

**THE AMERICAN DRIVING SOCIETY, INC DRAFT
BOARD OF DIRECTORS MEETING
OCTOBER 16, 2011, PORTLAND, OREGON**

President Freiburger called the meeting of the Board of Directors of the American Driving Society, Inc. to order at 9:00AM PDT.

Roll Call

Secretary Ann Davis took the roll call:

Present in person: John Freiburger, William Lawson, Ann Davis, Peter Lofgren, Francine Arrington, Ruthie Graves, Elaine Kendig, Boots Wright, Dana Bright, Maureen Harkcom, Simon Rosenman, Amanda Horton, Merridy Hance, and Audrey Bostwick

By telephone connection: Mary Jo Stockman, Myrna Rhinehart, Gina Handy, Jeff Morse, and Mike Arnold. By telephone joining at 10:30 AM PDT Marcie Quist

She announced that there were 19 members, meeting the required one-third members for a quorum.

Approval of the minutes

Minutes of the ADS Board of Directors' electronic meeting of May 25, 2011 were distributed in advance of today's meeting. *President Freiburger asked if there was any discussion. There was none. The President asked three times if there were any corrections. Hearing none, the minutes were approved without dissent.*

Treasurers Report

Treasurer Lawson highlighted his Treasurers Report (see attachments):

- *The 2011-year is proving to be both promising and challenging. It is promising because we continue to promote the sport of carriage driving through less than ideal economic times and challenging because we continue to fall short of projected revenue.
- *The budget process for 2012 is underway
- *The ADS contracted for and had prepared fully audited financial statements for the year ended 2010.
- *As a result of the audit process, the Governance Committee took on the project of drafting a Whistle Blower Policy and Ethics and Conflicts Policy.

Executive Directors Report

Executive Director Susie Koss Acker's report concentrated on membership. She stated that the office had conducted a membership study and found that only 37% of ADS members compete. This emphasizes the need to have value added memberships, particularly if the Board of Directors decides in the future to increase dues.

President Comments

President Freiburger's comments covered two items:

- *Comments on the ADS Fund were covered at the Members Meeting the day before and he will not repeat here.

*In his investigations, the United States Equestrian Federation can become more vital to ADS activities:

- \$3000 is available from the USEF for Education
- Driving, particularly High Performance, Committees can be better used by the ADS
- There may be some money available from the USET
- He serves on the FEI Affiliates Committee, Driving Committee and Technical Driving Committee where being active and networking at USEF meetings are important so people know the ADS exists.
- He has quadrupled the program entries on the FEI Affiliates program sheet and will keep those updated so other disciplines know that ADS is active.

Old Business

President Freiburger reported that the Secretary found no unfinished Old Business from previous meetings for the agenda. He asked if Board of Directors members present had items for this category. Hearing none, he moved to the next category.

New Business

ADDITIONAL ADS POLICIES

Dana Bright moved that the Board of Directors adopt both the Whistleblower and Ethics and Conflicts Policies as drafted. (See attachments) Maureen Harkcom seconded the motion.

Elaine Kendig, Director/Chair of the Bylaws and Governance Committee, explained the two policies. With no further discussion, ***the President asked three times if there were any objections. Hearing none, the motion passed with unanimous consent.***

RULE CHANGE PROPOSALS

Simon Rosenman moved approval of the 2012 Rule Change Proposals as recommended by the Rules and Technical Committee. (See attachments) Merridy Hance seconded the motion.

Amanda Horton moved to amend the proposals to remove Part IX Recreational Drives, Article 2 on page 26. This was seconded by Merridy Hance. Discussion points included comments that this was not a pressing issue that needed immediate decision and that fees should not be set in the Rulebook but established by policy, which can be done at any time. ***With no further discussion, President Freiburger asked three times if there was any objection to the amendment to the main motion. Hearing none, the amendment passed with unanimous consent.***

The President then returned to the amended main motion regarding approval of the 2012 Rule Change Proposals. ***He asked three times if there were any objections to the amended main motion. Hearing none, the amended motion passed with unanimous consent.***

APPOINTMENT OF JOHN FREIBURGER TO THE USEF BOARD

President Freiburger reported that he had been asked to serve on the USEF Board of Directors but needed approval from the ADS Board of Directors.

Ruthie Graves made this motion: Be it resolved by the Board of Directors of The American Driving Society, Inc that the appointment of John Freiburger to a four year term on the USEF

Board of Directors is confirmed. Further, that if John Freiburger accepts a position as an officer of USEF, Sterling Grayburn shall be appointed to fill that seat and shall become a Director at Large of the ADS Board of Directors. Bill Lawson seconded the motion. The President asked three times if there was any objection to the appointment. Hearing none, the motion passed with unanimous consent.

RESOLUTION NAMING AUTHORISE OFFICERS

The Executive Director reported that it was necessary to update authorized officers for Morgan Stanley Smith Barney accounts.

Amanda Horton made this motion: To name John Freiburger and William W Lawson, Jr as President and Treasurer respectively as the officers of The American Driving Society, Inc that may exercise control over the investment accounts held by Morgan Stanley Smith Barney. Ruthie Graves seconded the motion. The motion was then voted upon with unanimous approval except for an abstention by Bill Lawson.

NON-MEMBER FEES

There is a concern that non-ADS member fees are not being paid, either because the organizer is not collecting or because the organizer is collecting but not sending payments along with a list of the non-members to the ADS office. Several Board of Directors members suggested penalties, but others wanted a more positive approach before applying fees. The Executive Director stated that she is starting an organizers' newsletter that may improve the situation. In order to insure action, the President recommended a motion.

Boots Wright made a motion that the problem of insuring that all non- member fees are collected and that these payments and lists of names be sent to the ADS office be referred to the Events Standard Committes for a White Paper outlining some solutions. Peter Lofgren seconded the motion. After discussion, a vote was taken with unanimous approval.

RECREATIONAL DRIVING

Ruthie Graves moved that the Recreational Driving Committee and the Event Standards Committee be tasked with developing forms for recreational drives. Merridy Hance seconded the motion. After discussion a vote was taken with unanimous approval.

Dana Bright moved that the Event Standards Committee, the Finance Committee and the Recreational Driving Committee review non-member fees as they apply to recreational drives. Amanda Horton seconded the motion. After discussion, a vote was taken with unanimous approval.

NEW S AND S-A LICENSES FOR OFFICIALS

Ruthie Graves, with the support of the Licensed Officials Committee, proposed adoption of administrative changes to combined driving officials categories as described in the October 2011 Licensed Officials Committee report (see attachment). Elaine Kendig seconded the motion. After discussion, a vote was taken with unanimous approval except for abstentions by Merridy Hance and Maureen Harkcom.

Amanda Horton moved to approve an extraordinary rule change to adopt W77-81 and W651-76 as previously circulated in order to implement the previous motion to amend the

licensed official designations. After a discussion, a vote was taken with unanimous approval except for an abstention by Merridy Hance.

RULE CLARIFICATION

Boots Wright moved to approve an extraordinary rule change to add rule clarification to Chapter 24-Prize Lists and Catalogs, Article 12j9, as indicated by a document supplied by the Event Standards Committee (see attachment). Dana Bright seconded the motions.

The discussion focused on the concern regarding making extraordinary rule changes. Because there were opinions for and against, President Freiburger asked for a roll call vote. The results were: Mary Jo Stockman-yes; William Lawson-no; Ann Davis-no; Gina Handy-yes; Peter Lofgren-yes; Francine Arrington-abstain; Ruthie Graves-yes; Elaine Kendig-yes; Marcie Quist-yes; Boots Wright-yes; Dana Bright-yes; Maureen Harkcom-no; Simon Rosenman-yes; Amanda Horton-yes; Merridy Hance-no; Mike Arnold-yes; and Audrey Bostwick-yes. ***The motion passed with 11 yes, 5 no, and 1 abstention.***

NOMINATING COMMITTEE

President Freiburger announced his selection of the 2012 Nomination Committee Chair: Natasha Grigg with assistance from Audrey Bostwick. There was no objection from the Board of Directors regarding the President's selection.

2011 AND 2012 BOARD AND ANNUAL MEETING DATES

These are the dates to be scheduled for meetings:

December 7, 2011 (Wednesday) 7:00PM CST Electronic Meeting to review and ask questions regarding the proposed 2012 ADS Budget

January 14 (Saturday) 8:00AM-2:00PM Cincinnati, Ohio, winter meeting in conjunction with the USEF winter meeting

May 23, 2012 (Wednesday) 7:00PM CT electronic meeting

September 22-23, 2012 (tentative only), several possible locations

Fall 2012, electronic meeting, date and times to be scheduled later

There were no objections to the schedule.

REVIEW OF THE RULEBOOK

From earlier discussion, there has been concern from several Board of Director members that the Rulebook may contain some content that should not be a part of the Rulebook but be published in other sources such as policy manuals. To insure that action is taken regarding this concern, a motion was made: ***Amanda Horton moved to refer the task of reviewing the Rulebook to determine the appropriateness of the content to the germane committees, including Bylaw and Governance Committee. Dana Bright seconded the motion. After a discussion, the vote was taken with unanimous approval.***

Recess

President Freiburger called a recess to the meeting at 12:15PM PDT.

Reconvene

President Freiburger reconvened the meeting on the same day at 1:00PM PDT. He asked that the Secretary retake the roll call.

Present in person: John Freiburger, William Lawson, Ann Davis, Peter Lofgren, Francine Arrington, Ruthie Graves, Elaine Kendig, Boots Wright, Dana Bright, Maureen Harkcom, Simon Rosenman, Amanda Horton, Merridy Hance, and Audrey Bostwick
Present by telephone: Myrna Rhinehart, Marie Quist, and Claire Reid

The Secretary reported that a quorum of members was still present.

New Business continued

ENDOWMENT FUND

Claire Reid, Director/Chair of the Development Committee, presented the committee's White Paper regarding ADS Fund Forward Planning (see attachment). In giving the report, she followed the White Paper in discussing fund management, management goals, distribution goals, and fundraising and matching grants.

Boots Wright made this motion: Resolved that:

- 1. The ADS Development Committee shall develop an endowment fund management program;***
- 2. State identification and solicitation registration be accomplished by the January 2012 Board of Directors meeting; and***
- 3. The ADS Development Committee shall query all ADS standing committees as to possible program use of the ADS fund income***

Peter Lofgren seconded the motion. After a discussion, the President called for a vote. The results were unanimous approval.

OTHER NEW BUSINESS

Maureen Harkcom brought up her concern for the adequacy of the ADS's present system of paperwork flow between licensed official and prospective officials, the ADS office, and the LOC contract assistant.

Maureen Harkcom moved that the ADS establish and follow a monitoring system for the tracking of paperwork from events, officials and learners including a confirmation receipt of the paperwork. Peter Lofgren seconded the motion. After discussion, a vote was taken with unanimous approval.

Adjournment

With no further business, Boots Wright moved that the meeting be adjourned. Maureen Harkcom seconded the motion. The vote was unanimous approval and the meeting was adjourned at 1:40PM PDT.

Submitted by: Ann Davis, Secretary

Date: May 20, 2011

American Driving Society's Licensed Official's Committee Report, October 2011

The LOC continues to perform the tasks directed by ADS Policies and Procedures, Competition Guidelines and the ADS Rulebook.

1. Review applications for acceptance and promotion of officials. Several (how many) learners have been accepted, and several officials promoted this year.
2. A sub committee of the LOC has been formed to examine the criteria for acceptance and promotion, be make sure the criteria address the skills needed for success as an official, and sufficient "apprenticeship" time is required. As the criteria are reviewed, topics for inclusion in the training curricula continue to be identified.
3. The only clinic held in 2011 was for pleasure driving officials, at the Brandywine Driving Show in June. Attendance was marginal, as most officials are still current on their clinic attendance requirement from the 2010 Super Clinic. The Combined Driving Official's clinic which the Oklahoma CDE graciously agreed to host in October was cancelled, again due to poor attendance. 2012 clinic dates and locations are currently being discussed. Following our rotation of time zones, the Central and Pacific time zone may be asked to host clinics.
4. The major project undertaken by the LOC this summer was implementing a procedure by which experienced international competitors could enter the official's programs, at the request of USEF. There is a current USEF RCP which would take effect April 2012, if adopted, that was developed by the ADS and proposed by USEF Driving Technical. For our organizations to work together on this, ADS needs to add new categories of combined driving officials to the roster. An initial description of this S and S/A designation was published in the July 2011 Wheelhorse, as well as in the attached document titled **"Proposed Combined Driving Officials' License Categories"**. ADS LOC is presenting a motion that this administrative change be adopted at this meeting.
5. We continue to review written complaints and evaluations as directed by Policy and Procedure Disciplinary process as needed.
6. One of the benefits of the June Pleasure Driving Officials clinic was to add impetus to LOC's continuing development of official training curriculum. Ed Young and Marsha Himler continue to work on power point and other learning modules. The ADS LOC appreciates the hard work that Jan McKinney at USEF continues to do for us on clinic exam production and scoring. The ADS Pleasure Driving Committee generated the questions for the exam.
7. The Friesian Horse Association of North America has implemented a driven

dressage performance recognition that can be obtained by performing FEI Test #9 in front of an ADS "R" dressage or CDJ. A designated score needs to be reached a specified number of times. Maybe this weekend at the Friesian National show we will have our first candidate.

8. Our Competition Support person, Ellen Ettenger has completed the long process of having officiating histories retrieved from the obsolete IMIS system. Individual's histories will be available to them either through email or hard copy, and in their information folders. Each official's information folder contains their evaluations, applications, and any other correspondence. Ellen also uses a spreadsheet to track competition information such as the date judge's and organizer's pre show information has been sent, names of official's, and when TD and judge's reports are received. She has been sending forms and previous year's TD's reports to officials before they go to current assignments. Officials have been submitting reports in a more timely manner, but POJ's and head judges at pleasure shows need to remember that they also send a report, not just the TD. Directions for report submission are sent with the pre show information. Submissions for the current Omnibus from organizers have been much more complete when received by the office. The roster of officials is updated constantly, with the most current one being on line.

9. We continue to get inquiries from interested potential officials, and try to keep our breed partners aware of our activities.

Dana Bright
Chair, ADS LOC
October 2011



October 15, 2011, 7:00 pm – 8 pm

Happ's Ranch Ethel, Washington

Executive Director's Report

The office continues to try and expand and increase our revenue sources outside of membership dues. Our advertising revenues have increased with; new client ads, member appreciation ads, new e-mail advertising and web site banner ads. Even with these increase we are still falling a short of our advertising goals and having difficulty acquiring major corporate commitments, contributing factors have been our small circulation and lack of frequency. Our advertising rates will increase by 10.00 per ad in 2012 but rates will remain similar to other association publications but are still well under the cost of commercial advertising.

Beginning with the last edition of the Buyer's Guide we have switched printers to Royal Printing in Sun Prairie Wisconsin. This new relationship will allow us to print 4 color throughout the magazine while still creating an overall saving throughout the production. The printer is also within easy driving distance from the office so we can pick-up extra copies and save on the freight charges.

On the marketing side, we are sponsoring the New Driving Radio show. This entertaining once a week podcast or internet radio features carriage driving related guests and segments that are of interest to horse people in general and more specifically carriage drivers. Almost every week we record a spot for the show and talk about upcoming ADS events and other business. In the first week the show was listened to by over 600 people and seems to be an effective method of getting more ADS brand recognition out to the public based on member comments we have received.

We are currently conducting a study on equestrian memberships to help us gain more information and a larger perspective on the equestrian industry as a whole. Our membership currently stands at:

	May	Oct.
Individual:	1614	1655
Family:	498	510
Junior:	45	43
Life:	281	282
Club:	88	91
Commercial:	3	5
TOTAL	2529	2593 (3103 MEMBERS +)

One studies we have conducted is a member count based on our show results (January - September 2011 and October - December 2010) of the number of ADS members that have competed in ADS recognized events. Out of 2437 members only 888 competed which is 37%. Obtaining this number will help us make better decisions on future ADS membership structures.

We have been comparing and contrasting the membership structures of other horse organizations to learn what they have implemented that has worked and what has not. For example the Morgan Horse Association has implemented a "Friends of the Morgan Horse" associate membership which does not allow the person to vote but they do get their electronic newsletter weekly. They found that most of the memberships were purchased by existing members as an additional way of helping support the organization. Interestingly, very few of their members downgraded to this option.

There have also been initial ideas being shared through different breed partners and the ADS about offering membership packages and the idea of holding joint membership meetings that have the potential to lower cost and increase attendance at annual members meetings. All possibilities that need to be explored more.

The United States Pony Club has recognized combined driving as a sport for pony clubbers this year and ADS member Price Story is working with the USPC on this project. The ADS Fund has resources available to help support young drivers and in pockets of the country camps have been held and worked very successfully. An additional relationship and subsequent support of USPC activities could be an effective catalysis to growing awareness of the sport among young equestrians. This project is just developing.

On the other side of the coin, adult camps held in Massachusetts have been very successful at immersing “wannabe drivers” into the driving community and are more successful at getting people started in the sport safely and with resources that they can rely upon as they grow as drivers. We would like to encourage more clubs and horse professionals to hold similar events in their locations.

It has become increasingly more difficult to locate webinar speakers for the ADS. Most horse professionals do not have the time to create an engaging presentation and share it with the membership without being compensated. However this is still one of the unique and very popular benefits that ADS members enjoy. In order to continue to provide this service we will have to start paying clinicians and charging back to the participants. We would love to have a webinar at least once a month but need a greater pool of presenters.

Education Committee report.

The members of the Education committee have completed, or are working on, a number of projects as of this writing. Holly Pulsifer, with Susan Koso, published a booklet, Your First Pleasure Driving Show. This publication follows another Pulsifer work, Your First Marathon. The short WEG video continues to be distributed to clubs and events.

Muffy Seaton and Gerry Pearson designed and held a model weeklong residential driver education clinic in Central Oregon as a test model for an extended clinics. Two clinicians were used to do both individual lessons and joint lectures on particular subjects. Additional experts were brought in to do seminars on a variety of subjects relevant to the driving community. Those topics included Bits and Biting, Turnout and Presentation; Vehicle Maintenance and Repair; Leather Care; and Conditioning the Driving Horse. The model will be explained in more detail in the November Whip.

Work continues on a subject directed bibliography.

We are prepared to respond to the educational needs of other committees. We have a continued interest in a more comprehensive index for the ADS Rule Book.

Currently, we are working on a new informational/introductory video designed to respond to persons interested in driving, but who are not aware of the scope and variety of possibilities in the driving community. It is our intent to cooperate with the CAA in this project.

Dressage Committee Report

September 28, 2011

The four new dressage tests have been posted on the ADS web site since late June. We had only a few comments, all positive, about them. This might mean the tests are well received but it might also mean that many drivers do not learn them until it is time to get ready for a competition. With BOD approval these tests will go into use in 2012 and the DC will continue to monitor feedback. Meanwhile, we plan on completing two additional dressage tests, ADT Intermediate #2 and ADT Advanced #2 in the near future. The 2012 activity for the DC will focus on new dressage tests for the Preliminary and Training levels.

Linda Yutzy has developed a new diagram format for dressage tests that is full color and with large font that should be very popular. The decision on how to make this a revenue producing product is open for discussion.

Hardy Zantke will be writing an article about the new dressage tests and encouraging organizers to utilize these in competition. The DC will continue to monitor which dressage tests are used most frequently throughout the country. The ADS has a more variety in dressage tests than any other country at this time.

I am sorry to miss the General Meeting in Portland and will rely in the Dressage Committee members in attendance to share their experience with those not able to travel.

Tracey Morgan

Chair of Dressage Committee

Marketing Committee

The Marketing Committee nearly finished going through and updating the “old document” prior to heavy competition season cutting into everyone’s time. We also lost momentum when we found there was no budget for us to work with. The plan is to get phone conferences going again now that fall has arrived. Not enough members of the committee will be attending the ADS Annual Membership Meeting to hold a committee meeting in conjunction with it.

E plan to finish going through the document and hope to implement some changes/plans in 2012.

The Breed Stewards Committee has slowly grown so that there are now 17 stewards. 10 associations have become Breed Partners with ADS. Other stewards are still working on getting agreements signed between their association and ADS.

American Connemara Pony Society	Chris Knox
American Donkey and Mule Society	Melinda Ryan
American Hackney Horse Society	Renee Wade
American Haflinger Registry	William E Hendershot
" " "	Chuck Hendershot
American Miniature Horse Association (small)	Al Bulgawicz
American Miniature Horse Registry (large)	Dr. Pam Ripperda
American Morgan Horse Association	Jeffrey B Morse
American Quarter Horse Association	Deborah George
American Shetland Pony Club	Diane Zmolek
Dartmoor Pony Registry of America	Linda Yutzy
Friesian Horse Association of North America	Ann Davis
Gypsy Vanner Horse Society	Bill Ricci
National Miniature Donkey Association	Melinda Ryan
Norwegian Fjord Horse Registry	Ardeth Obenauf
Saddlebred Horse Association	Larry J Denny
United States Totting Association	Kathleen Haak
" " " "	Jessica Schroeder
Welsh Pony and Cob Society of America, Inc.	Marsha S. Himler

2011 ADS Fund Overview

In spite of the suspension of fundraising this year programs remain strong. The grants of the ADS Fund are creating partnerships that generate exponentially larger investments in the future of driving than the amount of each individual grant. A great example of the success of this approach follows this overview. There is no proven formula, but experience to date indicates that for every grant dollar invested by the Fund in driving at least \$3-\$6 in additional investment is realized. They are influencing every region of the ADS.

Programs supported by the Fund have helped to improve every aspect of our sport assisting the launch of regional meetings and other initiatives that are extremely important to the future. They bring participatory and educational opportunities into the reach of every ADS member in the form of more locally available opportunities tailored to the prevailing interests of each area, ranging from driving and educational weekends to the fostering of new competitive opportunity.

Grant	Purpose	Requested	Approved	Paid	Account	
		\$17,340.00	\$17,340.00	\$7,080.00		
ADS/USEF Big Sky Training	Young Driver Grants	\$4,000.00	\$4,000.00			
1	Samuel Arnold			\$500.00	Young Drivers	
2	Chris Smith			\$500.00	Young Drivers	
3	Brandon Bonaccorso			\$500.00	Young Drivers	
4	Long List Driver Grants	\$4,000.00	\$4,000.00		IOI	
5	Kate Shields			\$500.00	IOI	
6	Wendy Ying			\$500.00	IOI	
7	Sterling Grabum			\$500.00	IOI	
8	Nifty Hamilton			\$500.00	IOI	
9	Kim Stover			\$500.00	IOI	
10	Equine Affair	Promote ADS/Driving	\$580.00	\$580.00	\$580.00	Northeast Region
11	Enchantment Driving Society	Clinic	\$500.00	\$500.00		Southwest Region
12	Jacob Arnold	Training Hungary	\$500.00	\$500.00	\$500.00	IOI
13	Shelly Temple	Training Germany	\$500.00	\$500.00	\$500.00	IOI
14	Miranda Cadwell	Training germany	\$500.00	\$500.00	\$500.00	IOI
15	Doris Leacy	Training Florida	\$500.00	\$500.00	\$500.00	IOI
16	Western Reserve Carriage Association	Clinic	\$1,150.00	\$1,150.00		Midwest Region
17	Ca Young Drivers	Clinic	\$500.00	\$500.00	\$500.00	Young Drivers
18	Camp Sisters Oregon	Clinic	\$2,700.00	\$2,700.00	\$0.00	Special Camp Account
19	ADS Annual Meeting	Education	\$1,250.00	\$1,250.00		Education
20	MLMDC	MD Horse Expo	\$660.00	\$660.00		Mid Atlantic Region
21						

Youth programs continue to expand the participation of young drivers in both pleasure and combined driving competitions. Their competitive accomplishments are regularly reported in the Whip. The ADS Young Driver Championship supported by the ADS Fund and created by Hardy Zantke further encourages their involvement.

The International Opportunity Initiative makes higher-level training opportunities accessible to ADS members. Clinic and Training grants have provided the chance for members from all regions to train with World Champions and World Championship competitors. For the fifth time the ADS Fund and USEF jointly sponsored a training session in Southern Pines, NC. It was unique in that it paired World Championship Competitors with youngsters from each ADS region.

Continuing grant initiatives this year included a youth introductory clinic in northern California the launch of new competitions in the Midwest and production of educational videos to be available to all members.

The programs of the ADS Fund are supporting our sport in a number of ways, most importantly, they are expanding and bringing closer the benefits of membership to every current and potential member, increasing the incentive to join and support the ADS.

Fundraising and Promotion

Both were suspended in March while state registration takes place in anticipation of a large endowment being received from the estate of Louisa Plummer. Contributions related to the last solicitation of 2010 and unsolicited contributions that have been regularly received in the past have continued to be received.

ADS Fund January-October 2011					
Income					
	Beginning Balance			\$159,580.87	
	Donations 2011				
		Unrestricted	\$11,938.80		
		IOI			
		Young Drivers	\$2,043.29		
		Scott Schinn YD			
		Operating Fund			
		Arena Trials			
		Regional Directors			
		World Championship Singles			
		World Championship Pairs			
		WEG 2010			
		World Championship Ponies			
		Educational	\$50.00		
		Recreational			
	Gross Income			\$14,032.09	
Expenses					
		Fund Expenses	\$4,500.00		
		Grants	\$ 7,080.00		
				\$ 11,580.00	
	2011 P/L				\$2,452.09
	Current Fund Balance Cash				\$162,032.96

ADJUSTMENT TO THE SEP INCOME STATEMENT TO SEPARATE ADS FUND ACTIVITY AND TO SHOW THE BUDGETED USE OF 10,000 in 2011 FROM ADS FUND DONATIONS FOR OPERATIONS

9 month loss per statement		-2,607.39
Remove all ADS Fund Activity		
Donations	13,832.09	
Grants	-8,717.00	
Operating Costs	-4,250.00	
ADS Fund gain	865.09	-865.09
Net Operating 2nd Quarter loss (excl. ADS Fund)		-3,472.48
Budgeted use of ADS Fund donations Prorated for 9 months		7,500.00
Net adjusted operating gain for 9 months		4,027.52

ADJUSTMENT TO THE BUDGET vs. ACTUAL STATEMENT TO SEPARATE ADS FUND ACTIVITY

	JAN to SEP	BUDGET	\$ OVER / UNDER
Per Report	-2,607.39	-1,018.18	-1,589.21
Remove ADS Fund Activity	-865.09		
Operating Results	-3,472.48	-1,018.18	-2,454.30
Budgeted use of ADS Fund donations Prorated for 9 months	7,500.00		
Net operating gain/loss for 9 months	4,027.52	-1,018.18	5,045.70

GENERAL NOTES

Both the Income statement and the budget comparison as printed from Quickbooks includes ADS Fund activity. There are no estimates in the Budget for the ADS Fund .

The calculations above adjusts the bottom lines removing the ADS Fund and also shows the effect of the budgeted use of 10,000 in Fund donations for general operations.

A quick look at the adjusted numbers would indicate that we show a 9 month profit of 4,028 which would be 5,046 better than budget projections. Unfortunately this is not the case. September includes revenue and expenses for the annual meeting that do not appear in the budget until October which distorts the comparison by 6,000. Adjusting for this puts us at a net operating loss of about 2000 or 1000 worse than budget. While this represents a small improvement over the previous quarter it continues to leave us near the breakeven point.

Total adjusted revenue is about 10,000 below budget and expenses have been held at about 9000 below budget.

NOTES FOR SPECIFIC LINE ITEMS

INCOME ITEMS

Advertising is off budget by 2,786 and Memberships are off 7,831.

Show fee income always looks good mid year (Up 4,325) but will move closer to Budget as the year progresses.

Licenses officials fees are better than expected coming in 1,445 better than budget.

Store sales are also below estimates by 6,349.

EXPENSE ITEMS

With sales down cost of goods sold are lower than budget (2,910) while advertising/marketing (1,441) and communication costs (1,168) are all running more than budget.

Publication expenses (5,883), Operations (3,391) and Employment costs (2,172) combine at 11,446 better than budget.

OTHER INCOME/EXPENSE

This section is found on the last page of the budget. We approved an ADS Fund grant for operations of 10,000 with the Budget. Since no money is actually being transferred from the Fund at this time this line will perform "below budget" growing at a rate of \$833.00 per month. The effect of this grant was included in the adjustments at the top of this report.

FINAL NOTES

We contracted for and had prepared audited financial statements for the year ending 2010. It became apparent that this was necessary as we continue planning and organizing fund raising activities to benefit the ADS. The cost for the audit (3,300) was not planned at the time the budget was prepared but is included in the 9 month figures.

William W Lawson Jr.
Treasurer

3:28 PM

October 3, 2011

Accrual Basis

American Driving Society
Profit & Loss
January through September 2011

	Jan - Sep 11
Ordinary Income/Expense	
Income	
Advertising Income	
Whip Advertising	21,576.00
Omnibus Advertising	5,503.00
Wheelhorse Advertising	30.00
Classified Advertising	50.00
Rulebook Advertising	28.00
Buyers Guide Advertising	8,352.00
Web Site Advertising	400.00
Total Advertising Income	<u>35,939.00</u>
Show Fee Income	13,700.00
Clinic Income	
Licensed Officials	625.00
Total Clinic Income	<u>625.00</u>
Total ADS Fund Donations	<u>625.00</u>
ADS Fund Donations	
ADS Fund - Unrestricted	11,518.00
ADS Fund - Young Drivers	814.43
ADS Fund - Education	50.00
ADS Fund - Championships Pony	735.23
ADS Fund - Championships Pairs	714.43
Total ADS Fund Donations	<u>13,832.09</u>
Direct Donations	
Donation for ADS Operations	4,416.00
For Annual Meeting	4,850.00
Total Direct Donations	<u>9,266.00</u>
Interest Received	12.37
Licensed Officials Fees	
Combined Driving	2,305.00
Pleasure Driving	2,120.00
Coaching	270.00
Dressage	640.00
Learner	510.00
Total Licensed Officials Fees	<u>5,845.00</u>
Meeting Income	
Annual Meeting Income	7,230.00
Total Meeting Income	<u>7,230.00</u>
Membership	
Annual Earned Portion	129,361.00
Life Earned Portion	8,953.29
Prospective	2,730.00
Total Membership	<u>141,044.29</u>

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October 3, 2011

Accrual Basis

American Driving Society Profit & Loss January through September 2011

	Jan - Sep 11
Sales	
Rulebook Sales	10,151.00
Sales Discounts	(361.00)
Miscellaneous Webstore Sale	50.00
Shipping Charges	576.54
Inventory - Clothing	169.50
Inventory - Miscellaneous	1,477.90
Inventory - Publications	1,024.60
Inventory - Video/DVD	890.41
Sales - Other	47.00
Total Sales	14,025.95
Total Income	241,519.70
Cost of Goods Sold	
Cost of Goods Sold	2,519.04
Cost of Goods	
Cost of Good sold	363.70
Total Cost of Goods	363.70
Cost of Sales	
Shipping & handling	(167.85)
Total Cost of Sales	(167.85)
Total COGS	2,714.89
Gross Profit	238,804.81
Expense	
Education Committee	0.00
Advertising/Promotion	1,396.85
Marketing	2,293.72
Show Expenses	106.85
ADS Fund Grants	
Grants - Young Drivers	2,000.00
Grants - IOI	500.00
Grants - Regional Development	1,417.00
Grants - Championships Single	4,800.00
Total ADS Fund Grants	8,717.00
ADS Fund Operating Costs	
ADS Fund Consultant	4,250.00
Total ADS Fund Operating Costs	4,250.00
Reconciliation Discrepancies	0.00
Bank Charges	
Credit Card Fees	5,655.84
Service Fees	210.38
Total Bank Charges	5,866.22
Clinic Expense	
Communications	1,184.00
Cell Phone	989.43
Internet	1,737.39
Telephone	1,343.71
Website	14.85
Total Communications	4,085.38

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October 3, 2011

Accrual Basis

American Driving Society Profit & Loss January through September 2011

	Jan - Sep 11
Insurance	
Insurance - Property & Casualty	14,014.89
Total Insurance	14,014.89
Meeting Expenses	
Annual Meeting Expense	1,280.35
Winter meeting	1,492.42
Total Meeting Expenses	2,772.77
Publications Expenses	
Buyers Guide Expenses	
postage & handling	1,137.44
printing	4,521.67
Total Buyers Guide Expenses	5,659.11
Rulebook Expenses	
postage & handling	678.99
printing	5,533.90
Total Rulebook Expenses	6,212.89
Omnibus Expenses	
postage & handling	674.58
printing	4,859.00
Total Omnibus Expenses	5,533.58
Wheelhorse Expenses	
Wheelhorse Editorial Consulting	2,720.78
Total Wheelhorse Expenses	2,720.78
Whip Expenses	
Whip Editorial Consulting	11,229.22
AD Commission	0.00
Design	12,595.00
mailing services	2,333.48
postage & handling	3,467.94
Printing	18,785.19
Total Whip Expenses	48,390.83
Total Publications Expenses	68,517.19
Awards and Recognition	
Other Recognitions	1,652.39
Volunteer Expenses	30.44
Awards and Recognition - Other	30.75
Total Awards and Recognition	1,713.58
Contract Services (External)	
Accounting Fees	4,721.75
Contract Services - LOC	943.58
Total Contract Services (External)	5,665.33
Facilities and Equipment	
Equipment Rental and Repair	5,288.70
Rent, Parking, Utilities	6,750.00
Total Facilities and Equipment	12,038.70
Operations	
Education & Training	337.50

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October 3, 2011
Accrual Basis

American Driving Society
Profit & Loss
January through September 2011

	Jan - Sep 11
Books, Subscriptions, Reference	237.28
Hardware	770.82
Professional Memberships	155.00
Postage, Mailing Service	5,132.25
Printing and Copying	1,451.93
Software	2,262.98
Office Supplies	885.79
Total Operations	11,233.55
Other Types of Expenses	
Miscellaneous	15.00
Total Other Types of Expenses	15.00
Employment Expenses	
Salary Pay	63,421.92
Hourly Pay	14,253.59
Payroll Taxes	6,100.66
Health Insurance	9,963.00
SIRA contribution	1,902.60
Total Employment Expenses	95,641.77
Travel and Meetings	
Conferences & Convention Travel	1,899.40
Total Travel and Meetings	1,899.40
Total Expense	241,412.20
Net Ordinary Income	(2,607.39)
Net Income	(2,607.39)

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October 3, 2011

Accrual Basis

**American Driving Society
Balance Sheet
As of September 30, 2011**

	Sep 30, 11
ASSETS	
Current Assets	
Checking/Savings	
Petty Cash Drawer	49.25
Cash	
Wells Fargo-Checking	36,409.90
Wells Fargo-Savings	11,029.00
Citigroup 20907-11	40,647.74
Citigroup 20906-12	63,393.10
Total Cash	151,479.74
Total Checking/Savings	151,528.99
Accounts Receivable	
Open Credit on Account	(3.00)
Membership Invoice	2,755.00
Product Invoices	436.35
Advertising Invoices	13,062.80
Pledges Receivable	1,550.00
Accounts Receivable - Other	(97.85)
Total Accounts Receivable	17,703.30
Total Accounts Receivable	17,703.30
Other Current Assets	
Undeposited Funds	(485.00)
Inventory Asset	
Clothing	2,413.24
Publications	9,015.43
Video's and DVD's	453.20
Miscellaneous	543.68
Inventory Asset - Other	(239.70)
Total Inventory Asset	12,185.85
Prepaid Expenses	
Service Contracts	720.00
Rent / Damage deposits	750.00
Insurance	7,811.53
Total Prepaid Expenses	9,281.53
Total Other Current Assets	20,982.38
Total Current Assets	190,214.67
Fixed Assets	
Furniture and Equipment	51,029.07
Accum Depr - Furn and Equip	(50,872.26)
Vehicles	1,100.00
Total Fixed Assets	1,256.81
Total Fixed Assets	1,256.81
TOTAL ASSETS	191,471.48

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October 3, 2011

Accrual Basis

American Driving Society
Balance Sheet
 As of September 30, 2011

	Sep 30, 11
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	5,695.14
Accounts Payable	5,695.14
A/P Transactions	5,695.14
Total Accounts Payable	5,695.14
Total Accounts Payable	5,695.14
Other Current Liabilities	
Education Committee Fund	6,342.38
Payroll Liabilities	
Simple IRA Payable	475.08
941 Payable	1,782.88
State Withholding (WI)	446.63
State Unemployment Payable	158.49
Total Payroll Liabilities	2,863.08
Sales Tax Payable	
Webstore Tax Collected	2.62
Sales Tax Payable - Other	2.75
Total Sales Tax Payable	5.37
Unearned Memberships	
2012 Memberships	360.00
2011 Memberships	67,345.46
Life Memberships	131,777.96
Total Unearned Memberships	199,483.42
Unearned Show Fees	
2012 Show Fees	6,250.00
Total Unearned Show Fees	6,250.00
Total Other Current Liabilities	214,944.25
Total Current Liabilities	220,639.39
Total Liabilities	220,639.39
Equity	
Opening Bal Equity	2,757.55
ADS Fund	
President's Discretion	1,800.00
Scott Shinn Memorial	5,850.00
Unrestricted	76,938.80
Young Drivers	34,352.98
Education	1,659.75
International Opportunity (IOI)	4,641.69
Arena Trials	750.00
World Championship - Single	4,815.00
World Championship - Pony	432.00
World Championship - Pair	27.00
Total ADS Fund	131,267.22
ADS Reserve Funds	
Region - Central	1,797.32
Total ADS Reserve Funds	1,797.32

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October 3, 2011
Accrual Basis

American Driving Society
Balance Sheet
As of September 30, 2011

	Sep 30, 11
Unrestricted Net Assets	(162,382.61)
Net Income	(2,607.39)
Total Equity	(29,167.91)
TOTAL LIABILITIES & EQUITY	191,471.48

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 October 3, 2011
 Accrual Basis

American Driving Society
Profit & Loss Budget vs. Actual
 January through September 2011

	Jan - Sep 11	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Advertising Income			
Whip Advertising	21,576.00	21,750.00	(174.00)
Omnibus Advertising	5,503.00	6,500.00	(997.00)
Wheelhorse Advertising	30.00	187.50	(157.50)
Classified Advertising	50.00	37.44	12.56
Rulebook Advertising	28.00		
Buyers Guide Advertising	8,352.00	9,500.00	(1,148.00)
Web Site Advertising	400.00	749.97	(349.97)
Total Advertising Income	35,939.00	38,724.91	(2,785.91)
Show Fee Income	13,700.00	9,374.94	4,325.06
Clinic Income	625.00	0.00	625.00
Licensed Officials			
Total Clinic Income	625.00	0.00	625.00
ADS Fund Donations			
ADS Fund - Unrestricted	11,518.00		
ADS Fund - Young Drivers	814.43		
ADS Fund - Education	50.00		
ADS Fund - Championships Pony	735.23		
ADS Fund - Championships Pals	714.43		
Total ADS Fund Donations	13,832.09		
Direct Donations			
Donation for ADS Operations	4,416.00	2,250.00	2,166.00
Auctions & raffles	0.00	0.00	0.00
For Annual Meeting	4,850.00		
Direct Donations - Other	0.00	3,750.03	(3,750.03)
Total Direct Donations	9,266.00	6,000.03	3,265.97
Interest Received	12.37		
Licensed Officials Fees			
Combined Driving	2,305.00		
Pleasure Driving	2,120.00		
Coaching	270.00		
Dressage	640.00		
Leamer	510.00		
Licensed Officials Fees - Other	0.00	4,400.00	(4,400.00)
Total Licensed Officials Fees	5,845.00	4,400.00	1,445.00

American Driving Society
Profit & Loss Budget vs. Actual
 January through September 2011

	Jan - Sep 11	Budget	\$ Over Budget
Meeting Income			
Annual Meeting Income	7,230.00		
Meeting Income - Other	0.00	0.00	0.00
Total Meeting Income	7,230.00	0.00	7,230.00
Webinar Income			
Membership	0.00	1,500.00	(1,500.00)
Annual Earned Portion	129,361.00	137,250.00	(7,889.00)
Life Earned Portion	8,953.29	8,249.94	703.35
Prospective	2,730.00	3,375.00	(645.00)
Total Membership	141,044.29	148,874.94	(7,830.65)
Sales			
Rulebook Sales	10,151.00		
Sales Discounts	(361.00)	11,000.00	(849.00)
Miscellaneous Webstore Sale	50.00		
Shipping Charges	576.54		
Inventory - Clothing	169.50		
Inventory - Miscellaneous	1,477.90		
Inventory - Publications	1,024.60		
Inventory - Video/DVD	890.41		
Sales - Other	47.00		
Total Sales	14,025.95	9,374.94	(9,327.94)
Total Income	241,519.70	20,374.94	(6,348.99)
Cost of Goods Sold			
Cost of Goods Sold	2,519.04	230,249.75	11,269.95
Cost of Goods			
Cost of Good sold	363.70	5,625.00	(3,105.96)
Total Cost of Goods	363.70	5,625.00	(3,105.96)
Cost of Sales			
Shipping & handling	(167.85)		
Total Cost of Sales	(167.85)		
Total COGS	2,714.89	5,625.00	(2,910.11)
Gross Profit	238,804.81	224,624.75	14,180.06

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 October 3, 2011
 Accrual Basis

American Driving Society
Profit & Loss Budget vs. Actual
 January through September 2011

	Jan - Sep 11	Budget	\$ Over Budget
Expense			
Education Committee	0.00		
Advertising/Promotion	1,396.85	749.97	646.88
Marketing	2,293.72	1,499.94	793.78
Show Expenses	106.85		
ADS Fund Grants			
Grants - Young Drivers	2,000.00		
Grants - IOI	500.00		
Grants - Regional Development	1,417.00		
Grants - Championships Single	4,800.00		
Total ADS Fund Grants	8,717.00		
ADS Fund Operating Costs			
ADS Fund Consultant	4,250.00		
Total ADS Fund Operating Costs	4,250.00		
Reconciliation Discrepancies	0.00		
Bank Charges	5,655.84	5,625.00	30.84
Credit Card Fees	210.38	374.94	(164.56)
Service Fees			
Total Bank Charges	5,866.22	5,999.94	(133.72)
Communications			
Clinic Expense	1,194.00		
Cell Phone	989.43	675.00	314.43
Internet	1,737.39	945.00	792.39
Telephone	1,343.71	1,035.00	308.71
Website	14.85	262.44	(247.59)
Total Communications	4,085.38	2,917.44	1,167.94
Insurance			
Insurance - Property & Casualty	14,014.89	14,249.97	(14,249.97)
Insurance - Other	0.00		
Total Insurance	14,014.89	14,249.97	(235.08)
Meeting Expenses			
Annual Meeting Expense	1,280.35		
Winter meeting	1,492.42		
Total Meeting Expenses	2,772.77		

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 October 3, 2011
 Accrual Basis

American Driving Society
Profit & Loss Budget vs. Actual
 January through September 2011

	Jan - Sep 11	Budget	\$ Over Budget
Publications Expenses			
Buyers Guide Expenses			
postage & handling	1,137.44		
printing	4,521.67		
Buyers Guide Expenses - Other	0.00		
Total Buyers Guide Expenses	5,659.11	7,500.00	(1,840.89)
Total Publications Expenses			
Rulebook Expenses			
postage & handling	678.99	2,000.00	(1,321.01)
printing	5,533.90	5,200.00	333.90
Total Rulebook Expenses	6,212.89	7,200.00	(987.11)
Total Omnibus Expenses			
postage & handling	674.58	6,000.00	(1,141.00)
printing	4,859.00	6,000.00	(466.42)
Total Omnibus Expenses	5,533.58	6,000.00	(466.42)
Whoehorse Expenses			
Whoehorse Editorial Consulting	2,720.78	2,624.94	95.84
postage & handling	0.00	375.00	(375.00)
printing	0.00	1,125.00	(1,125.00)
Total Whoehorse Expenses	2,720.78	4,124.94	(1,404.16)
Whip Expenses			
Whip Editorial Consulting	11,229.22	10,874.97	354.25
AD Commission	0.00		
Design	12,595.00	13,125.00	(530.00)
mailing services	2,333.48	1,200.00	1,133.48
postage & handling	3,467.94	4,875.00	(1,407.06)
Printing	18,765.19	19,500.00	(734.81)
Total Whip Expenses	48,390.83	49,574.97	(1,184.14)
Total Publications Expenses	68,517.19	74,399.91	(5,882.72)
Awards and Recognition			
Other Recognitions	1,652.39		
Volunteer Expenses	30.44	374.94	(344.19)
Awards and Recognition - Other	30.75		
Total Awards and Recognition	1,713.58	374.94	1,338.64

American Driving Society
Profit & Loss Budget vs. Actual
 January through September 2011

	Jan - Sep 11	Budget	\$ Over Budget
Contract Services (External)			
Accounting Fees	4,721.75	1,499.94	3,221.81
Legal Fees	0.00	749.97	(749.97)
Contract Services - LOC	943.58	2,250.00	(1,306.42)
Contract Services (External) - Other	0.00	562.50	(562.50)
Total Contract Services (External)	<u>5,665.33</u>	<u>5,062.41</u>	<u>602.92</u>
Facilities and Equipment			
Equipment Rental and Repair	5,288.70	4,500.00	788.70
Rent, Parking, Utilities	6,750.00	7,200.00	(450.00)
Total Facilities and Equipment	<u>12,038.70</u>	<u>11,700.00</u>	<u>338.70</u>
Operations			
Education & Training	337.50	374.94	(37.44)
Books, Subscriptions, Reference	237.28	225.00	12.28
Hardware	770.82	1,125.00	(354.18)
Professional Memberships	195.00	524.97	(369.97)
Postage, Mailing Service	5,132.25	5,999.94	(867.69)
Printing and Copying	1,451.93	2,624.94	(1,173.01)
Software	2,282.98	2,250.00	12.98
Office Supplies	885.79	1,499.94	(614.15)
Total Operations	<u>11,233.55</u>	<u>14,624.73</u>	<u>(3,391.18)</u>
Other Types of Expenses			
Miscellaneous	15.00		
Total Other Types of Expenses	<u>15.00</u>		
Employment Expenses			
Salary Pay	63,421.92	63,421.83	0.09
Hourly Pay	14,253.59	16,499.97	(2,246.38)
Payroll Taxes	6,100.66	7,016.94	(916.28)
Health Insurance	9,963.00	8,624.97	1,338.03
SIRA contribution	1,902.60	2,250.00	(347.40)
Total Employment Expenses	<u>95,641.77</u>	<u>97,813.71</u>	<u>(2,171.94)</u>
Travel and Meetings			
Conferences & Convention Travel	1,899.40	3,749.94	(1,850.54)
Total Travel and Meetings	<u>1,899.40</u>	<u>3,749.94</u>	<u>(1,850.54)</u>
Total Expense	<u>241,412.20</u>	<u>233,142.50</u>	<u>8,269.30</u>
Net Ordinary Income	<u>(2,607.39)</u>	<u>(8,518.15)</u>	<u>5,910.76</u>

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 October 3, 2011
 Accrual Basis

American Driving Society
Profit & Loss Budget vs. Actual
 January through September 2011

	Jan - Sep '11	Budget	\$ Over Budget
Other Income/Expense			
Other Income	0.00	7,499.97	(7,499.97)
ADS Fund Grant	0.00	7,499.97	(7,499.97)
Total Other Income	0.00	7,499.97	(7,499.97)
Net Other Income	0.00	7,499.97	(7,499.97)
Net Income	<u>(2,607.39)</u>	<u>(1,018.18)</u>	<u>(1,589.21)</u>