

The American Schools of Oriental Research
Executive Committee Meeting
November 17, 2000 - Nashville
Minutes

PRESENT: Albert Leonard (COP), P.E. MacAllister (Chairman of the Board), Victor Matthews (CAMP), David McCreery (CAP), Eric Meyers, Austin Ritterspach, Tom Schaub, Richard J. Scheuer (Life Trustee), Joe D. Seger (President), Jim Strange (Secretary), Jerry Vincent for Ingrid Wood.

ABSENT: Ingrid Wood, Treasurer

VISITORS: Holland Hendrix

STAFF: Holly Andrews, Billie Jean Collins, Rudolph Dornemann

1. Call To Order, 9:45 AM by P.E. MacAllister, Chairman.

2. **Approval of the minutes:**

RESOLVED, that the minutes of the Sept 23, 2000 Executive Committee meeting be approved. Seconded. PASSED UNANIMOUSLY.

3. **Report from the Chairman:** none, Chairman MacAllister ceded his time to those following.

4. **Report from the President** Joe D. Seger (distributed): The President introduced a resolution, to wit:

RESOLVED, that the American Schools recognize each of its Founding Societies, SBL, AIA, and AOS by remembering the initiative and support provided at its founding and in appreciation of their services to American Scholarship from their respective beginnings in the nineteenth century. PASSED UNANIMOUSLY. This is advisory to the Board of Trustees.

The President made the point that ASOR is not an employer, but that Boston University is the agent of ASOR for employment. All employees must be evaluated according to the standards developed by BU.

Jerry Vincent pointed out that that IRS regulations put the onus on non-profits and that "intermediate sanctions" (fines) can be imposed on Boards. This is especially in compensations paid to non-qualifying people. One approach is that the Board always has full knowledge.

Holland Hendrix pointed out that we need a full statement in the by-laws that we know that all contracts are justifiable and reasonable.

RESOLVED, that ASOR extends the Development contract with Holland Hendrix for another three months, moved by Joe Seger and seconded by Austin Ritterspach. PASSED UNANIMOUSLY.

Nan Frederick is at work on a Policies Manual.

Jerry Vincent has donated the ARCE Manual to the Committee. The Personnel Committee has used the BU manual to evaluate Staff.

Britt's status has changed. Her salary has raised from a rank 24 to a rank 25.

Rudy Dornemann introduced John D'Arms, President of the ACLS, who spoke briefly about some of ACLS's ongoing programs.

Vincent elucidated the overlapping duties around investments, audit, and legal matters.

RESOLVED, that the Finance and Audit committees be combined as one functioning Committee. Moved by Jerry Vincent. Seconded by Joe Seger. PASSED UNANIMOUSLY.

RESOLVED, that the Executive Committee recommend to the Board of Trustees the following new Institutional Members:

- Dept. of Classics of the University of Buffalo, SUNY with Sam Paley as representative.
- Fernbank Museum of Natural History, Atlanta, GA with Max Miller as representative.

This resolution advances institutional membership to 108, 68 of whom are paid. There ensued a discussion of regularizing institutional membership and using that committee properly.

5. Finance Report was presented by Jerry Vincent for Ingrid Wood (distributed with comments included below):

Treasurer's Comments on ASOR Financial Statements for the fiscal year ending June 30, 2000

This summary highlights the key financial results for the American Schools of Oriental Research fiscal year ending June 30, 2000. These will be formally represented when the audited Financial Report for the year 1999 - 2000 is available. This summary is a preliminary report.

During this past year ASOR formally adopted Generally Accepted Accounting standards. This was the first step to align our accounting practices with standards for not-for-profit institutions. The rationale for doing this is that it gives us a consistent way to see how short-term goals and outcomes can be represented financially. It also allows us to track and measure multi-year initiatives that support ASOR's mission. The financial reports, however, may take some getting used to.

The ASOR community initiated the centennial celebration in Washington in April 2000 and extended this party to the Overseas Centers last summer. As of June 30, 2000, expenses were \$49,865 in excess of revenues for the Centennial Program, and this item shows conspicuously in our financial statements. The Executive Committee sees this as a one-time event, as a "loss leader," and as a kick-off for ASOR giving. I am pleased to report that the Centennial campaign has, in fact, stimulated annual and campaign giving since July 1, 2000, and we are ahead of the projection so far.

Sponsored programs, including research, lectures, and the Committee on Archaeological Policy, are key activities for ASOR. These received \$197,050 in direct support in terms of the Annual Meeting, Fellowships, and sponsored research this past year. This represents 41% of ASOR direct expenses. Support for these activities is the very reason why we need to boost annual giving and the endowment campaign.

Our financial statements now correctly reflect additional liabilities, including recognition of certain pension benefits due former employees who served the Overseas Centers. Although these obligations existed in the past, they were not included in our earlier financial statements. Income from investment activity totaled \$60,110 or 15% of ASOR revenues on an asset base of \$766,152. Net assets classified as unrestricted totaled \$178,605, Board and temporarily restricted totaled \$410,914, and permanently restricted totaled \$176,633 as of June 30, 2000.

The James B. Nies Trust accounts are tied up by New York State as restricted trust accounts. These were declassified as ASOR assets in fiscal year 1999-2000. They totaled \$426,498. The details of this will be available in the soon to be published audited Financial Statements. Until there is a change in New York Law regarding the custody of trust accounts, the James B. Nies Trust accounts will remain in the custody of Citibank Trust, independent of ASOR.

Finally, ASOR Publications experienced a net loss of \$91,581 due to late journal production and distribution, exacerbating cash flow in the post-Scholars Press era. The good news is that Academic Services is providing us with timely, detailed, and accurate records, which have enabled us to model the publications production. Members of the Finance Committee and ASOR Publications are monitoring the situation. Unless there is a substantial up-tick in revenue in Publications soon, this ASOR organization may need to revise its plan.

This past fiscal year has been characterized by transitions and changes. The groundwork has been laid for establishing a spending policy and a budget process linked to a planning cycle. The framework that holds the ASOR community together and supports its stated mission is under process review, as the very dedicated staff can attest. ASOR's development campaign has been shaped and kicked-off. The prognosis is good and path to fulfilling our mission is clearer.

RESOLVED, that ASOR use 3% as its spending rate on the total invested asset base. Moved by Ingrid Wood, Seconded by Austin Ritterspach. PASSED UNANIMOUSLY.

Jerry Vincent proposed that next year ASOR operate with a balanced budget.

6. **Development Committee** by Austin Ritterspach: Austin reports that \$1 million is hoped for and nearly pledged for the first year of the Torch Campaign.

7. **Committee on Publications** by Al Leonard: A new manuscript acceptance program has been adopted by COP. ASOR's attorney believes that we can recover some monies from the publications discarded by BD distributors.

RESOLVED, that the Executive Board of ASOR endorses the COP request that the Baghdad Committee provide a budget to the Executive Committee, part of which would provide a subvention for the past two issues of the *Journal of Cuneiform Studies* and an ongoing annual subvention for future issues. PASSED UNANIMOUSLY

RESOLVED, until financial analysis of the publication budget is complete, that \$30,000 removed from the funds which ASOR had on hand at Scholars Press be transferred from opportunity funds as working capital. PASSED UNANIMOUSLY.

Billie Jean Collins noted that we are using a publications consultant to help us.

8. David McCreery for the **Committee on Archaeological Policy** (distributed): CAP has expanded from 21 to 26 members. Three board members were added plus the chairs of the Damascus Committee and the Baghdad Committee. CAP posts all information on the website, but proposes to publish a booklet on the application process for affiliation with CAP.

9. Victor Matthews for the **Committee on Annual Meeting and Program**.

Respectfully submitted,

James F. Strange, Secretary