

South End Rowing Club Board of Directors Meeting

February 11, 2009 — 6:00 P.M.
500 Jefferson Street, San Francisco, CA 94109

MINUTES

I. CALL TO ORDER

The meeting was called to order at 6:06 p.m.

II. ROLL CALL

Owen Mehegan, Rowing Commissioner
Elizabeth Glass, Secretary
Jessica Gammell, Director at Large
Peter Ross, President
Trudy DiLorenzo, Membership
Dan McLaughlin, Boat House Captain
Paul Nordquist, Gym Commissioner
Susan Herder, Running Commissioner

Wayne Black, Handball Commissioner
Kim Howard, Director at Large
Ray Zahnd, Building Commissioner
Darrin Connolly, Swim Commissioner
Allison Kalhammer, Entertainment
Commissioner
Joe Boone, Treasurer
Pauline Yeckley, Director at Large

III. APPROVAL OF MINUTES

The board approved the minutes of the January meeting.

IV. APPROVAL OF COMMISSIONER REPORTS

The Board approves the attached commissioner reports.

V. DISCUSSION/INFORMATION MATTERS

A. Road Runners Club of America

South Ender George Rehmet is the State Representative for the Road Runners of America and they are holding their 51st annual reception in San Francisco. There will be a reception at the South End on Thurs. March 26th from 5:30-8:30 to showcase the South End to the Road Runners club.

B. February 4th Members meeting recap

35 members showed up it was energetic and fun. Emphasis was on club communication and volunteer positions.

C. Director at Large Position

Mike Alvarez has resigned as Director at Large leaving a position open. Email notice will be sent to fill vacant position.

D. There is a proposal being presented to have Jefferson and Hyde Streets closed off for pedestrian traffic only.

E. Bay Swimming Documentary

A CCSF student has approached the club about doing a documentary on bay swimming, the student will be at the club on March 4th. He plans to enter the film in the SF International Film Festival.

F. Treasurer's Report

G. Member Dues

As of this board meeting 50% of members are past due, keys will be turned of March 1st.

H. Staph

The MRSA staph infection that has everyone concerned should be noted that it is a city wide epidemic and the SERC is not the culprit. The SERC is taking this seriously and has hired a cleaning company to clean the club thoroughly 2X per month with special cleaners.

I. Insurance Summary by Dave Santos

Attached

Discussion on whether or not SERC members are required to have PMS cards:

No PMS cards are required

They are specific to Master's swim events only, in order for this to take place a certified USMS coach must be present and it must be sanctioned by USMS.

J. Andrea Roth/JP R. Rental of the upper boat house

Andrea and JP presented to the board their request to rent the upper boat house for their wedding.

Board approves via email.

VI. Adjournment 7:28 PM

**SOUTH END ROWING CLUB
COMMISSIONER REPORT –BOATHOUSE
SERC BOARD MEETING OF 11 FEB , 2009**

Projects Completed Since Last Meeting

Description: Love the South End Party

Club Members Involved: 52 guests Judy Irving film, Tom Linthicum film

Outside Contractor, if any: Rafe did food, Kurt Ribak music

Cost: P&L coming (not all receipts in yet)

On-Going Projects - Status:

Description: Barge Project

Club Members Involved: 6-10 members (varies)

Outside Contractor, if any:

Estimated Cost: Undetermined

Upcoming Projects

Description:

Club Members Involved:

Outside Contractor, if any:

Estimated Cost:

Other Developments:

By: Dan McLaughlin

**SOUTH END ROWING CLUB
COMMISSIONER REPORT – BUILDING
SERC BOARD MEETING OF _FEBRUARY 11, 2009**

Projects Completed Since Last Meeting

Description: Bi monthly Club Cleaning

Club Members Involved: none

Outside Contractor, if any: Betty's Service

Status: Service to start on Friday the 13th.

On-Going Projects - Status:

Description:

Club Members Involved:

Outside Contractor, if any:

Estimated Cost:

Upcoming Projects

Description:

Club Members Involved:

Outside Contractor, if any:

Estimated Cost:

Other Developments:

[describe]

By: R Zahnd
 Building Commissioner

South End Rowing Club
Gym Commissioner Report
SERC Board Meeting
February, 2009

Past Events: N/A
Name of Event:
Description:
Date:
Event Chair:
Number of Participants:

Upcoming Events: N/A
Name of Event:
Description:
Date:
Event Chair:
Number of Participants:

Items of note:

Peter Ross has indicated he would like to have a meeting with the main users of the gym to discuss equipment, space utilization and any other issues that anyone has. We will try and coordinate on a time this month for that meeting.

Also, I will continue the efforts of the past Gym Commissioners to instigate an annual outsourced maintenance program.

-Paul Nordquist, SERC Gym Commissioner

**South End Rowing Club
Commissioner Report -Handball
SERC Board Meeting of February 11, 2009**

Events Since Last Meeting:

Name of Event: [Handball]

Description:

Date:

Event Chair:

Number of Participants:

Entry Fee:

Total Revenues:

Total Expenses:

Profit:

Upcoming Events:

Name of Event:

Description:

Date:

Event Chair:

Number of Participants:

Entry Fee:

Estimated Total Revenues:

Estimated Total Expenses:

Estimated Profit:

Other Developments:

Heaters are being repaired cost unknown at this time

First handball tournament March 20-23

Also remember St. Patty's luncheon is March 14th, Saturday. Please buy tickets now as they tend to sell quickly. You can purchase the tickets through Kim Howard, Bob Roper, Allison Kalhammer or myself.

By: _____

[Handball] Commissioner – Wayne Black

**SOUTH END ROWING CLUB
COMMISSIONER REPORT – MEMBERSHIP
SERC BOARD MEETING OF FEBRUARY 11, 2009**

New Members Since Last Meeting: 11

January 2009

Male: Michael Bosse, Jeffrey M. Dullen, William (Bill) Mullin, Dave Ogden, Micheal L. Schroeder, Alan Shanken, Warren Wilson,

Female: Abigail G. Allmanson, Gail Brownell, Kelly Capell, Michele Hanak

Total New Members – [Month]
Total New Members – Year to Date:

___ Male
___ Female

Total SERC Members:

___ Male
___ Female

___ Full Paying
___ Out of Town
___ Lifetime

Other Developments:

Resignations: Kenneth Harrington, Richard Pennington

By: __Trudy DiLorenzo_____
Membership Commissioner

**South End Rowing Club
Commissioner Report –Rowing
SERC Board Meeting of February 11th, 2009**

Events Since Last Meeting:

Name of Event: Krispy Kreme Row

Description: Group row from SERC to Bay Bridge and back

Date: 2/1/09

Event Chair: Dan McLaughlin

Number of Participants: 25

Entry Fee: \$0

Total Revenues: \$0

Total Expenses: \$0

Profit: \$0

Upcoming Events:

Name of Event: Shell rowing clinic

Description: Learn to row the plastic shells – members only

Date: 2/15/09

Event Chair: Diane Davis

Number of Participants: ~8

Entry Fee: \$25

Estimated Total Revenues: \$200

Estimated Total Expenses: \$0

Estimated Profit: \$200

Name of Event: Wooden boat clinic

Description: Learn to row the wooden boats – open to public

Date: 3/1/09

Event Chair: Owen Mehegan & Dan McLaughlin

Number of Participants: 12

Entry Fee: \$25

Estimated Total Revenues: \$300

Estimated Total Expenses: \$0

Estimated Profit: \$300

Name of Event: New rower group row

Description: Short outside-the-cove row for new rowers

Date: 3/7/09

Event Chair: Owen Mehegan & Dan McLaughlin

Number of Participants: 8

Entry Fee: \$0

Estimated Total Revenues: \$0

Estimated Total Expenses: \$0

Estimated Profit: \$0

Name of Event: Petaluma round trip row

Description: Row from SERC to Petaluma, stay overnight, row back

Date: 3/7/09 and 3/8/09

Event Chair: Owen Mehegan & Dan McLaughlin

Number of Participants: ~16

Entry Fee: \$0

Estimated Total Revenues: \$0

Estimated Total Expenses: \$0

Estimated Profit: \$0

Other Developments:

None

By: Owen Mehegan
Rowing Commissioner

**South End Rowing Club
Running Commissioner Report
SERC Board Meeting of February, 2009**

Upcoming Events:

Name of Event: Reception for Road Runners Club of America (RRCA)
Annual Convention

Description: national convention comes to SERC!

Date: Thursday, March 26, 2009

Event Chair: George Rehmet

Number of Participants: estimate one to two hundred plus maybe 10 SERC
volunteers

Rental Fee: see Wayne Black

By: Susan Herder
Running Commissioner

**South End Rowing Club
Commissioner Report – Swimming
SERC Board Meeting of February 11th, 2009**

Events Since Last Meeting:

Name of Event: Golden Gate Bridge Long Swim
Description: Swim from Golden Gate Bridge to Club
Date: 2/8/09
Event Chair: Darrin Connolly
Number of Participants: 17
Entry Fee: \$15
Total Revenues: 255
Total Expenses: 250
Profit: 5

Name of Event:
Description:
Date:
Event Chair:
Number of Participants:
Entry Fee:
Total Revenues:
Total Expenses:
Profit:

Upcoming Events:

Name of Event: Pier 33 Club Swim
Description: Swim from Pier 33 (or Pier 39) to Club
Date: 2/15/09
Event Chair: Sue Free
Number of Participants: 15-20
Entry Fee: \$10 for swimmers, \$5 for guests
Estimated Total Revenues: 200
Estimated Total Expenses: 200
Estimated Profit: 0

Other Developments:

Meeting with Dave Santos to discuss relevance of PMS insurance for SERC members.

By: _____
[Swim] Commissioner

February 11, 2009

Treasurer's Report:

The audited financial statements for 2007 have been issued by our outside public accountants, Burgess and Company. Copies are available for review upon request. This is the first year we received an unqualified opinion, meaning there were no material deficiencies in the books and records. In prior years, the one matter that caused SERC to receive a qualified opinion related to the lack of specificity for fixed assets and leasehold assets. We have corrected that and future statements will reflect the proper depreciation.

The profit for calendar year 2008 is approximately \$1,400 compared to a loss of \$9,500 for the prior year. Both years include approximately \$100,000 in depreciation and amortization to reflect the normal wear and tear on fixed assets of the club.

The balance sheet as of December 31, 2008 includes \$292,000 in cash deposits compared to \$255,000 for the prior year.

We have 895 members as of December 31, 2008. We have collected approximately \$100,000 of 2009 dues as of today, with \$138,000 outstanding.

I welcome new and returning board members. I have distributed a highlighted copy of the South End Financial Policies and Procedures which I would like to review tonight.

South End Rowing Club
FINANCIAL POLICIES & PROCEDURES HANDBOOK

BASIC POLICY STATEMENT

The South End Rowing Club (SERC) is committed to responsible financial management of all Club revenues and assets.

Under the Internal Revenue Code, SERC is described as a non-profit organization "operated exclusively for the promotion of social welfare" and the "net earnings of which are devoted exclusively to the charitable, educational, or recreational purposes". IRC 501(c)(4)(A)

The policy and procedural guidelines contained in this handbook are designed to:

1. Protect the assets of SERC;
2. Preclude use of SERC assets for personal benefit by members or any other persons or entities;
3. Maintain adequate funds and future cash flows for continued SERC viability;
4. Make financial transactions transparent to all members of SERC for the purpose of ensuring each member understands the nature of financial accountability;
5. Ensure the maintenance of accurate records of SERC's financial activities;
6. Provide a framework of operating standards.;
7. Ensure compliance with federal, state, City and County of San Francisco, and other local legal and reporting requirements.

The Executive Committee shall have primary responsibility for ensuring that proper Financial Management procedures are maintained and that the policies of the Board are carried out. Exceptions to written policies may only be made with the prior approval of the Board of Directors. Changes or amendments to these policies may be approved by the Board of Directors at any time.

LINE OF AUTHORITY

The powers and duties of the Board and individual officers are contained in Article III, Sections 5 and 6 of the South End Rowing Club By Laws. This financial policy and procedures guide further calls for an executive committee to oversee such financial policies and procedures.

The Executive Committee has and may exercise, when the Board is not in session, emergency expenditures or other action that requires immediate attention. This committee will consist of the President, Vice President, and the Treasurer.

The Treasurer has authority under the SERC by-laws, to supervise the financial affairs of the Club; to manage all of the funds of the Club; to deposit all funds in the name of the Club in

South End Rowing Club Financial Policies

the bank or banks designated by the Board; to sign checks with the President or other authorized signatory; to make a monthly report to the Board and an annual report to the members of the budget and financial status of the Club; to submit to the Board on request all money and records of the office; to supervise an annual inventory of the Club; and whatever authority as may be designated by the Board of Directors. The Treasurer- has the authority to:

1. perform regular, in-depth reviews of the organization's financial activity
2. prepare the annual cash flow projection for Board approval;
3. place investment deposits as directed by the Executive Committee;
4. design the organization's accounting system;
5. make decisions regarding the allocation of expenses among accounts and classes comprising the SERC Chart of Accounts.

INSURANCE POLICY

SERC shall purchase and maintain insurance on behalf of any person who is or was serving at the request of SERC, as a Director, Officer, Employee, Agent, Staff Volunteer or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such.

INVESTMENT POLICY

The investment objectives of SERC, in order of importance, shall be the safety of principal, liquidity, and a competitive rate of return. SERC's Executive Committee shall have primary responsibility for the administration of the investment policy and for establishing any specific guidelines as to the mix and quality of the investment account(s). The Treasurer will have responsibility to periodically determine the cash flow requirements of the Club and to notify the Executive Committee of any excess or shortfall requiring transfers into or out of investment accounts.

PRIVATE INUREMENT POLICY

As a non-profit "operated exclusively for the promotion of social welfare" and the "net earnings of which are devoted exclusively to the charitable, educational, or recreational purposes", it is essential that SERC have clear, enforceable policies regarding the use of club facilities and tangible or intangible assets. Our non-profit status requires that SERC ensure that "no part of the net earning of such entity inures to the benefit of any private shareholder or individual". IRC 501(c)(4)(A) and (B)

Rental Policy

Rental of the SERC Clubhouse will follow guidelines separately stated in the SERC Rental Policies, but essentially will adhere to the general guideline that the rental is related to the club's purpose stated above.

South End Rowing Club Financial Policies

Tangible Assets Policy

Club tangible assets, including row boats, shells, zodiacs, gym equipment, etc., are for the use by club members or authorized non-members within the charitable, educational or recreational purposes of the Club. In no case will club assets be used, rented, loaned or otherwise made available to members or non-members for the purpose of generating or facilitating financial gain. This includes, but is not limited to, the use of assets for private swims, test swims, rowing lessons, swim lessons, where there is direct or indirect financial benefit to parties other than the Club.

FINANCIAL CONTROLS

CASH TRANSACTIONS

Other than Board approved exceptions, cash will not be passed between individuals or entities in exchange for access to the Club house, participation in events, or for the use of Club assets. Board approved activities or events will be posted prominently in various places throughout the Club house specifying charges or ticket prices, and the names of individuals authorized to collect funds.

SEPARATION OF DUTIES

- The check signer(s) must not be the person who also has approval authority for a particular expenditure.
- Bank statements are reconciled by the Treasurer or a member of the Executive Committee.
- .

FINANCIAL REPORTING

A Process for Assessing the Financial Implications of Program and Operating Plans and Activities

- Annual cash flow projections are prepared by the Treasurer, reviewed by the Executive Committee, and approved by the Board.
- A Chart of Accounts is used to code receipts and disbursements to the proper accounts and activity class (Rowing, Swimming, Handball, etc.)
- Monthly Financial Reports are provided by the Treasurer within 30 days of the close of the period and provided to the Board at the next monthly meeting.
- The Monthly Financial Reports are provided to the Board of Directors at each Board meeting.
- Annual audits will be conducted by an independent CPA at the close of each fiscal year. Copies of these reports will be made available to the membership.

SAFEGUARDING ASSETS

South End Rowing Club Financial Policies

- The Treasurer shall provide fiscal oversight in the safeguarding of the Assets of the Organization and shall have primary responsibilities for ensuring that all internal and external financial reports fairly present its financial condition.
- A proper filing system will be maintained for all financial records.
- Actual income and expenditures will be compared to the cash flow projections on a quarterly basis.
- All excess funds will be kept in an interest bearing account or other investment account as authorized by the Executive Committee.
- Bank statements are promptly reconciled on a monthly basis.
- Documents on all securities and fixed assets will be kept in a locked fire-proof file. Inventory records will contain description, serial numbers, date of purchase or receipt, valuation, and date of valuation. Photographic records of wooden boats will document condition and craftsmanship and updated annually
- Appropriate insurance for all assets will be maintained.

PAYROLL CONTROLS

- Personnel files are to be maintained at organizations' site for all employees. Changes in payroll data (i.e., pay changes) are approved by the Executive Committee before files are updated.
- An outside payroll processing firm will be used to process the payroll. The Treasurer notifies the payroll service of any changes to the payroll master file. The payroll service generates the payroll register, prepares and files all payroll tax returns, withholds employee and employer payroll taxes and deposits all federal, state and local payroll taxes with the respective authority. The Treasurer reviews the payroll register for proper processing of amounts.

ACCOUNTING PROCEDURES MANUAL

CASH RECEIPTS (Check or cash)

- All checks received are stamped with "Deposit only" immediately upon receipt.
- All cash receipts are recorded on pre-numbered cash envelopes with duplicate receipt stub.
 - Guest fees will be collected weekly by two people designated annually by the Board;
 - Event cash and checks will be collected and summarized by a Commissioner with an event profit and loss statement and attached to the receipts envelop.
 - The duplicate envelop stub will be placed in the Treasurer's inbox for reconciliation to deposit records.
- The Office Manager will be responsible for preparing the documentation on receipts for deposits and for making timely and prompt deposits.
- A copy of the deposit slip from the Bank is compared and attached to the corresponding receipt copies and cash listing.

South End Rowing Club Financial Policies

- The Office Manager is to notify any member who is delinquent in payment of dues, assessments or other money due the club. Delinquency is defined in the by-laws as a member who has not paid the dues invoice by February 1 and has not made arrangements for another payment schedule.

CASH DISBURSEMENTS

- All invoices received are stamped with the date received by the Office Manager and are directed to the appropriate commissioner or other authorized person for approval for payment.

- Expenditure requests will be initiated in writing by the appropriate person, Boathouse Captain or Activity Commissioner.
- Check requests for expenditures related to a Club event shall be prepared or approved by the appropriate Commissioner or other Board Member.

- Check signers, by signing a check are in fact approving check requests by reviewing the check amount to the authorized supporting documentation.

- Documentation supporting a check request consists of an ORIGINAL invoice from a third-party vendor.

- The bookkeeper prints the pre-numbered checks only with approved requests. The unsigned check, support and request are presented to authorized check signers for their signatures (information on checks is compared to support for accuracy).
- Two signatures are required on all organizational checks.
- All checks are pre-numbered and accounted for monthly.
- The checks print in one part with two stubs:
 - The original check and one stub attached is sent out for payment
 - One stub is attached to the check request or invoice and is filed numerically with support in alphabetic vendor files maintained for each calendar year.
- All voided checks must be defaced and retained with canceled checks.
- No checks may be written to "cash" or "bearer".
- Blank checks are stored in a locked drawer.
- The Office Manager is responsible for filing paid invoices.
- The President and Treasurer and Immediate Past President will be authorized signers on all bank accounts. If the Immediate Past President is not available, the Board may designate another signer.
- Blank checks may never be signed in advance.
- The check copies and supporting documentation is then filed in the calendar year vendor file.
- The Office Manager is responsible for mailing all checks.

- Vendors submitting invoices to SERC for goods and services must have a properly filled out IRS form W-9 to determine whether withholding or Form 1099 reporting is required.
- Commissioners using a new vendor for the first time should inform such vendor that a W-9 will be required before payment. To expedite payment, Commissioners are

South End Rowing Club Financial Policies

advised to have a form available for the vendor when purchasing or contracting for goods or services.

BUSINESS RECORD RETENTION SCHEDULE

Accounts Payable Records 5
Accounts Receivables Records 5
Audit Reports 3
Contracts (After Expiration) 7
Bank Statements & Reconciliations 3
Canceled Checks 7
Correspondence 3
Deposit Slip Duplicates 2
Insurance Policies (After Expiration) 5
Expense Analysis & Distribution Schedules 7
Inventories 7
Fixed Assets Records Permanent
Legal Briefs Permanent
General Ledgers Permanent
Licenses Permanent
Invoices 7
Journals/Cash Books 7
Minutes Permanent
Payroll Records 5
Office Equipment Records 6
Patents Permanent
Profit & Loss Statements Permanent
Property Records Permanent
Trademark Records Permanent
PERSONNEL
Contracts (After Termination) 5
Earnings Records 6
Employee Personnel Files 3
Insurance Records Permanent
Employment Applications 5
Annuity or Deferred Payment Plan Permanent
Retirement & Pension Plans Permanent
Time Cards 2
Employee Withholding Statements 7
TAXATION
Depreciation Schedules Permanent
Time Cards 2
Employee Withholding Statements 7
Tax Bills & Statements Permanent
Tax Returns & Work Papers Permanent