



**2009**

**CF PRE-ABM BOD MEETING**  
**MINUTES**

**Tuesday, September 8 1330-1600**

**Meeting called by: C&B Requirement**

**Facilitator: CFP - Pat Householder**

**Note taker: CFS - Al Singleman, Jr.**

**Call to order at 1330 by – CFP, Pat Householder**

**Moment of SILENCE – CFP, Pat Householder**

**PLEDGE TO FLAG OF USA – CFP, Pat Householder**

**Invocation – Carl Schmidt**

**Attendees:**

**CFP Pat Householder  
CFVP John Peters  
CFT John Andersen  
CFS Al Singleman, Jr.  
CFM Jon Jaques  
CFM John Markiewicz  
CFM Michael Bircumshaw  
CFM Tom Conlon  
CFM George Boyle  
CFM Carl Schmidt  
CFM Jim Dunn  
CFM Paul Orstad  
CFM Bill Lee  
CFM Ray Wewers  
Ed Brooks**

**Introduction of Members and Guests by CFP Pat Householder**

**Minutes of the last meeting by CFS Al Singleman**

**Al reviewed the minutes of last years meeting. Motion made to accept the minutes. Motion 2<sup>nd</sup> , no corrections or additions; motion passed.**

**Brotherhood Fund Report – CFVP John Peters**

**John stated that the Brotherhood Fund has been quiet this year and that he only had one request for help this year, but unfortunately he died shortly after the funds were given. He also stated that the members in Hawaii raised more money for the CF than any other state. We need to get out there and do some fund raising.**

**CF Treasures Report – CFT John Andersen**

**As of the 6 month report of July 31<sup>st</sup> the CF has assets of about \$600,000. John gave a report on the CF finances and reviewed the various fund balances. The report and fund balances as follows:**

11:06 AM  
08/12/09  
Cash Basis

**US Submarine Veterans' Charitable Foundation, Inc**  
**Balance Sheet**  
As of July 31, 2009

	<u>Jul 31, 09</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Wells Fargo WW II Svgs #5456	2,055.09
Wells Fargo WW II Chkg #7883	2,427.22
Wells Fargo Natl CF #0558	30,879.35
CD Banco Bilbao PR .6% 9/23/09	75,000.00
CD BofA Charlotte .95% 12-4-09	50,000.00
CD BMW Bk SLC 1.15% 3/31/10	75,000.00
CD Colonial Bank AL .7% 9-4-09	50,000.00
CD GE Mny Bak SLC 1.55% 10/9/09	50,000.00
CD RBS Citizens RI .85% 12-4-09	50,000.00
ML Calif - 230-04062	63,745.49
ML Calif - 230-04065	8,541.46
Total Checking/Savings	<u>457,648.61</u>
Total Current Assets	457,648.61
Other Assets	
USTN 1.875% 7/15/19	50,950.80
Alger Smidcap Grth Fund CI C	6,110.83
Alliancebernstein Intl Grth C	19,424.35
Blackrock Equity Div Fund C	14,545.36
Blackrock Global Fin'l Serv C	5,007.83
Ivy Global Nat Resources CI C	6,748.92
Janus Advisor 40 Fund CI C	22,604.01
Oppenheimer Global Funds CI A	4,099.91
Oppenheimer Intl Bond CI C	5,259.69
Prin Investors Intl Emerg Mkt C	7,048.63
Total Other Assets	<u>141,800.33</u>
<b>TOTAL ASSETS</b>	<b><u>599,448.94</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Equity Change in Stock	14,983.32
Retained Earnings	575,636.38
Net Income	8,829.24
Total Equity	<u>599,448.94</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>599,448.94</u></b>

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11:05 AM  
08/12/09  
Cash Basis

**US Submarine Veterans' Charitable Foundation, Inc**  
**Profit & Loss**  
February through July 2009

	<u>Feb - Jul 09</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Accrued Interest Received	16.88
<b>Contributions Income</b>	
Unrestricted	34,616.61
Restricted	4,510.02
<b>Total Contributions Income</b>	<u>39,126.63</u>
<b>Total Income</b>	39,143.51
<b>Expense</b>	
Bank Service Charges	134.96
<b>x- Contributions &amp; Donations</b>	
Brotherhood	2,000.00
Library Fund	12.03
Memorials	3,000.00
Scholarship	28,850.00
<b>Total x- Contributions &amp; Donations</b>	<u>33,862.03</u>
<b>Total Expense</b>	<u>33,996.99</u>
<b>Net Ordinary Income</b>	5,146.52
<b>Other Income/Expense</b>	
<b>Other Income</b>	
Dividend Income	147.84
Interest Income	3,534.88
<b>Total Other Income</b>	<u>3,682.72</u>
<b>Net Other Income</b>	<u>3,682.72</u>
<b>Net Income</b>	<u><u>8,829.24</u></u>

**Unites States Submarine Veterans' Charitable Foundation, Inc**  
**Fund Balances**  
**July 31, 2009**

<b>Brotherhood Fund</b>		
Caring & Sharing	\$ (1,090.00)	
General Fund	25,411.87	
Disaster Relief	<u>9,178.40</u>	
	33,575.27	
Brotherhood Endowment Fund	<u>2,790.00</u>	
Total Brotherhood Fund		\$ 36,290.27
<b>General Fund</b>		75,469.02
<b>Library Fund</b>		3,170.82
<b>Memorial Fund</b>		
General Fund	8,480.50	
Museum Submarines	12,307.60	
National Seal Beach WW II	<u>7,322.79</u>	
Total Memorial Fund		28,110.89
<b>Scholarship Fund</b>		
General Fund	403,742.95	
Groton Scholarship Fund	<u>20,116.88</u>	
	423,859.83	
Scholarship Endowment Fund	<u>17,564.79</u>	
Total Scholarship Fund		<u>441,424.62</u>
<b>Total Fund Balances</b>		<u>\$ 584,465.62</u>







Ongoing Fund Balances  
FYE 1-31-2010

		MEMORIALS					SCHOLARSHIP					GRAND TOTAL
General	National Seal Beach	Museum Subs	Total	General	Groton Scholarship	Scholarship Endowment	Total					
\$ 7,854.24	\$ 6,361.49	\$ 4,590.60	18,806.33	\$ 424,536.45	\$ 8,381.88	\$ 13,054.77	\$ 445,973.10				575,636.38	
70.00	70.63		140.63	803.00	2,283.00		3,086.00				5,135.62	
20.00	(19.30)		0.70	1,022.00	2,180.00	3,140.02	6,342.02				8,371.33	
(434.50)	30.69		(403.81)	1,738.69	1,377.00	120.00	3,235.69				3,103.74	
289.00	530.72		530.72	915.00	4,065.00	1,250.00	6,230.00				7,515.24	
681.76	200.41	(900.00)	(410.59)	3,332.81	1,830.00		5,162.81				3,145.50	
	148.15	8,617.00	9,446.91	(28,605.00)			(28,605.00)				(18,442.19)	
			-				-				-	
			-				-				-	
			-				-				-	
			-				-				-	
			-				-				-	
			-				-				-	
626.26	961.30	7,717.00	9,304.56	(20,793.50)	11,735.00	4,510.02	(4,548.48)				8,829.24	
\$ 8,480.50	\$ 7,322.79	\$ 12,307.60	\$ 28,110.89	\$ 403,742.95	\$ 20,116.88	\$ 17,564.79	\$ 441,424.62	\$	\$	\$	\$ 584,465.62	

## Questions:

Bill Lee asked if we were investing a percentage or dollar amount as per a meeting last year. John stated that he was doing a dollar amount and gave a short review of the process. A short discussion followed.

John Andersen brought up the fact that we need to have some written policies for the Brotherhood Fund. A discussion followed and the consensus was that we need to review this at the midterm. John also stated that we should be doing some fund raising for the library fund as this is our library, our heritage and our history. A discussion followed. The consensus was we need to have some long term planning.

John Andersen suggested that we should start thinking about having the CF Treasurer come up with an annual budget for the CF to be presented to the CFP and the Board. Right now most items are supported by USSVI. A discussion followed on the Memorials funding and accounting and the Museum fund. We need to put guidelines for these funds in the new CF PPM.

A discussion started on the Kap(SS)4Kid(SS) and where does it fit within the CF. This type of program was not envisioned 10 years ago and is well within what we want to do as a charitable foundation.

John started a discussion on receipts for charitable donations and reviewed our process. Bill Lee asked if we need to have guidelines on receipts. John answered yes. Right now Fred at the National Office is handling this most of the time.

John Andersen stated that this was the first year he filed taxes with the state of CT as we have approached the limit of that requirement. John also brought up the fact that we may have to file taxes in other states in the future.

John gave a short review of the Endowment Funds created by Gil Shaddock and Gordy Clark. Right now we have not done anything with the interest. A short discussion followed.



## Questions:

George Boyle asked “If Joan Peters, Fred and others who were not members of the foundation could sign charitable receipts?” John Andersen responded that you are talking about IRS regulations and Yes they can as long as they followed those regulations.

Paul Orstad was under the understanding that the NC signed the letters for donations over \$25 and not Fred. A discussion followed. CFP Pat Householder stated that right now Fred signs the letter on behalf of the CFP for donations of \$25-\$249; anything over that the CFP does himself.

George Boyle asked “Who authorizes the treasurer to sign checks?” John Peters responded the Board, through the Bylaws, which right now have been verbal. John Andersen stated we need to put this in writing and also suggested having two signatures on amounts over \$500.

Al Singleman stated that the information on the creation of the various funds were not entered into the minutes in the past years and that their dates of forming or policies have never been entered into minutes. Most funds were created in breakout meetings with no minutes and they were done verbally. John Andersen gave a brief history of the CF founding. John Markiewicz suggested that we put all of this in the new CF PPM. John Andersen said that he was willing to meet with the committee chairs to review the IRS regulations and those chairs could create their own policies to be put into the new PPM. We may need a professional writer to put all these policies together.

Ray Wewers stated that he sat down and wrote the guidelines for the M&C and this will be included in the new CF PPM. A discussion followed.

Bill Lee brought up the fact that we have to educate the membership in the differences between USSVI & the CF. Taking the CF out of the USSVI PPM and putting it into its own PPM is a good start. A discussion followed on USSVI versus CF.

Bill started a discussion on the USSVI Scholarship Committee versus the CF Scholarship Committee.

**Paul Orstad stated that the Board needed to inform him how much money would be given out in scholarships for the next calendar school year. John Peters stated just pick the date and the board would give him the figures. A long discussion on the responsibilities of the two scholarship committees ensued. The consensus was that the USSVI Scholarship Committee would decide who would get what scholarships and the CF Scholarship Committee would provide the funds for the scholarship. Paul Orstad gave a short review on the scholarship fund grants and the process he uses for them. A short discussion followed on the scholarship funds and the individual scholarships.**

**In the long run, the USSVI Scholarship Committee is the selection committee and the USSCF Scholarship Committee provides the funds for the scholarships.**

**CFP Pat Householder passed out a CF organizational chart to help clear up some issues. ( Chart at the end of the minutes ). He also stated that fund managers need a better nexus with USSVI as being annually appointed. This would be just like the USSVI officers going over to the CF. Bill Lee stated that this does not hold true for the Library and Brotherhood Fund. A discussion ensued on the committee members, chairmans and fund managers. A review of who was or could be a member of the CF followed.**

### **CFP Pat Householder-A review of the CF Bylaws:**

#### **ARTICLE III-Directors**

**Section 9. Quorum. A majority of the number of Directors prescribed by the most recent resolution of the members prescribing the number of Directors, or, if no number is prescribed, a majority of the number of Directors in office immediately before the meeting begins, shall constitute a quorum for the transaction of business at all meetings of the Board, but any number less than a quorum may adjourn such meeting to a specified date.**

**CFP Pat Householder would like to define a quorum as seven CF members. A discussion followed and the consensus was to have seven members as a quorum. Mike Bircumshaw made a motion to make the quorum number seven members. Motion 2<sup>nd</sup> and passed. None opposed.**

## **ARTICLE III-Directors**

**Section 8. Telephonic.etc.,Meeting.** The Board may permit any or all Directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

**CFP Pat Householder** had the Board review the above Section 8 for comments and discussion. The consensus was to leave Article III Section 8 as is.

**Pat stated that the Museum Boat Fund is a sub fund of the Memorials Fund. A discussion as to whether to leave it there or move it to another fund ensued. The consensus was to leave the Museum Boat Fund under the Memorials Fund.**

**Kap(SS)4Kid(SS) Fund – Some have suggested putting it under the Brotherhood Fund, but others have questioned that. A discussion followed. John Andersen stated that some bases are just passing the hat and raising funds while others want to raise tax deductible funding with matching funds from employers. We need to have the tax deductible side through the CF. The consensus was to have the Kap(SS)4Kid(SS) become a sub fund of the Brotherhood Fund. and policies for Kap(SS)4Kid(SS) need to be put into the new CF PPM.**

### **Hold Harmless Policy for the CF Board – Al Singleman**

**Al stated that there is some confusion in the CF CIO as to the board members being covered for law suits if we screw up. The other question is “Are we covered by the USSVI Hold Harmless Policy while we are members of the CF Board?” He suggested getting a separate policy for the CF Board because of the large amount of monies that we now have. Pat asked if anyone new how much we were paying for the Error and Omissions Policy for USSVI. Jon Jaques stated that the policy cost \$500-600 and that the USSVI Policy will not cover the CF Board because the CF is a separate entity from USSVI.**

**Al Singleman made a motion to purchase a million dollar Hold Harmless Policy for the CF Board members. 2<sup>nd</sup> by John Andersen.**



**Discussion:**

Jon Jaques asked was this to be paid for by the CF out of the General Fund? John Andersen responded yes. A discussion followed.

John Andersen would like to make an amendment to the motion to have the fees/cost come out of the passive income of the CF and not any fund within the CF. Amendment 2<sup>nd</sup> by Tom Conlon.

**Discussion:**

CFP Pat Householder stated we need to have Jon Jaques look into this and as such, the motion and the amendment to the motion are Tabled for now.

John Markiewicz suggested that the CF President, Vice President, Secretary & Treasurer be compensated at the USSVI Board for the Midterm and Convention expenses. In most cases it would only be the VP and the Treasurer.

John Markiewicz made a motion that we reimburse the 4 principle members of the CF Board (President, Vice President, Secretary, Treasurer) if they are not already being reimbursed for their attendance at the ABM and Midterm. Motion 2<sup>nd</sup>.

**Discussion:**

John Andersen stated that the midterm needs to be late April or early May, so that the CPA's can attend.

George Boyle asked where the reimbursement was coming from. Pat stated that the funding was coming from the CF and a discussion followed.

John Markiewicz withdrew his motion and made a new motion.

**Motion:** To reimburse the CF President, Vice President, Secretary and Treasurer the same way the USSVI Board gets reimbursed for the Midterm and the Annual Meeting. The funding coming first from the earnings of the CF and second from the General Fund of the CF. Motion 2<sup>nd</sup> by Mike Bircumshaw. Motion passed, none opposed.

**Paul Orstad would like to take the interest from the Henry Shift scholarship money starting next year and start a 4 year scholarship for \$1000. That would be \$1000 for 4 years, as long as the recipient kept a 3.2 grade average and showed that they had done some charitable work or other things as extra curricular activities. This way that student does not have to fight to keep getting his scholarship. A discussion followed and the consensus was to let the scholarship chair work out the details for multi year scholarships.**

**The New CF PPM – Al Singleman:**

**Al gave a short review of the new CF PPM and its table of contents. Paul Orstad stated that we need to review the scholarship section as per his email, and remove a few things. Al stated that each fund manager will be asked to review his section and rewrite their sections as necessary and return them to him as a Word Document.**

**CFP Pat Householder suggested that we do away with this years Post ABM meeting. All members were in favor, so there will be no Post ABM meeting this year. Pat stated that we need to vote in this years CF Directors.**

**Bill Lee stated that we would have to close this meeting & start another to vote in the Directors.**

**A motion was made to adjourn the CF Pre ABM at 1600.**

**Motion 2<sup>nd</sup> and passed.**

**USSVI CHARITABLE FOUNDATION MEMBERSHIP MEETING**

**At 1601 CFP Pat Householder opened a meeting of the CF Membership to vote on the Directors of the CF.**

**The motion was made to re-nominate the present officers of the CF as Directors of the CF.**

**Motion 2<sup>nd</sup> and passed; none opposed.**

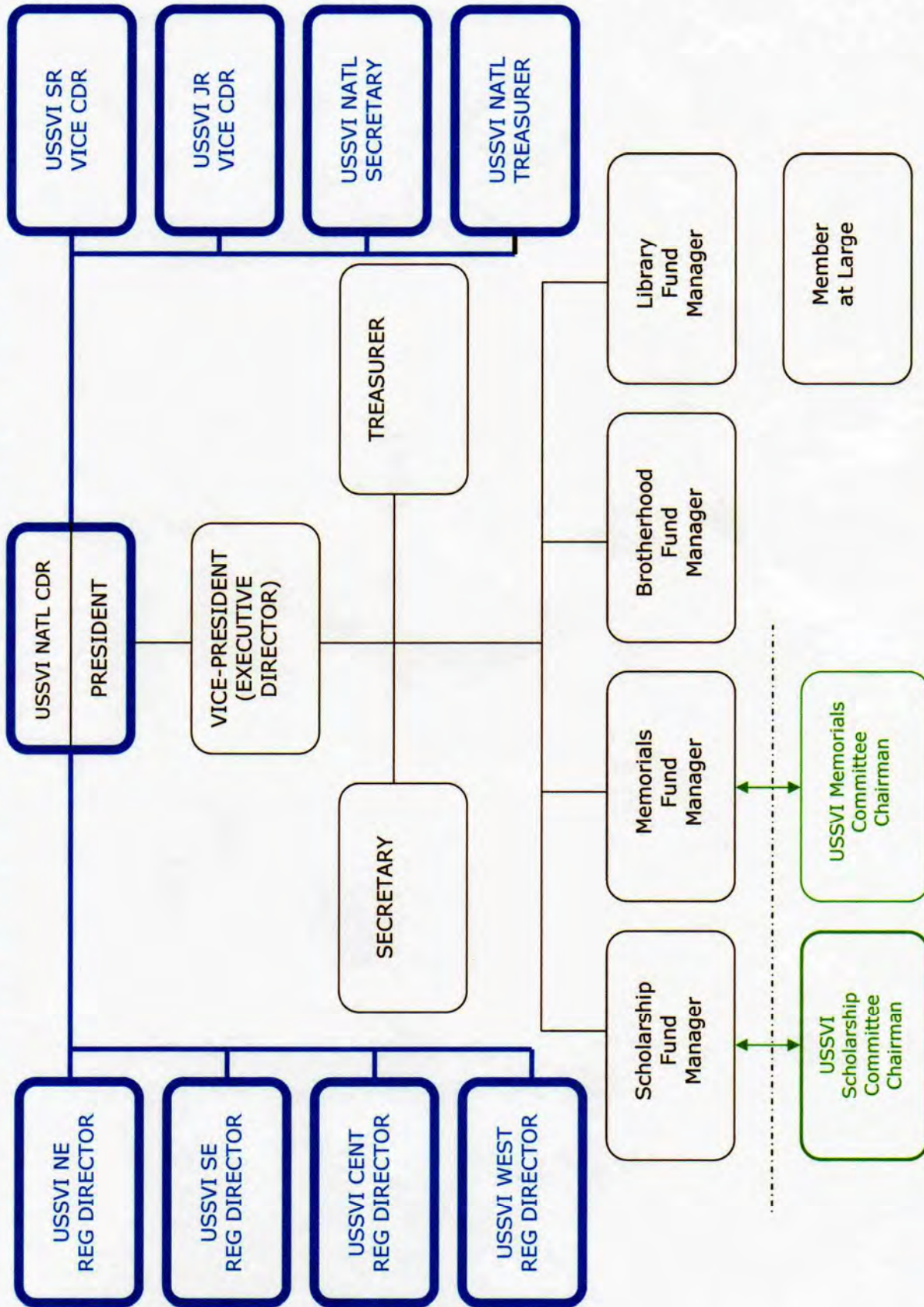
**The vote to re-elect the nominated Directors of the CF was unanimous.**

**Motion to adjourn the CF Membership Meeting was 2<sup>nd</sup> and passed at 1605.**

**THE CF ORGANIZATION CHART IS ON THE NEXT PAGE!**



# US SUBMARINE VETERANS CHARITABLE FOUNDATION ORGANIZATION CHART



BLUE indicates 'automatic' appointment as member, BLACK indicates Appointed positions, GREEN indicates USSVI committee connection