

Alpha Chi Sigma Fraternity

Professional in the Chemical Sciences

Office of the
ASSISTANT
GRAND RECORDER



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Friends,

It is wonderful serving Alpha Chi Sigma in this capacity. The position of Assistant Grand Recorder is continuing to evolve with more formal responsibilities assigned to the position by the Grand Recorder and the Grand Master Alchemist. The Assistant Grand Recorder is the Assistant Secretary-Treasurer of the fraternity and works under the direction of the Grand Recorder. At present the AGR has a role in reviewing finances, handling conclave bids and contracts, organizing room and board for Supreme Council meetings, and handling assigned one-off financial, tax, and legal matters. It has been wonderful working with our Brothers and office staff in this capacity. A big thank you to Erin Goodwin, Assistant Director of Fraternity Operations, and Amy Posavac-Osborne, Membership and Database Coordinator for their hard work and efforts. This report will be brief so as to avoid duplication of the Grand Recorder's and the Grand Master Alchemist's reports.

Finances, Taxes, and Administration: Work assisting the Grand Recorder this year includes reviewing and participating in financial correspondence and review of Alpha Chi Sigma's financial accounts. Assigned work also includes one-off unusual financial or tax-related issues for chapters and the fraternity, for example maintaining Alpha Chi Sigma's state of Ohio non-profit fundraising registration. Another example was resolving an issue regarding an auction notice from the Marion County Indiana Treasurer regarding delinquent fees for the National Headquarters. Essentially, the fraternity's mailing address was not changed when the headquarters was relocated from Franklin Road to Rucker Road. Eventually the post office stopped forwarding mail and with multiple transitions in office staff in 2017, the assessment fee was forgotten. This was resolved through fast action by the office leadership team and the situation was corrected. In regard to other newly assigned administrative responsibilities, the AGR is now responsible for the administration of G-suites for Alpha Chi Sigma, which is administration of Alpha Chi Sigma's account for collaboration and productivity.

Supreme Council Meetings: In previous recent biennia, with the exception of the 54th biennium, typically the AGR or GR would arrange for room and board and coordinate travel for Supreme Council meetings. At the request of the GMA, this practice has resumed with both Erin Goodwin and I working on arranging lodging and meals for the Supreme Council and invited guests for these meetings. Since the SC is more inclined to hold its meetings at various locations at an affordable price so as to spread the opportunity for the fraternity to participate in these meetings in person, typically the GMA will provide a location or list of locations. Next a budgetary quote is prepared for the list of locations and once the GMA makes the selection, affordable lodging with meeting space is secured at a competitive price. Ahead of the SC meeting, the GMA provide a list of which meals will be working meals, a list of local restaurant menus are provided and affordable meals are ordered ahead of the meeting and delivered.

Conclave: Working the office staff, GR, and GMA, work was redistributed from last biennium for how conclave is arranged. Last biennium was a one-off with the GMA for the 54th

biennium handling most of the contracts and financial arrangements due to the transition in office staff. For the 55th biennium, the GR, AGR, and Office staff are handling all of the financial business items related to organizing conclave, under the direction of the GMA. In particular, this biennium, with the assistance of John Stipp, Erin Goodwin, and Helen Webster, the conclave planning manual of procedure, bid documents, and planning timelines were revised. It may come to a surprise to our Brothers, but planning for conclave and the work that goes into it starts immediately after the last conclave has ended. For this biennium, and likely for biennia going forward, the AGR processes the conclave bids received by the National Office, estimates delegate travel costs, and prepares a comparative budget for the GMA and GR to review, which the GMA, with the SC, use to make their selection of the winning bid. The AGR then works with the host chapter and conference services on preparing conclave contracts, works with the insurance carrier for special events coverage, and reviews and prepares tax exempt documentation. These documents are then prepared, along with revised budget, and provided to the GMA and the GR for review. At the end of 2019 all contracts and tax exempt documentation is now in place for the 55th biennium's conclave and insurance is being secured. For the 55th biennium's conclave, the tax exemption for conclave will result in a savings of 6%. It has been a pleasure working with the host chapter, the national office, GLDC Wilson, GR Stipp, and GMA Webster through this process and with the collective effort of the group, this portion of the journey to conclave has gone relatively smoothly.

Beta Theta Chapter at University of Texas Austin: When a chapter goes inactive its assets typically are required to be transferred to the Grand Chapter to be held in trust (Bylaw II.E.3). When Beta Theta went inactive in 2000, for a reason unknown, this did not happen, and as the story would be told at conclaves since a sizeable Certificate of Deposit was left behind with no one to claim it. Though attempts may have been made in the past, no serious effort to recover the funds had been undertaken in years and the story would go "the only way for the fraternity to claim the funds is for the Beta Theta Chapter to be re-activated so they can put it to good use." In early 2019 the National Office received a notice from a person in Texas offering to help recover the CD from the State of Texas's unclaimed property and this was assigned to me to investigate. As it turns out, we could claim the property without the use of a third party. Beta Theta left behind three accounts, including a matured CD from 2007 with a value of \$23,600.25. Working with a Brother on faculty at the University of Texas-Austin and the national office to produce records, I began the process of claiming Beta Theta's certificate of deposit to be transferred to the Grand Chapter. This is important, if a chapter's money is not invested, inflation will chip away at its value. The funds that are held by the Grand Chapter are put to work through investment which typically will grow in value. Money appropriately invested typically will double in value in 10 years at a 7.2% annual rate return and double every 5 years at a 14.4% annual rate of return. The loss to the inactive Beta Theta Chapter and the Grand Chapter from 2007 to 2019 was likely seeing the \$23,600.25 grow to between \$47,000 and \$94,000! After several exchanges with the state of Texas and multiple records produced for the state, the Grand Chapter of Alpha Chi Sigma was issued a check for Beta Theta's mature CD in August 2019 and the money has since been invested. It is very important for chapters to fill out the required annual financial paperwork as part of the current audit process. Without certain records it is next to impossible to claim unclaimed property.

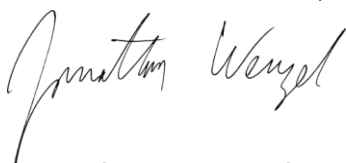
Chapter Audit Process: Following a discussion at the Summer Supreme Council meeting reviewing our reporting processes, it was determined that the chapter financial audit process needed to be strengthened. Over the past decade the audit process became more a disclosure of financial holdings of the chapter and less of a detailed financial review of chapter income and expenses. Working with Grand Collegiate Alchemist Cole and Grand Recorder Stipp, a detailed review of previous practices and forms, as well as current desired outcomes has led to a proposal of a revised financial audit process for the chapters. At the time of this report, the

proposal is being finalized and will be presented to the Supreme Council at its Winter 2020 meeting.

As Grand Recorder John Stipp has likely mentioned in his annual report, progress is continuing on modernizing the business aspects of the fraternity with increased accountability. This includes the risk management and education efforts that the fraternity is performing with the guidance of our general liability carrier. The leadership team continues to strive to decrease expenses and increase efficiencies in our operations without sacrificing service to our members and never forgetting that this is a brotherhood of pure and applied chemists. The fraternity also must continue to evolve with the changing demands of social responsibility from society. In regards to expenses, these are tightly controlled, but for the foreseeable future, since we are a fraternity and we do have a loss history, high insurance premiums are the new normal. We don't exist solely to pay an insurance premium and we don't. The activities our brothers and chapters undertake show that the spirit of the fraternity is alive and well. Alpha Chi Sigma is on the path of being financially healthy after a disruptive few years, but the fraternity will need to continue to look for ways to deliver its services efficiently, increase revenue, and diversify its revenue streams.

It is a privilege to have the chance to serve the fraternity in whatever capacity it may be. We are a vibrant and fun group. It is important to continue to looking stars and working towards the strength of our brotherhood.

Yours in the Double Bond,

A handwritten signature in cursive script, reading "Jonathan Wenzel". The signature is written in dark ink and is positioned above the printed name.

Dr. Jonathan E. Wenzel, OA, Delta 1996
Assistant Grand Recorder
Grand Vizier
Alpha Chi Sigma Fraternity