

BCA BOD minutes for teleconference of 10/21/2020

All members were in attendance Larry and Mike Book were late. National Meet Committee Chair Pat Wojahn was also in attendance

Secretary's report Jack moved for approval of minutes for Teleconference of Sept 19 2020. Second by Sid. Motion approved 6 – 0

Financial report. Jerry noted that the BOD had been sent the financial reports for Aug and Sept. All adjustments have been made up through the Sept. report. The NMC records are in the process of being merged with the main BCA financials. Jerry has a new format being worked on that will make the reports much easier to read. He also sent the budget report to the BOD. He noted that The roster costs got missed due to the timing of his takeover as treasurer. He also sent the BOD a report of where we are in addressing the issues noted in the audit. There were 10 suggestions generated by the audit. We have made good progress in addressing those issues, and he hope to have all those suggestions items completed by the first of the year. Jerry asked that the list be included in the minutes. He also asked that the budget be shown in the minutes.

Jerry has purchased a copy of Quick Books software for three hundred dollars. He would like that software sent to Cornerstone to use to provide a back -up of our financials on a separate server .

Jack moved to compensate Jerry for the software expense. Second by Sid. Motion approved 7-1

Jerry moved to recognize the services that Bill Stoneberg has provided to the BCA for twelve years by granting him a lifetime membership and have President John Steed send him of letter of appreciation. Second by Mike. Motion approved 8-0

John asked for final approval of disbanding non- functioning Chapters. That have been notified they are not in compliance with the SOPs of the BCA.

Larry moved that the Pikes Peak Chapter, The Southern Arizona Chapter, The Youngstown Buicks of Yesteryear Chapter, The Up-State Illinois Chapter, The Northwest Pennsylvania Chapter and the Central New York Chapter all be disbanded for failure to comply with the SOPs of the BCA. Second by Jerry .

Rick questioned if there was any pushback from the Chapters . John indicated that most have been dormant for several years and there was no pushback.

Motion approved 8-0

NMC report. Pat stated There is nothing new on the medallion project. On line registration by Cornerstone is still in progress. She asked if there was a surcharge for the use of a credit card and Jack indicated there was a three percent surcharge. Pat indicated that John Schieb has inquired about a possible Gettysburg Meet in 2024, but she is hesitant to address that possibility until the 2021 Meet is a definite. She has not yet received any proposal from Gettysburg.

Bugle committee report. Jack said that Shannon Olsen our Art Director has had an accident and will require surgery. As a result, the November and the December Bugles will be late. Publication will be back on track by the January issue. John will send an email advising members of the expected lateness.

Sid asked about advertising. He was advised that the Mecum ad was back, but Buick was not.

Membership Committee Bob indicated that there is much discussion about some ideas being used by other clubs. The Cadillac Club is having a promo free six month on line membership that members can renew for a paid on line or paper membership. For another six months. The ads in the Cad LaSalle Self Starter and web site have brought in 290 members 129 of which are the free membership type. Discounts of renewal extensions are being offered and those discounts can be redeemed by purchasing goods at the Club store.

Bob also mentioned he will be asking the BOD at a later time to approve ads in Street rod publications. We would be reaching an audience of fifty thousand members. Many of whom have Buicks.

Roster report. John advised that the roster has been shipped. The members are very happy with the larger print. There are a few mistakes, such as some past members still being listed. Only three cars get listed, so if a member has more than that, they do not show up in the roster. Some members have not kept their information updated, so it is incorrect in some cases.

Larry mentioned that the centennial cars are listed by State instead of chronologically.

Rick mentioned that the BCA on line renewal does not provide for member update info.

All in all, the roster has been welcomed .

Hershey John said we have not received our deposit back form the Hershey region yet. The spaces were in Wray Kniffen's name , so we may not get that money back as it probably just went in to his estate.

Next meeting will be on November 18, 2020

BUICK CLUB OF AMERICA

MOTION RESULTS

Date Published : 11/17/2020		File #: 2020-2021-18		
Motion Approve minutes from BCA teleconference of 9/19/2020				
By:	Jack		2nd:	Sid
Discussion notes:				

VOTING	YES	NO	Abstain (ABS) / No Vote Cast (NVC)	Date Voting Opened 10/21/2020
John Steed Pres.				Date voting Closed 10/21/2020
Melanie Mauser	X			
Bpb Starzyk	X			
Sydney Meyer	X			
Jerry Courson	X			
Mike Book			X	
Larry Schramm			X	
Rick Schick	X			
Jack Welch	X			

Jack Welch: Recording Secretary

BUICK CLUB OF AMERICA

MOTION RESULTS

Date Published : 11/17/2020		File #: 2020-2021-19			
Motion	Reimburse Jerry Courson \$300 for software to be provided to Cornerstone for BCA financials back up				
By:	Jack		2nd:	Sid	
Discussion notes:					

VOTING	YES	NO	Abstain (ABS) / No Vote Cast (NVC)	Date Voting Opened 10/21/2020
John Steed Pres.				Date voting Closed 10/21/2020
Melanie Mauser	X			
Bpb Starzyk	X			
Sydney Meyer	X			
Jerry Courson	X			
Mike Book	X			
Larry Schramm		X		
Rick Schick	X			
Jack Welch	X			

Jack Welch: Recording Secretary

BUICK CLUB OF AMERICA

MOTION RESULTS

Date Published : 11/17/2020		File #: 2020-2021-20		
Motion	Provide lifetime membership to Bill Stoneberg for his dedicated service to the BCA. President John Steed will also write a letter of appreciation			
By:	Jerry		2nd:	Mike
Discussion notes:				

VOTING	YES	NO	Abstain (ABS) / No Vote Cast (NVC)	Date Voting Opened 10/21/2020
John Steed Pres.				Date voting Closed 10/21/2020
Melanie Mauser	X			
Bpb Starzyk	X			
Sydney Meyer	X			
Jerry Courson	X			
Mike Book	X			
Larry Schramm	X			
Rick Schick	X			
Jack Welch	X			

Jack Welch: Recording Secretary

BUICK CLUB OF AMERICA

MOTION RESULTS

Date Published : 11/17/2020		File #: 2020-2021-21		
Motion	Accept financial report & Budget			
By:	Rick		2nd:	Bob
Discussion notes:				

VOTING	YES	NO	Abstain (ABS) / No Vote Cast (NVC)	Date Voting Opened 10/21/2020
John Steed Pres.				Date voting Closed 10/21/2020
Melanie Mauser	X			
Bpb Starzyk	X			
Sydney Meyer	X			
Jerry Courson	X			
Mike Book	X			
Larry Schramm	X			
Rick Schick	X			
Jack Welch	X			

Jack Welch: Recording Secretary

BUICK CLUB OF AMERICA

MOTION RESULTS

Date Published : 11/17/2020		File #: 2020-2021-22		
Motion	Disband Pikes Peak, Southern Arizona , Youngstown Buicks of Yesteryear, Upstate Illinois, Northwest Pennsylvania, and Central New York Chapters of the BCA for failure to comply with BCA SOPs.			
By:	Larry		2nd:	Jerry
Discussion notes:				

VOTING	YES	NO	Abstain (ABS) / No Vote Cast (NVC)	Date Voting Opened 10/21/2020
John Steed Pres.				Date voting Closed 10/21/2020
Melanie Mauser	X			
Bpb Starzyk	X			
Sydney Meyer	X			
Jerry Courson	X			
Mike Book	X			
Larry Schramm	X			
Rick Schick	X			
Jack Welch	X			

	Jack Welch: Recording Secretary
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2:41 PM
11/17/20
Accrual Basis

Buick Club of America
Balance Sheet
As of October 31, 2020

	Oct 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1016 · Checking - Key Bank	97,071.50
1017 · Chase Checking - NM	12,219.66
1018 · Chase - Savings NM	985.02
1066 · Investments - Morgan Stanley	626,969.44
Total Checking/Savings	737,245.62
Accounts Receivable	
1070 · Postal Deposit	5,000.00
Total Accounts Receivable	5,000.00
Total Current Assets	742,245.62
Other Assets	
1835 · National Meet Deposit	777.60
Total Other Assets	777.60
TOTAL ASSETS	<u>743,023.22</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2650 · Deferred Revenue	130,775.71
Total Other Current Liabilities	130,775.71
Total Current Liabilities	130,775.71
Total Liabilities	130,775.71
Equity	
Equity - NM	13,204.68
3710 · Retained Earnings	520,774.78
3715 · Designated R/E - Life Memb	12,350.00
3718 · Designated R/E - Dir & Hndb	24,000.00
Net Income	41,918.05
Total Equity	612,247.51
TOTAL LIABILITIES & EQUITY	<u>743,023.22</u>

2:48 PM

11/17/20

Accrual Basis

Buick Club of America
Profit & Loss
October 2020

	Oct 20	Jan - Oct 20
Ordinary Income/Expense		
Income		
4100 · Bugle Advertising		
4101 · Advertising - Display	1,638.00	25,911.48
4102 · Advertising - Classified	899.09	5,388.54
Total 4100 · Bugle Advertising	2,537.09	31,300.02
4110 · Stockroom Sales		
4112 · Sales - Print	0.00	28.65
4113 · Sales - Bugle	24.85	255.77
4117 · Sales - Awards	0.00	141.00
4119 · Sales - Automobilia	0.00	167.45
Total 4110 · Stockroom Sales	24.85	592.87
4120 · New Members		
4121 · New Members - 1 Year	2,231.00	19,173.00
4122 · New Members - 2 Years	0.00	3,028.00
4123 · New Members - 3 Years	260.00	4,484.00
Total 4120 · New Members	2,491.00	26,685.00
4130 · Renewals		
4131 · Renewal - 1 Year	12,768.00	143,806.00
4132 · Renewal - 2 Years	3,692.00	29,428.00
4133 · Renewals - 3 Years	4,253.37	46,285.26
4135 · Returned Checks	0.00	-70.00
Total 4130 · Renewals	20,713.37	219,449.26
4140 · Investment Income	145.34	4,600.33
4145 · Donations - Non Deductible		
4146 · Patron Donations	710.00	8,534.95
4147 · BHA Donations	470.00	4,912.50
Total 4145 · Donations - Non Deductible	1,180.00	13,447.45
Total Income	27,091.65	296,074.93
Expense		
5010 · Bugle		
5011 · Bugle - Mailing	1,552.03	9,161.28
5012 · Bugle - Printing	9,437.60	74,297.31
5013 · Bugle - Typesetting	2,400.00	24,480.00
5014 · Bugle - Editing	3,675.00	36,750.00
5015 · Bugle - Postage	7,376.50	40,433.67
5031 · Telephone	94.50	996.93
5041 · Postage	0.00	13.90
5071 · Bugle - Other	0.00	1,095.40
5091 · Advertising Commissions	0.00	3,679.00
Total 5010 · Bugle	24,535.63	190,907.49
5020 · Membership Roster		
5023 · Roster - Typeset	0.00	2,920.00
Total 5020 · Membership Roster	0.00	2,920.00
5110 · Cost of Sales - Stockroom		
5117 · Awards	0.00	1,498.25
5120 · Shipping	0.00	20.12
Total 5110 · Cost of Sales - Stockroom	0.00	1,518.37

2:48 PM

11/17/20

Accrual Basis

Buick Club of America
Profit & Loss
October 2020

	Oct 20	Jan - Oct 20
5200 · Office Administration		
5201 · Membership Database	958.50	21,275.70
5211 · Equipment Maintenance - Office	0.00	50.00
5221 · Management	250.00	2,000.00
5241 · Telephone - Office	50.00	350.00
5242 · Printing -	438.70	3,432.90
5261 · Postage - Office	618.48	5,031.78
5271 · Office Supplies - Office	0.00	207.50
5281 · Office Admin. - Other	408.50	3,591.25
Total 5200 · Office Administration	2,724.18	35,939.13
5410 · Chapter/Region Oper		
5425 · National Meet Grant	0.00	926.03
5431 · Chapter Allotments	0.00	250.00
Total 5410 · Chapter/Region Oper	0.00	1,176.03
5600 · Board		
5631 · Postage - Board	0.00	149.33
5641 · Board - Other	0.00	771.25
Total 5600 · Board	0.00	920.58
5700 · Corporate Expenses		
5701 · Accounting Services	1,150.00	6,325.00
5711 · Legal Services	0.00	717.00
5715 · Website Maintenance	680.00	12,383.27
5716 · Website Software	612.95	2,449.66
5731 · Taxes - State	16.93	67.52
5751 · Insurance	0.00	5,351.00
5755 · Global Monthly Expense	371.76	3,504.13
5757 · Bank Charges	3.00	25.00
5761 · ADJ/Refunds/Return Checks	0.00	14,023.68
5771 · Corporate - Other	0.00	29.00
5775 · BHA Donations Out	386.40	4,542.40
Total 5700 · Corporate Expenses	3,221.04	49,417.66
Total Expense	30,480.85	282,799.26
Net Ordinary Income	-3,389.20	13,275.67
Other Income/Expense		
Other Income		
9985 · National Meet		
9990-20 · National Meet 2020	0.00	9,996.35
9990-21 · National Meet 2021	2,168.00	10,470.60
9990 · Nation Meet Income	0.00	0.00
9991 · 2019 National Meet Income	0.00	0.00
9995-20 · National Meet 2020 Expense	0.00	-28,413.57
9995 · National Meet Expense	-35.00	-35.00
9996 · 2019 National Meet Expense	0.00	0.00
Total 9985 · National Meet	2,133.00	-7,981.62
9999 · Gain on Sale	0.00	36,624.00
Total Other Income	2,133.00	28,642.38
Net Other Income	2,133.00	28,642.38
Net Income	-1,256.20	41,918.05

BUICK CLUB OF AMERICA

Review of Consultant's Report

As of September 30, 2020

Background – Pursuant to an engagement letter dated February 22, 2019, the BCA contracted with Plante & Moran (“PM”), a CPA firm to review its accounting records for the five-year period from July 1, 2013 through June 30, 2018. The results of their review were provided to the BCA Board in a report dated May 14, 2019.

This review was not a financial audit, and PM did not express an opinion on the BCA’s internal controls or financial statements. The report referred to PM’s work as an analysis, and the work was performed by Consultants rather than Auditors.

As a result of its review, PM made ten accounting and financial reporting suggestions. Actions taken to implement or reject these suggestions have been provided verbally at several board meetings, but to my knowledge, no written report on the status of implementation of the suggestions has been provided to the BCA Board. This review should accomplish that task.

Plante & Moran’s Suggestions – Each of PM’s suggestions will be summarized and comments on the status of each individual suggestion will be provided.

1. Change the BCA’s fiscal year end from June 30 to December 31, which should capture all National Meet expenses in one fiscal year.

Comments – The fiscal year end was changed in 2019 as recommended. However, this may not accomplish the goal of including all expenses on one fiscal year. Some costs of a National Meet are paid years in advance, so the Income Statement could contain income and expense from more than one National Meet. To provide better accounting for National Meets is being converted from cash basis to accrual basis. This process will be completed by year end. When this conversion is completed, with a few exceptions income and expense items will be reported in the same fiscal year the meet is held. Exceptions such as payments to the registrar will be reported in a separate section of the Income Statement.

2. Maintain one QuickBooks file to consolidate the BCA’ financial reporting for day-to-day operations and National Meets.

Comments – Accounting for BCA operations has been maintained by Brett Gordon, Perks, Pusateri & Company, CPAs. Accounting for the National Meets has been maintained by the chapter sponsoring the individual meet or by Bill Stoneberg as BCA’s CFO or Treasurer. These records are being consolidated and will be maintained by Brett Gordon. More than one QuickBooks file may be utilized, in in any case, the financial reporting will be consolidated. This conversion has been completed and the posting of National Meet transactions will be completed by December 31, 2020.

3. Establish a document collaboration site (e.g., Google Docs/Sites) to maintain an archive of past and current information for access by BCA officers and Board members. This would avoid an event such as the loss of accounting records after the death of BCA's former accountant.

Comments – To my knowledge, there has been no action on this recommendation. The concern is valid, and once the consolidation of the records is complete, this item will be a priority. I believe we would meet the objective if we store a copy of Brett Gordon's QuickBooks file at the Cornerstone office. This file would be updated monthly. This should be operational by the end of the year.

Records that are not accounting specific and maintained by Cornerstone are archived to the cloud on a continuous basis. In the event Mark Wheeler is not available, instructions on accessing the files are left with a next-of-kin. The most important file is our membership list. In addition to the cloud back up, I will be provided a copy of this file each month as additional back up.

4. Maintain and update as needed a BCA master membership list which details at least the key attributes of each membership.

Comments – A membership data base is maintained by Cornerstone. It is properly secured and, as noted above, back up provisions are in place in case the original computer file is lost. NO ADDITIONAL ACTION IS NEEDED.

5. Consider including in the SOP Guide a description of how any benefits received in connection with the hosting of a National Meet (e.g., comped rooms, reward points, etc.) or otherwise should be reported and handled by the BCA.

Comments – This suggestion was discussed with Pat Wojahn, Chairman of the National Meet Committee. To avoid any conflict of interest or appearance of conflict of interest, any comp rooms or award points should accrue to the benefit of the BCA as a reduction of expenses or a reduction of the cost of a national meet. For example, Roy Faries' contract as registrar provides for a no cost room to facilitate his duties at national meets. Comp room nights could be used to eliminate the expense of this contract provision. Also, during hotel negotiations, comp rooms and award points can be substituted in the contract for reduced costs for meeting rooms or other expenses. Pat will provide suggested wording, and an SOP amendment will be in place by year end.

6. Consider amending the Standard Operating Procedure #20 (Financial Reporting) to more precisely describe the financial statements and schedules which will be prepared and distributed to members and the board of directors on both an annual and monthly basis.

Comments – Currently, Balance Sheets and Income Statements are distributed to the Board of Directors on a monthly basis. In addition, a budget summary is provided quarterly, and a proposed budget is submitted annually for Board approval. Annually, the

year-end Balance Sheet and Income Statement is published in the Buick Bugle for the members. Additional financial information is provided to individual members as requested. After a determination if other information is needed by the Board or the membership, the SOP will be updated. The goal for the update is the first quarter of 2021.

7. Consider amending Standard Operating Procedures #4 (Financial Management) of the SOP Guide to include the following:
 - A description of the current procedures for the collection, reconciliation, and accounting for member revenues;
 - Identification of the BCA members who have the ability to authorize the payment of an invoice;
 - Identification of the specific documents to be sent to the BCA's accountant for financial statement preparation (copy of payment, underlying receipt or invoice, and payment voucher);
 - A description of what documents should be maintained by the BCA evidencing receipt of member revenues (bank statements, bank deposit receipts, etc.) and club expenses (contracts, invoices, receipts, payment vouchers, etc.) reported and who at the BCA is responsible for maintaining these documents; and
 - A description of the current accounting practices associated with the collection of attendee fees and invoice payments for BCA's National Meet.

Comments – All receipts (generally membership dues) from BCA operations are deposited by Cornerstone. Deposits for the BCA National Meets are made by a Registrar appointed by the Chapter hosting individual meets. Most disbursements for BCA operations and BCA National Meets are made by the Treasurer and supported by a voucher prepared by Cornerstone. A very few disbursements (generally National Meet items) are made by the Treasurer using a Chase debit card. This provides some degree of internal control by separating personnel responsible for receipts from those responsible for disbursements. All supporting documents are maintained by Cornerstone with a back up process. When the conversion of national meet accounting to Brett Gordon and transition from Key Bank to Chase, the SOP will be updated. This update is planned for the first quarter of 2021.

8. Establish a deferred revenue schedule which describes the periods of membership for which members fees that are paid in advance should be appropriately recognized as revenues in accordance with GAAP (Generally Accepted Accounting Principles).

Comments – The September 30, 2020 financial statements reflect the implementation of a system that records membership dues when the dues are earned, and the unearned dues are recorded on the Balance Sheet as Deferred Revenue (currently \$128,626.97). Prior to September 30, 2020, the deferred revenue account had not been updated for several years. Accordingly, an accounting adjustment was needed to provide an accurate accounting. NO ADDITIONAL ACTION IS NEEDED.

9. The EE Bond value should be reported at fair value, rather than at historical cost, and adjusted accordingly in future periods in BCA's financial Statements.

Comments – The bonds have been sold and the gain was recorded on the Income Statement as a Gain on Sale. NO ADDITIONAL ACTION IS NEEDED.

10. The accountant BCA contracts with to assist with its accounting functions and financial reporting should be responsible for all the accounting and financial reporting, including any related to BCA's National Meet.

Comments – Brett Gordon is in process of converting the National Meet records to a QuickBooks system. The financial statements will be fully merged by December 31, 2020.

Summary

It should be noted that these suggestions are intended to ***“improve the financial reporting, accounting practices and transparency of BCA in future periods.” Plante & Moran’s review “did not identify evidence of transactions indicative of the existence of inappropriate activities in the area of BCA we tested with the scope of work.” “PM did identify instances in which discrepancies and inconsistencies in financial reporting appeared to originate from insufficient underlying support, inconsistently applied accounting practices, and inadequate recordkeeping.”****

Plante & Moran's recommendations are reasonable, sound, and will improve the operations of the BCA. In most cases, the recommendations have been incorporated in the procedures currently in place. In some cases, implementation of the recommendations will not be complete until year end. The SOP has not been updated to reflect the changes, and it is anticipated that this process will be completed by March 31, 2021. I will provide the Board of Directors a report when the implementation is complete. No addition interim reviews should be needed.

Jerry L. Courson, Treasurer
Buick Club of America

* Quote is from Plate & Moran's report on Analytical Accounting Procedures page 12.

