

SECURITIES AND EXCHANGE COMMISSION HISTORICAL SOCIETY

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Carla L. Rosati, CFRE

To: Members of the Board of Trustees

From: Carla L. Rosati (CARL)

Date: October 31, 2003

Subject: October 2003 Update Report

Permanent Tax-Exempt Status

The IRS has awarded the Society permanent 501(c)(3) tax-exempt status. We had been operating until September 30th under the provisional status awarded the Society when it was founded in 1999.

Development

The Society secured over \$155,000 in individual gifts and institution grants this month, the most funds ever secured in a single month. The following institutions made grants:

- AICPA
- American Society of Corporate Secretaries
- Cincinnati Stock Exchange
- Debevoise & Plimpton
- Ernst & Young
- Katten Muchin Zavis Rosenman
- Kramer Levin Naftalis & Frankel LLP (*new donor*)
- Lehman Brothers, Inc.
- Mayer Brown Rowe & Maw LLP (*new donor*)
- Municipal Securities Rulemaking Board (*new donor*)
- NASD
- National Economic Research Associates, Inc.
- North American Securities Administrators Association (*new donor*)
- Pickard & Djinis LLP
- Praxair, Inc. (*new donor*)
- Securities Industry Association
- Shartsis Friese & Ginsburg (*new donor*)
- Skadden Arps Slate Meagher & Flom
- Wachtell Lipton Rosen & Katz
- Wilmer Cutler & Pickering

In addition, the following institutions made pledges:

- ASECA
- Foley & Lardner
- Palmer & Dodge
- Prudential Financial, Inc.

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- Schering-Plough (*new donor*)
- Standard & Poor's (*new donor*)

Virtual Museum

The Chief Accountant Office Committee contributed the article "Keeping Watch! Twenty-Five Years of the Chief Accountant's Office," from ABACUS magazine (published in Australia) to the museum.

The Investment Management Committee contributed the "Protecting Investors – May 1992" report of the Division of Investment Management to the museum.

The papers are now organized in two formats – alphabetically and chronologically.

2004 Commemorative Activities

The dates for the first three fireside chats are now set:

- Joel Seligman's fireside chat will be held on February 26th at 2:00 p.m. EST.
- The municipal securities chat will be held on April 20th at 2:00 p.m. EDT. Christopher Taylor of the Municipal Securities Rulemaking Board will be one of the speakers.
- The chat on state securities regulation will be held on June 22nd at 2:00 p.m. EDT, with Christine Bruenn of Maine as the speaker.

Public Outreach

Coolsiteoftheday.com selected our Web site as the featured "Cool Site" for October 8th. We received nearly 2,000 visitors to the site on the day, which far exceeds our normal monthly traffic; 300 of the visitors also went to the museum.

The virtual museum was also featured in the Houston Chronicle's "What's Online" column – in both print and online versions – on October 14th.

George Simon of Foley & Lardner hosted a gathering in Chicago for the Society on October 16th, with David Ruder as the featured speaker.

The fall newsletter, featuring the 2004 commemorative activities, was published.

Finances

The October 2003 financial statement is attached. Please note that future financial statements will be in a different format. The Society has outsourced bookkeeping services to Kilner & Associates, which will be using QuickBooks.

SEC Historical Society
January-December 2003

	ACTUAL TO DATE 1/03-10/03	FORECAST 11/03-12/03	TOTAL FY 2003	FORECAST FY2004
REVENUES				
Designated/Restricted	45,100	15,000	60,100	50,000
Undesignated				
<i>Institutions</i>	294,600	57,500	352,100	430,000
<i>Individuals</i>	83,287	41,713	125,000	135,000
			-	
TOTAL REVENUES	422,987	114,213	537,200	615,000
OPERATIONAL EXPENSES				
<i>Payroll & FICA</i>	85,011	15,489	100,500	172,800
<i>Benefits</i>	17,987	3,513	21,500	36,708
<i>Business Expenses</i>	1,272	728	2,000	37,500
<i>Telephone</i>	2,952	3,048	6,000	8,000
<i>Office Supplies</i>	-	-	-	2,000
<i>Postage/Mailhouse</i>	14,625	7,375	22,000	31,000
<i>Printing</i>	38,834	6,166	45,000	50,000
<i>Computer</i>	598	3,402	4,000	5,000
<i>Cultivation/Events</i>	27,206	7,794	35,000	12,000
<i>Travel</i>	5,504	1,996	7,500	10,000
<i>Research</i>	791	209	1,000	1,000
<i>Professional Memberships</i>	1,131	369	1,500	3,000
<i>Credit Card Fees</i>	400	600	1,000	1,500
<i>Professional Services</i>	26,045	11,955	38,000	28,000
TOTAL OPERATIONAL EXPENSES	222,354	62,644	284,998	398,508
PROGRAM EXPENSES	38,055	51,945	90,000	240,000
TOTAL EXPENSES	260,409	114,589	374,998	638,508
NET INCOME (LOSS)	162,578	(376)	162,202	(23,508)

ANALYSIS OF CASH BALANCES		10/31/2003
Checking Account		176,692
General IMMA		254,385
Restricted IMMA		34,326
		<u>465,403</u>
CASH RECONCILIATION		
	as of 10/31/03	FY 2004
Cash - Beginning of period	465,403	465,027
Net Income (Loss) for period	(376)	(23,508)
Cash - End of period	<u>465,027</u>	<u>441,519</u>