

MRND 00105

# SECURITIES AND EXCHANGE COMMISSION HISTORICAL SOCIETY

1001 PENNSYLVANIA AVENUE, N.W. ■ SUITE 810 SOUTH ■ WASHINGTON, D.C. 20004-2505

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To: Members of the Board of Trustees

From: Carla L. Rosati (Carla)

Date: April 30, 2003

Subject: April 2003 Update Report

*Virtual Museum*

David Ratner contributed two memos he wrote to Chairman Manuel Cohen in the 1960s for inclusion in the virtual museum. The museum also added a Summary of Interpretations from the Division of Corporation Finance, 1960-1964, contributed by Dennis Lehr.

*2004 Commemorative Activities*

The Society is beginning to plan activities (draft enclosed) to commemorate the 70<sup>th</sup> anniversary of the founding of the Commission in 2004, and to approach funding sources for support. The draft plan will be revised as grants are secured.

*Development*

The Society received the following grants and pledges this month:

- Chicago Board Options Exchange - \$1,000
- Clifford Chance – unspecified pledge
- Jenner & Block LLC - \$5,000 pledge payment
- UBS PaineWebber, Inc. - \$15,000

*Membership*

Invitations for the 4<sup>th</sup> Annual Meeting, to be held June 4<sup>th</sup> at the SEC in Washington, were mailed to the Society's 519 current members, all SEC Commission and staff, and all volunteer leaders. The Annual Meeting will also be broadcast on [www.sechistorical.org](http://www.sechistorical.org).

*Publications and Public Outreach*

The 2002 Annual Report and the spring 2003 newsletter were published and mailed.

*Finances*

The Society's tax returns for October 1, 2001 through September 30, 2002, and for October 1, 2002 through December 31, 2002, were filed with the IRS.

The April 2003 financial statement is attached.

**EXECUTIVE DIRECTOR**

Carla L. Rosati, CFRE

202-585-6405

202-585-6404 [fax]

[www.sechistorical.org](http://www.sechistorical.org)

[c.rosati@sechistorical.org](mailto:c.rosati@sechistorical.org)

## *Goals*

- To recognize the 70<sup>th</sup> anniversary of the founding of the U.S. Securities and Exchange Commission in 1934, and to increase awareness of the impact of the SEC on American and international financial markets over the past 70 years.
- To increase recognition of and funding for the Securities and Exchange Commission Historical Society.
- To expand the collections and use of the virtual museum.

## *Suggested Activities*

### *I. Activities which the SEC Historical Society can do on its own, at no cost.*

- Add the phrase "Commemorating the 70<sup>th</sup> Anniversary of the U.S. Securities and Exchange Commission, 1934-2004" to Society letterhead, publications and [www.sechistorical.org](http://www.sechistorical.org) (beginning summer 2003).

### *II. Activities which the SEC Historical Society can do in partnership with other institutions, at no or minimal cost to the Society.*

With these activities, the Society can request that:

- 1) the 70<sup>th</sup> anniversary of the founding of the SEC be acknowledged.
  - 2) the work of the Society in preserving and sharing SEC history be acknowledged.
  - 3) the Society work with the institution to determine speakers, etc.
  - 4) the Society can distribute materials about its work at the event.
  - 5) the Society can share its current member list for invitations to the event, and use the event invitation as a benefit to its members.
- Partner with the Franklin and Eleanor Roosevelt Institute on a symposium on FDR and securities regulation, planned for fall 2003 at Hyde Park, New York.
  - Partner with Women in Housing and Finance, Washington, D.C. to have a presentation on an aspect of SEC history at a monthly luncheon meeting, planned for winter-spring 2004.

- Partner with George Washington University Law School on its 24<sup>th</sup> Annual Manuel F. Cohen Lecture, planned for spring 2004.
- Partner with Fordham University School of Law on its 4<sup>th</sup> annual Albert A. DeStefano Lecture, planned for spring 2004.
- Partner with the University of Alabama (Kenneth Rosen) on a lecture, fall 2004.

III. Activities which the SEC Historical Society can do in partnership with other institutions.

- Partner with the Museum of American Financial History in New York City on a fundraising gala, benefiting both institutions, to be held in New York City in June 2004. The gala will honor 3-5 persons for their work in the securities industry (not any current SEC Commissioner).

If feasible, the gala will be preceded by an educational program on the SEC and investing, to be held at a post-secondary or secondary school in New York City.

IV. Activities which the SEC Historical Society can do on its own, which will require funding.

- Conduct the 5<sup>th</sup> Annual Meeting for current Society members (at a site other than the SEC), with a name speaker who will look at the 70 years of the Commission, in early June 2004. Sponsorship opportunity available.
- Hold a dinner honoring all living past Commissioners and the current Commission, with the Society's Commissioners' Council serving as host. Guests will not be charged for the event. Date can be anytime during 2004. The Society will either fund this dinner out of its general revenue, or seek an individual(s) to sponsor.
- Launch the "fireside chats," a series of live interactive interviews broadcast on [www.sechistorical.org](http://www.sechistorical.org), with topics focusing on historic investor education topics relating to the Commission's work. Visitors to the virtual museum will be encouraged to submit questions prior to the chat, and if feasible, during the chat. The interviewer and questions will be determined by the Society; the sponsor can recommend the interviewee. Chats will be conducted bi-monthly at ConnectLive studio in Washington, D.C. Chats will

be archived in the virtual museum. Sponsorship opportunity for each chat or a number of chats available.

Prospective topics and sponsors:

- Joel Seligman, featuring the publication of the third edition of Transformation of Wall Street. Possible sponsor: Aspen Publishers, Inc.
  - Work of Rating Agencies from their beginning through the 20<sup>th</sup> century. Possible sponsor: Standard & Poor's.
  - History of SRO Corporate Governance Listing Standards. Possible sponsor: Nasdaq Educational Foundation.
  - History of Self-Regulation. Possible sponsor: Nasdaq Educational Fund.
  - History of the Regulation of the Municipal Securities Market. Possible sponsor: The Bond Market Association, with assistance from the Municipal Securities Rule-Making Board.
  - Role of States in Securities Regulation. Possible sponsor: NASAA.
  - History of Back Office Regulation. Possible sponsor: Depository Trust and Clearing Corporation.
  - Mutual Funds. Possible sponsor: Fidelity Foundation and/or Investment Company Institute.
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- Launch a journal of SEC history – quarterly, bi-annually, or annually – as a benefit to members. Focus of 2004 journal(s) to be 70<sup>th</sup> anniversary of SEC. Issue date can be anytime during 2004. Sponsorship opportunity available. ✓

SEC Historical Society  
January-December 2003

	ACTUAL TO DATE 1/03-4/03	FORECAST 5/03-12/03	TOTAL FY 2003	FORECAST FY2004
<b>REVENUES</b>				
Restricted	30,000	-	30,000	
Unrestricted				
<i>Institutions</i>	45,000	288,500	333,500	
<i>Individuals</i>	12,378	127,622	140,000	
			-	
<b>TOTAL REVENUES</b>	<b>87,378</b>	<b>416,122</b>	<b>503,500</b>	<b>-</b>
<b>OPERATIONAL EXPENSES</b>				
<i>Payroll &amp; FICA</i>	34,954	68,416	103,370	
<i>Benefits</i>	10,103	10,626	20,729	
<i>Business Expenses</i>	534	3,466	4,000	
<i>Telephone</i>	1,635	4,365	6,000	
<i>Office Supplies</i>	-	1,200	1,200	
<i>Postage/Mailhouse</i>	6,076	13,924	20,000	
<i>Printing</i>	10,242	30,658	40,900	
<i>Computer</i>	598	202	800	
<i>Cultivation/Events</i>	18,932	36,568	55,500	
<i>Travel</i>	3,633	2,367	6,000	
<i>Research</i>	380	420	800	
<i>Professional Memberships</i>	505	2,495	3,000	
<i>Credit Card Fees</i>	172	728	900	
<i>Professional Services</i>	11,584	15,416	27,000	
<b>TOTAL OPERATIONAL EXPENSES</b>	<b>99,349</b>	<b>190,851</b>	<b>290,200</b>	<b>-</b>
<b>PROGRAM EXPENSES</b>	<b>19,255</b>	<b>130,745</b>	<b>150,000</b>	<b>-</b>
<b>TOTAL EXPENSES</b>	<b>118,604</b>	<b>321,596</b>	<b>440,200</b>	<b>-</b>
<b>NET INCOME (LOSS)</b>	<b>(31,226)</b>	<b>94,526</b>	<b>63,300</b>	<b>-</b>

ANALYSIS OF CASH BALANCES		4/30/2003
Checking Account		68,742
General IMMA		153,596
Restricted IMMA		48,424
		<u>270,762</u>
<b>CASH RECONCILIATION</b>		<b>as of 4/30/03</b>
Cash - Beginning of period		270,762
Net Income (Loss) for period		94,526
Cash - End of period		<u>365,288</u>
		<u>365,288</u>