

KEY CLUB®

MINUTES OF THE OFFICIAL MEETING OF THE 2014-2015 DISTRICT BOARD OF
THE FLORIDA DISTRICT OF KEY CLUB INTERNATIONAL
FFA LEADERSHIP TRAINING CENTER
HAINES CITY, FLORIDA
8:30 A.M., SUNDAY, JANUARY 4, 2015

Call to Order

Governor Lauren McAllister called the meeting to order at 8:30am

Pledge of Allegiance

Division 5 Lt. Governor Borica Chhem led the Pledge of Allegiance.

Invocation

District Administrator David McCampbell led the invocation.

Roll Call

District Secretary Alexandra Sanchez took roll call and recorded the 2014-2015 Board Members present.

2014-2015 Board Members Present

Governor Lauren McAllister	LTG Div 14A: Connor Aspray	LTG Div 26A: Ruben Martinez
Secretary Alexandra Sanchez	LTG Div 14B: Shane Meagher	LTG Div 26B: Jose Leoncio
Treasurer Nick Azcarate	LTG Div 14C: Bailey Gray	LTG Div 26C: Griffin Baker-Royo
Editor Katt Crowdis	LTG Div 15A: Ileana Patlan	LTG Div 26D: Dominique Small
Executive Assistant Kubra Khan	LTG Div 15B Alyssa Cloud	DCON Chair Zac Schroepfer
Webmaster Matthew Bonachea	LTG Div 16: Miles Lowe	District Admin David McCampbell
LTG Div 1: Morgan Denny	LTG Div 17: Ian MacDonald	ZA A&B: Heather Locke
LTG Div 2A: Krysten Pazik	LTG Div 18: Linda Martin	ZA B-Designate Sam Kerce
LTG Div 2B: Brayton Miles	LTG Div 19A: Junior Pierre Louis	ZA C: Sara Matukaitus
LTG Div 3: Zac Schroepfer	LTG Div 19B: Emily Vance	ZA D: Gene Leonard
LTG Div 4: Taylor Paddock	LTG Div 20A: Stephan Jaksch	ZA E: Amanda Saguil
LTG Div 5: Borica Chhem	LTG Div 20B: Palak Shah	ZA E-Designate: Jim Powell
LTG Div 6: Geeta Minocha	LTG Div 21: Samantha Maher	ZA F: Richard Osso
LTG Div 7: William Woulard	LTG Div 22: VACANT	ZA G: Renee Richar
LTG Div 8: Jasmine Myers	LTG Div 23A: Gina Bae	ZA H: Pam Edwards
LTG Div 9: Reaghan Wooster	LTG Div 23B: Aaron Forde	ZA I: Elizabeth Kominar
LTG Div 10A: Justin Raman	LTG Div 24A: Jennifer Moscovitch	ZA J: Gwen & Richard Leys
LTG Div 10B: Michael Greenwald	LTG Div 24B: Katherine Castaner	ZA K-25: Lana Nudel
LTG Div 10C Estefania Baez	LTG Div 25A: Eileen Rivery	ZA K-26 Dawn Campbell
LTG Div 11: Abigail Wells	LTG Div 25B: Noah Shahaf	ZA L: Dalton Yancey
LTG Div 12: Peter Guirguis	LTG Div 25C: VACANT	ZA M-Designate: Margaret Williams
LTG Div 13: Charli Baden		AA Training: Donna Parton

Absentees: None

Quorum

District Secretary Alexandra confirmed the presence of a quorum for the conduct of business.

Introduction of Guests

Kiwanis Governor Chuck Gugliuzza and First Lady, Emilia
CKI Governor Michelle Ocampo
Kiwanis Governor-elect Celia Earle
Kiwanis Treasurer Gary Frechette
CKI Governor Michelle Ocampo
Panhandle Lt. Governor Kia Adams
K-Family Chair Katie Pope
Eliminate Project Chair Jeannie Pope

Adoption of the Agenda

Division 10B Lt. Governor Michael Greenwald moved to approve the adoption of the agenda. Motion was seconded and passed.

Approval of August Board Meeting Minutes

Division 26A Lt. Governor Ruben Martinez moved to approve the June Board Meeting Minutes. Motion was seconded and passed.

Approval of Resignations

Division 26C Lt. Governor Griffin Baker-Royo moved to approve the resignation of Division 22 Lt. Governor Chase Canales, Division 24A Lt. Governor Katherine Sims, Division 25C Lt. Governor Sara Kvaska, DCON Chair Jonathan Thompson, and Elections and Credentials Committee Chair Zac Schroepfer. Motion was seconded and passed.

Approval of Appointments

Division 14A Lt. Governor Connor Aspray moved to approve the appointment of Division 2A Lt. Governor Krysten Pazik, Division 12 Lt. Governor Peter Gurguis; Division 24A Lt. Governor Jennifer Moscovitch; ICON Chair Ian MacDonald; Service Committee Chair Ruben Martinez; DCON Chair Zac Schroepfer; Elections Chair Krysten Pazik; DCON Subcommittee Chairs; Elections and Credentials Advisor Sam Kerce; Zone Administrator Jim Powell; Zone Administrator Dalton Yancey; and International Convention Advisor Bob Parton. Motion was seconded and passed.

Installation of Appointment

Governor Chuck Gugliuzza installed the Lt. Governor appointments and gave his remarks.

Executive Officer Reports

Governor Lauren McAllister:

Since August Board Meeting, I have been keeping very busy! I have attended Kiwanis DCON, several KCKCs, the CKI Winter Board Meeting, and the Kiwanis Playground Build. I have also had bi-weekly calls

with the Executive Committee, bi-weekly calls with David, and bi-weekly calls with Trustee Laken. I have submitted my monthly Governor's reports and kept up to date with everything at International. Also, I have worked with our committee chairs to make sure that they are successful as possible. I created my DCON Sub-committee Directives and made DCON sub-committee chair appointments and the coinciding committee member appointments. Monthly newsletters were sent to all of you and monthly informational emails were sent to the membership. Quarterly club officer newsletters were also distributed. I formed a Bylaws Review Committee and worked with them to suggest the amendments that were proposed this weekend. I also prepared for this board meeting and have been working very closely with David, Zac, and Ms. Heather on DCON related tasks.

In the upcoming months, I would like to have a conference call with each DCON sub-committee to remain informed and involved about their progress. I will also be attending all Spring Zone Rallies, Kiwanis Mid-Winter Conference, and CKI DCON. A lot of my focus will be on working towards DCON and making sure that our members have the best possible experience, as well as, coaching our candidates to be the best candidates they can be.

As always, please let me know if you ever need anything. I am here to help you and support you as well as guide you and I want the very best for each and every one of you. I know that the next three months may very well be the busiest and most exhausting of your terms, but remember that we can and will do this and that you are all making a tremendous impact on our organization and the people we strive to help.

This concludes my report.

District Secretary Alexandra Sanchez:

Since August Board meeting, I have been working with the Education and Membership Development Committee, helping update Spring Zone Rally workshops, creating an informational bylaws flyer, and making a DCON workshop schedule. I have also been working with the Oratorical DCON Subcommittee to determine how the Oratorical competition will be judged during the preliminary and final sessions, and establishing a promotional schedule along with promotional methods. As for myself, the District Hours Spreadsheet has been updated with District and Governor's Project hours up to the month of December, and the Board Directory has also been updated to reflect our changes in officers. I have also attended Zone F and Zone D KCKC's and created a District Secretary Recruitment flyer, which was sent out to clubs to help promote the position of District Secretary to club secretaries. Lastly, OPR has experienced a few updates, as shown in yesterday's presentation, to make it easier to understand and work with.

District Treasurer Nick Azcarate:

The Florida District of Key Club International currently has a balance of \$164,630.57 in our Operating Funds, \$6,150.85 in our FLOF Funds, and \$259,730.43 in our Conference loss and other reserves. These amounts total \$430,511.85 and are as of November 29, 2014. We are currently in the 2014-15 fiscal year and are operating on the new budget that we approved at our last board meeting.

Over the past few months, I have been working on approving reimbursements and payments from the District. Every Wednesday, I have updated the club file and emailed that out to the District. I have sent

multiple emails out to both the District Board and club officers to publicize and increase dues submission.

As of December 24, 2014, 303 clubs have paid dues. This amount translates to 83% of our active clubs. This means that there are 61 (17%) active clubs that still have not paid dues. During this board meeting, I spoke to each of you regarding the status of your clubs. It is very important for Lieutenant Governors to get 100% of their active clubs to pay dues so that we can surpass our goal of 21,000 members. For this to happen, the rest of the clubs need roughly 35 members. Another important topic is the increasing amount of clubs with less than 20 members. This is a very unhealthy practice that leads to a poor pool of leadership and often causes a club to become inactive.

I am also serving on the Key Club Endowment Task Force where I proposed the establishment of a District Endowment in order to further increase revenue. Potential spending ideas of earnings could be to reduce the cost of DCON and provide many more scholarships every year. This concludes my report.

District Editor Katt Crowdis:

Since August Board Meeting, I have been working on a variety of items. I have sent out monthly updates to both the District Board and club editors. In these updates, I have highlighted suggested items to include in newsletters, *The Sunshine Source*, tips for creating publications, graphic standards, and article deadlines.

In August, I created a resource called the Public Relations Guidebook that aims to assist clubs with promoting Key Club and service throughout their schools and communities.

Additionally, I published the September, November-October, and December-January issues of *The Sunshine Source* since our last board meeting. I have increased the awareness and readership of *The Sunshine Source* through social media, emails, and with the help of Lieutenant Governors.

I have assisted Lieutenant Governors with improving the quality of their monthly communications by proof reading and ensuring the proper use of graphic standards. I have encouraged all Lieutenant Governors to send out their monthly communications through emails and social media.

In the fall, I attended and helped at the Division 1 KCKC, Division 2A and 2B KCKC, and Zone B KCKC. Since August Board Meeting, I have also assisted and attended meetings of the Awards Committee, Service and Major Emphasis Committee, and the Marketing Committee.

Currently, I am working on this month's issue of *The Sunshine Source* and the DCON Program Booklet. This concludes my report.

District Webmaster Matthew Bonachea:

Since the August Board Meeting I have been super busy! I have done a number of things, most notably including: fulfilling numerous requests to update sections of the website respective to each committee, maintaining email distribution groups, setting up email accounts for new board members, investigating OPR issues, brainstorming possible solutions with District Office staff, and advising the Scholarships

and DCON Committees while working on Standing Committee directives, advising the DCON Chair, Scholarships Committee Chair, and House Sub-Committee Chair while working on DCON Sub-Committee directives, maintaining the Membership Verification System with updated member information, maintaining the Clubs Directory available on the District Website, responding to many emails from clubs and board members regarding issues and questions all technical in nature, recoding the District Website to make it easier to use, edit, and manage for the next District Webmaster, resolving multiple malware threats to the District Website, assisting with the launch of DCON registration, teaching workshops at the Zone J and K Key Club Kickoff Conferences, uploading past DCON General Session videos to the district's YouTube account, and creating the DCON 2015 KCKC promotional video.

Over the next few months until DCON, I plan to assist the DCON Chair with preparing for the conference, work with the Scholarships Committee to evaluate applications as needed, continue to update the website and maintain other computer systems as needed, create and update the DCON 2015 App, and attend DCON!

Remember that when communicating with committees or subcommittees, you are expected to use the email distribution groups that have been provided for you -- this ensures that all the necessary people are copied on your email. Please consult the Distribution Groups Directory or ask me to figure out which email group to use. This concludes my report.

Executive Assistant Kubra Khan:

From Fall Board Meeting to now I have been working with my committees and completing a variety of task as assigned by Lauren and David. I've attended different Zones Key Club Kick Off Conferences, Kiwanis meetings, and service projects. I also made changes to the LTG tracking report and assisting with LTG monthly reporting's. I created the awards and contest summary for the District Board web page and assisted other committees as needed. I plan to work on possibly making individual district board member schedules for DCON and continue working with the Eliminate Project and Talent sub committees.

Approval of Committee Reports/Recommendations

Division 24A Lt. Governor Jennifer Moscovitch moved to approve the committee recommendations. Motion was seconded and passed.

Old Business

No old business to report.

New Business

Approval to Endorse Amendments to District Bylaws

Division 5 Lt. Governor Borica Chhem moved to approve the endorsement of the amendments to the District Bylaws. Motion was seconded and passed. Amendments are attached to these minutes.

Approval of Amendment to District Policies

Division 7 Lt. Governor William Woulard moved to approve the amendment to the District Policies. Motion was seconded and passed. Policy is attached to these minutes.

Approval of re-divisioning proposals

Division 8 Lt. Governor Jasmine Myers moved to approve the re-divisioning proposal of Zone K-26. Motion was seconded and passed. Proposal is attached to these minutes.

Approval of Endowment Proposal

As part of the weekend official business, a report by District Treasurer on the Key Club Endowment proposal was given and approved by the board. Endowment proposal is attached to these minutes.

Special Presentations

1. Leader of Leaders: Alex Sanchez, Jose Leoncio, Stephan Jaksch, Zac Schroepfer, Alyssa Cloud, Junior Pierre-Louis, Emily Vance, Eileen Rivery
2. Other Presentations: None to report.

International Trustees Remarks

Governor Lauren read Trustee Laken Kelly's remarks:

Hello, Florida District Board!

First off, congratulations on all of the work that you have completed since your last board meeting. I am so honored that I have the opportunity to work with such an amazing district, and I am extremely excited to watch all of you continue to excel in the coming months. You have set a wonderful example for the rest of the districts of Key Club International, and I continually find myself using your district as an example for other districts. As for an International update, there are a few major things that I would like to remind you of.

First, while it may seem like International Convention 2015 is a long ways away, six months is really not that much at all. In fact, it's only been six months since the last time you attended a District Board meeting. Now is the perfect time to begin planning whether or not you are going to attend International Convention 2015. Your ICON Tour Chair, Sara Kvaska, has been doing an amazing job planning the tour, and I'm sure that she wouldn't mind if you contacted her to ask any questions that you may have about the convention. If there are any questions that Sara can't answer, feel free to come to me and ask. I would be more than happy to help you out. The International Board would absolutely love to see this convention have a record-breaking amount of attendees, but we need your help to accomplish that goal.

Second, I would like to remind you that the International Board has set a goal of \$1.4m to raise for The Eliminate Project this fiscal year. I have seen a huge amount of participation so far from the Florida District in terms of The Eliminate Project, and I would like to congratulate you on being one of the most involved districts in all of Key Club International. Again, this is an instance where you set an amazing example for the other districts of Key Club International, and I want to thank you for that.

Lastly, I want to remind you that I am always here to answer any questions that you may have regarding the International level. Whether you have questions about dues, reports, elections, or convention, I am always available and more than happy to answer your questions. I can also write articles for your newsletters or publications whenever you would like, you just need to ask! I cannot even begin to tell you how lucky I feel to have such amazing districts to work with, and I want to repay the favor in any way that I can.

Thank you for being such awesome Key Club members, and devoting so much of your time to this organization. I can't wait to see all of you at DCON in April!

Remarks by Kiwanis Governor

Kiwanis Governor Chuck Gugliuzza gave his remarks.

Remarks by CKI Governor

CKI Governor Michelle Ocampo gave her remarks.

Remarks by Kiwanis Governor-elect

Kiwanis Governor-elect Celia Earle gave her remarks.

Remarks by Kiwanis Treasurer

Kiwanis Treasurer Gary Frechette gave his remarks.

Remarks by District Administrator

DA David McCampbell gave his remarks.

Key Club Pledge

Division 24A Lt. Governor Jennifer Moscovitch conducted the Key Club Pledge.

Adjournment

Governor Lauren McAllister officially adjourned the meeting at 9:54am



Alexandra Sanchez - 2014-2015 District Secretary

Key Clubs in Divisions 26A, 26B, and 26C
Proposed Changes in Division Assignments
January 4, 2015

Club	Current Division	Proposed Change
Academy For Advanced Academics	26A	
Belen Jesuit Preparatory High School	26A	
Christopher Columbus High School	26A	
Doral Academy Charter High School	26A	
Florida Christian School	26A	
John A. Ferguson High School	26A	
Miami Sunset Senior High School	26A	
Saint Brendan High School	26A	
Carrollton School Of The Sacred Heart	26B	
Coral Gables Senior High School	26B	
Gulliver Preparatory School	26B	
Immaculata - La Salle High School	26B	
Miami Killian Senior High School	26B	
Miami Palmetto Senior High School	26B	
Our Lady Of Lourdes Academy	26B	
South Miami Senior High School	26B	
TERRA Environmental Research Inst.	26B	
Archbishop Carroll High School	26C	26A
Coral Reef Senior High School	26C	26B
Coral Shores High School	26C	
Everglades Preparatory High School	26C	
Felix Varela Senior High School	26C	26A
Homestead Senior High School	26C	
Island Christian High School	26C	
Keys Gate Charter High School	26C	
Somerset Academy Silver Palms	26C	
South Dade Senior High School	26C	

Key Clubs in Divisions 26A, 26B, 26C and Boundaries

Current Divisional Boundaries
January 1, 2015

Proposed Divisional Boundaries
April 12, 2015



Florida District of Key Club International, Inc.

Endowment Proposal

To be presented to the Key Club District Board January 4, 2015

Endowment Task Force members

Nick Azcarate, Key Club District Treasurer
Pamela Edwards, Key Club Zone Administrator
Lauren McAllister, Key Club District Governor
David McCampbell, Key Club District Administrator
Donna Parton, Key Club District Administrator-designate
Robert Parton, KIF President-designate
Joseph Zaks, Attorney

Recommendations of the Task Force

1. Establish an endowment as provided for in Article X of the Key Club District Bylaws.
 - a. Adopt the Endowment Fund Guidelines (attached).
 - b. Adopt the Investment Policy (attached).
2. Establish the endowment in the existing Raymond James and Associates account number 0093 with at least \$200,000 seed money from the following sources:
 - i. \$100,000 currently in this RJ account
 - ii. \$68,000 in uncommitted funds carried over on Oct.1, 2014, from SunTrust Operating Account No. 5609.
 - iii. \$32,000 from Raymond James DCON Loss Reserve Account No. 9565 leaving at least \$110,000 in this account.
3. From time to time investment returns in the DCON Loss Reserve account and FLOF funds carried over from the previous year may be transferred to the endowment at the discretion of the Key Club Board.
4. Establish an Endowment Marketing Committee who will
 - a. Consist of a mix of Key Club members and Kiwanians as appointed by the Key Club governor.
 - b. Develop an endowment campaign targeted primarily at Key Clubs, parents, and the general public with a goal of establishing a \$1M endowment.
 - c. Investigate corporate and foundation donations and other grant opportunities as additional sources for funding for the endowment.
5. Determine what other committees should be established, i.e. public relations, finding funding sources, help from outside experts in grant writing, distributions, etc.

6. Funding of scholarships during the endowment growth campaign years (subject to revision by future Key Club boards):
 - a. Except for the first year, the number of scholarships given in a year will be based on amount of funds raised from clubs and parents in the previous year. Funds raised from other sources will go into the endowment's principal, if possible.
 - b. For the first year, the number of scholarships awarded from the endowment in April 2016 will be based on the \$200,000 initial investment, that is, provide ten (10) \$1000 scholarships based on an assumed annual return of 5% from this initial investment.
 - c. For the next year (April 2017) set the number of scholarships based on 50% of the funds raised during the previous year (2015-2016) from clubs and parents.
 - d. In subsequent years, the board, with advice from a committee or other advisors, would establish the percentage of the previous year's donations that will be used the next year for scholarships and the number of scholarships to be given. The goal is that each year *at least* the same number of scholarships will be awarded as the previous year, but an increasing amount of the available money will come from investment returns as the principal grows while an increasing amount of donations will go into the endowment principal. A proposed calendar would look like this:

Jan. 2015 – Endowment established with recommendation to award 10 endowment scholarships at 2016 DCON.

Aug. 2015 – Board approves number of scholarships to be awarded at 2016 DCON at ten for \$1000 each (ratifying Jan. 2015 scholarship target in the endowment proposal).

Sept. 2015 – Formal club and parent campaign begins. Work continues on finding additional funds from other sources (grants, general public, corporate trusts, etc.).

Aug. 2016 – Board approves the number of scholarships to be awarded at 2017 DCON and percentage to be taken from donations vs. investment returns based on funds raised during the 2015-2016 school year.

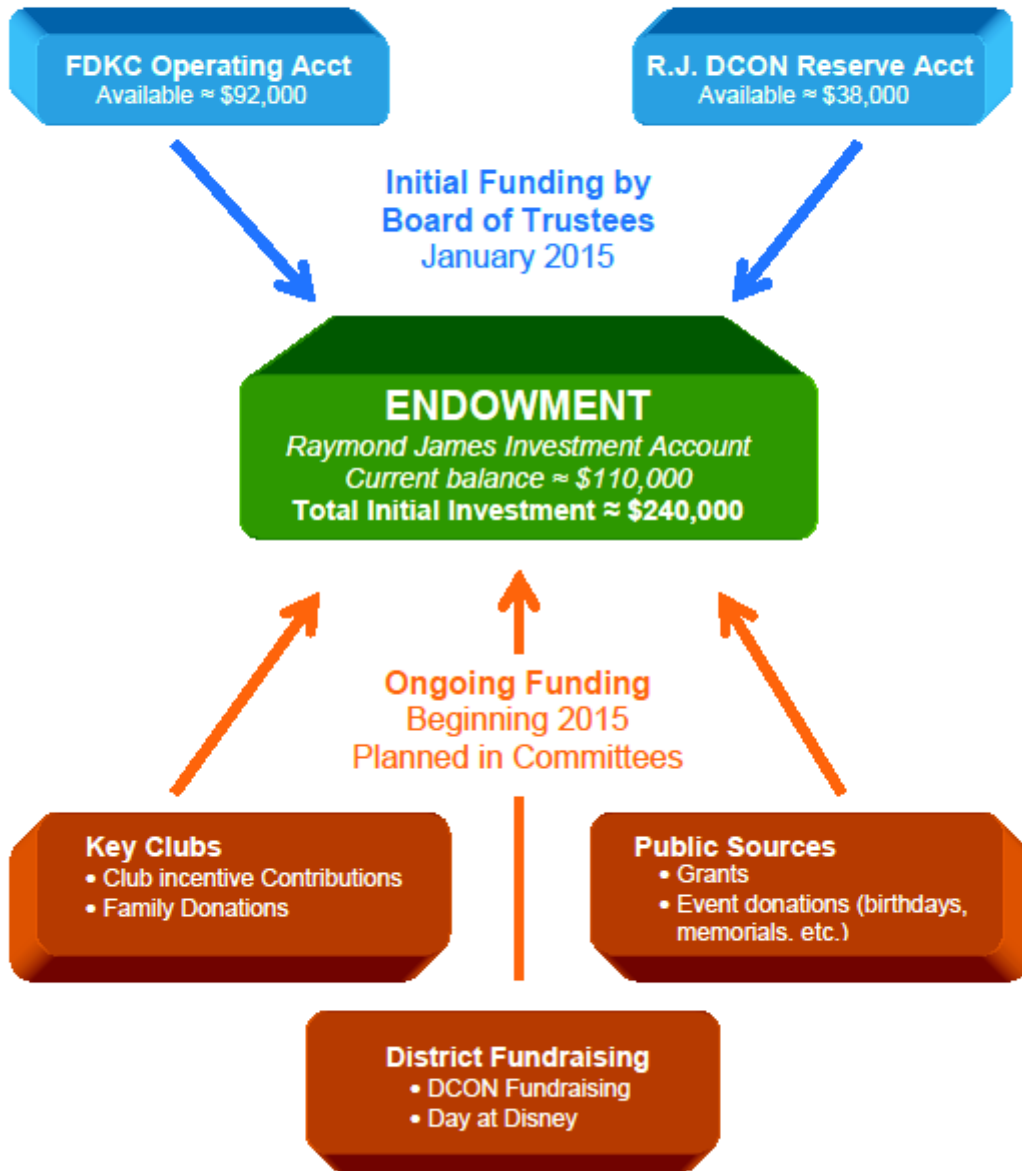
Aug. 2017 – Board approves the number of scholarships to be awarded at 2018 DCON and percentage to be taken from donations vs. investment returns based on funds raised during the 2016-2017 school year.

Aug. 2018 – Board approves the number of scholarships to be awarded at 2019 DCON and percentage to be taken from donations vs. investment returns based on funds raised during the 2017-2018 school year.

Aug. 2019 – Etc.

Funding the Florida District of Key Club Endowment

Goal: \$1 Million in 5 Years



FLORIDA DISTRICT OF KEY CLUB INTERNATIONAL, INC. ENDOWMENT FUND GUIDELINES

THIS INSTRUMENT, made at Sanford, Florida, this ____ day of _____, 2015, by the FLORIDA DISTRICT OF KEY CLUB INTERNATIONAL, INC, of 5545 Benchmark Lane, Sanford, Florida 32773-8116, a 501(c)(3) charitable organization (the "Organization").

1. CREATION AND PURPOSE OF FUND. There is hereby created the Key Club Permanent Endowment Fund ("the Fund") to receive, manage and administer contributions and funds as a youth advancement endowment. The Fund shall be utilized to provide a permanent endowment with distributions to be used to provide assistance to Key Club Members by way of providing college scholarships, supplementing the costs of Key Club District Education and Leadership Conferences, and the other activities of the Organization in fulfilling its Objects as set forth in the Bylaws of the Organization. The actual use of funds, consistent with the stated purposes, shall be determined by the Board of Trustees or their appointees on an annual basis.

The Organization shall hold the initial property contributed to the Fund, together with any additions thereto as hereinafter provided, and shall invest and reinvest the same and shall distribute the net Income and Principal as hereinafter set forth.

2. INVESTMENT OF FUNDS. RECORDS. The assets of the Fund may be invested in common with other funds of the Organization, but separate records shall be kept of the assets, income and disbursements of the Fund.

3. WITHDRAWALS FROM THE FUND.

a. Income and Ordinary Annual Distributions. The Organization is authorized in its sole discretion to distribute or accumulate in whole or in part, the income as derived from the assets of the Fund for the purposes for which this endowment was created. The income available for distribution annually will be determined by the Organization Board of Trustees in accordance with any applicable laws and Organization policies. The Organization may appoint consult with an endowment advisory committee from time to time concerning the disposition or accumulation of income or funds available for annual distribution.

b. Principal. The Principal of the Fund shall be distributed only to meet the minimum annual distribution of the fund's market value as required by applicable state and/or federal law. Otherwise, no part of the Principal of the Fund shall be distributed but, rather, shall be invested and reinvested at the discretion of the Organization in order to generate income.

4. CHANGE IN CIRCUMSTANCES. At such time as the charitable purposes as set forth in this Agreement have, in the judgment of the Organization, become unnecessary, undesirable, impractical, impossible, or no longer adapted to the purposes as hereinabove set forth, the remaining principal balance and any undistributed balance

of net earned income of the Fund shall be transferred within the Organization. First preference shall be for the Organization to transfer funds to an existing endowment to provide support for Youth Leadership Programs.

IN WITNESS WHEREOF, the parties hereto have adopted this Instrument as of the day and year first above written.

Attest: The Florida District of Key Club International, Inc.

Melanie Winternheimer, Executive Director
Florida District of Kiwanis

Charles Gugluizza, Governor
Florida District of Kiwanis

Lauren McAllister, Governor
Florida District of Key Club

David McCampbell, District Administrator
Florida District of Key Club

Part I. Background and Purpose:

This statement of investment policy reflects the objectives and constraints for the long-term investment portion of the assets of the Florida District of Kiwanis International. The Florida District of Kiwanis International is defined as the Florida District of Circle K International, the Florida District of Key Club International, the Florida AKTION Clubs, and the Florida District of Kiwanis International. The purpose of this Investment Policy Statement (IPS) is to establish guidelines for the prudent investment of the assets of the Florida District of Kiwanis International. This IPS covers all funds the Florida District Board of Trustees is responsible for, including those funds designated for the support of Service Leadership Program organizations listed above. In the process of identifying the investment strategies to be used, these guidelines provide stability in the management of the portfolios. The policy furthermore provides parameters for the portfolios by providing guidelines for selecting appropriate investments and classes of assets. It is recognized that from time to time the Board of Directors' attitudes, expectations and objectives may change. Therefore, this policy statement is intended to be used as a guideline rather than a rigid statement of policy from which there can be no deviation.

Part II Roles and Responsibilities: Board of Trustees:

The Florida District Board of Trustees maintains the ultimate responsibility for approving and adopting the Investment Policy Statement and managing the investment assets. As the primary fiduciary, the major responsibilities of the Board of Trustees are:

- Control and account for all investment record keeping and administrative expenses associated with the accounts.
- Monitor and supervise all committees, service vendors and investment options.
- Avoid prohibited transactions and conflicts of interest.
- Select custodians for District assets.
- Review all reports and analysis provided by the Investments Oversight Committee to insure the investment approach reflects the true intention of the Florida District and the investment performance and resulting progress is commensurate with the Florida District's long-term planning.

Investments Oversight Committee:

The Investments Oversight Committee is responsible for overseeing the management of Foundation assets. This committee shall act solely in the best interest of the District and in concert with the mission of the District. It is authorized to engage the services of investment professionals. The Investment Oversight Committee's responsibilities include:

- Preparing and maintaining an investment policy statement.
- Setting and revising investment policies that the Board of Trustees must approve.
- Developing investment objectives, asset allocation strategies and performance guidelines.
- Recommending annual spending rates.
- Selecting Investment Consultants, Advisors, and Money Managers.
- Reviewing and evaluating investment results and approving changes as needed.
- Providing periodic performance reports to the Board.

Investment Consultant:

The Investment Consultant's role is that of an advisor to the Investments Oversight Committee. Investment advice concerning the investment management of assets will be offered by the Investment Consultant and will be consistent with the investment objectives, policies, guidelines and constraints established in this statement. Specific responsibilities of the Investment Consultant include:

- Provide monitoring of the investments to ensure manager compliance with their stated investment objectives.
- Provide the Investment Committee with quarterly performance updates, including any qualitative changes with regards to the managers.

Investment Managers:

Investment managers are responsible for making investment decisions based upon their predetermined process and philosophy. The specific duties and responsibilities of each manager are:

- Manage the assets in accordance with the guidelines and objectives set forth within the individual manager’s marketing materials and/or that which is reported to institutional investment consultants.
- Use the same care, skill, prudence and diligence under the prevailing circumstances that experienced investment professionals, acting in like capacity, and fully familiar with such matters, would use in like activities for like portfolios, with like aims, in accordance and compliance with the Prudent Investor Rule and all applicable laws, rules, and regulations.

Custodian:

Custodians are responsible for the safekeeping of the District’s assets. The specific duties and responsibilities of the custodian are:

- Provide monthly reports that detail transactions, cash flows, securities held and their current value, and change in value of each security and the overall portfolios since the previous report.
- Value the holdings.
- Collect all income and dividends owed to the District.
- Settle all transactions initiated by the Investment Managers.

Part III. Investment Philosophy and Objectives:

The Board’s investment philosophy is to exercise ordinary business care and prudence in its investment of District assets considering the long and short-term needs of the District in carrying out its charitable purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. The Board recognizes that the uncertainty of future events, volatility of investment assets, and the potential loss in purchasing power are present to some degree with all types of investments. While high levels of risk are to be avoided, the assumption of a moderate level of risk is warranted and encouraged in order to allow the opportunity to achieve satisfactory results consistent with the objectives and investment philosophy of the District.

A. General Objectives. Assets of the District shall be invested in a manner consistent with the exercise of ordinary care and prudence under the facts and circumstances prevailing at the time of the investment action or decision.

- Assets of the District should be invested in a manner consistent with the fiduciary standards and prudent investment standards as set forth in the Third Restatement of the Law: Trusts (Prudent Investor Rule) (1992), directed that a prudent man, acting in a similar capacity familiar with such matters, would use an investment of like character with like aims and with due consideration given to the tax exempt status of the District.
- All transactions must be undertaken for the sole interest of the District’s portfolios and its beneficiaries.
- The assets must be invested with the safeguards to which a prudent person would adhere.
- Investments shall be diversified so as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so.

B. Investment Goals. The District seeks to achieve a reasonable rate of total return, consistent with prudent investment choices having a medium or moderate relative volatility.

Part IV. Portfolio Constraints:

Time Horizon:

The investment guidelines for the portfolio are based upon an investment horizon of greater than 5-10+ years and interim fluctuations should be viewed with appropriate perspective. As such, the policy allocation should be based upon the appropriate long term time horizon.

Liquidity Requirements:

With liquidity defined as either anticipated or unanticipated needs for cash in excess of contributions, the District's liquidity requirement is average. To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required withdrawal, the Florida District will periodically provide the advisors with an estimate of expected net cash flow. The Florida District will notify the investment advisor in a timely manner, to allow sufficient time to build up necessary liquid reserves. Expectations for ongoing annual capital contributions are expected to be \$ _____ annually and will be used to offset regularly scheduled distributions from the portfolio.

Taxes:

The taxable implications of the District are generally not an issue and tax exempt investments should not be considered for investment unless the risk/return profile of the investment is advantageous to the long term objectives of the District.

Part V. Asset Allocation:

The Investments Oversight Committee believes that long-term investment performance, in large part, is primarily a function of asset class mix, and the tactical approach to adjusting exposure to available asset classes in accordance with market conditions. History shows that while interest-generating investments, such as bond portfolios, have the advantage of relative stability of principal value, they provide little opportunity for real long-term capital growth due to their susceptibility to inflation. On the other hand, equity investments, such as common stocks, have a significantly higher expected return but have the disadvantage of much greater year-by-year variability of return. Alternative investments, which can have a wide range of volatilities and incorporate additional risk factors over traditional long-only portfolios, are recognized as having low correlation relative to those traditional long only portfolios. From an investment decision-making point of view, this year-by-year variability may be worth accepting, provided the time horizon for the equity portion of the portfolio is sufficiently long (five years or greater). In general, the District shall be invested in accordance with the target levels set forth in the table immediately below, with maximum and minimum percentages for each asset class as stated.

	Lower Limit	Strategic Allocation	Upper Limit
Domestic Equity	0.0%	30.0%	70.0%
International Equity	0.0%	20.0%	30.0%
RE & Tangibles	0.0%	10.0%	20.0%
Alternative Investments	0.0%	10.0%	60.0%
Fixed Income	20.0%	25.0%	40.0%
Cash Equivalents	0.0%	5.0%	80.0%

The Investments Oversight Committee will periodically determine optimum asset allocation targets based on market conditions, and convey those targets to the Investment Consultant. Rapid unanticipated market shifts may cause the asset mix to fall outside the policy range provided by the Investments Oversight Committee. The Investment Consultant(s) and/or the Investment Oversight Committee will be responsible for rebalancing aggregate fund assets and ensuring that any deviations are as brief as possible. Modest asset allocations falling outside the minimum and maximum ranges may be rebalanced back to target levels using normal Fund cash flows. Asset allocations significantly exceeding minimum and maximum ranges should be

re-balanced to target levels, or levels within the prescribed ranges by the reallocation of assets among the Fund's investment pools.

Part VI. General Investment Guidelines:

General. To ensure that the District's assets are invested within the specified asset allocation targets, are well diversified, and are of appropriate quality, the Investments Oversight Committee has developed specific investment guidelines for the Investment Consultant(s) retained by the District. These guidelines should be viewed as providing general boundaries to the Investment Consultant(s)/Portfolio Managers as they implement their role in carrying out the District's overall investment strategy and their investment mandate. The Investment Consultant/Portfolio Manager is expected to oversee the management of the Foundation's assets in a manner consistent with the investment objectives, guidelines and constraints outlined in this statement.

Performance Measurement. The Investments Oversight Committee will perform periodic comparative performance analysis on the portfolio. The evaluation process will compare each manager's performance against a representative benchmark as well as universe of comparable peers. The management style and process of the money manager must be maintained throughout the life of the investment contract. A manager may be placed on a "watch list" and a thorough review and analysis of the investment manager may be conducted, when:

- A manager performs below median for their peer group over a 1, 3 and/or 5-year cumulative period.
- A manager's 3-year risk adjusted return (Alpha and/or Sharpe) falls below the peer group's median risk adjusted return.
- There is a change in the professionals managing the portfolio.
- There is a significant decrease in the product's assets.
- There is an indication the manager is deviating from his/her stated style and/or strategy.
- There is an increase in the product's fees and expenses.
- Any extraordinary event occurs that may interfere with the manager's ability to fulfill their role in the future.

A. Cash Equivalents

Cash equivalent investments will be held as necessary to meet the liquidity needs of the Fund. Additionally, cash equivalents may be held by the Fund's investment managers, consistent with the Fund's asset allocation guidelines, as a hedge against market volatility. Safety of principal is the primary consideration for the Fund's cash equivalent investments. The Fund's cash should be invested in a well-diversified portfolio of high quality cash equivalent instruments or money market funds that use similar diversification and quality constraints. It is desirable that the Board use interest bearing money market funds, FDIC insured certificates of deposit, U.S. Treasury Bills and other cash equivalent securities with a maturity of one year or less. A commitment to any federally insured institution shall not exceed that covered by insurance.

B. Fixed Income

1. Guidelines.

- a. Fixed income assets selected for the portfolios must have a readily ascertainable market value and must be readily marketable.
- b. Bond and corporate debt obligation maturities may not exceed 30 years.

Adequate diversification across the individual holdings should be maintained. The investment manager may not::

- Invest more than 15% of the assets taken at cost in any one industry or group of related industries.
- Invest more than 5% of the assets taken at cost in any one company.
- Invest more than 5% of the assets taken at cost in any one issue. (U.S. Government guaranteed issues and its agencies are excluded from these limitations.).

2. Restrictions.

- a. U.S. Government Obligations, including fully guaranteed Federal Agencies. - No restrictions
- b. Commercial Paper

- Must be rated within the two highest classifications, by two rating services.
- Must mature within 270 days or less from issue.

- c. U.S. Government-sponsored Agency Obligations (not fully guaranteed). - No restrictions.
- d. Corporate Debt Obligations. - Must be investment grade.
- e. Individual derivatives may not be purchased.

C. Equity Investments – Common Stocks.

The following guidelines on common stock investments shall apply.

1. Individual issue or individual common stock purchases shall:

- Be registered on a national securities exchange.
- Not exceed more than 5% of the outstanding common stock of any one company. Not exceed more than 5% of the portfolios' assets in any one corporation valued at cost.

2. Restrictions – Common Stock Investments. The District is not authorized to invest in the following classes of securities, nor will it allow the employment of any of the following market techniques without the Board's written approval.

- Purchase individual issues of unregistered or restricted stock.
- Deal in individual issues or direct naked options. Covered option writing is permitted as are options utilized in a hedging program designed to protect portfolio values.
- Purchase on margin or with borrowed funds or sell short.
- Purchase private placement debt.
- Directly purchase real estate.
- Mortgage, pledge, hypothecate or in any manner transfer, as security for indebtedness, any securities owned or held by the District portfolios.
- Purchase Conditional Sales Contracts or Lease-Backs.

Market Timing and Shifts

To the extent the Investments Oversight Committee engages outside professionals to manage the District's assets, the Board of Trustees desires to grant the Investment Consultant(s) reasonable discretion in such fund management. At the same time, however, the Board of Trustees desires to make clear that this policy statement was developed based on the Investments Oversight Committee's study of proven performance patterns in the capital markets. The Investments Oversight Committee in turn recognizes the considerable evidence showing that the passage of time causes the greatest rewards to accrue in favor of consistent investing approaches, and that, without reasonable, careful adherence to the asset allocation guidelines contained in this IPS, the portfolio's risk exposure could deviate from expectations.

Changes in Investment Policy

The Board of Trustees recognizes that the existence and growth of its funds are critical to the successful accomplishment of its stated purpose and therefore recognizes the necessity for a sound and responsive investment policy set forth in this IPS. Given this importance, the Investment Oversight Committee will typically review this IPS quarterly, but no less frequently than annually, and subsequently make recommendations to the Board of Trustees as to any changes that the Investment Oversight Committee considers appropriate. Subsequent to its review of the Investment Oversight Committee's recommendations, the Board of Trustees will direct the Investment Oversight Committee to make such changes to this IPS as the Board of Trustees deem appropriate. Despite the mandate for the reviews called for in the preceding

paragraphs, the Board is fully aware that frequent major changes to investment policy can produce potentially damaging inconsistencies. In particular, the Board of Trustees recognize fully that periodic changes, or even “responses”, to current market conditions, particularly the type that can be characterized as reversals of direction, may be particularly undesirable. Notwithstanding the above, however, the Board of Trustees believes that it is important that this IPS be responsive to changing conditions.

Frequency of Policy Review

The Investment Oversight Committee will use each of its periodic investment performance evaluations as occasions to also consider whether any elements of existing policy are either insufficient or inappropriate. At a minimum however, the investment policy will be reviewed annually. Environmental or operational occurrences which could result in policy modification include:

- Significant changes in expected patterns of the District’s obligations;
- Impractical time horizons;
- Change in the District’s priorities, as set by the Board of Trustees;
- Convincing arguments for change presented by the Investment Consultant; and
- Areas found to be important, but not covered by the investment policy

INVESTMENT POLICY REVIEW:

The Investment Oversight Committee will review this IPS with the Board of Trustees at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that the IPS will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the IPS. It is the obligation of the Board of Trustees to notify all interested parties of any material changes that would alter the objectives or construction of this portfolio. If all interested parties are not notified of these material changes, then the current investment policy statement is invalid. This IPS is not a contractual agreement of any kind and therefore by signing it the Board of Trustees will not be bound to any arrangement. It is only meant to be a summary of the agreed upon investment management techniques.

Proposed Amendments to Bylaws of the Florida District of Key Club International

The following amendments will be considered by the House of Delegates at the 77th Annual District Education and Leadership Conference on April 11, 2015. Proposed additions to the Bylaws appear in underlined text. Proposed deletions appear as ~~strikeout text~~.

Proposed Amendment 1

Adds a new district objective to promote Kiwanis Family relations.

Florida District of Key Club board of Trustees recommends this amendment be approved by the delegates.

Article II Section 1

The objectives of this District shall be:

- a. To promote the objects of Key Club International,
- b. To coordinate the projects of member clubs,
- c. To strengthen and extend the Key Club movement,
- d. To increase the fellowship and cooperation effort of the clubs within the District,
- e. To promote the participation of the clubs within this District in the general objectives, programs and policies of this District and of Key Club International.
- f. To accept and promote the Constitutional objectives of Kiwanis International.
- g. To promote Kiwanis Family relations.

Proposed Amendment 2

Modifies and expands who may not be excluded from membership in Key Club.

Florida District of Key Club board of Trustees recommends this amendment be approved by the delegates.

Article IV Section 1

The membership of individual Key Clubs in this District shall consist of students from the upper four classes of the high school in which they are enrolled, interested in service, qualified scholastically, of good character, possessing leadership potential and having such other qualifications as shall be established by the sponsoring Kiwanis Club in cooperation with the proper school officials. A Key Club in a coeducational high school may not exclude persons from membership based on their gender. Also, membership may not be denied on the basis of race, color, creed religion, national origin, socioeconomic status, disability, or sexual orientation.

Proposed Amendment 3

Removes the word “Regional” from the description of the divisional or zone event conducted during the spring.

Florida District of Key Club board of Trustees recommends this amendment be approved by the delegates.

Article V Section 4

- a. Each Lieutenant Governor shall be elected at a Divisional Caucus held as a part of the spring ~~Regional~~ rally. If a valid election cannot be held at the spring ~~Regional~~ rally, a Lieutenant Governor may be elected at a Divisional Council Meeting (DCM) at which the Assistant Administrator or his/her designee is present. If a tie results, or a quorum is not attained, the Division shall reconvene at the District Conference to elect the Lieutenant Governor. A quorum shall be defined as one-third (1/3) of the Division’s dues paid clubs. The District Governor shall appoint the Lieutenant Governor, with the approval of the District Board of Trustees, if no Lieutenant Governor has been elected by the close of the annual District Conference.

Proposed Amendment 4

Restricts candidates for executive and international office from distributing any materials or spending any money on their campaigns.

Florida District of Key Club board of Trustees recommends this amendment be approved by the delegates.

Article V Section 4

- d. No candidate shall be permitted to publish campaign literature or distribute items which will support their campaign. No money may be spent on one’s campaign. All other election and campaign rules shall be established by the Florida District Board of Trustees no later than the Fall Board Meeting.

Proposed Amendment 5

Extends the number of days the district secretary has to file the District Conference Report.

Florida District of Key Club board of Trustees recommends this amendment be approved by the delegates.

Article VIII Section 8

Within ~~five~~ ~~ten~~ ~~(15)~~ thirty (30) days after any District Conference, the District Secretary shall make a report of the proceedings of the District Conference including a synopsis of all actions taken and shall transmit a copy thereof to the members of the District Board of Trustees, the Director of Key Club International, and the Governor and Executive Director of the Florida District of Kiwanis.

DEFINITION OF A SERVICE HOUR

2014-2015 Key Club International Guidebook

“A service-hour constitutes any hour of service performed by an individual Key Club member with the approval of his/her club’s board of directors.”

(Key Club International Guidebook/Section 2. Key Club International Board Policies, F. Club Structure and Activities, 7. Definition of a Service Hour)

Florida District of Key Club Policies and Procedures

What counts as a service hour:

- ☞ Projects pre-approved or organized exclusively by the individual Key Club;
- ☞ Any project that contributes to the overall betterment of the community;
- ☞ Book drives, food drives, or any other drive benefitting others (the service is the actual time worked to collect, count, package, and/or deliver the objects);
- ☞ Serving as a host club at the District Education and Leadership Conference or Key Club International Convention (actual time worked, not time attending these events);
- ☞ The time expended in planning a project will be counted as a reportable service hour.
- ☞ The portions of District and International approved events officially designated as qualifying for service hours that are associated with events such as District Conference (DCON), Key Club Kickoff Conference (KCKC), Spring Zone Rally, International Convention (ICON), Leadership Conference (LeadCon), Governors and Administrators Training Conference (GATC), and Key Leader.
- ☞ When reporting hours on Pride Reports or award applications, only hours worked by dues-paid members of that Key Club can be recorded. No outside volunteers can count towards these hours.

What doesn't count as a service hour:

- ☞ Attendance at DCMs, KCKCs, Zone Rallies, DCON, and ICON not officially designated as qualifying for service hours. (Exception: time spent doing a service project at these events can count.)
- ☞ Club, Board, committee or other non-service planning meetings.
- ☞ Any Kiwanis Family meetings where project planning was not its purpose
- ☞ Socials or church services (attending worship services, etc)
- ☞ Anything considered to be a chore or that is supposed to be done
- ☞ Fundraisers for the individual Key Club’s own use (Example: raising money to have an end of the year banquet or to attend DCON or ICON)
- ☞ Time spent not working during overnight service projects (eating, sleeping, etc)
- ☞ Providing transportation for members or time spent going to and from a service project

NOTE: Clubs may award additional hours for incentive purposes or purposes for their own records, however they must not be reported to the District as Key Club service hours.