

**SIGMA XI, THE SCIENTIFIC RESEARCH SOCIETY
REPORT OF THE COMMITTEE ON FINANCES
FOR THE YEAR ENDED JUNE 30, 2000**

The membership of the Committee on Finances for 1999-00 is:

John W. Prados, Chair
Peter D. Blair
S. Gaylen Bradley
Jaleh Daie
John H. Gibbons
W. Franklin Gilmore
Peggie Hollingsworth
Lawrence M. Kushner
Raymond P. Lutz
Richard L. Meyer

The Committee on Finances met on March 11, 2000, in Research Triangle Park, North Carolina, reviewed the performance of Sigma Xi's investments, and recommended a draft budget for FY 2001 to the Executive Committee. At this meeting following actions were taken relative to the Society's investment manager: (1) Change fund manager from JC Bradford & company to Wachovia asset Management and (2) Reclassify investments into two funds, a *Research and Operations Fund* and a *Building Fund*. The purpose of the Research and Operations Fund is to provide annual support for research and Society operations. The purpose of the Building Fund is to finance construction of the new Sigma Xi Center building.

As of June 30, 2000, the balances in these funds were as follows:

Fund	Cost	Market Value
Research and Operations	\$18,908,913	\$ 20,115,946
Building (Money Market)	\$ 88,796	\$ 88,796
Total	\$18,997,709	\$ 20,204,742

Dividend/interest yields and total returns, based on cost, for these funds on June 30, 2001 were:

Fund	Dividend and Interest Yield, Percent	Total Return Including Realized Capital Gains, Percent
Research and Operations	2.41	27.64
Building	7.37	7.37

These yields reflect the decision of the Board of Directors to favor long-term growth potential over current yields in the Research and Operations portfolio, combined with the favorable equities market of recent years. Despite market instability over the past year, the market value of all-Sigma Xi funds increased by 2.99 percent from July 1, 1999 to June 30, 2000.

John W. Prados
Chair