100	(18,450)	41,650
101	" "	77,368	(30,088)	47,280
102	" "	2,496	(96)	2,400
115	" "	---	1,000	1,000

KIWANIS INTERNATIONAL
 BUDGET ADJUSTMENTS
 1975-76 ADMINISTRATIVE YEAR

<u>ACCT.</u>	<u>DEPARTMENT</u>	<u>BUDGET 1975-76</u>	<u>PROPOSED BUDGET ADJUSTMENT</u>	<u>1975-76 ADJUSTED BUDGET</u>
101	Convention	\$ 23,000	\$ 3,000	\$ 26,000
206	"	34,000	6,000	40,000
208	"	5,000	2,000	7,000
215	"	71,000	9,000	80,000
221	"	7,000	10,000	17,000
225	"	13,000	5,000	18,000
100	Publications	8,280	560	8,840
101	"	19,536	940	20,476
160	"	<u>25,000</u>	<u>5,500</u>	<u>30,500</u>
	Total	<u>\$1,461,540</u>	<u>\$143,574</u>	<u>\$1,605,114</u>
900	Dues	\$1,534,500	\$(9,975)	\$1,524,525
902	Convention Dues	44,500	9,975	54,475
903	Life Member (600)	---	82,500	82,500
905	Processing Fees	130,000	5,000	135,000
909	Supply Sales	415,000	45,000	460,000
911	Convention Registration	344,500	22,750	367,250
912	Charter Fees	<u>25,000</u>	<u>2,500</u>	<u>27,500</u>
	Total	<u>\$2,493,500</u>	<u>\$157,750</u>	<u>\$2,651,250</u>
	Net Income After Adjustments		<u>\$ 30,327</u>	

MINUTES OF THE
KIWANIS INTERNATIONAL WORLD SECRETARIAT
EIGHTH ANNUAL MEETING
KIWANIS INTERNATIONAL GENERAL OFFICE
CHICAGO, ILLINOIS, U.S.A.
MAY 20, 21, 22, 1976

Present: Members: Ted R. Osborn, Ernst Baer, Roy W. Davis, Bjarni Asgeirsson,
Walter Fruh
Chairman: William M. Eagles
Staff Members: R. M. Detloff, R. P. Merridew, L. A. Hapgood
Translators: Mrs. Melinda Huesing, Felix Salier

The eighth annual Kiwanis International World Secretariat Meeting was called to order by Kiwanis International President Ted R. Osborn at 9:00 A.M., Thursday, May 20, in the Board Room of the General Office.

World Secretariat Chairman Eagles in his opening remarks briefly reviewed the history of the World Secretariat. He stated that at the time it was created the World Secretariat was a good idea and has accomplished much since it gave an opportunity for Kiwanis International and Kiwanis International-Europe to discuss mutual problems. He continued that with the recent changes in Kiwanis world structure the original purpose of the Secretariat is no longer existent.

Regarding the agenda, Walter Fruh asked that the following points be added:

- International Fund raising for great disasters.
- Holding the Kiwanis International Convention in Rome as the first convention outside the founding countries.

THE MOTION WAS THEN MADE AND PASSED TO APPROVE THE AGENDA WITH THE ADDITION OF THE POINTS SUGGESTED BY WALTER FRUH AS AGENDA POINTS X, H, AND I.

Kiwanis International Secretary Reg Merridew was then called upon for his report. As suggested in the report:

THE MOTION WAS MADE AND PASSED THAT THE MINUTES OF THE WORLD SECRETARIAT MEETING HELD IN REYKJAVIK, ICELAND, JULY 17-18, 1975, BE ACCEPTED AS PROVIDED.

Immediate Past President Roy Davis, as chairman of the Overseas Extension Committee of the Kiwanis International Board of Trustees then gave a position paper of Agenda Point VI. "Kiwanis International and the World Wide View."

In the discussion which ensued, the question whether Kiwanis International-Europe can establish districts as their constitution indicates was discussed.

Roy Davis explained that when the constitution and bylaws of Kiwanis International-Europe were adopted it was with the idea that it would be self-financing. Final judgment in this regard now rests with the Kiwanis International Board because creation of new districts results in increased cost to Kiwanis International. The European members pointed out the difficulties they will encounter in explaining to the European Kiwanians in light of its constitution that Kiwanis International-Europe cannot create districts on its own.

IT WAS THE CONSENSUS OF THE MEMBERS THAT KIWANIS INTERNATIONAL AND KIWANIS INTERNATIONAL-EUROPE DISCUSS CREATION OF DISTRICTS IN EUROPE BEFORE ANY SUCH ACTION BE TAKEN.

IT WAS THE CONSENSUS OF THE MEMBERS THAT A STUDY BE MADE TO OFFER SUGGESTIONS HOW TO RESOLVE ANY QUESTIONS CONCERNING DIFFERENCES BETWEEN THE CONSTITUTIONS OF KIWANIS INTERNATIONAL AND KIWANIS INTERNATIONAL-EUROPE.

Under Agenda Point VII, the World Secretariat heard the Report of the President of Kiwanis International-Europe to the World Secretariat.

Discussion followed concerning possible redistricting of Benelux-France-Monaco District and the Switzerland-Italy-Liechtenstein District.

IT WAS THE CONSENSUS OF THE MEMBERS THAT IF THE DELEGATES AT THE LUCERNE CONVENTION VOTE TO REDISTRIBUTE ANY DISTRICT THIS BE REFERRED TO THE KIWANIS INTERNATIONAL BOARD FOR ACTION AT ITS JUNE MEETING, AND THAT KIWANIS INTERNATIONAL-EUROPE TAKE FINAL ACTION ON REDISTRIBTING AT ITS OCTOBER COUNCIL.

Regarding Agenda Point VIII, the necessity to set a proper image of Kiwanis in Europe was emphasized.

IT WAS THE CONSENSUS OF THE MEMBERS THAT A STUDY BE MADE ON HOW TO ENHANCE THE IMAGE OF KIWANIS IN EUROPE, THAT THE GENERAL OFFICE PUBLIC RELATIONS DEPARTMENT WORK CLOSELY WITH THE EUROPEAN ADMINISTRATOR IN THIS REGARD, SENDING HIM RELEASES OF A GENERAL NATURE ON A REGULAR BASIS, AND THAT THE EUROPEAN ADMINISTRATOR BE WELL VERSED IN PUBLIC RELATIONS.

Regarding the Kiwanis International-Europe News, Ernst requested that material for inclusion be sent regularly by the General Office.

It was reported that the General Office can handle correspondence in Spanish, German, and French, besides English.

It was further suggested that Kiwanis Education cassette tapes be developed for Europe and other areas of the world.

IT WAS THE CONSENSUS OF THE MEMBERS THAT THE WRITTEN COPY OF THE KIWANIS EDUCATION TAPES SHOULD BE SENT TO THE EUROPEAN ADMINISTRATOR SO SIMILAR TAPES CAN BE PREPARED FOR USE IN EUROPE AND THAT THE GENERAL OFFICE AND EUROPEAN OFFICE COOPERATE IN TRANSLATIONS WHEN POSSIBLE.

President Ted suggested in regard to the Kiwanis Magazine that United States and Canadian clubs as an international relations project underwrite the cost of sending it via airmail to overseas clubs. The cost would be \$14 for postage plus \$3 for the subscription. President Ernst said that an order form for the airmail subscription will be included in the Kiwanis International-Europe News.

It was proposed that the Kiwanis International Directories be stocked and shipped by the Zurich Office to clubs to purchase them for the standard \$2.50 plus postage.

Discussion then concerned the fact that the Zurich Office and Kiwanis International-Europe leaders do not have a reference book of Kiwanis International laws and policies.

IT WAS THE CONSENSUS OF THE MEMBERS THAT A COPY OF THE KIWANIS INTERNATIONAL POLICIES SHOULD BE SENT NOT ONLY TO THE EUROPEAN OFFICE AND TO THE THREE EUROPEAN REPRESENTATIVES PRESENT AND THAT COPIES OF THE BOARD MINUTES SHOULD BE SENT REGULARLY NOT ONLY TO THE EUROPEAN ADMINISTRATOR, THE KIWANIS INTERNATIONAL-EUROPE PRESIDENT AND KIWANIS INTERNATIONAL-EUROPE PRESIDENT-ELECT.

President Ernst requested that consideration be given to sending a Kiwanis International staff man from the United States to train lieutenant governors-elect at the European convention. It was pointed out that the International President would be willing to assist in this training when he attends that convention.

Moving to Agenda Point X, he reported that he thought approval of the change of name to Kiwanis International-European Federation would have been no problem, but governors and district conventions have expressed disapproval of the change because they consider it the beginning of a process to dissolve the Federation. He reported that three districts are against any change of name and that the change of charter particularly aggravated this.

Bjarni Asgeirsson mentioned that the charter change was discussed at last year's World Secretariat Meeting and included in its minutes.

Since it was indicated that some European governors thought that there was no place for them to sign the new charter, a sample of the charter was shown which does include a line for the governor's signature.

President Ted stated, "Better communication is needed. The Board looks upon all Kiwanians as equal. If their actions are not completely understood, it is simply a lack of good communication and not any ill-intent."

President Ernst indicated that sometimes Kiwanis International Board actions leave the impression of a "dictate." He mentioned that the change of name and charter can be made only at a European convention, since this is required by the Federation's constitution.

The Chairman explained that in dealing with districts, the districts must change and correct their constitutions and bylaws to meet what is set by the Kiwanis International Convention. The members of the International Board are used to dealing in this manner.

President Ted concluded the discussion saying that he did not consider the name change and new charter a big matter. He stated that the Board thought both would be improvements, but what is important is that the Kiwanians in Europe understand.

Regarding United Kingdom clubs, it was explained that in line with the normal courtesy extended to any club which makes a formal request of Kiwanis International, staff told the Stevenage Club its request for dues reduction would be given appropriate consideration.

Regarding Agenda Point X, D, it was explained that the General Office staff had, at the request of the European Administrator, tried to clarify the wording of the proposed European constitutional changes as proposed by the Kiwanis International-Europe Board of Directors at its February 1976 meeting, but not to change the content.

Discussion then centered on how to initiate a joint or European originated study of adjustments needed in the European constitution so as to make it more in harmony with the new philosophy of Kiwanis International.

Bjarni Asgeirsson stated that he expects the European Board to start work on this in October with the changes to be made at the London convention in 1977. Walter Fruh suggested that the European constitution and bylaws should be reworded completely to make it more understandable and orderly.

IT WAS THE CONSENSUS OF THE MEMBERS IN DISCUSSION AGENDA POINT X, F, THAT THE FEDERATION SHOULD PARTICIPATE IN THE WORLDWIDE MEMBERSHIP AND NEW CLUB BUILDING PROMOTIONS, BUT THAT CARE SHOULD BE TAKEN TO EXPLAIN TO THE EUROPEAN CLUBS THAT THESE ARE PROGRAMS IN WHICH KIWANIS INTERNATIONAL AND KIWANIS INTERANTIONAL-EUROPE MUTUALLY AGREED TO WORK TOGETHER.

It was agreed that an explanation of the significance of the Osborn Trophy should accompany each sent out and that a letter be sent to all European clubs explaining it.

IT WAS THE CONSENSUS OF THE MEMBERS THAT THE BULLETIN FOR KIWANIS OFFICERS SHOULD BE SENT TO THE KIWANIS INTERNATIONAL-EUROPE BOARD MEMBERS AND GOVERNOR AND ALSO BE AVAILABLE FROM THE ZURICH OFFICE.

It was pointed out that the International Board would like to look forward to the time when the General Office could give out a printout from its computer regarding European membership as it does for all other areas.

Walter Fruh said that great use could be made of this computer facility by the Federation but that the problem of quicker communication between the Zurich and General Offices will have to be resolved. He suggested the possibility of installing a telex system between the offices.

Regarding Agenda Point X, G, the members discussed the future personnel requirements of the Zurich Office. A need was also expressed for a more definitive job description of the European Administrator.

Regarding Agenda Point XI, Status of the World Secretariat, discussion centered on the fact that the Secretariat had filled a useful purpose, that there may be need for periodic meetings between Kiwanis International and Kiwanis International-Europe leaders on occasion in the future, but that with the seating of the European trustee on the Board the World Secretariat's reason for being no longer exists.

THE MOTION WAS MADE AND PASSED THAT THE WORLD SECRETARIAT BE DISCONTINUED.

Regarding international fund raising for disasters, Walter Fruh described the fund raising program of his district for the victims of the recent earthquakes in Italy. He inquired if something similar could be done by Kiwanis worldwide.

President Ted stated that the Board's thinking is not to undertake something like this because Kiwanis International is prohibited by the bylaws from assessing or soliciting funds from clubs. There are no accumulated funds for such disaster relief and there would be a long time lag before the funds could be gathered.

The question of organizing clubs in Spain was then briefly discussed.

IT WAS THE CONSENSUS THAT SPAIN IS OPEN FOR KIWANIS EXTENSION.

Regarding holding the Kiwanis International Convention in Rome, the Kiwanis International members gave assurances that Rome would receive consideration when the choice is made for the venue of the first convention of Kiwanis International outside the founding countries.

Roy Davis then presented a working paper on the topic, "Planning for the Future of Kiwanis International." This paper was a continuation of the discussions relating specifically to the full payment of International dues by European Kiwanians first presented by Secretary Merridew at the direction of the Kiwanis International Board during the October, 1975, meeting of the Kiwanis International-Europe Board of Trustees and continued by Roy Davis at the February 1976, meeting of the same board.

After the reading of the paper, President Ernst commented, "This would not be read well by the Kiwanians in Europe. We are now financially independent and at this moment you change policy 180 degrees."

Walter Fruh stated, "This is too short cut and I have fears on how to sell this to the Europeans. On the European level, we must be most careful not to 'break the porcelain.'"

It was explained that Kiwanis International has been attempting to move to unification without considering finances, but that eventually there will have to be readjustments in this area, since the Federation is an added cost. The ultimate aim is that all Kiwanians receive the same service and pay the same dues.

Discussion then concerned the first steps which can be undertaken to achieve this objective. The following steps were suggested:

1. Give assurances that the Federation structure will not be touched in form or structure.
2. Prepare an explanation, which all members will understand, outlining why it is necessary, because of the worldwide concept of Kiwanis, for Kiwanis International-Europe clubs to pay dues to Kiwanis International.
3. Discuss this thoroughly first with the Kiwanis International-Europe Board and governors.
4. Communicate this to all European members.
5. Finally, seek to change the Kiwanis International-Europe Constitution's Article XI to include payment of dues to Kiwanis International in the same amount as other clubs worldwide. After full discussion of the points enumerated in the paper, it was generally agreed that these objectives could probably be achieved effective October 1, 1977.

REGARDING THE EUROPEAN OFFICE, IT WAS THE CONSENSUS THAT CHANGING ITS NAME TO A "SERVICE OFFICE" WOULD NOT BE UNDERSTOOD BY THE EUROPEANS AT THIS TIME.

President Ted emphasized that Kiwanis International will eventually want to serve other areas of the world besides Europe from the Zurich Office. This seemed to clarify the use of the term "service office."

It was pointed out that until now no one has attended governors'-elect training without Kiwanis International paying the expense. Allowing the European governors-elect to come at the expense of Kiwanis International-Europe would be a change in practice.

The question was then raised whether the European governors-elect can attend the training session next year. President Ted stated that it would be good if they came, but that Kiwanis International could not cover the cost. It was his opinion then that it would be better if they came than not having them.

In discussion concerning possible temporary addition to the staff of the European office, it was agreed that if any such additions are made at the suggestion of Kiwanis International that Kiwanis International would cover the extra cost until this cost could be covered in the Federation budget.

A suggested "Budget 1974-76, Kiwanis International and Kiwanis International-European Federation" was then presented. In discussion, it was agreed that a specific percentage of payment for Zurich Office operations should not be set since this would be subject to constant change depending on the needs of the Federation and Kiwanis International.

In their closing remarks, all members agreed that the sessions were most productive.

President Ted told how very much he was impressed with the men attending the meeting. He stated that he has found that all men who sit around the Kiwanis International Board Room table to be men deeply interested in Kiwanis and its goals. This was true again at the World Secretariat meeting. He concluded, "At this meeting you have laid out a path for Kiwanis to follow."

He then adjourned the last meeting of the Secretariat at 5:15 P.M.

RELATIONSHIP OF THE KIWANIS INTERNATIONAL FOUNDATION
TO THE BUDGET OF KIWANIS INTERNATIONAL

R. P. Merridew

June 17, 1976

During the ten years I have served as Secretary of Kiwanis International I have seen the Kiwanis International Foundation develop from a small, little publicized foundation whose efforts were exclusively confined to the disbursement of Jimmie Fidler funds for National Kids' Day to one of the most vigorous, well-supported departments of the entire Kiwanis International operation. Again this year the contributions of individual Kiwanians to the Voluntary Birthday Gift fund has reached a new high so that the Foundation's total income from all sources for this year will be over 185,000.

This remarkable record has been established under the inspired leadership of Foundation President Harry Himmel since he became its president in 1967, picking up where Roy Davis, his immediate predecessor, had already begun to bring the Foundation to new heights of service and acceptance. He has made intelligent and obviously successful use of a wide variety of promotional programs, always with the full support of the Kiwanis International Board and all departments of the General Office.

Until 1971, the only relationship of the Foundation to the Kiwanis International budget was a mutually agreed upon annual disbursement from the Jimmie Fidler fund in the amount of \$10,225 to cover the cost of promoting National Kids' Day. At the same time as promotional efforts to raise money for the Kiwanis International Foundation began to increase rapidly under President Harry's direction, interest in National Kids' Day was definitely declining except in those areas where Peanut Day was and still is a highly successful fund-raising project. It was for this reason that President Harry and the Foundation Board terminated the annual disbursement of \$10,225 in 1971 and we were faced with the necessity of coming up with a new and equitable method of compensating Kiwanis International for services rendered to the Foundation.

The Foundation is one of six income producing departments. The Bureau of Accounts estimates the amount to be charged each of these departments, utilizing a formula based on the number of employees in each department and the amount of income received by it. This formula, when applied to the Foundation in 1971, resulted in a proposed Office Management charge of \$9,500. This, plus an amount of \$700 for telephone and telegraph, was included in the proposed Kiwanis International budget for 1971-72.

In a letter dated June 3, 1971 to Roy Davis, who was then Chairman of the Board Committee on Finance, President Harry formally requested "that the \$9,500 for the Bureau of Accounts and Office Management plus the \$700 for telephone and telegraph be eliminated from our 1971-72 budget until such time as our income warrants it. I am sure our Board will have no objection to paying our way when and if we can afford it. However, at this time, regardless of how well we have progressed, our Foundation cannot afford these items."

At the June, 1971 meeting of the Kiwanis International Board, authority was given to the Finance Chairman and the International Secretary to come to a mutual agreement with the Foundation President. On August 23, 1971, a meeting was held and the conclusion which was reached is described in this quote from President Harry's letter of that date to me: "This letter will serve to confirm the understanding we arrived at this morning. I will recommend to the Board of the Kiwanis International Foundation that we compensate Kiwanis International to the extent of \$2,500 per year for 'services rendered' starting August 1, 1971. If and when our income reaches \$100,000 per year, we will at such time discuss future charges."

The annual income of the Kiwanis International Foundation from all sources in the intervening years is officially recorded as follows:

1971-72	\$ 84,900	
1972-73	93,655	
1973-74	132,978	
1974-75	176,604	
1975-76	184,897	(to date)

In June of 1975 we again proposed that the Foundation pay its fair share of the 1975-76 cost of operation in the amount of \$9,500, especially since its successful promotional efforts were placing an extremely heavy load on related departments of the General Office. We did not suggest that they share our basic charge for telephone and telegraph service -- in fact the Foundation is still the only department of the General Office that is not charged with this item. However, the proposal of \$9,500 was once again rejected and a compromise was offered in the amount of \$5,000, thus subsequently accepted by the Kiwanis International Board.

Now we are looking to 1976-77 with an extremely tight budget. Every Board member who chairs a committee has been asked to cut his area's expenses by as much as 10%. Every member of the General Office staff is constantly reminded of the need to hold down expenses. In this climate of financial concern the following comparisons are put forward for your consideration:

INCOME PRODUCING DEPARTMENTS

<u>BY WORK LOAD PRIORITY</u>	<u>BUDGETED SHARE OF OFFICE EXPENSE</u>	<u>BUDGET FOR TEL. & TEL.</u>
(1) SUPPLIES	\$120,634	\$5,300
(2) THE KIWANIS MAGAZINE	108,075	5,500
(3) KIWANIS INT'L FOUNDATION	5,000	No charge
(4) KEY CLUB INTERNATIONAL	19,851	3,000
(5) CONVENTION	22,675	9,500
(6) CIRCLE K INTERNATIONAL	13,571	2,000

The attached exhibit, itemizing "Operational Requirements of the Kiwanis International Foundation", briefly summarizes the specific work load and cost of operation of the Foundation within the General Office budget. You will note that the specific costs total \$15,400. However, to this must be added rent, heat, light, data processing time to prepare mailing labels, cost of trucking mailings to and from the post office and mailing of plaques.

It should be noted at this point, that, at the request of President Harry, I checked with the top administrative officers of Rotary International and Lions International to determine what their policy is with regard to their foundations. I was unable to reach Wil Wilson of Lions since he had left for Hawaii for their international convention. However, Harry Stewart, Secretary General of Rotary International, stated that the Rotary International Foundation, which funds all of their student exchange programs, is charged exactly the same rate per square foot as any other area of Rotary's operation. All reproduction projects are charged by the individual job, including use of equipment plus time of individuals. Each year the projected budget contains a specific charge to the Rotary International Foundation based on the previous year's experience plus estimated increased cost of doing business.

Despite all of the above, and while it is true that application of the Bureau of Accounts formula now would bring the Foundation's share of overhead charges to \$10,750, we are still proposing only the amount of \$9,500 for the 1976-77 budget. In a meeting during this administrative year with legal counsel Ron Mangum and Larry Seidman, head of our auditing firm, it was made quite clear by both experts that the total cost of operation which would include the proposed \$9,500 would be well within the desirable limits in the eyes of the Internal Revenue Service and the State of Illinois, in which the Foundation is chartered. However, in the years since 1971, the amount to be budgeted for this purpose has been the subject of much time-consuming negotiation rather than adherence to the same formula as that utilized by every other income-producing area of our operation. This year has been no exception and has resulted in a proposal by President Harry to increase the amount budgeted for 1976-77 from \$5,000 to \$6,000 -- a proposal which is contained in the official agenda for the meeting of the Foundation Board on June 20th here in San Diego.

In conclusion, it is our sincere opinion that the time has come for the Kiwanis International Foundation to shoulder its full share of the load as we strive to conduct the affairs of Kiwanis International and all related areas in a business-like manner in the face of ever-increasing costs. The annual income of the Foundation is more than enough to support a proposed cost which is far, far lower than would be required if the Foundation operated outside the General Office.

We earnestly request that the Board Committee on Finance of Kiwanis International give this urgent matter your full consideration and the necessary direction to establish a business relationship with the Kiwanis International Foundation which will eliminate the need for continuing annual negotiation.

OPERATIONAL REQUIREMENTS

OF THE

KIWANIS INTERNATIONAL FOUNDATION

Nine general mailings per year
(Average time two & one-half days
or 22½ working days for 6 people)

One week is needed to mail birthday brochures,
40 to each club.

30 different letters to district coordinators

News letters

Estimated time per year in duplicating dept.
for Foundation work
(40 working days for 6 people)

Estimated cost for above mailings -----	\$ 6,500
Employee Fringe Benefits - (pension, medical, life and disability insurance) -----	1,200
Accounting and bookkeeping charges per year -----	2,000
Publication department (Layout & Design & Conv. Booth) ----	1,000
Cost of Xerox, paper for general mailing, etc. -----	1,500
Public Relations (letters & liaison with district bulletin editors) -----	1,000
Payroll taxes, F.I.C.A., state & federal -----	1,000
Mail desk service & other miscellaneous General Office services -----	<u>1,200</u>
TOTAL ESTIMATED SPECIFIC COSTS	\$15,400

REPORT OF THE COMMITTEE ON PAST PRESIDENTS
TO THE MEETING OF THE INTERNATIONAL BOARD OF TRUSTEES

June 17-18, 1976

Date of Committee Meeting: June 24, 1976

Place of Committee Meeting: San Diego, California

Present: Members - H. Park Arnold, Wes H. Bartlett, Reed C. Culp, William M. Eagles, M.D., Donald T. Forsythe, Harold M. Heimbaugh, T.R. Johnson, Fred G. McAlister, Q.C., James M. Moler, Edward B. Moylan, Jr., Walter J.L. Ray, D. R. Glenn Reed, Jr., Donald B. Rice, Charles A. Swain, Merle H. Tucker, Albert J. Tully, Robert F. Weber, I.R. Witthuhn and Secretary Emeritus - O. E. Peterson

Chairman: Lorin J. Badskey

Staff: William H. Jepson, Percy H. Shue

Others: Ted R. Osborn, Stanley E. Schneider, Roy W. Davis

Friday Morning Session

Following the call to order and the invocation, delivered by Past President Reed C. Culp, the Chairman reported that Past Presidents Engdahl, Keefe and Tally would not be in attendance, and the Chairman was asked by the members to send wires of regret to absentees.

After approval of the minutes of the September 1975 meeting and the agenda, President Ted R. Osborn appeared before the Committee.

President Ted reviewed a number of subjects, giving special attention to the agenda topics of Current Financial Condition, Life Member Status, U.S. Treasury Department Action, and Girls in Key Club International. He indicated that he anticipated that Kiwanis International would be on budget at the end of the 1975-76 year. He reported that \$31,600 had been received from the Life Member Status program against a budgeted figure of \$80,000 for the 1975-76 year and expressed his hope that many Kiwanis Clubs would apply for Life Member Status in September on behalf of appropriate recognition of outgoing club presidents. He reviewed Kiwanis response to the recent U.S. Treasury Department action related to the possible prohibition against banks and other businesses paying the membership dues of employees who are Kiwanians, and he encouraged members of the Committee to use their personal influence in getting Kiwanians to express their concerns to members of Congress. With reference to girls in Key Clubs, President Ted reviewed the current procedure established by the Board for handling requests from Kiwanis Clubs which request approval of girls as members of local Key Clubs.

In his comments supplementing Committee agenda items, President Ted reviewed with the Committee the present status of the suit of the Great Neck, New York, club; the new policy adopted by the Board with reference to auxiliaries; Golden K clubs, in terms of the possibility of a special dues structure or possible change in membership classifications; and his recent visit to the convention of the Kiwanis International European Federation. With reference to a recommendation of the Committee at its last meeting, President Ted indicated that the Board, in view of

the need for economy, decided not to increase the per diem expense allowance for Board members, although the Board did appreciate the recommendation made by the Committee.

President-elect Stanley E. Schneider then visited the Committee meeting and spoke informally with reference to his priorities and plans for the 1976-77 administrative year, especially with reference to the Major Emphasis Program, growth, leadership education, and long-range study. He solicited the counsel of the Committee and especially requested the Committee's evaluation of the 1976-77 Council meeting October 3-5, since a number of changes are being planned.

Friday Joint Session with the Board

During the conference session of the Joint luncheon with the Board, President Ted briefed the Committee on the progress of the Builders Club program, called attention to several of the proposed amendments, and asked Trustee Ernest Sturch and Past President William M. Eagles to brief the session on plans for the 1976-77 Council and the meeting of the World Secretariat, respectively.

Friday Afternoon Session

When the Committee resumed its meeting in the afternoon, Past President Eagles gave a detailed report on the May 1976 meeting of the World Secretariat, selecting items of special interest from the complete written report of the Secretariat meeting as provided to all Board members and Past Presidents.

In order to attend the parade in honor of President Ted, the Committee adjourned its afternoon session at 2:05 P.M.

Saturday Morning Session

The Committee welcomed Past President Fred McAlister to its session.

In response to President-elect Stan's request for suggestions regarding the Council program, the Committee reached a consensus that it favors the former plan of inviting a Past President to speak at the Monday luncheon and suggests that this preference of the Committee be given consideration in future Council planning.

The Committee reviewed the proposed amendments to the Constitution and Bylaws. It invited Immediate Past President Roy W. Davis to appear and bring the Committee up-to-date on current Board thinking regarding Board structure and the federation plan. At the conclusion of the discussion with Immediate Past President Roy, the Committee indicated its strong desire that he appear before them again at their next meeting for further detailed briefing and discussion.

With reference to the election of officers on Wednesday morning, the Committee expressed its concern that there was no contest anticipated for the election of Trustees.

In view of the fact that the June 18 meeting of the Board concluded before the Committee was able to complete its discussion of its agenda, the Committee offers one recommendation:

That beginning with the October 1976 meeting future meetings of the Committee of Past Presidents be so scheduled as to permit the Committee to submit its informal report to the Board prior to the conclusion of pre-council and pre-convention meetings of the Board.

The Committee expresses its thanks to President Ted, President-elect Stan, and Immediate Past President Roy for their gracious and helpful presentations to the Committee.

Lorin J. Badskey
Chairman

REPORT TO THE BOARD OF TRUSTEES OF
KIWANIS INTERNATIONAL
ON THE MEETING OF THE BOARD OF TRUSTEES OF
THE KIWANIS INTERNATIONAL FOUNDATION

JUNE 24, 1976

The Board of Trustees of the Kiwanis International Foundation met on Sunday, June 20, 1976, Little America Westgate Hotel, San Diego, California. Following is a brief summary of the highlights of this meeting:

1. The results of the 1976 Voluntary Birthday Gift Contribution Plan campaign were reviewed, and as of June 14, 1976 income totaled \$138,228.82, as compared to \$119,116.03 for the same date in 1975. As of June 14, 1976, 2,837 Kiwanis Clubs had received the Banner Patch Award as compared to 2,307 at the same time a year ago.
2. The Disaster Relief Fund was reviewed, and the Board noted that over \$4,300 had been received from Kiwanis Clubs for relief in Guatemala. This amount had been sent to Project Concern for its work in assisting the people of Guatemala. The President of Kiwanis International and the President of the Kiwanis International Foundation both received plaques from Project Concern in recognition of the support received from Kiwanis International and the Kiwanis International Foundation.
3. Guidelines for the operation of the Disaster Relief Fund were adopted by the Board to be shared with the Kiwanis International Board at its October, 1976 meeting.
4. The Board approved a new format for the Kiwanis International Foundation Newsletter, to be effective with the 1976-77 administrative year.
5. The budget for 1976-77 was adopted by the Board, to be reviewed by both the Foundation and Kiwanis Boards at the forthcoming October, 1976 Council meetings.
6. The Foundation's Financial Statements were reviewed, and the Board noted that as of May 31, 1976, the Foundation's income totaled \$184,897.01 as compared to a total income of \$165,208.39 for the same date in 1975. It was also noted that total assets were \$490,913.62 as of May 31, 1976, as compared to \$419,186.14 for the same period a year ago.
7. Upon recommendation from our legal counsel and auditors, the Board approved amendments to the Bylaws of the Kiwanis International Foundation which change the structure of the Foundation Board as follows: the Treasurer of Kiwanis International and the Chairman of the Kiwanis Board Committee on Finance are eliminated from the Board; the Immediate Past President of Kiwanis is added to the Board, and the Executive Committee will be composed of the President, Vice-President and Secretary-Treasurer of the Foundation with the President of Kiwanis International. A new office of Secretary-Treasurer of the Foundation will be created, and the changes in the Board's structure reduces the size of the Board from 11 to 10. These amendments go into effect with the 1976-77 fiscal year on August 1, 1976.
8. At the suggestion of President Ted R. Osborn, it was announced that all Foundation District Coordinators will receive plaques of appreciation during the 1976 Kiwanis district conventions. These plaques, provided at Foundation expense, will be presented by the official representatives of the Kiwanis International Board.
9. A progress report on the Kiwanis International Foundation Hearing Research Foundation was reviewed, and the Board noted that 55 patients had been tested and treated since the project was officially dedicated on October 4, 1975.

10. The Board approved a grant of \$26,795.00 to the American Hearing Research Project for the operation of the Kiwanis International Hearing Research Foundation, making the total grant for the year \$46,795.00

11. The Board approved a grant of \$10,000.00 to the Hugh O'Brian Youth Foundation for the production of materials for the Annual Hugh O'Brian Youth Foundation Seminar.

12. The Board approved a grant of \$5,000.00 to the Freedoms Foundation at Valley Forge, Pennsylvania.

13. The Board approved the sum of \$2,700.00 to assist Circle K International to produce leadership education and membership development materials for all Circle K Clubs.

14. The Board approved a grant of \$2,500.00 to World Scouting to produce a handbook for those working with handicapped Scouts throughout the world. This piece will be printed in Spanish.

15. The total appropriations made by the Foundation this year amounted to approximately \$101,000.00. Almost \$40,000.00 of this amount was spent by the Foundation in support of programs of Kiwanis International and to Key Clubs and Circle K Clubs.

16. The Board reviewed a report on the progress of the landscaping at Patriots Path at Freedoms Foundation at Valley Forge and noted that the project should be completed by June, 1976.

17. The following were elected as Trustees for a two-year term, August 1, 1976 through July 31, 1978: A. Frederick Rosen, O. Edwin Loberg, and Harold M. Heimbaugh.

18. The following were elected as officers of the Kiwanis International Foundation for a one-year term, August 1, 1976 through July 31, 1977: Harry S. Himmel, President; Charles A. Swain, Vice-President; and Harold M. Heimbaugh, Secretary-Treasurer.

19. The Board noted that the Foundation's audio/visual program had been used by 281 Kiwanis Clubs in the United States and Canada and that the program will be part of 17 1976 Kiwanis district conventions.

20. In recognition of his years of faithful service to the Kiwanis International Foundation as President, Vice-President, and Trustee, O. E. Peterson was presented with a certificate of recognition and appreciation by the Board. Vice-President Peterson will retire from the Foundation Board with the completion of his term on August 1, 1976.

We are grateful to the Kiwanis International Board, to the Secretaries and the Staff at the General Office, for their splendid cooperation throughout the year.

Respectfully submitted,

HARRY S. HIMMEL
President
Kiwanis International Foundation

1976-77 COUNSELORS TO DISTRICTS

ALABAMA	Carl F. Miller
ANDEAN	Hilmar L. Solberg
AUSTRALIA	Maurice Gladman
CALIFORNIA-NEVADA-HAWAII	E. B. "Mac" McKitrick
CAPITAL	Hilmar L. Solberg
CAROLINAS	Douglas Wasson
EASTERN CANADA & THE CARIBBEAN	Stephen H. Hart, Jr.
FLORIDA	Jack Delf
GEORGIA	Drew M. Petersen, M.D.
ILLINOIS-EASTERN IOWA	Egon Kuzmany
INDIANA	Jack Delf
KANSAS	Douglas Wasson
KENTUCKY-TENNESSEE	John T. Roberts
LOUISIANA-MISSISSIPPI-WEST TENNESSEE	Stephen H. Hart, Jr.
MICHIGAN	Paul Chandler
MINNESOTA-DAKOTAS	C. E. "Pete" Thurston, Jr.
MISSOURI-ARKANSAS	Drew M. Petersen, M.D.
MONTANA	John T. Roberts
NEBRASKA-IOWA	Ernest Sturch, Jr.
NEW ENGLAND	Paul Chandler
NEW JERSEY	Dwight F. Gallivan
NEW YORK	Maurice Gladman
NEW ZEALAND	Maurice Gladman
OHIO	Ernest Sturch, Jr.
PACIFIC NORTHWEST	Ralph C. Keyes
PENNSYLVANIA	Ralph C. Keyes
PHILIPPINE LUZON	Jack Delf
PHILIPPINE SOUTH	Jack Delf
ROCKY MOUNTAIN	Dwight F. Gallivan
SOUTHWEST	Hilmar L. Solberg
TEXAS-OKLAHOMA	Merald T. Enstad
UTAH-IDAHO	Merald T. Enstad
WESTERN CANADA	Maurice Gladman
WEST VIRGINIA	E. B. "Mac" McKitrick
WISCONSIN-UPPER MICHIGAN	Carl F. Miller
EUROPEAN FEDERATION	Egon Kuzmany

BOARD COMMITTEES - 1976-77

Executive

Stanley E. Schneider, Chairman
Maurice Gladman E.B. "Mac" McKitrick
Stephen H. Hart, Jr. Ted R. Osborn
Ralph C. Keyes Hilmar L. Solberg

Administration and Structure

Hilmar L. Solberg, Chairman
Ralph C. Keyes
Ernest Sturch, Jr.

Correspondents: H. Park Arnold
 James M. Moler

Circle K

Paul Chandler, Chairman
Jack P. Delf
C. E. "Pete" Thurston, Jr.

Correspondent: Wes H. Bartlett

Convention

Ernest Sturch, Jr., Chairman
Maurice Gladman
John T. Roberts

Correspondents: Edward C. Keefe
 Edward B. Moylan

Key Clubs

John T. Roberts, Chairman
Dwight F. Gallivan
Ernest Sturch, Jr.

Correspondent: Charles A. Swain

Laws and Policies

Stephen H. Hart, Jr., Chairman
Dwight F. Gallivan
John T. Roberts

Correspondents: Harold M. Heimbaugh
 Albert J. Tully

Leadership and Council

Douglas Wasson, Chairman
Jack P. Delf
Merald T. Enstad

Correspondents: Don E. Engdahl
 T. R. Johnson

Membership Growth and Education

Drew M. Petersen, M.D., Chairman
Paul Chandler
Merald T. Enstad

Correspondent: Lorin J. Badskey

Finance

E. B. "Mac" McKitrick, Chairman
Stephen H. Hart, Jr.
Hilmar L. Solberg

Correspondents: Roy W. Davis
 Walter J.L. Ray

New Club Building

Jack P. Delf, Chairman
Carl F. Miller
Douglas Wasson

Correspondent: R. Glenn Reed, Jr.

Overseas Extension

Ted R. Osborn, Chairman
Paul Chandler
Stephen H. Hart, Jr.
Egon Kuzmany

Correspondents: William M. Eagles, M.D.
 J. O. Tally, Jr.

Program Development

Merald T. Enstad, Chairman
Ralph C. Keyes
Carl F. Miller

Correspondents: Donald B. Rice
 Robert F. Weber

Property and Supplies

Dwight F. Gallivan, Chairman
E. B. "Mac" McKitrick
Drew M. Petersen, M.D.

Correspondents: Reed C. Culp
 I. R. Witthuhn

Publications and Advertising

Ralph C. Keyes, Chairman
Egon Kuzmany
Douglas Wasson

Correspondents: Donald T. Forsythe

Public Relations

Carl F. Miller, Chairman
Drew M. Petersen, M.D.
C. E. "Pete" Thurston, Jr.

Correspondent: Merle H. Tucker

Special Committee on Forward Planning

Maurice Gladman, Chairman
E. B. "Mac" McKitrick
Hilmar L. Solberg

Correspondents: Roy W. Davis
 Robert F. Weber

PROPOSED CALENDAR FOR 1976-77
(following San Diego Convention)

1976

June 24	Orientation of New Board Members
July 4-7	Key Club International Convention, Anaheim, California
July 23-25	Pre-Convention Planning Conference, Dallas, Texas
August 15-18	Circle K International Convention, Washington D. C.
August 19-21	Philippine Luzon District Convention, Baguio City, Philippines
August 26-28	Philippine South District Convention, Bacolod City, Philippines
August 26-28	Australia District Convention, Perth, Australia
September 2-4	Asia-Pacific Kiwanis Conference, Singapore
September 3-6	Key Club Freedoms Foundation Seminar, Valley Forge, Pa.
September 6	Labor Day
September 9-11	Andean District Convention, Panama City, Panama
September 16-18	New Zealand District Convention, Noumea, New Caledonia
September 29 - October 2	Board Meeting, General Office
October 3-5	International Council, Chicago, Illinois
October 11	Thanksgiving Day in Canada
November 17-20	Service Club Leaders Conference, Philadelphia, Pennsylvania
November 19-21	Conference on Voluntary Action (CONOVACT) La Foret Camp, Colorado Springs, Colorado
November 25	Thanksgiving Day
December 29-31	Tournament of Roses and Rose Bowl Pre-events, Pasadena, California

1977

January 1	Rose Bowl
January 3-4	1st Regional Conference for Governors, Salt Lake City, Utah
January 7-8	2nd Regional Conference for Governors, Kansas City, Missouri
January 12-13	Program Planning Conference for 1977-78

January 18 or 25	Detroit Birthday Celebration, Detroit, Michigan
January 21-22	3rd Regional Conference for Governors, Cleveland, Ohio
January 29 - February 2	Board Meeting, General Office
February 18-19	4th Regional Conference for Governors, Atlanta, Georgia
February 24-25	Major Emphasis Committee Meeting, General Office
March 25-27	Achievement Committee Meeting, General Office
March 31 - April 2	Conference for Governors-elect, Chicago, Illinois
April 3	Palm Sunday
April 3-10	Jewish Passover
April 10	Easter Sunday
April 27-29	Resolutions Committee Meeting, General Office
April 30 - May 4	Board Meeting, General Office
June 10-12	Kiwanis International European Federation Convention, London, England
June 23-24	Pre-Convention Board Meeting, Dallas, Texas
June 25	Conference for Governors-elect, Dallas, Texas
June 26-29	Kiwanis International Convention, Dallas, Texas
June 30	Post Convention Board Meeting, Dallas, Texas
July 3-6	Key Club International Convention, Kansas City, Missouri
August 14-17	Circle K International Convention, Kansas City, Missouri

1976 DISTRICT CONVENTIONS

6/25/76

District	Convention City	Headquarters	Dates	Date & Hour of Convention Board Meeting	International Representative
Nebraska-Iowa	Cedar Rapids, IA	Roosevelt Royale	4/30&5/1-2	4/30-1:30pm	Ernest Sturch, Jr.
Western Canada	Winnipeg, MB	Holiday Inn	8/8-10	8/7-8:00am	Maurice Gladman
Illinois-E. Iowa	Desplaines, IL	O'Hare Inn	8/12-14	8/12-3:00pm	Egon Kuzmany
Rocky Mountain	Sheridan, WY	Sheridan Center Motor Inn	8/12-15	8/12-7:30pm	Dwight F. Gallivan
Pacific Northwest	Vancouver, BC	Hyatt-Regency	8/13-15	8/13-8:30am	Ralph C. Keyes
La-Miss-W. Tenn.	Biloxi, MS	Buena Vista Hotel	8/13-15	8/13-4:00pm	Stephen H. Hart, Jr.
Minn-Dak.	Grand Rapids, MN	Rainbow Inn	8/13-15	8/13-9:30am	C. E. Thurston, Jr.
Wisc-Upper Mich.	LaCrosse, WI	LaCrosse Holiday Inn	8/13-15	8/14-7:30am	Carl F. Miller
West Virginia	Athens, WV	Twin Towers	8/13-15	8/13-8:30pm	E. B. "Mac" McKittrick
Texas-Oklahoma	San Antonio, TX	Menger Hotel	8/19-21	8/19-1:30pm	Merald T. Enstad
Mo-Ark	Fort Smith, AR	Sheraton Inn	8/19-22	8/20-10:00am	Drew M. Petersen, M.D.
Montana	Whitefish, MT	Big Mountain	8/19-21	8/19-2:00pm	John T. Roberts
Alabama	Gadsen, AL	Downtown Motor Inn Hotel	8/20-22	8/19-6:30pm	Carl F. Miller
Indiana	Evansville, IN	Exec. Inn Motor Hotel	8/20-22	8/19-7:30pm	Jack P. Delf
Michigan	Kalamazoo, MI	Kalamazoc Center Inn	8/20-22	8/19-6:30pm	Paul Chandler

District Conventions, continued

District	Convention City	Headquarters	Dates	Date & Hour of Convention Board Meeting	International Representative
Ohio	Dayton, OH	Dayton Biltmore Hotel	8/21-25	8/21-8:30pm	Ernest Sturch, Jr.
E. Can & The Car.	Kingston, Jamaica	Jamaica Pegasus	8/22-25	8/22-11:00am	Stephen H. Hart, Jr.
Penna.	Champion, PA	Seven Springs Mt. Resort	8/22-25	8/22-2:00pm	Ralph C. Keyes
Ca-Nv-Hi	Fresno, CA	Fresno Hilton	8/26-28	8/25-1:00pm	E. B. "Mac" McKittrick
Capital	Wilmington, DE	DuPont Hotel	8/27-29	8/26-2:30pm	Hilmar L. Solberg
Kansas	Hays, KS	Ramada Inn	8/27-29	8/27-8:00am	Douglas Wasson
Australia	Perth	Riverside Lodge	8/27-29	8/27-8:30am	
Florida	Jacksonville, FL	Jacksonville Hilton	9/9-12	9/9-5:00pm	Jack P. Delf
New England	Bretton Woods, NH	Mount Washington	9/9-11	9/9-12noon	Paul Chandler
Southwest	El Paso, TX	Downtown Holiday Inn	9/9-12	9/9-1:00pm.	Hilmar L. Solberg
Utah-Idaho	Salt Lake City, UT	Hotel Utah	9/10-12	9/9-2:00pm	Merald T. Enstad
Kentucky-Tennessee	Nashville, TN	Hyatt Regency	9/10-12	9/10-10:00am	John T. Roberts
New Jersey	McAfee, NJ	Great Gorge Resort	9/10-12	9/9-2:00pm	Dwight F. Gallivan
New York	Kiamesha Lake, NY	The Concord	9/12-15	9/11-9:00 am	Maurice Gladman
Carolinas	Winston-Salem, NC	Hyatt House	9/12-14	9/12-12:30pm	Douglas Wasson
Georgia	Albany, GA	Downtowner Motor Inn	9/17-19	9/17-3:00pm	Drew M. Petersen, M.D.