Annual Report FY 2007
Finance Committee

Lynda S. White, Chair
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Strategic Plan Goal IV: To strengthen and increase the effectiveness of ARLIS/NA’s activities and operations.
Objective B: Provide an efficient and effective organizational and financial structure to ensure the stability and health of the society.

Charge: An advisory committee to the Executive Board, it ensures that financial policy is observed and reviews policy periodically; monitors amount and placement of reserve funds held in near liquidity; advises on the investment of restricted endowment funds in vehicles that minimize exposure risk on investments; provides advice of a financial nature as requested by the Treasurer and Executive Board.

Leadership Update: Chair remains the same.

Activities:
- Outgoing past president, Margaret Webster will be replaced by incoming vice-president/president-elect Ken Soehner; Carol Graney will be replaced by Trudy Jacoby.
- Monies in the ARLIS/NA money market fund were moved, during the Banff conference, to our Vanguard investment accounts. $75,000 was distributed 60/40 as follows:
  - $45,000 to the 500 Index fund
  - $30,000 to the Total Bond Market fund
- Chair provided monthly investment reports to committee. The investments provided $12,750 in dividends for FY2006. The overall value of our investments changed from $298,266 to $318,992 without additional funding, an increase of 6.9%.
- The phrase "endowment" was removed from the committee’s charge as ARLIS/NA has no endowment funds.
- Former chair and treasurer, Phil Heagy, discussed with the committee the criteria for moving paper materials from the treasurer’s files to the archives. Criteria were approved with the assistance of our headquarters financial manager, Bonnie James. Headquarters keeps 7 years of financial records. Mr. Heagy has reviewed his six boxes of files and sent two of archival materials to the archives at Syracuse University.
- Past treasurer, Lynda White, weeded her files according to the agreed upon criteria and sent her working files to current treasurer Fran Scott.
- Criteria for archiving electronic files will be decided by the archives task force. Past treasurers are awaiting word from the task force as to what to do with electronic files.

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At the pre-conference board meeting in May 2006, the ARLIS/NA Executive Board agreed to move funds from the Vanguard Prime Money Market account to the following investment funds in order to increase the dividends and the growth potential of the ARLIS/NA investments:

- 500 Index Fund $45,000.00
- Total Bond Market Index Fund $30,000.00

There has been considerable improvement in the income from these reserve funds since the move to Vanguard. The chart below shows income from the invested funds from January 2004 through March 2007.

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<tr>
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<th>Vanguard</th>
<th>Schwab</th>
<th>Total</th>
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As of March 2007, the April 2006 value of $303,331 had increased to $322,744, an increase of $19,433 or 6.4%. In the first 3 months of 2007, we have earned slightly more than during the same period last year--in spite of a slight decline in the market during that period. The average income from April 2006 until March 2007 is:

- 500 Index Fund $355.55 per quarter
- Total Bond Market Index Fund $200.11 per month
- Prime Money Market Fund $772.87 per month