

**MINUTES
MEETING OF THE EXECUTIVE COMMITTEE
SIGMA DELTA CHI FOUNDATION
NOVEMBER 8, 2006
VIA CONFERENCE CALL**

MEETING CALLED TO ORDER

With President Steve Geimann presiding, the meeting of the Executive Committee of the Sigma Delta Chi Foundation was called to order at 1:45 p.m. on Wednesday, November 8, 2006 via a telephonic conference call originating in Indianapolis, Indiana. Geimann explained that the purpose of the meeting was to review the Foundation's audited financial statement and accompanying management letter for the fiscal year ended July 31, 2006.

ROLL CALL

In addition to Geimann, the following members of the Executive Committee were present: Treasurer Howard Dubin; Secretary Irwin Gratz; and Grants and Awards Committee Chairman Robert Leger. Also present were Executive Director Terry Harper; Associate Executive Director Julie Grimes; Controller Jake Koenig; and Anita Sherman and Amanda Meko, Greenwalt Sponsel & Co.

REVIEW OF AUDITED FINANCIAL STATEMENT

Sherman reported that the auditors had no disagreements with management during the audit and that no adjusting journal entries were necessary. With the committee's approval, the auditors were prepared to issue a clean opinion.

Sherman reviewed the Foundation's statement of activities with the committee, pointing out that the net assets increased by \$330,450 during the year under review, continuing a positive trend of growing the Foundation's unrestricted net assets.

AUDITED FINANCIAL STATEMENT APPROVED

Upon proper motion and second by Dubin and Gratz, respectively, the Executive Committee approved unanimously the audited financial statement for the Sigma Delta Chi Foundation for the fiscal year ended July 31, 2006.

Geimann excused himself from the call at 2 p.m.

MEMORANDUM ON INTERNAL CONTROLS

The auditors made one recommendation to improve the Foundation's internal controls:
— Establish a standard accounting and operating procedures manual.

Harper and Koenig reported that an accounting procedures manual would be drafted by the board's spring 2007 meeting.

Discussion ensued about the recently enacted Pension Protection Act (H.R. 4) and its potential impact on the Foundation which is a supporting organization to the Society of Professional Journalists. Some of the provisions of the Act may adversely affect the ability of Foundation board members to donate more than \$5,000 per year. The auditors were asked to supply some additional information and Harper is checking with legal counsel for clarification.

MEETING ADJOURNED

Upon proper motion and second, the Executive Committee adjourned the meeting at 2:07 p.m. on Wednesday, November 8, 2006.