

Date: **July 14, 2008**

From: **BSA Financial Advisory Committee (FAC)**

Joe Armstrong jearmstr@ilstu.edu (Member)

Russell Chapman <rchapman@ucsd.edu> (Member)

Jack Horner hth@iastate.edu (Member and Chair)

Bill Dahl <wdahl@botany.org> (ex officio, BSA Executive Director)

Pam Soltis <psoltis@flmnh.ufl.edu> (ex officio, BSA President)

Laura Galloway <lgalloway@virginia.edu> (ex officio, BSA Treasurer)

To: **Executive Committee and Council of the Botanical Society of America**

Re: **Annual Report of the FAC for 2007-2008 regarding the BSA Endowment Fund**

Since the previous 2007-2008 Annual Report, the FAC:

- has monthly monitored the BSA Endowment Fund (EF) invested with Smith Barney (SB);
- had one conference call on July 10, 2008 with the SB staff in Des Moines, IA;
- voted to restructure the endowment fund portfolio, per Smith Barney recommendations, to meet the challenges of the changing global markets and the Endowment Fund Investment Performance Goal of 9.44%, based on the BSA statement of investment policy objectives & guidelines
- recommends \$35,000 of the EF for 2008-2009 to the EC/Council for initiatives, pending further discussion and vote in Vancouver prior to Council meeting

The domestic and international markets, based on the global economy, have taken major downturns during this past year. For example, as of October 2007 to June 30, 2008 the Dow Jones Industrials have decreased by about 20%. It is projected that 2008-2009 will see the same fluctuations as this past year. It has been a difficult year for all kinds of investments.

As of June 30, 2008 the EF value was \$3,326,358, a decrease of -14.7% for the 2007-2008 fiscal year. For comparison, as of a year ago, June 10, 2007, the EF value was \$3,633,455 (an increase of 17.3% for 2006-2007). The Endowment Fund total management fee for this last calendar year was \$28,110 (0.0076%).

Presently, the EF is divided into four categories:

➤ Stocks + Money Funds	= \$1,927,653
➤ Stocks + Money Funds	= \$ 517,580
➤ Stocks + Money Funds	= \$ 169,923
➤ Fixed Income + Money Funds	= \$ 711,202
➤ Total	= \$3,326,358 (as of end of June 30, 2008)

The FAC collected information from several investment firms to compare their general strategies for investment as a comparison to the presently used Smith Barney Management..

The FAC has not evaluated these firms and their proposals yet, and plans to make this a goal for 2008-2009.

The FAC believes the EF will hold its own during 2008-2009 with the restructuring of the EF portfolio by SB to keep it in line with the 9.44% growth goal. In expectation of the fluctuating markets the FAC continues to encourage the membership to consider gifts to the Unrestricted EF, to reach the 5 million mark it established three years ago.

There is *no recommendation at this time* to provide the EC/Council with an amount of money from the Endowment Fund for BSA initiatives for fiscal 2008-2009. A recommendation of \$35,000 will be considered at the FAC forthcoming meeting on July 27, in Vancouver, before the Council meeting.

The FAC meeting in Vancouver will be at 8:30 am, Sunday morning, July 27 (see meeting schedule for room and building). *Any BSA member interested in attending the meeting is welcome.*

The chair or any member of the FAC will be willing to answer questions about the EF.

Respectfully submitted,

Harry T. (Jack) Horner, FAC Chair

This is the first year (2007-2008) that the entire list of donors to BSA Awards, Endowments & Funds Gifts has been included in the Annual Financial Advisory Committee's Report. All of these gifts are deposited into the Endowment Fund, and the records and intended use of these gifts are maintained in the BSA Business Office. All gifts are tax deductible. *The Society sincerely thanks all donors for their continuing financial commitment.*

**BSA AWARDS, ENDOWMENTS & FUNDS GIFT GIVING
for 2007-2008
\$73,928**

MAJOR AWARDS, ENDOWMENTS & FUNDS GIFTS - \$60,000

Anonymous - \$50,000, James M and Esther N Schopf Fund
http://www.botany.org/awards_grants/special_funds/James_and_Esther_Schopf.php

Anitra Thorhaug - \$10,000, Award in development - Best paper in the AJB

AWARDS, ENDOWMENTS & FUNDS GIFTS - \$13,928

AJ Sharp Award – \$110

Walter Bien
Raymond Holton
Mark Mayfield
Matthew Nelson
Steve Rice

Botanical Friends - \$236

Michelle Barthet
Andrew Bowling
W. Hardy Eshbaugh
Greayer Mansfield-Jones
Neil Sawyer

BSA Endowment Unrestricted - \$6,174

Luke Albert
Edith Allen
Joseph Armstrong
Mary Barkworth
Andrew Bowling
Kenton & Henrietta Chambers
Russell Chapman
Lynn Clark
Martha Cook
S. H. Costanza
Nancy Cowden
James Crants
Belen Estebanez Perez
Katherine Gregg
Richard Greyson
Jocelyn Hall
H. David Hammond
Leo Hickey
Harry & Cecilia Horner
David Inouye
Judy Jernstedt
Kathleen Keeler
Terri Koontz
Jean Kreizinger
Nels Lersten
Wesley Leverich
Greayer Mansfield-Jones
Mark Mayfield
Ailsie McEnteggart
David McLaughlin
Beth Middleton
Brent Mishler

Jeffrey Osborn
Robert Price
Alison Roberts
Thomas Rost
Neil Sawyer
James Seago
Allison Snow
Tamora Spiller
David Spooner
Alice Stanford
Todd Vision
Linda Watson
Andrea Weeks
Anne Worley
Richard Wurdack
Jun Yokoyama

BSA Graduate Student Research/J. S. Karling Awards - \$155

Darleen DeMason
Benjamin Hall
Gary Maier
Todd Vision

Charles Edwin Bessey Award - \$30

Carol Caha
Alice Stanford

Darbaker Prize - \$1460.91

Mellon Trust of New England

Edgar T. Wherry Award - \$90

Thomas Gavnish
Christopher Haufler
Thomas Ranker

Education and Outreach - \$261

Kobinah Abdul-Salim
Amy Berkov
Andrew Bowling
Steven Carrol
Russell Chapman
Lynn Clark
Wilson Crone
Margaret Conover
S. H. Costanza
Daniel Gladish

Terri Koontz
Olga Kopp
Katherine Preston
Neil Sawyer
Alice Stanford
Irene Terry
Anne Worley

Planting Science - \$551

Andrew Bowling
Margaret Conover
Linda Graham
Rosemarie Haberle
Donna Hazelwood
Krause Family
Mary Leck
Gary Maier
Muriel Poston
Katherine Preston
Steve Rice
Neil Sawyer
Tamora Spiller
Alice Stanford
Rahmona Thompson

Emanuel D Rudolph Award - \$25

Victor Riemenschneider

Grady L. Webster Fund - \$425

Bruce Baldwin
David Bates
Russell Chapman
Heidi Dobson
H. David Hammond
Noel & Patricia Holmgren
Mark Mayfield
Genevieve Walden

Isabel Cookson Award - \$225

William Crepet
Leo Hickey
Bonnie Jacobs
Gar Rothwell

James M and Esther N Schopf Fund - \$80

Aureal Cross
Charles Miller, Jr.
Thomas Taylor

Katherine Esau Fund - \$378

Russell Chapman
Nancy Coutant
Wilson Crone
Andrew Doust
Susan Eichhorn
R. Geeta
Daniel Gladish
Donna Hazelwood
William McCarey
Christopher Meloche
Brenda Molano-Flores
Eisho Nishino
Hirokazu Tsukaya
Carol Wilson

Margaret Menzel Fund - \$85

Katrina Dlugosch
Clare Hasenkampf
Richard Whitkus

Maynard Moseley Award - \$125

William McCarey
Edward Schneider

Michael Cichan Fund - \$185

Susan Eichhorn
Charles Miller, Jr.
Stephen Scheckler
Thomas Taylor
M. F. Wojciechowski

Paleobotanical Endowment - \$482

Anne-Laure Decombeix
Ted Delevoryas
Diane Erwin
Jason Hilton
Richard Lis
Gene Mapes
Charles Miller, Jr.
Hermann Pfefferkorn
James Stichka

Bruce Tiffney
Andrea Wakefield
Peter Wilf
Andrea Wakefield

Vernon I. Cheadle Award – \$2,195

William Cheadle
John Choinski
Margaret Conover
Donna Hazelwood
William McCarey
Neil Sawyer
Alice Stanford
Bruce Tiffney

Winfried and Renata Remy Fund - \$78.83

Pat Gensel
Thomas Taylor

SECTIONAL FUNDS AND STUDENT AWARDS

Developmental & Structural Section Fund and Student Travel Awards - \$504

Joseph Armstrong
Brendon Boudinot
Wilson Crone
Pamela Diggle
Andrew Doust
Frank Ewers
R. Geeta
Daniel Gladish
Martin Goffinet
Clare Hasenkampf
Cynthia Jones
Brigitte Marazzi
Christopher Meloche
Eisho Nishino
Cyrille Prestianni
John Romberger
Thomas Rost
Edward Schneider
Joseph Williams
Wenying Wu

Ecological Section Fund and Student Travel Awards - \$641

Ann Antlfinger
Jonathan Bauer

Amy Berkov
Brendon Boudinot
Andrea Case
Brenda Casper
Gregory Cheplick
Joseph Colosi
Nancy Coutant
Mitchell Cruzan
Stephen Davis
Heidi Dobson
Thorsten Englisch
Thomas Gavnish
Lars Goetzenberger
David Gorchov
H. David Hammond
Jeffrey Karron
Kathleen Keeler
Stephanie Klein
Mary Leck
Gary Maier
Irving Mendelssohn
Beth Middleton
Brenda Molano-Flores
Nancy Nicholson
Janet Onnen
Virgil Parker
Rosemary Pendleton
Alison Snow
Anne Worley
Jun Yokoyama
David Zaya

Economic Botany Section Fund and Student Travel Awards - \$50

Andrea Case
Genetics
Jean Labonne
Mari Marutani
Flor Rodriguez
Kristina Schierenbeck
Randall Small
David Zaya

Mycological Section Section Fund and Student Travel Awards - \$60

Brenda Casper
Richard Hanlin
Zheng Wang

Paleobotanical Fund - \$601

Brendon Boudinot
S. H. Costanza
Nestor Cuneo
Jason Hilton
Bonnie Jacobs
Stephanie Klein
Charles Miller, Jr.
James Stichka
Ralph Taggart
Bruce Tiffney
Wenying Wu
Atsushi Yabe

Phycological Section Fund and Student Travel Awards - \$135

Russell Chapman
Linda Graham
Raymond Holton
Richard McCourt
Nancy Nicholson

Physiological Section Fund and Student Travel Awards - \$120

Stephen Davis
Henri Maurice
Nancy Nicholson
Peter Straub
Lee Tarpley

Phytochemical Section Fund and Student Travel Awards - \$22

Amy Berkov
Flor Rodriguez

Pteridological Section Fund and Student Travel Awards - \$270

Brendon Boudinot
Thomas Gavnish
Jennifer Geiger
Christopher Haufler
Blanca Leon
Joan Nester-Hudson
Thomas Ranker
Joanne Sharpe
Randall Small

Systematics Section Fund - \$80

Brendon Boudinot

Lars Goetzenberger
Jocelyn Hall
Donald Les
Flor Rodriguez
Randall Small
Linda Watson
Wenying Wu

Teaching Section Fund - \$25

Stokes Baker
James Crants
Donna Hazelwood