

**ALPHA GAMMA SIGMA BOARD OF TRUSTEES
SPRING MEETING MINUTES**

April 4th, 2014

DoubleTree Hotel, San Jose, California

1. **Call to Order:** President Obed Vazquez from Diablo Valley College called the meeting to order at 5:08 PM. Everyone was happy to have him back, including Jacqueline Faris, who did an excellent job as President pro tempore at the previous meeting.
2. **Approval of Agenda:** The agenda was approved with no additions.
3. **Introductions of Trustees:** Surekha Acharya, Lisa Carlsen, Teri Curtis, Jacqueline Faris, Erik Fritz, Terry Green, Jennifer McBride, Rowena Mendoza, Randy Taylor, Obed Vazquez, and Steven Wallech introduced themselves. The student trustee from the South, Austin Kang from Pasadena College, introduced himself. The student trustee from the North, Maggie Yerena from Las Positas College, introduced herself. We had excellent attendance at this meeting.
4. **Approval of Minutes of October 5, 2013:** The minutes were approved with the correction of the spelling of trustee Surekha Acharya from Riverside City College. The corrected minutes will be posted on our website.
5. **Announcements:** Jacqueline Faris told us that Tom and Marie Jackson would be attending the banquet on Saturday night. Tom, a past president of the Board of Trustees, was really a promoter of advisors giving money for scholarships and bequeathing money in their wills to increase our endowment fund.

6. Treasurer's Report:

AGS Consolidated Report	Year: 2013 Jan 1st to December 31 st	with an added mini- report					
			31-Jan-13	2/29/2013	31-Mar-13	30-Apr-13	31-May-13
Cash Equivalents			16,966.31	16,966.44	16,966.58	13,454.70	13,454.81
Net Portfolio Assest held at Stifel			37,796.57	37,922.98	39403.52	40064.54	42,302.10
Sub-Total			54,762.88	54,889.42	56370.10	53519.24	55,756.91
Lincoln Financial Group			414,353.18	415,653.70	426197.42	433268.16	449,671.82
Net Portfolio Value			469,116.18	470,543.12	482567.52	486787.40	505,428.73
Net Gains and losses			27,488.04	1426.94	12024.40	4219.88	18641.33
Cash Equivalent gains and losses				0.13	0.14	-3512.00	0.11
Net Portfolio gains and losses				126.41	1480.54	661.02	2,237.56
Lincoln Financial Group Gains and Losses				1,300.52	10543.72	7070.74	16,403.66
Yearly Net Income 2000	Gains and losses	16,410.03				Lincoln Fund	
Yearly Net Income 2001	Gains and losses	12,159.72				Guaranteed value	
Yearly Net Income 2002	Gains and losses	14,599.24				431,464.15	
Yearly Net Income 2003	Gains and losses	13,413.72				Lincoln Fund set 10/30/07	
Yearly Net Income 2004	Gains and losses	11,641.65				October 31, 2013 value	
Yearly Net Income 2005	Gains and losses	17,117.53				485,838.25	
Yearly Net Income 2006	Gains and losses	11,525.49				2013 Lincoln value	
Yearly Net Income 2007	Gains and losses	41,973.83				Above Guaranteed	
Yearly Net Income 2008	Gains and losses	-163,966.59				Value in 2007:	
Yearly Net Income 2009	Gains and losses	92,679.15				54,474.10	
Yearly Net Income 2010	Gains and losses	100,199.37					
Yearly Net income 2011	Gains and losses	-20,787.09				New Calculation of	
Yearly Net income 2012	Gains and losses	21,338.03				Guaranteed amount:	
Yearly Net income 2013	Gains and losses	124,938.93				Reset in 10/31/13 We held our gains.	

12-Jun	31-Jul-13	8/31/2013	9/30/2013	10/31/2013	11/30/2013	12/31/13
13454.92	13,455.03	13,455.14	13,455.14	13,455.47	13,455.47	13,455.47
42,026.88	44,558.09	43,138.85	44,808.04	46,176.62	47,514.87	47,902.57
55481.8	58,013.12	56,593.99	58,263.18	59,631.98	60,970.34	61,358.15
436,627.80	457,410.63	449,393.17	468,809.40	485,938.25	494,945.17	505,198.80
492,109.60	515423.75	505987.16	528299.24	545,570.21	555,915.51	566,566.95
-13319.13	23314.15	-9436.59	22312.08	18,795.54	10,345.28	10,651.44
0.11	0.11	0.11	0.00	0.22	0.11	0.11
-275.22	2531.21	-1419.24	1669.19	1666.58	1338.25	387.70
-13044.02	20782.83	-8017.46	19416.23	17,128.85	9006.92	10253.63

2012 Mini-report	
1/31/2012	\$420,289.99
3/31/2012	\$444,351.97
5/31/2012	\$405,251.65
8/31/2012	\$428,067.05
12/31/2012	\$441,628.02
2012 gains	\$22,699.23

2013 Mini-report	
12/31/2012	\$441,628.02
1/31/2013	\$469,116.06
8/31/2013	\$528,299.24
10/31/2013	\$545,570.23
12/31/2013	\$566,566.95
2013 gains	\$124,938.93

Totals Column for 2013

2013 Net Gains and Losses: 4,287.49

2013 Cash Equivalent gains and losses: \$-3,510.84

2013 Net Portfolio gains and losses: \$9,718.30

2013 Lincoln Financial Group Gains and Losses: \$80,591.99

Steve Wallech gave us the above report which he explained to us so that we could better understand it. He noted that we had a terrific year because our Lincoln Financial Group fund gained \$124,938.93, our best year since placing our money in this fund. He showed us that we now have a guaranteed value of \$485,928.25 which is \$54,474.10 over the \$431,464.15 what was the guaranteed value when we started with them. He told us that the actual amount we had with them at the end of 2013 was \$566,566.95. He explained to use that we could withdraw up to \$25,000 per year for scholarships but we could not take the fund below its guaranteed value. However, he told us that our financial advisor had recommended that we not do so. Our financial advisor recommended that we allow the endowment fund to continue to increase in value.

Steve asked us to start thinking about what are our long-term goals should be. One suggestion was that we should continue to not use money from our endowment fund for scholarships. We should continue to fund our scholarship contributions through liquid funds. It was great that for the first time in a long time, our guaranteed value of the endowment fund had gone up significantly. It was then suggested that we should try to reach a set amount of money in the fund. Then we could then liquidate the fund and move the money to a different type of investment in which we could use the interest from that fund for scholarships each year. Jacqueline suggested that we should try to have the goal of getting to the \$750,000 dollar amount

and at that point reassess our situation. We ideally then could put the ¾ of a million dollars in a super safe investment and use the interest on that investment for scholarships. It would not be advisable now to do that because a) we have not reached ¾ of a million dollars and b) the interest rates on safe investments are spectacularly low. So we decided to let the endowment fund continue to grow and hope that we have continued financial success. If we were able to gain \$100,000 each of the next two years, that would be terrific, as we would be over the \$750,000 goal. It was agreed that we would ask our financial advisor to come talk to us in two years if we were to continue to see the endowment fund grow at its current pace.

7. State Treasurer's Reports:

- 1) **AGS Financial Summary 2014**
- 2) **Expenditures Approved SAB**
- 3) **BOT Scholarship Report 2014**
- 4) **Cost of AGS Convention 2006-2014**

1)	\$135,875.51	Money in the bank as of 4-1-2014
Minus	\$26,905.00	earmarked for scholarships
Minus	\$10,502.00	2014 convention deposits not yet spent
Equals	\$98,468.51	
	\$10,995.02	Money that belongs to the Jewelry account
	\$9,934.82	Money that belongs to the Operating Budget account
	\$1,661.82	Money From FAM.
	\$52,513.61	Money from convention profits that have not been used for scholarships
	\$23,363.24	Starting bank balance in 2005
	\$98,468.51	

2)

Meeting	Date Approved	Project	Amount	Date Completed
CONV	Apr-13	New Advisor Training Friday Night of Conv. The advisor running the training gets a free Room they register at drive in rate.	\$245.00	Ongoing
FAM	Oct-13	Brochures	\$2,000.00	April 1 2014
CONV	Apr-12	Web site	\$6,000.00	
FAM	Oct-12	Laptop and external hard drive for financial accounting	\$1,500.00	
FAM	Oct-12	Funds to pay for Secretary, President, scholarship chair and Treasurer to attend FAM and Convention when no chapter or College funds are available.	\$2,000.00	Ongoing
CONV	Apr-11	Host Chapter receives one 2 person/2 bed room with all registration costs	\$520.00	Ongoing
CONV	Apr-10	Adopting a torch logo in full color by a graphic artist	none	April 2014 cost \$100

3) Scholarship money collected in 2013 for 2014

		BOT share	
Bell	\$69.00		
Coffey	\$115.00		
General	\$1,826.00		
Jackson	\$65.00		
Loly	\$23,880.00		\$11,940
Mantovani	\$815.00		
Walsh	\$135.00		
TOTAL	\$26,905.00		\$14,965.00

\$ not spent in 2013	\$0	
	\$8,095.00	Convention profits
	\$5,000.00	BOT donation

TOTAL if BOT gives us their share back	\$40,000.00	
	\$36,500.00	awarded in 2013

TOTAL if BOT does not give us their share back	\$23,060.00	
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4)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sat Bkfst	\$18.16	\$19.87	\$22.42	\$20.64	\$20.00	\$20.64	\$20.00	\$21.67	\$20.00	\$20.64	\$20.00	\$20.64	\$20.00
Sat Lunch	\$25.95	\$29.49	\$32.00	\$30.63	\$30.00	\$30.63	\$30.00	\$32.16	\$30.00	\$30.63	\$30.00	\$30.63	\$30.00
Sat Dinner	\$33.97	\$41.14	\$41.93	\$42.62	\$42.00	\$42.62	\$42.00	\$44.75	\$42.00	\$42.62	\$42.00	\$42.62	\$42.00
Sun Bkfst	\$18.16	\$19.87	\$22.42	\$20.64	\$20.00	\$20.64	\$20.00	\$21.67	\$20.00	\$20.64	\$20.00	\$20.64	\$20.00
Total food cost per person including tax and service fee													
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	\$96.24	\$110.37	\$118.77	\$114.53	\$112.00	\$114.53	\$112.00	\$120.25	\$112.00	\$114.53	\$112.00	\$114.53	\$112.00
Convention Expenses in the budget per person based on 400 attendees													
	\$21.00	\$21.00	\$21.00	\$21.00	\$25.00	\$25.00	\$25.00	\$25.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Room costs total per person for both nights													
Quad	\$55.00	\$55.00	\$55.00	\$61.00	\$50.00	\$50.00	\$50.00	\$54.00	\$50.00	\$54.00	\$50.00	\$54.00	\$54.00
Triple	\$73.50	\$73.50	\$73.50	\$81.00	\$68.00	\$68.00	\$68.00	\$72.00	\$68.00	\$72.00	\$68.00	\$72.00	\$72.00
Double	\$110.00	\$110.00	\$110.00	\$121.00	\$100.00	\$100.00	\$100.00	\$108.00	\$100.00	\$108.00	\$100.00	\$108.00	\$108.00
Single	\$220.00	\$220.00	\$220.00	\$242.00	\$200.00	\$200.00	\$200.00	\$216.00	\$200.00	\$216.00	\$200.00	\$216.00	\$216.00
Total cost per attendee													
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Quad	\$172.24	\$186.37	\$194.77	\$196.53	\$187.00	\$189.53	\$187.00	\$199.25	\$192.00	\$198.53	\$192.00	\$198.53	\$196.00
Triple	\$190.74	\$204.87	\$213.27	\$216.53	\$205.00	\$207.53	\$205.00	\$217.25	\$210.00	\$216.53	\$210.00	\$216.53	\$214.00
Double	\$227.24	\$241.37	\$249.77	\$256.53	\$237.00	\$239.53	\$237.00	\$253.25	\$242.00	\$252.53	\$242.00	\$252.53	\$250.00
Single	\$337.24	\$351.37	\$359.77	\$377.53	\$337.00	\$339.53	\$337.00	\$361.25	\$342.00	\$360.53	\$342.00	\$360.53	\$358.00
Drive in	\$99.08	\$111.50	\$117.35	\$114.89	\$117.00	\$118.89	\$117.00	\$123.58	\$122.00	\$123.89	\$122.00	\$123.89	\$122.00
Banquet	\$33.97	\$41.14	\$41.93	\$42.62	\$42.00	\$42.62	\$42.00	\$44.75	\$42.00	\$42.62	\$42.00	\$42.62	\$42.00
									(Est)				
Profit	\$13,968.00	\$7,998.00	\$10,956.00	\$6,251.00	\$13,826.00	\$12,550.00	\$13,209.00	\$15,076.00	\$13,600.00				

Registration Charged

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Quad	\$195.00	\$195.00	\$215.00	\$215.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00	\$205.00			
Triple.	\$220.00	\$220.00	\$235.00	\$235.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00			
Double	\$250.00	\$250.00	\$275.00	\$275.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00			
Single	\$360.00	\$360.00	\$395.00	\$395.00	\$375.00	\$375.00	\$375.00	\$375.00	\$375.00	\$375.00			
Drive in	\$140.00	\$140.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00			
Banquet	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00			

Jacqueline Faris gave us the above Excel spreadsheet reports which are included in the minutes without the lines for the rows and columns. They are 1) the financial summary of 2014, 2) the approved expenditures for the State Advisory Board, 3) the Board of Trustees Scholarship for 2014 and 4) the cost of our AGS Conventions from 2006 through 2014 including the profits that were made. She explained how we have had profits at each of our conventions. She told us that she charges the students 10% extra to cover any extra costs that come up at the convention and also to increase the amount we have in what she refers as her “slush fund”. She uses this money to pay the hotel a large up front amount because chapters often do not get the checks to her until the very day of the convention. This is often because of the problems chapters have working with the business offices on their various campuses in getting the checks cut on time.

Jacqueline told us that this year we have 76 applicants, when we had 68 last year. As a general rule, we have given about 70-71% of the applicants, scholarships over the last few years. In terms of scholarships this year, she agreed that she would ask the State Advisory Board to give an additional \$3,000 over the 1/3 of the convention profits normally given so that the total given by the SAB would be \$8,095. After we gave back our part of the Loly contributions, \$11,940, there would then be an additional \$26,905 available for scholarships. Terry Green moved that the Board of Trustees give \$5,000 from a liquid fund of ours to bring the total money available for scholarships at this convention this year to \$40,000. Randy Taylor seconded the motion and it passed unanimously. $\$8,095 + \$26,905 + \$5,000 = \$40,000$.

8. **Old Business: None**
9. **Unfinished Business: None**
10. **New Business: None**
11. **Adjournment:** The meeting was adjourned at 6:10 PM. Teri Curtis, Jacqueline Faris, Terry Green, Jennifer McBride, and Randy Taylor left to go on to the meeting to decide which candidates would win scholarships.