

**Minutes  
Meeting of the Executive Committee  
Sigma Delta Chi Foundation  
Conference Call  
January 15, 2014**

**MEETING CALLED TO ORDER**

With President Robert Leger presiding, the Executive Committee of the Sigma Delta Chi Foundation was called to order at 3:16 p.m. EST on Wednesday, Jan. 15.

**ROLL CALL**

In addition to Leger, the following were in attendance: Vice President Irwin Gratz, Secretary-treasurer Jane Kirtley, Treasurer Howard Dubin, Mac McKerral, Todd Gillman and Sue Porter. Also in attendance were Executive Director Joe Skeel, Associate Executive Director Chris Vachon, Controller Jake Koenig, and Greenwalt Accounting representatives Jennifer McVey and Amanda Meko.

**FINANCIAL AUDIT**

The purpose of the call was to review the annual independent financial audit for fiscal year 2013 conducted by Greenwalt.

McVey explained that Greenwalt found no significant or material changes in the Foundation's financial records during the audit. Furthermore, she shared that Greenwalt gave the Foundation a clean report, which is the highest rating possible.

McVey then explained the income statement, noting there was a significant increase in realized and unrealized gains. This is the result of an improved market when compared to the prior year. She also noted that expenses were up in grant expenses and shared costs.

Leger asked if the increase in expenses was expected. Skeel explained that it was, and accounted for in the budget that was adopted for FY2013.

McVey shared that the Foundation's unrestricted reserves would provide for 10.6 years of operations, assuming expenses remained constant. The prior year was 9.9 years. Greenwalt's recommendation is for non-profits to have 3-6 months of unrestricted reserves.

McVey noted that fundraising expenses increased significantly, mainly due to higher personnel costs being allocated to this function. The Foundation raised 48 cents per dollar spent. The prior year the Foundation earned \$3.34 per dollar spent. Greenwalt recommends \$4-5 per dollar spent.

Porter asked how the IRS might view this shift. Meko explained that the IRS is looking more closely at how organizations under-represent their fundraising costs. Given that the Foundation's fundraising costs increases, due to staffing changes, it's unlikely the IRS would have an interest.

McVey shared that the foundation's cash position was up \$20,000 over the prior year.

Lastly, Meko said the foundation may want to consider reviewing all current policies, such as conflict of interest and record retention, to ensure they are up to date.

**Upon proper motion and second by Dubin and McKerral, respectively, the committee approved the audited financial records.**

Staff will share the approved audit report with the SDX Board of Directors upon receipt from Greenwalt.

## **Adjournment**

The meeting was adjourned at 3:35 p.m. EST on Wednesday, Jan. 15, 2014.