

WSSA Committee Report to Members
Summary for Summer Board Meeting 2009
(prepared 7-21-09)

Committee Code and Name: F2 Finance Committee

Committee Chair: J. Anita Dille

Board Coordinator: J. Anita Dille

Committee Goals for 2009 (what did the Committee plan to accomplish in 1st half of 2009):
Evaluate current and upcoming financial status and obligations of WSSA, its budget, banking accounts, investments, and its budgetary operations. Reevaluate approaches used for Endowment and General Fund investments.

Summary of Progress to July 2009:

Bank Accounts.

On May 31, 2009, WSSA bank accounts had the following balances with Douglas County Bank:

- a) Checking account, \$120,037.54
- b) Money Market account, \$20,870.02

Wachovia Securities (was A.G. Edwards) investments.

Value of these investments has continued to move around during the first and second quarters of 2009. The investments had the following balances:

- a) General Fund: June 30, 2009, \$645,606 (down from \$651,479 on December 31, 2008 but up from \$582,214 on March 31, 2009). First quarter account performance (-9.5%) while second quarter account performance (+10.89%) with a year to date performance of 0.29%.
- b) Endowment Fund: June 30, 2009, \$218,324 (up from \$210,296 on December 31, 2008, and up from \$191,444 on March 31, 2009). First quarter account performance (-6.85%) while second quarter account performance (14.04%) with a year-to-date performance of 6.35%.

The Finance Committee has held regular conference calls with Jeff Holloway, our account manager. On April 28, we reviewed the first quarter portfolio reports and gained some perspective from Jeff on how he perceives the direction of the economy. In the General Fund, we are balanced across large, mid- and small growth and value funds. Our balance of assets was 60% in equities, 28% in bonds and 12% in cash, as per our investment guidelines. As a committee we did support Jeff to move some of our funds from European investments into a split with the Americas and Greater Asia as the emerging markets were performing stronger. In the Endowment Fund, our goal is to generate approximately 7% cash / dividends for the undergraduate scholarship program. The projected earnings for May '09-April '10 is \$12,868, which is a return of 6.3%. The committee still recommends that we limit scholarship expenditures to approximately 5 awards for a total of \$5000 for the current year.

We have a conference call on Wednesday, July 22 to review our second quarter portfolio reports.

Update on other Treasurer activities:

- Regularly communicate with Joyce Lancaster, Executive Secretary to review disbursements/ checks.
- Treasurer and Internal Auditor (Dave Vitolo) review quarterly statements and budget targets for WSSA.
- Regularly participate on monthly WSSA/SRM Joint Meeting conference calls.

Recommendations for Board Action:

Short-term investment actions and longer-term strategies for Wachovia Securities accounts continue to be evaluated and updated by the Finance Committee and the Board.

Limit number of undergraduate research scholarships to 5 at \$1000 each.

Committee Goals for 2009:

Continue to conduct regular conference calls with investment manager.

Resources needed for 2009:

Finances: None