

*EXHIBIT "B"*

**UNITED STATES MASTERS SWIMMING, INC.**

*Amendments to the*

**FINANCIAL OPERATING GUIDELINES**

The purpose of this financial operating guidelines ("FOG") manual is to list in one place all of the operating financial policies and procedures currently in existence in USMS. FOG will be updated and maintained by the Finance Committee on an annual basis. This document shows only the amendments and the additions to FOG approved at the 1990 convention.

Amend FOG 1 as follows:

add "the Controller," after "the Treasurer".

Amend FOG 7 as follows:

Strike the references to paragraphs 12, 13, and 23, and insert in lieu thereof 10, 11, 12, and 14.

Amend FOG 9.B. as follows:

Strike all of paragraph B. as written and insert in lieu thereof "A minimum of \$40,000 designated as a reserve fund specifically for the payment of the liability insurance deductible, increasing to and maintained at a level of \$60,000 by 12-31-91, and further increasing the reserve by a minimum of \$10,00 per year until the reserve reaches a total of \$100,000.

Amend FOG 10, 11, 12 and 14 as follows:

Insert ",airport transfers" after the words "air fare" in the first line of each.

Add new FOG 15 as follows (and renumber subsequent paragraphs accordingly):

The convention registration fee for all members of the Board of Directors is to be included in each of the Board members budget each year and reimbursed by USMS.

Amend FOG 23 (formerly 22) as follows:

Strike "\$750" and insert in lieu thereof "\$1,000."

Amend FOG 26 (formerly 25) as follows:

Insert "and/or USMS" after the words "per I.R.S."

Amend FOG 27 (formerly 26) as follows:

Strike existing subparagraphs C., D. and E., and insert in lieu thereof new subparagraph C. as follows:

"Following selection of a vendor, the requesting officer or standing committee shall submit all documentation concerning the bidding process to the Controller.

Add new subparagraph D. as follows:

"Nothing in this guideline shall be construed as meaning that the low bid must be accepted.

However, if the low bid is not recommended, reasons supporting the choice of another bid must be presented to the Executive Committee along with the submitting party's recommendations for approval".

Add new subparagraph E. as follows:

"Nothing in this guideline shall be construed as precluding negotiations between USMS and a successful bidder in an attempt to improve a contract to the benefit of USMS".

Add new FOG 28 as follows:

"A minimum of three competitive bids are required prior to entering into a contract with any independent contractor for personal services to be provided to USMS, unless than fewer than three such contractors are

available and willing to bid.

- A. An officer or a standing committee may request a budget allocation through the Finance Committee with the approval by the House of Delegates.
- B. The requesting officer or standing committee shall then solicit written bids that meet the requesting party's written specifications.
- C. The requesting officer or standing committee shall then evaluate all bids received, and recommend a selection of one contractor to the Executive Committee for majority approval.
- D. Nothing in this guideline shall be construed as meaning that the low bid must be accepted. However, if the low bid is not recommended, reasons supporting the choice of another bid must be presented to the Executive Committee along with the submitting party's recommendation for approval.
- E. Nothing in this guideline shall be construed as precluding negotiations between USMS and a successful bidder in an attempt to improve the contract to the benefit of USMS".

Add new FOG 29 as follows:

"The commitment or use of any funds from the "Miscellaneous/Contingency" budget shall be approved in advance by a majority of the Executive Committee.

