AMERICAN MATHEMATICAL SOCIETY
EXECUTIVE COMMITTEE AND BOARD OF TRUSTEES
MAY 17, 2008
PROVIDENCE, RHODE ISLAND

MINUTES

A joint meeting of the Executive Committee of the Council (EC) and the Board of Trustees (BT) was held Saturday, May 17, 2008, at the Campus Inn Hotel in Ann Arbor, Michigan.

The following members of the EC were present: George E. Andrews, Sylvain E. Cappell, Robert J. Daverman, James G. Glimm, Robert M. Guralnick, and Craig L. Huneke. Ruth M. Charney was unable to attend.

All members of the BT were present: John B. Conway, John M. Franks, Eric M. Friedlander James G. Glimm, Linda Keen, Donald E. McClure, Karen Vogtmann, and Carol S. Wood.

Also present were the following AMS staff members: Gary G. Brownell (Deputy Executive Director), Kevin F. Clancey (Executive Editor, Mathematical Reviews), John H. Ewing (Executive Director), Sergei Gelfand (Publisher), Ellen H. Heiser (Assistant to the Executive Director [and recording secretary]), Elizabeth A. Huber (Associate Executive Director, Publishing), Constance W. Pass (Chief Financial Officer), and Samuel M. Rankin (Associate Executive Director, Government Relations and Programs).

President James Glimm presided over the EC and ECBT portions of the meeting (items beginning with 0, 1, or 2). Board Chair Eric Friedlander presided over the BT portion of the meeting (items beginning with 3).

Items in these minutes occur in numerical order, which is not necessarily the order in which they were discussed at the meeting.

0 CALL TO ORDER AND ANNOUNCEMENTS

0.1 Opening of the Meeting and Introductions.

President Glimm called the meeting to order and asked those present to introduce themselves.

0.2 Housekeeping Matters.

Executive Director Ewing mentioned some details about the schedule and arrangements for the events that took place during the current meeting.

1I EXECUTIVE COMMITTEE INFORMATION ITEMS

1I.1 Secretariat Business by Mail. Att. #24.

Minutes of Secretariat business by mail during the months November 2007 – April 2008 are attached (#24).

2 EXECUTIVE COMMITTEE AND BOARD OF TRUSTEES ACTION/DISCUSSION ITEMS

2.1 Report on Mathematical Reviews Editorial Committee (MREC).

The ECBT was informed that MREC has not met since the last ECBT meeting and there is nothing new to report at this time. The next meeting is scheduled for October 6, 2008 in Ann Arbor.

2.2 Report on Committee on Publications (CPub).

The ECBT was informed that CPub held its most recent meeting September 7-8, 2007 in Providence, and a report on that meeting was received by the November 2007 ECBT. The Committee is currently reviewing the AMS Book Program. CPub's next meeting is scheduled for September 12-13, 2008, in Chicago.

2.3 Report on Committee on the Profession (CoProf).

The ECBT was informed that CoProf held its most recent meeting September 8-9, 2007, at the AMS Headquarters in Providence, and a report was made to the November 2007 ECBT. The 2007 Annual Report on CoProf activities has been filed with the Council and is also posted on the AMS website (http://www.ams.org/ams/cprof-home.html). The Committee selected the Society's activities on professional ethics as the topic of their 2008 review (this topic was last reviewed in 2002). CoProf's next meeting is September 13-14, 2008, at the Chicago O'Hare Hilton.

2.4 Report on Committee on Meetings and Conferences (COMC). Att. #25.

The ECBT received the attached report (#25) on COMC's April 12, 2008 meeting in Chicago. COMC's next meeting will be March 14, 2009 at AMS Headquarters in Providence.

2.5 Report on Committee on Education (COE).

The ECBT was informed that COE hosted a panel discussion at the 2008 Joint Mathematics Meetings in San Diego entitled "Making Teacher Preparation Our Business." Panelists included: Solomon Friedberg, Boston College; Theodore Gamelin, UCLA; Jim Lewis, University of Nebraska; and Magnhild Lien, California State University-Northridge.

William McCallum, University of Arizona, will chair COE again in 2008, and the next meeting will be October 31 – November 1, 2008 in Washington, DC.

2.6 Report on Committee on Science Policy (CSP). Att. #26.

The ECBT received the attached report (#26) on the March 7-8, 2008 CSP meeting.

Ron Stern, University of California-Irvine, is the new Chair of CSP for 2008. The next CSP meeting will be March 6-7, 2009 in Washington, DC.

2.7 Washington Office Report. Att. #27.

The ECBT received the attached report (#27) on recent activities of the Washington Office.

2.8 Report on Long Range Planning Committee (LRPC).

Executive Director Ewing reported that the LRPC met on May 16, 2008 and reviewed (as the LRPC does periodically) the basic structures of AMS governance: Council, Policy Committees, Executive Committee, Board of Trustees, Agenda and Budget Committee, Nominating Committee, Committee on Committees, Editorial Boards Committee, Math Reviews Editorial Committee, and other committees (Program, Prize, etc.). In general, no problems or weaknesses were found. The LRPC had an extended discussion about the pros and cons of possibly changing the schedule for Nominating Committee business – doing the majority of the work in the fall and reporting to the January Council, instead of doing the majority of work in January at the annual meeting and reporting to the spring Council. No conclusion was reached by the LRPC.

2.9 Report from the President.

President Glimm commented on the following matters that are of particular interest to him: two new centers for mathematics funded by private-sector donors (one in California and one in New York), broadening AMS meetings to encompass new and emerging areas of mathematics, undergraduate and graduate education, and the funding of mathematics.

2.10 2009 Journal Pages and Prices.

The ECBT approved the following numbers of pages, and the BT approved the following prices, for 2009 journal subscriptions:

	2009 pages[1]	2009 list prices
*Abstracts of Papers Presented to the AMS**	760*	$144
Bulletin of the AMS	640	$457
Conformal Geometry and Dynamics	350	$25
*Current Mathematical Publications**	4,592*	$750
Journal of the AMS	1,200	$313
*Mathematical Reviews**		
Issue pages	11,185*	
Annual index pages	6,474*	
Total MR pages	17,659*	
MR Products		
Paper		$639
MR Sections		$183
Data Access Fee		$8.314
MathSciDisc		$2,200
MathSciNet		$2,200
MathSciNet & MathSciDisc		$3,066
Mathematics of Computation	2,400	$530
Memoirs of the AMS	3,800	$709
Notices of the AMS	1,550	$488
Proceedings of the AMS	4,200	$1,161
Representation Theory	500	$25
*St. Petersburg Mathematical Journal**	1,200*	$1,881
Sugaku Expositions	240	$210
*Theory of Probability and Mathematical Statistics**	324*	$719
Transactions of the AMS	6,600	$1,905
*Transactions of the Moscow Mathematical Society**	360*	$509

[1]all pages are text pages and do not include internal blanks, front and back matter.

*the numbers of pages for these journals are not completely within the staff's control, so they are currently the staff's best estimates and were included in the version of the 2009 budget presented at this meeting.

2.11 <u>2009 Individual Member Dues</u>.

The process for setting individual dues for year x starts in November of year x-2 when the ECBT makes a recommendation to the Council. The Council then acts on that recommendation and sends it back to the BT for final ratification.

The January 2008 Council approved the ECBT's recommendation that there be a $4 increase in the regular high dues for 2009. This puts the 2009 rate at $164 for regular members in the high income category. The high/low dues cutoff remains unchanged at $80,000.

The BT ratified the Council's decision that, for 2009, the dues rate for regular members in the high income category be set at $164, and the high/low dues cutoff remains at $80,000.

2.12 2009 Institutional Member Dues.

The ECBT approved an average increase of 3% in institutional member dues for 2009.

2.13 Registration Fees for the January 2009 Joint Mathematics Meetings.

The ECBT reviewed budget summaries for the January 2009 Washington, DC Joint Meetings and exhibits. Based on this information, the BT voted to advise the Joint Meetings Committee that the member pre-registration fee for this meeting be set at $216. [It is noted for the record that the June 2008 Joint Meetings Committee set the member pre-registration fee at $216.]

2.14 Stipend and Expense Allowance for Centennial Fellowship.

The ECBT approved awarding one Centennial Fellowship for 2009-2010 in the amount of $75,000, with an expense allowance of $7,500.

2.15 Report on the AMS Book Program. Att. #9.

The ECBT received and discussed the attached report on the book program (#9).

2.16 Policies and Position Statements.

While the Society maintains meticulous records (minutes and agendas) of its various governance meetings, it has never had an efficient way to organize and recall its various actions at those meetings. Statements of the Society, for example, are promoted in the *Notices* and often posted online, but over time they become lost. Policies that guide the Society's governance are noted immediately, but over time their origins may be forgotten so people modify policies without realizing they *are* mandated from the Board or Council.

Staff has therefore added a resource to help track this kind of information. By going through all ECBT and Council minutes from 1995 to the present, staff (Ellen Heiser) has extracted various statements and actions. They are classified into four categories – policy (internal policies), positions (about something outside the AMS), governance (procedures), and staff (staff procedures). They can be sorted in various ways – by date, category, subject – and they can be searched.

The listing will be updated after each Council and ECBT meeting and made available to the ECBT in a private section of the AMS website.

2.17 2009 ABC and ECBT Meetings.

The ECBT approved the following dates and sites for 2009 ABC and ECBT meetings:

ABC	April 7, 2009 (Tuesday)	by conference call
ECBT	May 15-16, 2009 (Friday-Saturday)	Providence, Rhode Island
ABC	October 16, 2009 (Friday)	Providence, Rhode Island
ECBT	November 20-21, 2009 (Friday-Saturday)	Providence, Rhode Island

It was noted that the members of the ABC in 2009 will be: Andrews, Conway, Daverman, Franks, and McClure.

2.18 Motions of the Secretary.

The following resolution was approved by acclamation:

> *Be it resolved that the Executive Committee and Board of Trustees of the American Mathematical Society accept the retirement of Kevin F. Clancey with deep appreciation for his exceptional service to the American Mathematical Society.*
>
> *During the past four years, Kevin has led Mathematical Reviews through a period of transition in which it has grown better, year after year. Kevin has built upon the previous success of Mathematical Reviews to create a product that is indispensable to the mathematics community around the world. He has done this while protecting and strengthening the organization that creates that product.*
>
> *Kevin's wisdom, skill, and dedication in leading Mathematical Reviews have been a great asset to the American Mathematical Society. In the highest and broadest sense, he has fulfilled the Society's mission to further the interests of mathematical research and scholarship.*
>
> *The members of the Executive Committee and Board of Trustees appreciate all that he has accomplished for the Society and for the greater mathematical community, and offer Kevin their special thanks and heartfelt good wishes for a happy and well-deserved retirement.*

2C EXECUTIVE COMMITTEE AND BOARD OF TRUSTEES CONSENT ITEMS

2C.1 November 2007 ECBT Meeting.

The ECBT approved the minutes of the meeting of the Executive Committee and Board of Trustees held November 16-17, 2007, in Providence, Rhode Island, which had been distributed separately. These minutes include:

- ECBT open minutes prepared by the Secretary of the Society (http://www.ams.org/secretary/ecbt-minutes/ecbt-minutes-1107.pdf)
- ECBT "open" executive session minutes prepared by the Secretary of the Society
- ECBT closed executive session minutes prepared by the Secretary of the Society

See also item 3C.1.

2I EXECUTIVE COMMITTEE AND BOARD OF TRUSTEES INFORMATION ITEMS

2I.1 State of the AMS. Att. #30.

The Executive Director's annual report to the spring Council is attached. (#30).

2I.2 Changes in Registration Fees. Att. #12.

The Executive Director is authorized to make changes in registration fees for conferences, employment center, mathjobs, and short course.

Att. #12 reports the changes authorized since the last ECBT meeting.

2I.3 AMS Presence at the Annual Meeting of SACNAS. Att. #13.

The AMS has provided $5,000 toward support of the mathematics program at the annual national meetings of the Society for Advancement of Chicanos and Native Americans in Science (SACNAS). Associate Executive Director James Maxwell and Public Awareness Officers Annette Emerson and Michael Breen represented the AMS at the most recent meeting held October 11–14, 2007, in Kansas City, Missouri. There was also a session of the game, "Who Wants to be a Mathematician," that was very popular. Att. #13 is a report on the mathematically-related activities at this meeting.

SACNAS has shown itself to be highly effective at nurturing talented undergraduates from within their target communities to successful completion of graduate degrees in science and mathematics. AMS's continuing support for and presence at the SACNAS national meetings has enabled it to build strong ties within this community of scholars committed to excellence.

2I.4 Epsilon Fund Grants. Att. #14.

In 1999, the Epsilon Fund was created by the Society to provide support for the Young Scholars Program. The Program awards grants, which support student scholarships and program operating costs, to selected summer programs for mathematically talented high school students. This year, the Young Scholars Awards Committee evaluated six applications for support from Epsilon Fund, and recommended funding five of them in addition to the three programs that received two-years of funding last year. The members of the Committee are: David Ferguson,

Jon Jacobsen (Chair), Sergei Tabachnikov and Jeremy Teitelbaum. A list of the programs funded for summer 2008 is attached (#14).

2I.5 Report on AAAS Meeting. Att. #15.

A report on the AMS-supported activities at the 2008 annual meeting of the American Association for the Advancement of Science (AAAS) is attached (#15).

2I.6 2008-2009 AMS Centennial Fellowships.

The AMS Centennial Fellowship Committee has announced that Christopher Hoffman (University of Washington) is the winner of the 2008-09 Fellowship competition. Hoffman has accepted the award. The amount of this Fellowship is $70,000, with an additional expense allowance of $7,000.

2I.7 AAAS-AMS Mass Media Fellowship.

In affiliation with the American Association for the Advancement of Science (AAAS), the AMS sponsors ten-week fellowships for graduate students in mathematics to work full-time over the summer as reporters, researchers and production assistants in U.S. mass media organizations -- radio and TV stations, newspapers and magazines.

The program is intended to strengthen the connections between science and the media, to improve public understanding of science, and to sharpen the ability of the fellows to communicate complex scientific issues to non-specialists.

The AMS will sponsor one fellow in the summer of 2008. Applications are currently being reviewed and an award recipient will be chosen soon. An announcement of the AMS Mass Media Fellow for 2008 will be made in the *Notices* and posted on the AMS website.

2I.8 Congressional Fellow.

The AMS, in conjunction with the American Association for the Advancement of Science (AAAS), will again sponsor a Congressional Fellow from September 2008 through August 2009. These Fellows spend a year working on the staff of a Member of Congress or a congressional committee, working as a special legislative assistant in legislative and policy areas requiring scientific and technical input. The fellowship is designed to provide a unique public policy learning experience, to demonstrate the value of science-government interaction, and to bring a technical background and external perspective to the decision-making process in the Congress.

Applications invited from individuals in the mathematical sciences are currently being reviewed and a selection will be made shortly. An announcement of the AMS Congressional Fellow for 2008-09 will be announced in the *Notices* and posted on the AMS website.

2I.9 Updates to Travel Vouchers for Volunteers. Att. #28.

The Executive Director is authorized to make changes to travel policies and then inform the Board when this is done.

In January 2008 the explanation on the back of the Level B travel voucher was updated to reflect current practice. Since Levels A and C are essentially the same as B, these were updated as well. The only substantive change was replacing "one long distance phone call per day in the travel time period" with "reasonable cost of daily internet access in the travel time period." Copies of the three vouchers are attached (#28).

2I.10 Actions of the Agenda and Budget Committee (ABC).

At its April 15, 2008 meeting, the ABC took the following action:

Delegated the authority to set the schedule for future ECBT meetings to the Executive Director and the Secretary.

2I.11 ECBT Nominating Committee. Att. #16.

The charge to the ECBT Nominating Committee (ENC) is attached (#16).

The members of the 2008 ENC are: Sylvain Cappell, John Conway (Chair), and Hema Srinivasan.

Secretary Daverman reported that Susan Friedlander, Associate Secretary for the Central Section, has informed him she is moving to the University of Southern California, so is not eligible for reappointment. A search committee consisting of John Conway, Robert Daverman, and Craig Huneke has been appointed and will make a recommendation to the November 2008 ECBT.

Therefore, the ENC's task for this year is to recommend whether the Associate Secretary for the Western Section (Michel Lapidus) should be reappointed. The ENC should have a report for consideration by the November 2008 ECBT for submission to the January 2009 Council.

It is noted that the Council wishes a review by the ENC of the officers who are being recommended for reappointment as part of the appointment process. Typically the EC member on the ENC presents this review to the Council.

3 BOARD OF TRUSTEES ACTION/DISCUSSION ITEMS

3.1 Financial Review.

3.1.1 Discussion of Fiscal Reports.

The BT received and discussed various fiscal reports. Approval of the 2009 budget will be requested at the November 2008 ECBT meeting.

3.1.2 Capital Expenditures – 2007 and 2008 Capital Purchase Plans.

The BT received reports on the 2007 and 2008 capital purchase plans.

Capital purchases in 2007 were approximately $270,500 under the amount budgeted. The Providence carpeting and HVAC (heating, ventilation, and air conditioning) controls upgrade projects were both not completed until January 2008, so these capital items (and their 2007 budgets) will be carried over to 2008. If the effect of these two projects is ignored, the 2007 remaining capital purchases came in about $31,500 over budget. The replacement and re-engineering of the HVAC systems in the Pawtucket facility came in over budget by approximately $30,000. This overage was compensated for by fewer network enhancements and fewer smaller projects done than planned, with the result that Rhode Island capital purchases were under budget by about $15,500. The MR conference room project was over the Fiscal budget by approximately $101,500; it came in only slightly over the authorized budget. This overage was reduced by reduced costs for masonry work from the budgeted amount, such that the Michigan capital purchases were over budget by $47,000 for 2007. Also, approximately $2,000 of the unspecified capital was not spent in 2007. The remainder is made up of smaller variances, both positive and negative.

3.1.3 Capital Expenditures - Approval of Specific Purchases. Att. #17.

The Board of Trustees held a "Meeting by Technical Means" in December 2007 and approved the following motion:

> The Board of Trustees approves spending up to $458,202 for fiscal information system software license, maintenance, implementation and related expenses as described in the memorandum of December 19, 2007 from Constance Pass to the Board of Trustees.

The Board approved the attached minutes (#17) to affirm the above action.

3.1.4 Capital Expenditures – Possible Future Purchases. Att. #33.

At the April 2008 meeting of the Agenda and Budget Committee (ABC), members asked about possible future capital purchases. The Executive Director gave a short list of possible

purchases over the next year, and one of those was a color press. It was pointed out that the Society is not ready to make a decision about the purchase, either whether it should be made or exactly what equipment is best suited to the AMS. On the other hand, staff has discussed the various advantages and disadvantages over the past six months. The BT received the attached summary (#33) of that discussion.

3.2 Spendable Income, Operations Support Fund and Other Related Items. Att. #18.

The Society uses its long-term investments for several purposes, and for that reason it divides its investments into various funds. The following five standing items deal with these funds – additions, transfers and spending.

The description of the ways in which the Society uses its long-term investment portfolio is contained in section D of the Fiscal Reports received by the BT. This description is summarized in the diagram in Att. #18, which has labels showing how the five parts of item 3.2 are connected to the process.

3.2.1 Addition to Operations Support Fund.

In 2007, approximately $2,997,900 was added to the Operations Support Fund (OSF) from operations. The first transfer of $2,000,000 was made in late May 2007 pursuant to the Board's action at its meeting earlier in May 2007. The remaining addition of approximately $997,900 did not require any additional cash to be added to the long-term portfolio, as this amount was owed to operations, primarily due to 2007 spendable income. Operations did not require the liquidation of long-term investments for cash flow purposes, so it was left in the form of long-term investments and formally added to the OSF by the BT at its November 2007 meeting.

Given the dollar amount to be spent in 2008 on capital purchases such as the carry-over of the Providence carpeting and HVAC (heating, ventilation and air conditioning) controls from 2007 and the purchase and implementation of the financial information software, as well as the normal working capital needs of the Society, no additional transfers from operations to the OSF were proposed at this time.

3.2.2 Rebalancing of Economic Stabilization and Operations Support Funds.

Under the policy adopted by the Board of Trustees at its May 2006 meeting, at the end of each fiscal year the allocated values of the Economic Stabilization Fund (ESF) and the Operations Support Fund (OSF) are rebalanced such that the ESF always equals the target balance. 2006 was the first year this policy was implemented, which resulted in the movement of slightly over $13,000,000 from the ESF to the OSF. The 2007 rebalancing required the movement of $1,116,932 from the ESF to the OSF, as the 2007 return on invested funds was greater than the increase necessary for the ESF to meet its target balance.

3.2.3 Allocation of Operations Support Fund (OSF) Spendable Income.

The May 2001 Board of Trustees approved the following (from item 2E.5):

> Income from reserves should be allocated to each year's budget to service and outreach programs of the Society (without specifying exactly which programs). The total amount should be approved by the May ECBT, when revenue projections for the following year are made.

The income from the OSF for 2008 and 2009, determined according to the guidelines approved by the BT and at the approved spending rate of 5%, will be $1,039,300 and $1,399,500, respectively. The 2008 amount had been previously approved. The now significant annual increases are due to the adoption of the annual rebalancing between the ESF and OSF in 2006 and 2007. Once all base years in the calculation are years that have been rebalanced, the subsequent years' increases should be smaller than current experience. It was noted that the balances in the OSF for the base years are not normalized for additions and withdrawals for the purpose of calculating the spendable income (as is done for the true endowment funds).

The BT approved Chief Financial Officer Pass's recommendation that $1,399,500 be allocated as OSF spendable income in the 2009 budget.

3.2.4 Appropriation of Spendable Income from Unrestricted Endowment. Att. #19.

The May 2001 Board of Trustees approved the following (from item 2E.5):

> Each year, the budgeting process will include recommendations for allocating spendable income from the Unrestricted Endowment for specific projects. The allocated income will be treated as revenue for operations, offsetting (part of) the expenses. These recommendations will be brought to the Board for approval at its November meeting in the normal budgeting process. The goal will not be to use all the income from such funds each year, but rather to use some of the income every year for the support of mathematical research and scholarship. Using such income should be a regular part of our operations rather than an exceptional situation.

The 2009 preliminary revenue budget includes the full amount that could be used this way if appropriate uses are identified and approved at the November 2008 ECBT meeting. The amounts budgeted for 2007, 2008 and 2009 are $285,000, $311,000 and $320,000, respectively. The BT will vote on the use of these funds in 2009 by specific projects at its November 2008 meeting.

The BT received the attached report (#19) showing budgeted spendable income allocations for 2004-2008, and actuals for 2004-2007.

3.2.5 Report on Changes in Appropriated Spendable Income.

The Executive Director has the authority to transfer spendable income that will not be used on an approved project to another approved project, in case additional support is needed. A report of any such changes shall be made at ECBT meetings.

The BT was informed that no such transfers had been made since the last ECBT meeting in November 2007.

3.3 Short-term Investments. Att. #20.

The BT received the attached report (#20) summarizing the Society's cash management policies and short-term investment performance during 2007.

3.4 Accounting Change in 2007. Att. #21.

The Society's 2007 financial statements include the effect of adopting Statement of Financial Accounting Standards (SFAS) No. 158, "Employers' Accounting for Defined Benefit Pension and other Postretirement Plans." Adoption of SFAS No.158 had no effect on the Society's operating results for 2007, and reduced its recorded liability for its obligations under the post-retirement health benefit plan from what would have been recorded by approximately $680,000. The BT received the attached report (#21) explaining the Statement and its current and future effects on the Society's financial statements in more detail.

3.5 Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Potential Accounting Changes for 2008. Att. #22.

The District of Columbia (where the AMS is incorporated) adopted its version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) in November 2007, which became effective in late December 2007. As a result of the drafting and adoption of UPMIFA by the National Conference of Commissioners on Uniform State Laws in mid-2006, staff of the Financial Accounting Standards Board (FASB) wrote FASB Staff Position (FSP) 117-a, which would amend certain sections of SFAS 117 and SFAS 124, which deal with the classification of net assets and recognition and classification of return on invested assets by not-for-profit organizations. The comment period for this FSP ended April 18, 2008, after which it might be adopted, in whole or in part, or with amendments, by FASB as a new Statement of Financial Accounting Standards.

The BT received the attached information (#22) about the UPMIFA as adopted by the District of Columbia and the FSP, including certain Board responsibilities that will arise should the FSP be adopted as currently written by FASB.

3.6 Audit Committee Meeting. Att. #34.

Audit Committee Chair John Franks reported that the Committee met on May 16, 2008 with David Gagnon, Partner from the auditing firm of KPMG, to hear a report on the 2007 audit and to review the audited financial statements for the years ended December 31, 2007 and 2006

(drafts of these documents had been provided separately prior to the meeting to all members of the BT). Several other BT and staff members attended part of the meeting, and the Committee also met privately with the Mr. Gagnon.

Upon recommendation of the Audit Committee, the BT voted to accept the draft audited financial statements for the years ended December 31, 2007 and 2006 and delegated to management final resolution of minor edits and issuance of the final statements. The final statements are attached (#34).

Upon recommendation of the Audit Committee, the BT voted to accept KPMG's proposal to conduct AMS's audit in 2008 for a fee of $52,000.

3.7 Investment Committee Report.

The BT received a report on the Investment Committee's May 16, 2008 meeting from the Committee's Chair, John Franks.

The BT then took the following actions, which were recommended by the Investment Committee:

- In order to maintain conformance with the BT's current asset allocation policy of 15-25% in fixed income funds, staff was directed to move $1,000,000 from fixed income to equities (to the Vanguard Total Market fund, the Fidelity Total Market fund, or some combination of these two funds, at the discretion of the staff).

- The Investment Committee was granted the authority to direct staff to rebalance the investment portfolio, within the range of the current asset allocation policy set by the Board of Trustees and by unanimous consent of the Investment Committee. The Board must be subsequently notified of any rebalancing.

3.8 Annual Reports on Divisions. Att. #31.

Section VI (Report on Projects and Activities) of the 2007 Operating Plan was made available to BT (and EC) members separately prior to the meeting. This final section serves as the annual report for each division by providing a brief overview of the division, reporting on the status of certain activities that were planned for 2007 and summarizing budgetary implications.

In addition, Division Directors provided highlights of 2007 activities. These were also made available separately prior to the meeting and are attached (#31). The attachment also includes the current Trustee liaison assignments.

Division Directors contacted their liaison Trustee(s) in advance of the meeting to discuss their reports and answer any questions. Questions and comments from all members of the Board were solicited at the meeting.

It was noted that the process will be handled differently next year: meetings with liaison Trustees will take place in February or March (and be based on the draft planned activities portion of Section VI that is prepared for the Executive Director just prior to the November ECBT meeting). Division Directors will then prepare their summary reports in time for Trustees to review and comment on them before they are included in the May ECBT agenda.

[Now that the 2007 Operating Plan is complete, a copy of it is attached to the paper record copies of these minutes (Att. #35).]

3.9 Meeting of the Mathematical Reviews Corporation.

In 1983, when the building that currently houses Mathematical Reviews was purchased, a Michigan non-profit corporation was formed in order to obtain exemption from local property taxes in Ann Arbor and from sales and use taxes in Michigan. In order to maintain these exemptions, the corporation ("Mathematical Reviews") must be maintained by holding an annual meeting at which the Officers and Directors of the corporation are elected.

The AMS Board of Trustees meeting was therefore temporarily adjourned, and the AMS Trustees convened as the Board of Directors of the Mathematical Reviews Corporation.

The Board of Directors of the Mathematical Reviews Corporation elected the following officers:

President of the Corporation:	Eric M. Friedlander
Treasurer of the Corporation:	John M. Franks
Secretary of the Corporation:	Donald E. McClure
Directors of the Corporation:	John B. Conway
	James G. Glimm
	Linda Keen
	Karen Vogtmann
	Carol S. Wood

The meeting of the Board of Directors of the Mathematical Reviews Corporation then adjourned and the meeting of the AMS Board of Trustees reconvened.

3.10 Meetings of the Membership and Board of Directors of ICM-86.

The Society managed the meeting of the 1986 International Congress of Mathematicians. It organized a new corporation (ICM-86) for the purpose of holding the assets of the meeting, segregating accounts from regular AMS accounts, etc. After the business of the meeting was concluded, it was decided to keep the "shell" corporation alive, in case a separate corporation might be needed some time in the future. It was noted that the cost of dissolution would probably be greater than the cost of the annual corporate registration fees, etc., necessary to keep the corporation alive. There are no taxes or other costs involved.

The meeting of the AMS BT was temporarily adjourned. The AMS Trustees then convened as the membership of ICM-86 and elected the following individuals to five-year terms on the Board of Directors of ICM-86:

Professor John B. Conway
Professor Linda Keen
Professor Donald E. McClure
Professor Karen Vogtmann
Professor Carol S. Wood

The meeting of the membership of ICM-86 was then adjourned.

A meeting of the Board of Directors of ICM-86 was then convened, and the following officers were elected:

Professor Eric M. Friedlander, Chair
Professor John M. Franks, Treasurer
Mr. Gary G. Brownell, Secretary

The meeting of the Board of Directors of ICM-86 was then adjourned, and the meeting of the AMS Board of Trustees reconvened.

3C BOARD OF TRUSTEES CONSENT ITEMS

3C.1 November 2007 BT Closed Executive Session Meeting.

The BT approved the minutes of the closed executive session meeting of the Board of Trustees held November 17, 2007, in Providence, Rhode Island, which had been distributed separately.

3C.2 Procedures for the Appeals for Discounted Subscriptions.

The BT approved the continued use of the following guidelines for 2009, which staff follow in responding to appeals for discounted subscriptions:

- Minimum price for MR Data Access Fee (DAF) of $200 applicable to institutions in countries found in the two poorest World Bank country listing. Staff can provide this level of discount even if the country does not have a national DAF.
- The discounted price for MR DAF for domestic institutions would not be lower than the greater of 40% of a list price DAF or 40% of the institution's mathematical sciences serials budget, not to exceed regular list price for a DAF.
- The discounted price for MR DAF for non-domestic institutions not included in the first category above would not be lower than 40% of a DAF. To the extent possible, information about serials budgets would also be collected, and, if desired, staff would provide information on publishing activity at the institution.

- For MR derived products, allowable prices would be regular list price for paper, 50% of list for MathSciDisc (provided SilverPlatter goes along), and lowest published price for MathSciNet.
- For other AMS journals, the lowest allowable price would be marginal cost, applicable to the most desperate cases.

It was noted that, over the years, this method of obtaining discounts has been used less and less. In addition to the appeals process, the Society offers a National *Mathematical Reviews* Subscription Program (described at http://www.ams.org/bookstore/mathsciprice#NMRSP) for institutions in the poorest countries. Institutions that do appeal are usually directed to a MathSci consortium if one is available; this is usually the best way for such institutions to meet their needs.

3C.3 Retirement Plan Amendments. Att. #29.

Att. #29 contains a routine amendment incorporating statutory changes and other Internal Revenue Service (IRS) guidance issued since 1991. Included are statutory changes made by the Small Business Job Protection Act of 1996, the Taxpayer Relief Act of 1997, and the Economic Growth and Tax Relief Reconciliation Act of 2001. The Society's attorneys drafted the amendment in accordance with the IRS' published model amendment. Although many of the provisions included in the model amendment do not apply to the American Mathematical Society Retirement Plan, the IRS is still requiring adoption of the entire amendment as drafted. The Plan has been operating under the provisions of this amendment as of December 31, 2006. Although the Plan is required to comply, compliance has no real effect on the operation of the Plan, benefits to AMS employees, or the cost of the benefit. The BT approved the attached amendment.

3C.4 Resolutions for Retirees.

The BT approved the following proclamation for the employees noted who retired in 2008:

Sandra K. Barth	43 years
M. Joan Beauchemin	23 years
Karen L. Butler	14 years
Kevork Vichabian	22 years

Be it resolved that the Trustees accept the retirement of _____ with deep appreciation for his/her faithful service over a period of _____ years. The Board expresses its profound gratitude for this long record of faithful service. It is through the dedication and service of its employees that the Society is able to effectively serve its members and the greater mathematical community. The Trustees offer _____ their special thanks and heartfelt good wishes for a happy and well-deserved retirement.

3I BOARD OF TRUSTEES INFORMATION ITEMS

3I.1 Focused Planning for Infrastructure. Att. #23.

A report is attached (#23).

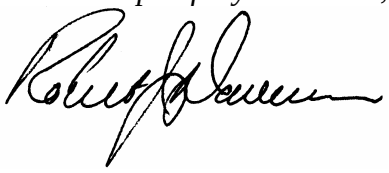
3I.2 Small Change in Fringe Benefits.

The Executive Director is authorized to approve changes in benefit plans, except for those changes which would significantly enhance or degrade the Society's financial health or relations with its employees. Such changes are to be reported to the Board of Trustees as information items when appropriate.

The Executive Director reported that he made the following change to the medical plan offered to RI and DC staff:

Effective March 1, 2008, the Society implemented a change in the medical plan offered to RI and DC staff. By moving from a fully-insured medical plan with a $250 deductible to a high deductible consumer driven medical plan, with the Society reimbursing participants for eligible services up to the deductible amount of the insured plan, the Society is able to provide employees and their families with the same quality coverage at significant savings to employees and the Society. For the 2008-2009 plan year, participants will see a 27.31% decrease in their monthly premium. Annual premium savings will range from $259 for those with individual coverage to $1,248 for those with family coverage. Additionally, the Society was able to eliminate the out-of-pocket deductible expense in place under the previous plan, which will increase the savings to many plan participants. To minimize the financial risk to the Society and maintain compliance with federal health information privacy laws, the Society will utilize the services of a third-party administrator (TPA) to administer the AMS Plan. Although it is too early to know exactly how much the Society will save, a savings in the range of $60,000-$100,000 over last year's expenses is projected. In addition, this new type of medical plan will make it easier for the Society to change its plan in the future.

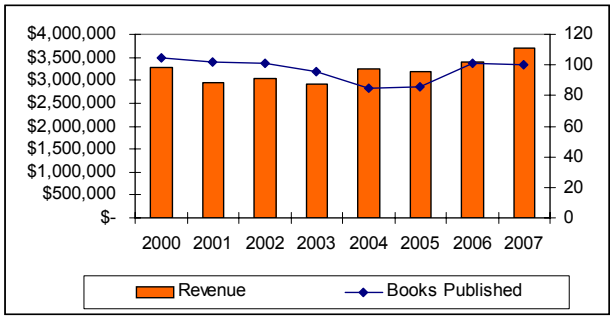
Respectfully submitted,



Robert J. Daverman, Secretary
Knoxville, Tennessee
June 27, 2008

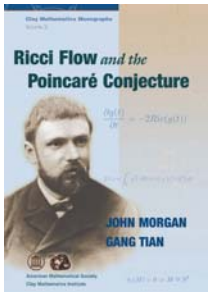
REPORT ON THE BOOK PROGRAM

The AMS book program contributed revenue of $3,707,000 in 2007, an increase of $314,000 over 2006 revenue and $359,000 over the 2007 budget. A total of 100 books were published during 2007, 10 less than budget and 1 more than was published in 2006. Many of the books anticipated for publication in 2007 arrived too late in the year to meet production deadlines. In addition to the sale of AMS publications, we sold an additional $353,000 in books for our Sale of Services clients.

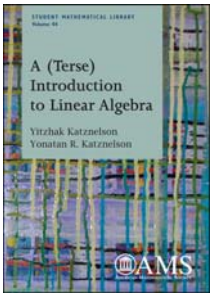


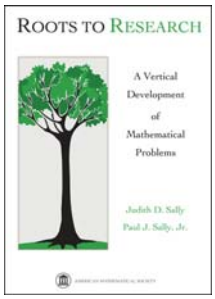
The mix of books included 57 new monographs and 43 proceedings. Eighteen of the books published in 2007 were published under co-publishing agreements with other organizations.

Notable books published in 2007 included: *Ricci Flow and the Poincare´ Conjecture,* by J. Morgan and G. Tian (Clay Mathematics Monographs), which is the first book with the complete exposition of Perelman's proof of the Poincare´ conjecture and *Noncommutative Geometry, Quantum Fields and Motives,* by A. Connes and M. Marcolli (Colloquium Publications) which contains the results of the authors' research connecting noncommutative geometry, number theory, and quantum field theory.



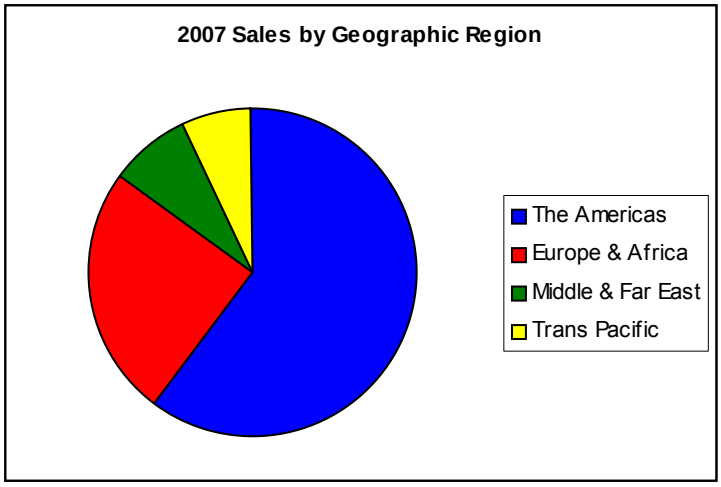
For several years, the AMS has been working to increase the publication of genuine graduate and upper-level undergraduate textbooks. In the framework of these efforts, three books on linear algebra were published in 2007: a graduate textbook, *Linear Algebra in Action* by Harry Dym (Graduate Studies in Mathematics); a text for a second undergraduate course, *Applied Linear Algebra: The Decoupling Principle* by Lorenzo Sadun (out of series); and a specialized text for advanced undergraduate students, *A (Terse) Introduction to Linear Algebra* by Yitzhak Katznelson and Yonatan Katznelson (Student Mathematical Library). This is especially satisfying, as one of the very first books to treat linear algebra as a separate subject was Wedderburn's *Lectures on Matrices*, published as Volume 17 of Colloquium Publications in 1934.





Several books published in 2007 were directed at a wider audience including undergraduate students and high school teachers and students. These books included *Roots to Research,* by Judith Sally and Paul Sally; *Continuous Symmetry,* by William Barker and Roger Howe; and *Mathematical Omnibus: Thirty Lectures on Classic Mathematics,* by Dmitry Fuchs and Sergei Tabachnikov.

The AMS book program continues to have an international audience; 41% of the units sold in 2007 were to buyers outside of North America. Sales in Europe continue to be a major part of our overall revenue with the majority of these sales the result of our distribution agreement with Oxford University Press.



In 2007, OUP posted a small increase in unit sales with revenue growth increasing by 12%, attributed mostly to currency fluctuations. We continue to experience administrative instability with OUP, and we feel that sales in this territory could be higher. We have looked at various alternatives to OUP for some time but until now we have been unable to find a suitable replacement for OUP in Europe.

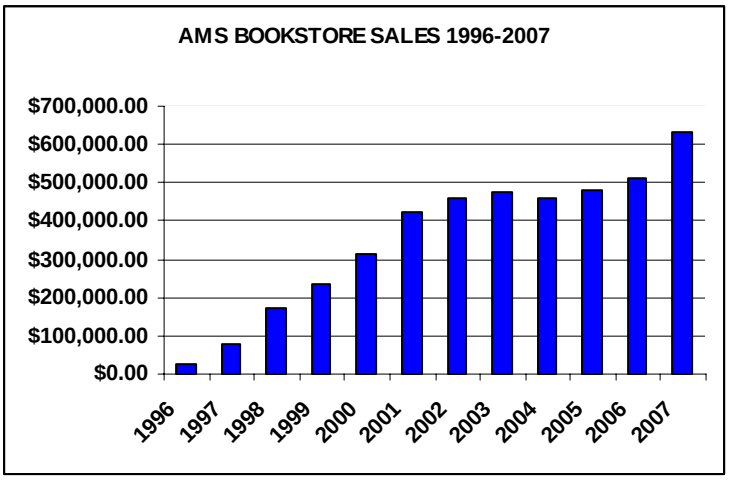
In 2007, we identified a firm that we feel is a strong candidate for replacing OUP as our European distributor. This firm has a solid reputation for supplying the administrative and marketing services that have been lacking in our relationship with OUP for some time. Although the financial terms of this arrangement will not be measurably different from the OUP agreement, we feel that this new firm holds significantly more promise for expanding sales in the territory. Our current contract with OUP expires in the fall of 2008 so our negotiations must conclude soon in order to provide OUP with the contractually required notice of termination.

Sales in China and India are growing slowly and more work is required to achieve our long-term sales goals in these territories. In India the list price of our publications has been a formidable barrier to increased sales. In an attempt to make sure that this important mathematical literature is available in India, we entered into a reprinting arrangement with an Indian publisher many years ago. That publisher reprinted the publication and sold the reprints at prices well below our list price, typically below $5.00. This arrangement was not meeting our objectives for two key reasons: consumers were not relating these publications to the AMS publishing program and others were establishing the price for our publication in this market.

It is time for the AMS to establish a strategy which allows us to retain editorial and price control of our product and achieve greater visibility of our publishing program in this important market for research mathematics. In 2008, under a cooperative arrangement with an Indian publisher, we will produce low-cost Indian editions of a select group of backlist titles. Our Indian publishing partner will manufacture and distribute the books under mutually agreeable pricing guidelines.

Overall, the strongest sales during 2007 were in the dealer distribution channel. The major force in this category is the private equity company Castle Harlan Partners, which owns the leading library service firms of Baker and Taylor and Yankee Book Peddler. In 2007, the combined sales of these two companies increased by 34% or 2600 units, with revenue increasing by $172,101 or 47%. Two key factors contributed to this increase. Both firms are expanding their focus and reach well beyond their traditional North American market, becoming market forces in the Far East and Europe. Also, Baker and Taylor took over servicing some business for Amazon, which contributed to higher sales.

Sales through online retailers, including the AMS Bookstore, are the fastest growing distribution channels for our products. The combined revenue of the AMS bookstore and accounts we can identify as online retailers was approximately $935,000 in 2007 an increase of 17% over 2006. A considerable amount of this growth is attributed to a shift in buying patterns, away from the traditional brick and mortar stores to internet retailers. New technology, which allows online bookstore customers to preview publications prior to purchase, is a major contributor to the increase in internet retail sales.



Sales through the AMS electronic bookstore continue to lead the internet retail sales channel. In 1996, when the bookstore was launched, approximately $25,000 in revenue was received from the sale of 850 units. By 2007, AMS bookstore revenue had increased to approximately $630,000 from the sale of over 17,500 units.

Amazon is the second largest internet retailer of AMS books with revenue of $294,635.48 in 2007 from the sale of 10,961 units. Our relationship with Amazon dates back to 1996, when they purchased just 70 books. Annual Amazon revenue grew modestly until 2002 to approximately $52,000. In 2003, the AMS joined the *Amazon Advantage Program* and began submitting a significant number of new publications for "*Search Inside the Book*. These changes in our relationship with Amazon have led to significant increases of the annual sales to Amazon.

Direct sales to individuals accounted for approximately $780,000 in revenue in 2007, an increase of 16% over the prior year. Although a significant portion of these sales are through our online bookstore, we provide other opportunities for individuals to discover and purchase our books through our exhibit program. This past year we attended 9 AMS meetings, 3 meetings of other mathematics societies including the 6th International Congress on Industrial and Applied Mathematics in Zurich.

Sergei Gelfand, Publisher
Beth Huber, Associate Executive Director Publishing
4/08

2009 Employment Information in the Mathematical Sciences

The Executive Director has approved the following fees for the 2009 Employment Information in the Mathematical Sciences. The subscription year runs from October 2008 through Jun/July 2009.

Listing fees:

	1 issue*	2 issues*	3 issues*
small (up to 150 words)	US$160	US$210	US$260
medium (150-300 words)	US$185	US$235	US$285
large (300-450 words)	US$210	US$260	US$310

Each fee has been raised $5 from the previous year.

** One "issue" refers to one appearance in the printed journal, and 60 days on the web. Choosing "web only" does not alter the fee.*

Listing fee history:	2002	2003	2004	2005	2006	2007	2008
Small, one issue	130	130	135	140	145	150	155

Subscription fees:

List	US$205 (raised from US$200 in 2008)
Individual	US$123 (raised from US$120 in 2008)
Student/Unemployed	US$45 (same as 2008)

Subscription fee history:	2002	2003	2004	2005	2006	2007	2008
List price	185	185	185	185	190	195	200

2009 Employment Center

The Executive Director has approved the fees listed in the chart below for the 2009 Employment Center in Washington, D.C.

For 2009, we anticipate a substantial change in the Employment Center program. We no longer plan to run the traditional computer-scheduled component. Instead, information about employers and applicants attending will be distributed, and employers will make their own scheduling arrangements, either in advance or on site. We will offer some additional services to try to aid those who preferred to have scheduling done for them, however, an optimal level of help will probably not be in place for 2009. Therefore it seems best to put only a small price increase in place now.

One additional change in the pricing structure is for the new "Committee" interview table. Some recent shifts in the job market have made the practice of three or more

representatives from a department conducting all interviews more common than it used to be. In response to complaints from neighboring tables, we are now offering a separate setting for the larger groups. Also, we are performing a test this year of curtained booths along the perimeter of the table area.

Since we are dropping the computer scheduling, we will no longer be charging the full fee for applicants. We will set new rates closer to the previous "info/messages only" rate, and we will vary that rate for in advance vs. on site, to encourage early enrollment, which is in everyone's best interest.

Summary of recent and proposed fees

	2004	2005	2006	2007	2008	2009
Employers – Quiet Area table (1-2 int)	220	225	230	235	245	250
Employers – Second Quiet Area table	65	75	80	85	95	100
Employers – Committee table (3-6 int)						350
Employers – Curtained Booth (1-6 int)						425
Employers – One Quiet Area table, on site	300	305	310	315	325	330
Employers – One Committee table, on site						430
Applicants – in advance	40	42	42	44	44	25
Applicants – on site	75	80	80	82	82	40
(Applicants – info/messages only	20	21	21	22	22	n.a.)

2009 Mathjobs.org Fees

The Executive Director has approved the following fees for 2008/09 Mathjobs employer registrations. The fee will be in effect from July 1, 2008 through June 30, 2009. Currently, employers in North America are allowed to open accounts. The service is free to applicants.

Employer fees (for up to seven ads):

Regular account, 12 months from date of sign up:	**$450**
Advertising only account, 12 months from date of sign up:	**$450**

Previous fees:	
2007/08	$400
2006/07	$350
2005/06	$300

Please note that those who need more than seven ads will pay for two accounts.

2009 Short Course Fees

The Executive Director has approved the fees listed in the chart below for the 2009 Short Course in San Diego.

Year	Name of Course	Preregister-member/non	On-site-member/non	S/U/E-prereg*	S/U/E-onsite*
2004	Trends in Optimization	$80/$100	$110/$130	$35	$50
2005	The Radon Transform and Appl. to Inverse Prob.	$85/$108	$115/140	$37	$55
2006	Modeling and Simulation of Biological Networks (actual)	$87/115	$118/148	$38	$57
2007	Aspects of Statistical Learning	$90/$120	$120/$151	$40	$60
2008	Applications of Knot theory	$94/$125	$125/$155	$42	$63
2009	**Quantum Computation and Information (tentative)**	**$96/130**	**$130/160**	**$44**	**$65**

*S/U/E: Student/Unemployed/Emeritus

Ellen J. Maycock
Associate Executive Director
March 4, 2008

Report to the AMS on the Mathematics activities at the 2007 SACNAS conference

Mathematics has always been a part of SACNAS and together with our partnering and sponsoring agencies and organizations such as the National Security Agency (NSA) National Science Foundation (NSF), American Mathematical Society (AMS), the Mathematical Sciences Research Institute (MSRI), and the American Institute of Mathematics (AIM) we continue to sponsor a coordinated effort to both increase and sustain the mathematics presence at the SACNAS conference.

In 2007, with the funding and programmatic support of our partners, in particular AMS who provided a $5,000 sponsorship and some federal agencies who supported the mathematics program by awarding a total of $52,165 in grants for mathematic students and professionals to attend the 2007 conference, SACNAS effectively implemented a broad range of educational, and professional and leadership development activities for undergraduate, graduate, post-doctoral and young professionals. We were able to provide critically important opportunities for mathematics undergraduate and graduate students and recent Ph.D.'s to establish and maintain contact with a strong network of mathematicians who, as mentors and role models, have and will support them throughout their college and university years and their professional lives.

The 2007 SACNAS national conference offered mathematics students, postdocs and young professionals the following pre-conference and conference activities and events:

Pre-conference activities: These sessions were expository, intended for faculty, postdocs and graduate students who may not be closely working in the topic areas.

- The *Mathematics Institute: Classification of Plane Curves* exposed a large number of advanced undergraduates to the area of computational algebra.
- The MSRI *Workshop on Modern Mathematics* for graduate students, postdocs and professionals focused on analysis of singular spaces, Ergodic theory and additive combinatorics.
- The *Mathematics Institutes Reception* was attended by several mathematics institutes from the US and Canada who welcomed students and offered a rare opportunity for students to network with prospective mentors and other students at various levels in their academic careers in mathematics and statistics.
- The *REU Open Forum* was another successful mentoring and networking session where graduate students who had participated in NSA-sponsored summer research programs over the years were reunited and given the opportunity to discuss their experiences and offer advice to attending undergraduate students.

Conference activities:
Math Scientific Symposia

- *Advancing Knowledge and Debunking Myths: Mathematics Education Research and Latinos/as*
  This symposium reported findings from several innovative research projects examining mathematics learning and teaching contexts for k-12 Latino/a youth. The findings challenged common myths associated with Latino mathematics performance gap

highlighting the intellectual/mathematical, cultural, linguistic and transnational resources and experiences that positively influence the mathematics education of Latino/a youth.

- *Low Dimensional Topology and Quantum Geometry*
  Low dimensional topology and quantum geometry are related in deep and beautiful ways. This symposium gave an introduction to these awesome subjects, hinted at deep connections between them and discussed exciting directions for future research. Faculty, graduate and undergraduate students attended.
- *Mathematics of the New Generation*
  This session brought together recent Ph.D.s and postdocs in the mathematical sciences to present their research and offer students advice as a way of facilitating future mentoring. Undergraduates and graduate students were strongly encouraged to attend this session to hear and interact with the speakers.
- *Purely Applied Mathematics (Sponsored by AMS)*
  Mathematics is often considered to be divided into applied and pure, although there is no clear dividing line. However, more aspects of "pure" mathematics find applications in other disciplines, making the pure/applied classification irrelevant. This session featured excellent mathematicians who described applications based on areas of mathematics traditionally considered pure.

Poster Presentations

- 23 mathematics undergraduates presented their research.

Oral Presentations

- 5 mathematics graduates presented their research.

Attendance

The overall attendance of mathematics students and professionals has been increasing steadily and successfully maintained over the last six years. The table below shows the number of conference participants that identified themselves in the area of mathematics over the last five years. The totals include the student participants and postdocs, faculty, teachers and professionals and illustrate our strong collective commitment not only to maintaining a strong mathematics presence at the SACNAS conference, but also to increase our mathematics attendance at future conferences.

Year	Number of Total Math Students	Total Math Attendance
2002	109	147
2003	129	234
2004	124	249
2005	164	312
2006	169	276
2007	152	271

Overall, the 2007 SACNAS national conference provided a broad range of highly effective educational, mentoring and networking activities that supported and served the minority scientific community at all levels of the higher education pipeline. These activities benefited all conference attendees and certainly impacted mathematics students equally included opportunities to:

- Engage via *Scientific Symposia* and *Keynote Addresses* with nationally recognized scientific and mathematic role models and mentors such as nationally renowned mathematician Dr. Richard Tapia who consistently demonstrates state-of-the-art research and presentation strategies in relevant mathematics disciplines.
- Gain professional skills essential for advancement in the sciences and mathematics, including professional development workshops that focused on communication of scientific and mathematical research methods and findings.
- Receive feedback from faculty judging Poster Presentations and in the process make meaningful connections with prospective mentors.
- Make informed decisions about their professional future and to establish lasting connections with university, government agency, industry, and research organization representatives.
- Engage in structured mentoring activities such as the *MSRI Networking Lunch*, *Conversations with Scientists* and the *Mathematic Institutes Reception* and the *REU Open Forum*, where professional scientists, mathematicians and administrators provided essential information to students at all stages of the higher education pipeline, and assisted them to develop an academic and career roadmap that will guide effectively as they navigate their way to professional success in the science and mathematics world.

FISCAL REPORT

The $5,000 of AMS sponsorship were used to fund three speakers in two separate sessions, as indicated below.

Victor Moll	airfare	lodging	registration	
Rosa Orellana	380.00	282.32	450.00	
Hector Morales	321.66	282.32	450.00	
	141.61	141.16	450.00	
TOTAL	**843.27**	**705.80**	**1350.00**	**2899.07**

The remainder or the funds, $2,100.93, were used to support 4-5 undergraduate students who had partial funding from other sources to attend the conference.

Ricardo Cortez
Department of Mathematics
Tulane University
March 18, 2008

Epsilon Awards 2008

Program	Award Amount
All Girls/All Math University of Nebraska Lincoln, NE	**$7,500**
Hampshire College Summer Studies in Mathematics (HCSSiM) Hampshire College Amherst, MA	**$15,000**
MathPath University of Vermont Burlington, VT	**$10,000**
Michigan Math and Science Scholars Summer Program University of Michigan Ann Arbor, MI	**$15,000**
PROMYS Boston University Boston, MA	**$15,000**
PROTaSM (Puerto Rico Opportunities for Talented Students in Mathematics) University of Puerto Rico, Mayagüez Mayagüez, PR	**$7,500**
Ross Mathematics Program The Ohio State University Columbus, OH	**$15,000**
Texas State University Honors Summer Math Camp Texas State University San Marcos, TX	**$15,000**
	TOTAL = $100,000

To: Executive Committee and Board of Trustees (ECBT) of the AMS
From: Edward Aboufadel, Secretary of AAAS Section A (Mathematics)
Subject: Symposia at the 2008 AAAS Annual Meeting
Date: April 7, 2008

Overview: The AAAS Annual Meeting, considered by many to be the showcase of science, features a variety of presentation formats. In addition to more than one hundred and fifty symposia on themes of contemporary interest, there are individual topical area lectures and plenary lectures. The generous support of the AMS has been centrally important in enabling Section A to offer programs and speakers that communicate to general scientific audiences and the press (ergo, the public at large) the nature, excitement, and usefulness of mathematics.

The 2008 meeting was held February 16 – 19, in Boston, MA. Summarized below are Section A's seven sponsored symposia and talks presented at this meeting.

1. Mathematics and the Brain
Organized by: Jack Cowan, University of Chicago
Report by William Jaco

Speakers:

- Nancy Kopell, Boston University, *Brain Rhythms: A Scaffold Among Levels of Organization*.
- Tomaso Poggio, MIT, *Rapid Object Recognition in the Visual Brain*.
- Jack Cowan, University of Chicago, *Dynamics and Structure of the Brain*.

Each speaker was scheduled to speak for 20 minutes with 10 minutes between talks for questions. The question periods were lively and the session was followed by a very lively discussion mostly focused on a comparison of the conclusions from the first and third talks.

The first speaker was Nancy Kopell from the Department of Mathematics and Statistics, Center for Biodynamics, Boston University. She discussed rhythms of the brain identifying three themes: What produces the various rhythms; how the brain uses these rhythms; and how pathologies affect function. She provided examples of pathologies in the rhythms and the differences caused in brain function.

The second speaker was Tomaso Poggio who reported on joint work with Thomas Serre. The focus was on rapid eye recognition enabling a model where the eye does not move nor is there a necessarily long period for rational thought interaction; hence, the model is manageable and fits to known behavior and predictions. He discussed the potential uses of these techniques to statistical recognition and learning.

The third speaker was Jack Cowan from Department of Mathematics, University of Chicago. This talk used the application of large scale statistical mechanics to study the activity patterns of neurons in the brain. At rest the brain has random activity (Brownian motion) but transitions into

patterned activity. This patterned activity was related to the generation of brain rhythms and to an interesting description of hallucinations.

There were on average about 90 attendees; while many participants came and went, the room had constantly about this number with most staying for the lively discussion at the end of the session.

2. Modeling the Dynamics of the Drug-Resistant Killers of the 21st Century
Organized by Sally Blower (UCLA) and Thomas Leitman (UC San Francisco)
Report By Warren Page

Speakers:

- Glenn Webb, Vanderbilt University, *Modeling Outbreaks of Antibiotic Resistance in Hospitals*
- Carlos Castillo-Chavez, Arizona State University, *Models of Nosocomial Infection*
- Sally Blower, University of California, Los Angeles, *The Drug-Resistant HIV Epidemic in San Francisco: An Amplification Cascade*
- Peter Small, Bill and Melinda Gates Foundation, *The Global Problem of Extremely Drug Resistant Tuberculosis*
- Ellis Mckenzie, Fogarty International Center (Bethesda, MD), *Malaria Modeling: A Brief History and Prospectus*
- Ramanan Laxminarayan, Resources for the Future (Washington, DC), *Modeling the Economics of Antibiotic Resistance*

Speakers in this symposium showed how mathematical models can be designed and analyzed to inform medical and public health decisions. The models discussed were used to predict levels of drug resistance, to design control strategies, and to formulate health policies.

Glen Webb (Vanderbilt University, Nashville, TN) discussed modeling outbreaks of antibiotic resistance in hospitals. Roughly ten percent of US hospital patients have hospital related infections (AKA nosocomial infections), more than 70% of which are resistant to antibiotics. Webb described individual based models (IBMs) that monitor an individual's resistant and nonresistant bacteria populations. One shortcoming of IBMs is that everything needs to be redone for each individual. He also discussed stochastic models (including cellular automata), where dice were used to simulate various parameters (e.g., number of patients entering and leaving a hospital, their average length of stay, frequency of visits by healthcare workers). The findings of his deterministic and stochastic models were in general agreement.

Carlos Castillo-Chavez (Arizona State University, Tempe, AZ) considered ways to slow the growing levels of dual resistance to two antimicrobials that result from their intense use in treating nosocomial infections. He discussed the long-term impact of two treatments: random prescription of two classes of antimicrobials, and cycling (using a single class for a fixed time before shifting). Although past research has shown that the random prescription of two classes of antimicrobials results in lower long-term levels of resistance in hospitals, the theoretical framework didn't consider the possible growth of resistance to both classes of antibiotics.

Cycling is better for reducing dual antimicrobial resistance. However the focus on reducing dual resistance increases levels of individuals experiencing single resistance. As Castillo-Chavez asserts, "We never win the battle against antimicrobial resistance through the exclusive use of integrated microbial management approaches that focus entirely on the prescription of antibiotics."

Sally Blower discussed the drug-resistant HIV epidemic in San Francisco during 1987 – 2007, which involved single, double, and triple—class resistance to the three treatment drug classes. Her group tracked the evolution (acquired resistance), amplification, and transmission of 10,000 strains resistant to the currently used three drug classes. Her research shows that many different drug-resistance and wild type strains are circulating, and new types are emerging.

Peter Small (Bill and Melinda gates Foundation, Seattle, WA) discussed the global problem of extremely drug-resistant Tuberculosis, its biogeography and lineages of strains with types of susceptibility. Approximately one-third of the world's population is infected, and there are 8.8 million new cases annually – 450,000 of which are multiple drug resistant and 25,000 are extremely drug resistant. Small's models involved experiments mixing wild type and other TB strains in vitro and comparing the results with real life experiments. According to Small, three big challenges are determining the mutations associated with drug resistance, building a robotic, microfluidic sequencing facility that can annually handle 100,000 specimens, and ensuring that TB programs submit specimens and respond to the results.

Ellen McKensie (Fogarty International Center, Bethesda, MD) described the biology and history of Malaria, including the successes and failures of the global campaigns (Quinine, reduced mosquito contact, insecticides) during 1950 – 1960 to reduce Malaria. The campaign never reached Africa because it was felt that it would not be effective there. A campaign may be global, but the results are local because the variables in one area (e.g., transmission rates, median population age, spatial density, locally adaptive procedures) are not the same or as effective in other areas. Modeling Malaria drug resistance is complex because patients can get Malaria more than once, there is a great problem with detection (for the nonsymptomatic) and treatment, and mutations produce new phenotypes.

Ramanan Laxminarayan (Resources for the Future, Washington, D.C.) discussed findings based on modeling the economics of antibiotic resistance in hospitals. As he noted, hospitals have incentives to use antibiotics as a substitute for infection control. Antibiotics are billable, whereas money spent on infection control is not. This is one reason about 20 billion dollars is paid annually by Medicare just for hospital incurred infections. A hospital has incentive to incur infection control expenses when it benefits (e.g., an isolated hospital), and has disincentive to incur such expenses when the increased opportunity for bacterial colonization is not within its control – as, for example, when it shares patients with other facilities. Offering subsidies as an incentive for infection control expenditures at one hospital is an incentive to do nothing among "freeloader" hospitals that also treat the former hospital's patients. Surprisingly, research has shown that if potential freeloader hospitals are given small subsidies, they will make small infection control investments and this will result in many more hospitals making much larger such investments.

Overall Assessment: This was an outstanding symposium on issues of contemporary concern. It was well attended (approximately 40 people at 8:30 AM and 60 people by 11:30 AM), especially for so early on Sunday morning. There was good audience participation and interaction among the excellent speakers.

3. Topical Lecture: The Geometry of 3-Manifolds
Curtis McMullen, Harvard University
Report by Edward Aboufadel

This lecture was one of the handful of Topical Lectures that occur at the AAAS each year. Although all travel support for Prof. McMullen was provided by the AAAS, we thought it important to include this description in this report.

Curtis McMullen gave an outstanding lecture introducing the audience to the basics of topology and ending with an explanation of the Poincaré Conjecture and an overview of Perleman's proof. The Conjecture was heralded by *Science* at the end of 2006 as its scientific "Breakthrough of the Year". The cover of the December 22, 2006 issue featured the Poincaré Conjecture.

Using effective images and a few unexpected props, McMullen demonstrated to the audience how topologists differentiate between three-dimensional surfaces by determining the number of holes in the object, and the connection between this classification and the three main geometries (spherical, Euclidean, and hyperbolic). The Poincaré Conjecture was not mentioned until about half-way through the talk, and it was explained through the use of knot theory, negative curvature, and Ricci flow. The images used to explain Ricci flow were particularly nice. McMullen concluded with a discussion of Perleman while avoiding the controversies surrounding the proof. There were about 70 people in attendance at the lecture, and over a dozen questions were asked at the end. It is suspected that the audience would have been larger had the Poincaré Conjecture been mentioned in the title.

4. New Techniques in the Evaluation and Prediction of Baseball Performance
Organized by Edward Aboufadel, Grand Valley State University
Report by Edward Aboufadel

Speakers:

- Shane Jensen, University of Pennsylvania, *Statistical Models for the Evaluation and Prediction of Baseball Performance*
- David Pinto, Baseball Musings (Longmeadow, MA), *Probabilistic Model of Range*
- Steve C. Wang, Swarthmore College, *Visualizing Managerial Tendencies*
- Alan Schwarz, The New York Times, discussant

Edward Aboufadel began the symposium by briefly comparing the baseball statistics of 1974 with the ones that are used today. He also described his 1996 paper on the mathematics of how outfielders catch fly balls.

Shane Jensen described his work quantifying the performance of baseball players in the field. Using a high-resolution database of the position every batted ball in every major league game during 2002-05, Jensen has worked to calculate the probability of catching any hit ball, using logistic regression to fit curves to describe the performance of individual players. Balls in play are fly balls 33% of the time, grounders 42% of the time, and liners the rest of the time. After reviewing his approach and the mathematics behind it, Jensen turned to the results applied to actual baseball players. The result that has been most-widely reported since the symposium is that New York Yankee Derek Jeter was the worst shortstop in the four-year period, which amused the Boston crowd. Teammate Alex Rodriquez was the second-best shortstop during that time, so "one of the best shortstops is playing out of position in deference to the worst", Jensen concluded. Boston fans were also not surprised to learn that Manny Ramirez was the second worst left-fielder during that time.

David Pinto also presenting work on fielding performance, in his case looking at the effect of where the games are played and also estimating the number of extra outs that a talented fielder provides or a "statue" loses for a team. To study fielding performance at different stadiums, only the statistics of the visiting teams are used so as to not have the home team's players dominate the data. Among his results is that the "Green Monster" in left field of Fenway Park in Boston helps hitters (no surprise), that Troy Tulowitiski was the best shortstop in 2007 (and probably helped his third baseman a lot, as he was one of the worst 3B), that the fielding performance of shortstops degrades quickly, and, echoing Shane Jensen, that Derek Jeter is not a good shortstop.

Steve Wang discussed his work analyzing managers. Usually, there are only a few statistics kept for managers: wins, losses, and championships. Wang's work investigates in what ways managers are similar or different (sensing it is premature to use statistics to label managers as "good" or "bad"). Wang identified several statistics that can be tied to a manager's style, such as stolen base attempts, pitchouts, length of pitching starts, and number of different lineups used. He then used Chernoff faces and data image plots to put managers into a few basic styles. He discovered that individual managers tend to be consistent over time in the number of relievers used, even if that manager changes teams. He also discovered that a few years ago the Boston Red Sox replaced a manager who had a reputation for leaving pitchers in too long with someone who, in fact, *does* leave people in too long.

Alan Schwarz, a writer for the *New York Times*, was the discussant during the symposium. He provided some well-needed commentary on each of the research talks, raising good questions about the studies, based on his own experience reporting on baseball teams.

5. Design of Mechanical Puzzles
Organized by Peter Winkler, Dartmouth College
Report by Carl Pomerance

Speakers:

- Stewart Coffin, Polyhedral Puzzle Design, *Misdirection-Type Puzzles*
- Bill Cutler, Bill Cutler Puzzles, *Designing Puzzles with a Computer*
- Oskar van Deventer, TNO, Leidschendam, The Netherlands, *Puzzling Mechanisms*

Coffin has been designing geometric puzzles for many decades and is well-known in the puzzle community. He talked of what he calls "psycho-geometry". By this he means designing puzzles that foil a typical person's geometric intuition. An example is of a loosely-fit jigsaw puzzle where the only way the figures will actually all lie flat in the mold is their straight sides never align with the straight sides of the mold, and their corners never fit in the corners of the mold. Coffin is not an academic figure; he got his start selling his designs at craft fairs.

Cutler is an expert on programming computers to solve or design mechanical puzzles. This is much harder than it might seem since the types of moves that may be possible for a human to invent are not so easy to lay out in a program. This pertains especially for 3-dimensional assemblies. But even for some 2-dimensional jigsaw puzzles, it seems that a random algorithm of simulating the throwing of pieces helter-skelter, and then jiggling a little, sees to be the best way he knows to evaluate the puzzle. Cutler is the inventor of a curious collection of 23 rectangular solids, with the 69 measures of length, width, and depth, all different. Yet they can be assembled to form a cube. By computer he was able to show that 23 is in fact the lowest number of pieces for which this is possible.

van Deventer is an engineer based in Holland. He designs seemingly impossible mechanisms for puzzles. In his talk he patiently took us through the many false starts and trials that he was involved with before reaching his eventual design. He further described how baffling mechanisms can later be transformed into baffling puzzles. This talk was aided by a closed-circuit monitor of what he was doing with small pieces.

Overall, the symposium was very long on the "gee-whiz", and not so robust on "practical" applications or on the science involved. But disinterested "play" is often the source of great insights and developments; it is a shame there are not more symposia such as this. All together, there were about 100 attendees in a large room that could have accommodated 250 or so.

The Mechanical Puzzles symposium was picked up by the Boston Globe; there was a photo, plus an article. It was one of the few parts of the AAAS meeting that had so much coverage by the press.

Winkler had these 3 speakers plus 3 others come and give a "Mechanical Puzzles Day" at Dartmouth a few days later. It was nice that the work in assembling the symposium was put to additional good use.

6. Collaboratively Developing Student Mathematical Thinking Among APEC Member Economies
Organized by Patsy Wang-Iverson, Gabriella and Paul Rosenbaum Foundation, and Alan Ginsburg, US Department of Education.
Report by Edward Aboufadel

Speakers:

- Alan Ginsburg, U.S. Department of Education, *APEC's Education Network: Improving Learning in the Asia Pacific Region*
- Maitree Inprasitha and Suladda Loipha, Khon Kaen University (Thailand), *Overview of the APEC Education Network Lesson Study Project*
- Soledad A. Ulep, University of the Philippines, *Philippines Project*

The speakers at this symposium described a recent collaboration between mathematics educators in Japan, Thailand, the Philippines, and the United States to transfer the method of lesson planning from Japan to other countries. There are two basic methods of transfer: intense work with a handful of schools in Thailand and the Philippines, and the development of the EDNET Wiki to provide Japanese materials translated into English for use in the United States and other countries.

Lesson study is a process where teachers collaboratively create and implement lessons. At these planning meetings, teachers anticipate questions and wrong answers that students may generate, and develop responses to these situations.

Maitree Inprasitha described the project in Thailand. This is a five-year program with a different conceptual emphasis each year (Professional Development through Lesson Study; Mathematical Thinking; Communication; Assessment; Expansion). The speaker spent much of his time demonstrating through videos of an elementary Thai classroom how the focus on multiple methods of solution to a specific problem (namely multiplying 23 by 3) was used to develop a deep understanding of multiplication among the young students.

Soledad Ulep described the project in the Philipines. The project involves four schools in metropolitan Manila and sixty teachers. She reported that the teachers are resistant to move to a more student-centered classroom, as many do not believe the students are able to perform in such an environment, there is anxiety about “finishing the syllabus”, it is not in the culture of these schools for teachers to reflect on their performance, average class size are 50 or more, and the tendency of teachers to work in isolation. (This is not much different than the situation in many mathematics departments in the United States.) The workshops the Philippine teachers attend are organized in a learning-centered way that it is hoped the teachers will adopt in their classrooms.

Among the mathematical tasks that the teachers are starting to use in their classrooms as part of this project:

- Two triangles are congruent if they share three congruent angles and three congruent sides. Yet, tests for congruence (e.g. SSS, ASA), require that only three of these six values need to be checked for equality. Why three? Why not, say, two?
- Application problems that involve solving a system of two linear equations in two variables.

Alan Ginsburg demonstrated the new APEC/EDNET Wiki. It can be accessed at: http://hrd.apecwiki.com.

7. Quantum Information Theory
Organized by Mary Beth Ruskai, Tufts University, and Bruno Nachtergaele, University of California, Davis

Speakers:

- Seth Lloyd, Massachusetts Institute of Technology, *Quantum Sensing and Control*
- Robert Calderbank, Princeton University, *Quantum Error Correction*
- Norbert Lutkenhaus, University of Waterloo, *Quantum Key Distribution: Achievements and Challenges*
- Bruce Boghosian, Tufts University, *Simulating Fluid Dynamics on a Quantum Computer*
- David DiVincenzo, IBM Research, *Implementation of Quantum Computers*
- Isaac Chuang, Massachusetts Institue of Technology, and Charles Marcus, Harvard University, discussants.

Synposis: Quantum information processing uses quantum systems for computation, communication, or cryptography. Shor's discovery, in the mid-1990s, that quantum computers can factor large numbers efficiently threatens commonly used data encryption schemes, including those used to send credit card numbers via the Internet. However, quantum effects have also been used to design new cryptographic procedures. Although building a quantum computer remains a formidable challenge, other types of quantum information processors have been shown to be far more feasible. Moreover, experiments involving quantum information processors have deepened our understanding of quantum systems and how they differ from classical ones. Interest in quantum information theory has grown explosively in the past decade, with theory often ahead of experiment. Moreover, seemingly unrelated areas of mathematics have been used for important new applications. For example, group theory has been used to construct quantum error correcting codes, which are essential to building a quantum computer. In a recent breakthrough, abstract operator space methods were used to show the existence of a new type of Bell inequalities, a key component of experiments that demonstrate the mysterious nonlocal behavior of quantum systems. The theoretical talks are followed by a panel on the feasibility of building a quantum computer.

(I was not able to get a first-hand report of this symposium – EA)

AMERICAN MATHEMATICAL SOCIETY
CHARGE TO THE ECBT NOMINATING COMMITTEE

The standing committee of the EC and BT, called the ECBT Nominating Committee, consists of the third year elected member of the BT, the third-year elected member of the EC, and the Chair of the Council's Nominating Committee. The chair is the trustee.

1. **Associate Secretaries**: This Committee evaluates current Associate Secretaries and receives recommendations about these positions. It should consult the Secretary about these appointments. It should report on its recommendations for reappointments to the November ECBT for forwarding to the January Council meeting a full year before the term expires.

2. **Associate Treasurer**: When considering the Associate Treasurer position, the Committee is augmented by the Treasurer. This augmented Committee evaluates the current Associate Treasurer and receives recommendations about this position. It should report on its recommendations for reappointment to the November ECBT for forwarding to the January Council meeting a full year before the term of office expires.

3. **Secretary:** When considering the Secretary, this Committee is augmented by the Treasurer. This augmented Committee evaluates the current Secretary and receives recommendations about this position. It should consult the President. It should report on its recommendation for reappointment to the November ECBT for forwarding to the January Council meeting a full year before the term of office expires.

4. **Treasurer:** When considering the Treasurer, this Committee is augmented by the Secretary. This augmented Committee evaluates the current Treasurer and receives recommendations about this position. It should consult the Associate Treasurer. It should report on its recommendations for reappointment to the November ECBT for forwarding to the January Council meeting a full year before the term of office expires.

When a replacement is needed, the ECBT forms a search committee that reports directly to the ECBT. Insofar as possible, just as with recommendations about reappointments, all such Search Committees make recommendations concerning any replacement to the November ECBT for forwarding to the January Council meeting, a full year before the term of office expires.

The September 1992 Council requested that the ECBT Nominating Committee provide the Council with a review of the performance of the individuals it recommends for reappointment.

The ECBT Nominating Committee should produce a written record of its proceedings. These should contain:

a) communications between the Committee and the candidates;

b) a summary report of its recommendations.

This should be a sealed record deposited with the Secretary and made available to the next ECBT Nominating Committee. Each Committee passes on to the next whatever it feels relevant to future deliberations.

When considering reports on officers and making further recommendations to the Council, the EC and BT will consist of one Committee and voting will be by majority (i.e., the EC and BT will together form the nominating committee for these positions).

Authorization Council minutes of August 1991, item 6.1 Council minutes of September 1992, item 3.5.1 Council minutes of January 1996, item 3.3.8	ECBT minutes of May 2002, item 2.17 Council minutes of January 2003, item 4.9.1 Council minutes of April 2003, item 3.2 ECBT minutes of May 2004, item 2.8

Minutes

Board of Trustees
American Mathematical Society
December 24, 2007

Members present: John B. Conway, John M. Franks, Eric M. Friedlander, James G. Glimm, Linda Keen (Chair), Donald E. McClure, Jean E. Taylor, and Carol S. Wood.

John Ewing sent information to the Board on Wednesday, December 19, about the preferred proposal for replacement of fiscal information system software for the Society. The summary information and capital request is included as Attachment 1 (memorandum from CFO Pass to the Board of Trustees). The supporting information reports on the analysis of needs and on the bidding process. Pursuant to the approved procedures for a meeting by technical means, Secretary Bob Daverman initiated the call for such a meeting on Wednesday, December 19. The call for the meeting was sent by email to the email alias bt-plusatams.org on the same day and the meeting was conducted by email. There is one item on the agenda.

Capital Expenditures – Approval of Specific Purchases.

Based on discussion with John Ewing, Donald McClure made the following motion.

> The Board of Trustees approves spending up to $458,202 for fiscal information system software license, maintenance, implementation and related expenses as described in the memorandum of December 19, 2007 from Constance Pass to the Board of Trustees.

The motion was seconded by Carol Wood.

Discussion and voting were scheduled to end on Monday, December 24 at 1:00pm EDT in order to provide the required 3-day advance notice for actions by a meeting by technical means. All members had sent email votes by that time. John Ewing answered questions from Board members about the supporting information. The motion is passed unanimously.

Minutes prepared by Donald E. McClure

Secretary, Board of Trustee

AMERICAN MATHEMATICAL SOCIETY

P.O. Box 6248, Providence, RI 02940-6248 USA
201 Charles Street, Providence, RI 02904-2294
Phone: 401-455-4000, Fax: 401-331-3842
www.ams.org

To: Board of Trustees
From: Constance Pass (CFO)
Subject: Meeting by technical means – capital request
Date: 12/19/2007

Summary

We are requesting that the BT approve the following capital request to purchase and implement a new, fully integrated enterprise information system to meet the current and anticipated future needs of the Society. This software replaces our current general ledger and associated financial applications.

We are recommending Epicor Software Corporation as the solution developer. If approved, work will begin in mid-January 2008 with a "go live" date of July 1, 2008. It is necessary to start the design and implementation work at this time so that all aspects can be finished before the 2009 Budget is prepared. Total first year costs for the project are expected to be as follows:

Software and maintenance	175,455.04	29,242.49	204,697.53
Discount	(46,495.58)		(46,495.58)
Net after discount	128,959.46	29,242.49	158,201.95
Implementation Estimate			197,580.00
Consulting fees			75,000.00
Total Cost, before contingencies			$430,781.95
Contingencies (implementation)			27,420.00
Total estimated maximum cost			**$458,201.95**

New servers will need to be purchased, but that cost will be on a separate capital request and will be much less than $100,000.

Currently, the AMS uses packaged software (ROSS) for General Ledger, Accounts Payable, Budgeting, and Financial Reporting; the package is supplemented by a variety of in house developed systems to support the Fiscal Function. ROSS is over 20 years old. There is no longer vendor support for the software, VMS operating systems supporting ROSS; or the system hardware running ROSS. No support results in cost savings at the expense of risk of business disruption.

The current systems lack integration. Multiple databases and master files are required for each system. Nobody has visibility of all of the data. Systems require frequent reconciliation. Updates are not performed in a real time basis. Business processes are fragmented causing greater human resource demand. There is no link between purchases, receipts and payables.

Our existing systems do not meet current and future business needs. The Society is highly reliant on institutional human knowledge to operate Fiscal systems and perform Fiscal operations. We are a project driven organization tracking projects in the General Ledger. Other "publishers" use project accounting systems to track book and journal development. Royalty payment processing requires significant manual

effort and reconciliation. Budgeting requires significant human involvement. Many accounting and purchasing processes are manual and can be automated. Significant amounts of paper can be eliminated through the use of document scanning tools.

In September 2007 we engaged James Jumes, Principal, Beacon Advisory Group (a former PriceWaterhouseCoopers and KPMG consultant) to assist us in selecting a new Fiscal Information System. We followed a package selection process used by the "big 4" accounting firms as follows:

- Developed a detailed project plan and schedule
- Formed a Project Advisory Group and a Core Project Team
- Developed an understanding of our objectives and strategies
- Developed a set of key application selection criteria
- Developed a set of detailed user requirements
- Discussed 12 enterprise information systems base on the key application selection criteria
- Qualified 6 systems using the detailed user requirements
- Examined 4 systems through an RFI and analyst research: Sage MAS 500, Deltek Vision, Microsoft Dynamics SL, Epicor Enterprise
- Demonstrated 3 systems: Microsoft Dynamics SL, Epicor Enterprise, and Deltek Vision
- Performed reference calls
- Received cost proposals
- Evaluated the two finalists using the key application selection criteria

The selection of Epicor Enterprise was based on how well it met the eight Major Selection Criteria:

- **Functionality:** All of the Society's requirements are covered.
- **Integration:** All modules, including other functional footprint modules, are integrated.
- **Ease of Use:** The interface is intuitive, covers our processes fluidly, and appears easy to use.
- **Ease of Data Access:** It uses the Microsoft SQL Server database and comes with multiple reporting and data mining tools (FRX Financial Reports. Crystal for Operational Reports. Explorer for business intelligence, Excel, SQL reporting services, Portal, Decision Store).
- **Functional Footprint:** It covers current and potentially future functional footprint including the print shop and document scanning needs. Has the potential to cover e-commerce, association management, and editorial project management.
- **Total Cost of Ownership:** Within budgeted cost.
- **Flexibility:** It is highly configurable and customizable to cover the Society's changing needs without modifying the underlying source code
- **Solution Developer:** Epicor Software Corporation has a clear market direction and is highly regarded among the analysts.

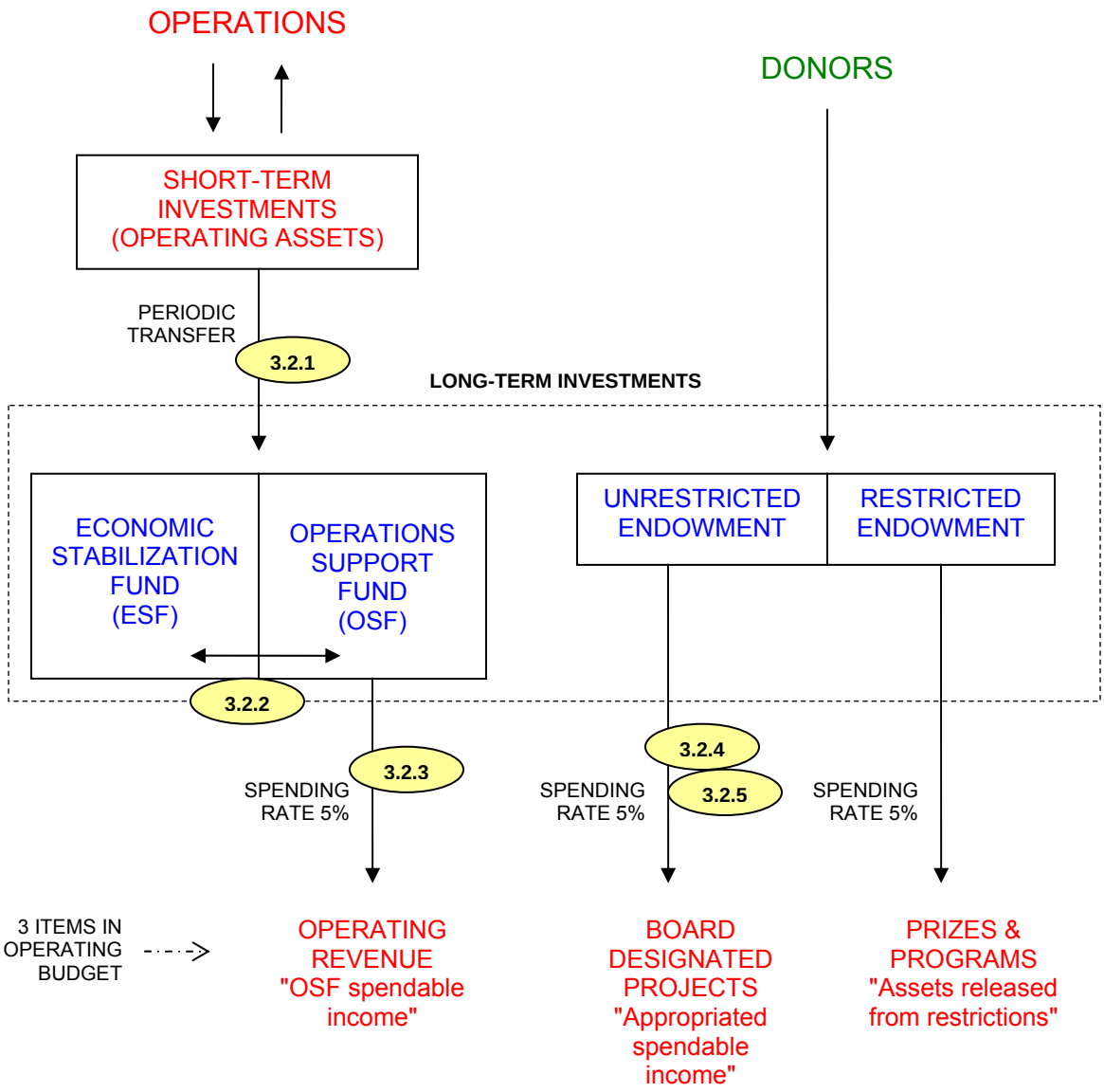
We would like to get the capital purchase request approved as soon as possible in order to take advantage of the substantial discount coinciding with Epicor's fiscal year-end.

The remainder of this package includes the following:

- Capital Purchase Authorization
- Consultant's Report
- Epicor Proposal Summary (Cost Analysis)
- Epicor Order Form (Software License and Maintenance Fees)
- Epicor Engagement Letter (Implementation)

AMS Long-term Investments
Cliffs Notes

(*For details, see section D of Fiscal Reports*)



ESF = 75% annual operating expenses + unfunded medical liability (APBO)
OSF = remainder of quasi-endowment (spending on 3-yr rolling average)
Rebalanced annually, December 31

Values 12/31/2007:

ESF =	$21.3 M
OSF =	$40.8 M
Unrestricted =	$6.6 M
Restricted =	$3.7 M

Appropriated Spendable Income from Unrestricted-Use True Endowments
Actual vs. Budgeted Amounts Used for Projects - 2004-2007, and 2008 Budget

	2008	2007		2006		2005		2004	
Project	Budget	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted
Centenn'l Fellowshp Match								50,000	50,000
StiX Font Project								2,754	15,000
Membership								10,000	10,000
Discoveries and									
Breakthroughs	30,000	25,000	30,000						
Book/Journal Donations				10,000	10,000				
What's Happening	16,000			15,000	10,000	5,000	25,000		25,000
AAAS Mass Media Fellow	10,000	9,632	10,000	9,490	10,000	9,725	10,000	8,316	10,000
AAAS Congressional Fellow	80,000	84,017	80,000	73,140	78,000	25,000	25,000		
MR Database - various									
digitization projects	70,000	89,120	90,000	80,000	80,000	120,000	120,000	35,000	35,000
AMS Research Commun.	20,000								
Young Scholars	70,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Mathjobs		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Project Next	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	311,000	282,769	285,000	262,630	263,000	234,725	255,000	181,070	220,000
Actual Spendable Income Available	297,089	283,764		263,011		255,189		255,753	

AMERICAN MATHEMATICAL SOCIETY

To: Board of Trustees **Date**: March 7, 2008
From: Connie Pass
Subject: Operating Fund Portfolio Management Report

SUMMARY RETURNS

The purpose of this memorandum is to summarize the Society's cash management policies and report on the operating portfolio's investment income performance during 2007. There are no proposals for changes in authorized investment limits or additional investment vehicles presented.

Investment earnings results by type and in total and other pertinent portfolio information for 2007 and the preceding six years are as follows:

	2007	2006	2005	2004	2003	2002	2001
Money Market Funds	5.0%	4.8%	2.8%	1.0%	0.9%	1.7%	4.2%
Vanguard Fixed Income Mutual Funds;							
Short Term Corporate Bond Fund	6.0%	5.1%	2.3%	2.2%	4.3%	6.0%	8.2%
GNMA Fund	7.1%	4.4%	3.4%	4.1%	2.6%	9.7%	8.0%
Long Term US Treasury Fund	9.4%	1.9%	6.8%	7.3%	2.8%	15.6%	4.4%
Fidelity Floating Rate Bond Fund (12/04)	2.7%	6.4%	4.2%	0.5%			
High Yield Bond Funds	N/A	N/A	N/A	N/A	N/A	(13.7%)	(0.7%)
Vanguard Convertible Securities	10.6%	13.0%	6.6%	7.2%	31.6%	(9.4%)	(3.1%)
TIPs (April 2005)	8.9%	0.9%	0.9%	N/A	N/A	N/A	N/A
Certificates of Deposit	5.2%	4.7%	3.1%	2.1%	2.1%	3.0%	6.0%
Common Stock	(1.4%)	22.4%	0.0%	0.0%	10.7%	(14.4%)	(25.47%)
Annual total portfolio return	5.8%	5.2%	3.3%	2.4%	3.7%	2.4%	4.4%
AMS benchmark - Avg 6 month CD rate per Federal Reserve Bank	5.2%	5.2%	3.7%	1.7%	1.2%	1.8%	3.7%
AMS returns versus benchmark	0.6%	0%	(0.4%)	0.7%	2.5%	0.6%	0.7%
Wkly Average Operating Portfolio (in 000's)	$15,459	$14,578	$15,223	$13,570	$12,357	$11,967	$11,510
Annual Investment Income (in 000's)	$895	$757	$503	$332	$453	$262	$509

At 12/31/07 operating fund investments equaled approximately $16,388,000, which is a decrease of $708,000 from the previous year. Operations provided a little over $3,600,000 in cash in 2007, of which approximately $3,750,000 was invested in the long-term investment portfolio and fixed assets (along with some of the $708,000 from the operating investments).

The return for 2007 is 60 basis points above the benchmark, the average annual 6-month CD rate per the Federal Reserve Bank of New York. The 2007 return is above the benchmark due to the strong performance of the 'intermediate portfolio. These funds compensated for our tendency to keep a large money market balance during most of the year (20-35% of the portfolio) for liquidity

purposes, and this return is generally below the benchmark, particularly when interest rates start to fall as they did in the last quarter of 2007.

The picture won't be so rosy in 2008, due to the effect that the 'mortgage mess' is having on interest rates and the economy as a whole. The higher rate CDs (5% and greater) will be renewed at far lower interest rates (3.5% or less), which will drag down earnings. The money market funds have already plummeted in terms of the interest rates applied. Unfortunately, the Floating Rate fund has decreased in value in 2008, again, due to the turmoil in the economy, particularly the revised perceptions of risk that have resulted from the so-called 'subprime mortgage meltdown.' The remaining funds in the intermediate portion of the operating portfolio likely will not be able to offset these dismal returns currently expected for 2008.

DISCUSSION

Recent History of Authorized Investment Vehicles and Limits. At the May 1996 ECBT meeting it was agreed that the Society should have as a goal an accumulation of current assets such that they exceed current liabilities. To help achieve this objective, at the May 1997 ECBT meeting a plan for the creation of an intermediate term investment portfolio was adopted. Increased limits of $1,000,000 (to $4,000,000) in our money market funds, $1,000,000 (to $2,000,000) in our Vanguard fixed income funds, and $500,000 (to $1,500,000) in Treasury Notes were approved. In addition, a $1,500,000 combined limit for other mutual funds, consisting of high yield and convertible bond funds, was established at this time. In May 2000, the limits for money market funds, fixed income funds and the high yield/convertible funds were each increased by $500,000. At the May 2002 ECBT meeting, the limit on the money market fund was increased to $5,500,000, primarily to accommodate the larger investment balance carried in the operating portfolio. In May 2004, The Board of Trustees added floating rate bond funds to the authorized investments, with an investment limit of $2,000,000. In May 2005, the Board changed the limit on money market investments to be 50% of the operating portfolio balance at any point in time.

The strategy of using an intermediate portfolio has occasionally resulted in greater volatility, but overall has generated an increase in the earnings of our operating fund investments. By shifting a portion of operating fund investments into slightly riskier investment vehicles we have, on average, increased the earnings compared to those that would have been achieved in low risk, short term investments.

Recent Portfolio Adjustments. In 2002 we reduced the amount in the intermediate portfolio due principally to poor performance in the high yield bond investment. We also rebalanced the remaining bond fund investments to prepare for a probable decline in the value of long-term treasuries in the coming months. In 2003 and 2004, no such rebalancing was performed. A $1,000,000 initial investment in a floating rate bond fund was added in late 2004 and $500,000 in TIPS (inflation protected Treasury bonds) were added in April 2005. In late 2004 and into 2005, maturities of certificates of deposits were shortened to take advantage of the rising interest rate environment. In the latter half of 2006 and into 2007 the maturities were lengthened, as continued increases by the Fed appeared unlikely based on economic data.

Changes in the Cash Management Environment. The pervasive negative effect of the subprime mortgage meltdown on fixed income and equity securities – worldwide – started in earnest in the beginning of 2008 and will continue for an unknown period of time in the future.

The Federal Reserve has significantly reduced the Fed rate (which is the rate at which banks will make loans to one another) to date in 2008, but these reductions have done little to soften the effects of the mortgage mess on the U.S. economy. Additionally, inflation is now present and creeping upwards steadily, so it is not clear how long or how far the Fed will be able to lower interest rates before inflationary pressures will require increases in the Fed rate. There is talk of stagflation once again rearing its ugly head – if this happens, it will be extremely difficult to get out of it, as it was during the stagflation of the 1970's to mid 1980's. The economic factors now in place seem eerily similar to those of the early 1970's.

Cash Management at the AMS. The following rules govern AMS's management of cash:

1. ***Availability and Liquidity***. The placement of investments in the operating portfolio is coordinated with the Society's immediate and estimated future cash requirements, which are based on actual and projected revenue and disbursement streams. Cash needs to be available at the appropriate times to cover the operating expenses of the Society as they are incurred - payroll, payroll taxes and other withholdings, and vendor liabilities comprise the bulk of our cash needs. Adequate portfolio liquidity is the ability to turn investments readily into cash without suffering undo loss of principal.

2. ***Income***. Cash in excess of immediate operating needs should be invested so as to optimize returns. The Society has intentionally accreted such excess cash, so that the ratio of current assets to current liabilities remains at least 1.5 to 1 (after removing the deferred revenue from both the numerator and denominator, and preferably 2:1) or at least 1:1 without the deferred revenue adjustment. These ratios were 2.55 and 1.37, respectively, at December 31, 2007. These ratios are lower than at the end of 2006 due to additions from operations to the long-term investment portfolio (owned by the Operations Support Fund) and significant capital additions during 2007 compared to recent history.

3. ***Preservation of principal***. Safety is of prime concern in investments of operating capital. Diversifying investment vehicles and monitoring investment maturity dates and market value fluctuations greatly reduces an investment portfolio's exposure to risk. Maximum allowable positions should be established for different types of investments.

Authorized Investments. The investment vehicles authorized by the Board of Trustees for the operating portfolio are as follows:

- ***Certificates of Deposit.*** As in prior years, a large percentage of the Society's operating investment portfolio has been invested in certificates of deposit, with a weekly balance totaling between 30%-40% of the total portfolio during 2007.

  We generally purchase "jumbo" CD's of federally insured savings institutions and commercial banks that are assigned an acceptable safety rating by a weekly bank rating newsletter. Current investment policies limit the amount of each CD to $100,000 (exclusive of accrued interest) per S&L and $400,000 per large commercial bank. In practice, the Society has only invested amounts up to $100,000 in any one financial institution and its affiliates. There is no limit to the total amount of CDs that can be held by the operating investment portfolio.

Issuer	Banks & Savings and Loans
Risk of default	None - federally insured
Risk of market decline	None

Maximum Amount	$100,000 per bank or S&L, $400,000 in large cap banks, unlimited in total

We intentionally accumulate a large CD balance (generally for one-year terms, shorter terms are used to take advantage of rising interest rates) in order to increase the yield, even if slightly. We were able to lock in some higher rates late in 2006 and during the first half of 2007; however, with rates plummeting in 2008 when the certificates come due we will suffer a significant decrease in the return.

In the past, the Society could accumulate a portfolio between $5,000,000 and $7,000,000 with a rate differential compared to money market funds of at least 50 basis points. With smaller returns, and a sudden shift from a pattern of increase to repeated decreases, it was not possible to get this level of differential in 2007, not will it be possible in 2008 in all likelihood. After about 50-70 CDs, there is no differential to be gained from the available issuing banks (we invest only in banks with a minimum 3.5 star rating out of 5 per Bauer Financial), so the additional administrative burden to the Society is not warranted.

- ***Treasury Bills.*** T-Bills are convenient to use when we have a large planned expenditure for a predetermined future date, such as contributions to the Economic Stabilization Fund; however, better rates are available on alternative forms of short-term operating investments. Treasury Bills have no market risk associated with them because they are backed by the full faith and credit of the US government, are issued for short durations and are highly liquid. Accordingly, there is no limit to the total amount of T-Bills we may hold in our portfolio.

Issuer	U.S. Government
Risk of default	None
Risk of market decline	None if held to maturity
Maximum Amount	Unlimited

- ***Cash and repos (repurchase agreements).*** The AMS uses a concentration account at Citizens Bank - Massachusetts into which all receipts are automatically deposited and from which all disbursements are made. Under a repurchase agreement, cash above an established minimum balance is "swept" on a daily basis and invested overnight in repurchase agreements. Under a repurchase agreement, the customer (AMS) purchases government securities and the bank agrees to "repurchase" them the following day. The rate earned on these depends on the dollar amount of the repo; it is generally very low in comparison to rates available on other investment vehicles. Interest rates on repurchase agreements have been extremely low for a number of years. Unless one is sweeping large amounts of cash throughout the year, the interest earned does not justify the fees charged to maintain the agreement in place. The AMS has not used this investment vehicle since 1999 and it is not expected to be used in the near future.

Issuer	Citizens Bank - Massachusetts
Risk of default	Minimal
Risk of market decline	None
Maximum Amount	$1,000,000
Comments	Collateralized by US Gov't securities

- ***Money market funds.*** The Board of Trustees has authorized a maximum investment of 50% of the balance in the operating portfolio at any point in time. At the end of 2007 the balance in

money markets approximated $5,434,000, or 33% of the entire portfolio, principally in Vanguard's Money Market Prime portfolio.

Yields on the funds averaged about 5.0% for the year, but are 3.71% at the beginning of March and will likely drop further given the Fed's stated intention of further reductions in the Fed rate. There is little risk to principal because the valuation of the initial investment is generally not subject to change because of its short-term duration. However, given the tenuous economic situation domestically, defaults could occur. It will remain to be seen if the fund managers pick up the losses in order to preserve the integrity and marketability of these vehicles with investors. Balances in these funds are usually maintained only at levels needed for short-term operating needs in excess of short-term maturities, or for planned investments to be made in the near future (which avoids the administrative costs of 3 month CD's or T-bills), or to take advantage of rising interest rates, since they generally under-perform alternative authorized investment vehicles.

Issuer	Vanguard and Fidelity
Risk of default	Minimal
Risk of market decline	Very Low
Maximum Amount	50% of operating portfolio balance

- ***US Treasury Notes.*** The Board of Trustees has authorized a maximum investment of $1,500,000 in US Treasury Notes. A loss of market value may be incurred on these investments in a rising interest rate environment if funds are needed before maturity and have to be sold; however this risk is slight as the Society's liquidity is deemed extremely adequate. Treasury Notes can be an attractive investment when interest rates are expected to decline and the yield curve is fairly steep. This has not been the case in recent history.

Issuer	U.S. Government
Risk of default	None
Risk of market decline	None if held to maturity, otherwise value moves inversely to interest rate changes
Maximum Amount	$1,500,000
Comments	Best used just before interest rates decline

In April 2005, $500,000 of inflation-protected Treasury notes (TIPS), which pay a stated rate of interest, plus inflation over the period outstanding (by adjusting the principal), were purchased. These investments have no risk of default and no risk of market decline if held to maturity, which is the intent when purchased in April, 2005.

- ***Fixed Income (Bond) Mutual funds.*** The Board of Trustees has authorized a maximum investment of $2,500,000 in fixed income mutual funds (initial investment, exclusive of reinvested income and share price increases, with appropriate disclosure to Treasurers and Board), and at the end of 2007 we had $2,928,000 invested. The initial investment amount is well below the limit. All of these investments are with the Vanguard Group of Valley Forge, PA. A combination of three funds is used: the High Grade Short-Term Corporate Bond portfolio, the GNMA portfolio, and the Long-Term US Treasury portfolio.

Issuer (currently used)	The Vanguard Group
Risk of default	Minimal

Risk of market decline	The longer the maturities of underlying investments, the higher the risk.
Maximum Amount	$2,500,000
Comments	Market value will decline as interest rates rise and increase as rates fall.

Historically, most of the volatility in the Society's short-term portfolio has been the result of market valuation adjustments on these investments (they are marked to market monthly); however, gains or losses technically are not realized on these funds until they are redeemed. In 2002, the relative mix of these investments was changed to be more heavily weighted to the Short-Term Corporate Bond portfolio and less weighted in the Long-Term US Treasury portfolio, due to expected volatility in longer term maturities. The GNMA fund is less affected by interest rate volatility than the Long-Term US Treasury, despite similarity in term length of the underlying securities, as these debt instruments support the housing industry.

Since these funds are different in nature, it is helpful to look at their characteristics separately, keeping in mind that the limit applies to the combined total.

Vanguard High Grade Short-Term Corporate Bond Fund:

Issuer (currently used)	The Vanguard Group
Risk of default	Low, due to quality of underlying debt instruments and borrowers
Risk of market decline investments	Low, due to short duration of underlying
Comments	Share price is relatively stable; return is determined by recent interest rates, as underlying debt is short duration
2007 return	6.0% with average monthly yield of 5.17%

Vanguard GNMA Fund:

Issuer (currently used)	The Vanguard Group
Risk of default	Low – while not backed by the full faith and credit of the US government, It isn't likely that the US government would allow GNMA to default on its obligations
Risk of market decline	Medium, as duration is longer
Comments	Since the GNMA obligations are linked to collateralized mortgage obligations, and mortgage rates tend to change more slowly than other long term rates, this fund is a bit less volatile when interest rates change.
2007 return	7.1%, with average monthly yield of 5.31%

Vanguard Long-Term US Treasury Fund:

Issuer (currently used)	The Vanguard Group
Risk of default	Low, as most underlying securities are US government direct issues

Risk of market decline	Highly sensitive to interest rate changes, as duration of underlying securities is long-term
Comments	This fund has caused most of the volatility in the Intermediate portfolio; staff mitigates some risk by adjusting investment amount
2007 return	9.4%, with average monthly yield of 4.86%

- ***High Yield and Convertible Bond Mutual funds.*** The Board of Trustees has authorized a maximum investment of $2,000,000 in any combination of high yield bond and convertible securities accounts. At December 31, 2006 we had $1,175,000 invested in these vehicles, in one convertible securities mutual fund managed by the Vanguard Group. Gains or losses technically are not realized on these funds until they are redeemed, although, for financial statement purposes, the Society records these investments at market. It is not anticipated that further investments in this group of investment vehicles will be made in the near future.

Issuer (currently used)	The Vanguard Group
Risk of default	Medium to High
Risk of market decline	Sensitive to movements in the equity markets
Maximum Amount	$2,000,000
Comments	Total returns often parallel those of equity markets
2007 Return	10.6%

- ***Floating Rate Income funds.*** The Board of Trustees has authorized a maximum investment of $2,000,000 in Floating Rate funds. $1,000,000 was invested in the Fidelity Floating Rate High Income Fund in December 2004. The return for 2006 was 6.4% with minimal change in NAV. Gains or losses technically are not realized on these funds until they are redeemed, although, for financial statement purposes, the Society records these investments at market.

Issuer	Fidelity
Risk of default	Low
Risk of market decline significantly	Low, possibly medium if economy falters
Maximum Amount	$2,000,000
Comments	The fund is expected to have a relatively stable NAV with yield providing most of the return
2007 Return	2.7% with average monthly yield of 6.77%

Summary of Operating Portfolio Investments, December 31, 2007.

Description	Value at 12/31/07	Current Board Limit	Excess over Limit
Money Market Funds	$5,433,909	50% of total portfolio	NA
Certificates of Deposit	4,887,000	$100,000 per inst.	NA
Treasury Notes		1,500,000	NA
Vanguard Bond Funds:			
GNMA Portfolio	1,264,708		
Short-Term Corp Bond Portfolio	1,244,914		
LT US Treasury Portfolio	554,544		
Subtotal	3,064,166	2,500,000 (1)	NA
High Yield and Convertible Funds:			
Vanguard Convertible	1,299,214		
Subtotal	1,299,214	2,000,000	NA
Floating Rate Funds:			
Fidelity Floating Rate High Inc	1,143,106		
Subtotal	1,143,106	2,000,000	NA
			NA
$500,000 Face TIPs	549,552		NA
Common Stock	10,769	Unrestricted gifts	
Total	$16,387,716		

(1) Limit is exclusive of reinvested dividends and share price increases. See discussion above.

Statement of Financial Accounting Standards ('SFAS') No. 158: "Accounting for Pensions and Other Postretirement Benefit Plans".

My first year of employment with the Society was the year that non-public and not-for-profit organizations had to implement the provisions of SFAS 106, "Accounting for Postretirement Benefit Plans Other than Pensions." Twelve years later, 2007 is the year the Society must implement the provisions of SFAS 158 which, in my opinion, partially corrects a problem unresolved in SFAS 106.

In the world of setting financial accounting standards, there is often a conflict between 'fairly stating' an organization's assets and liabilities (the balance sheet) and 'fairly stating' the results of its operations (the income statement or statement of activities). The conflict between the balance sheet and the income statement most often arises when an asset or liability is difficult to measure due to a difficult-to-predict timing of cash recovery of the asset or cash settlement of the obligation. The difficulty in prediction most often arises when the timing of actual cash recoveries of assets and cash settlements of obligations are subject to probable significant changes in the future that are beyond the control of the organization.

So, what is the conflict with the income statement, you ask? [Be warned, the sarcasm starts here.] Financial managers and investors prefer to see the income statement accounted for in a manner that lends itself to predictability; they don't like to see changes showing up in the income statement affecting earnings from operations and earnings per share that can be significant and outside the control of management. The same holds true for professional investment advisors, lenders, analysts and 'The Street.' We may see the warning "past performance does not indicate future returns" displayed on every investment prospectus and other kinds of investment literature, but the truth is, everyone in the investment or lending business is, to some degree, ignoring that warning and using past performance as a component of their assessment of future performance, risk and return.

The Financial Accounting Standards Board ('FASB') knows this and, ever aware of these large constituencies interested in its pronouncements, has previously tended to opt for standards that 'smooth' the effects of changing circumstances on the measurement of these pesky assets and liabilities in the income statement. Thus, the balance sheet often included a measurement of the offending asset or liability that did not include many of the effects of events that had transpired that were significant, unpredictable and generally deemed outside the control of the organization's management. Of course, FASB would often require disclosure in the footnotes to the financial statements about the 'other' measurement of these assets or liabilities, but since human beings are human, the information in the footnotes is usually not powerful enough to outweigh what one sees reported in the income statement. Investment professionals are often just as blind as the everyday investor in these matters, probably because they don't have a clue as to the underlying nature of accounting.

The issuance of SFAS 158 in the fall of 2006 is one result of the FASB's large 'Convergence Project,' which, with the International Accounting Standards Board and its counterparts in other countries, has the goal of converging the varying accounting standards promulgated in the

financially developed world into one set of authoritative standards that will govern all of us (of course, public companies first, particularly those with international operations). FASB has therefore reversed course in its attitude towards the balance sheet measurements of these pesky assets and liabilities.

Under SFAS 106, the liability ('benefit liability') recorded for the Society's postretirement benefit plan was required to be the sum of (1) the accumulated plan benefit obligation ('APBO') as determined using sound actuarial methods for the estimation of future payments of the obligation to eligible former employees, discounted back to the present using a discount rate that approximates the return on AA corporate or U.S. Treasury bonds in an investment portfolio designed to provide the necessary cash for the required benefit payments in those future years (we pretty much all use the current AA long-term bond yield as a reasonable approximation), less (2) plan assets at current market value (the Society has no such assets as its plan is unfunded), less (3) actuarial losses due to: actual results different from actuarial estimates with respect to the population covered, changes in assumptions, plan amendments and, if partially funded, losses on the investment portfolio due to actual performance being lower than the expected return used by the actuary, plus (4) actuarial gains that can occur for the same reasons as losses may occur. Basically, if the difference between the actuarially expected APBO at the end of Year 2 (which is based on Year 1's actuarial valuation), and Year 2's ending APBO (derived from Year 2's actuarial valuation) is large enough, you don't have to record it at all your financial records in the year they occurred. Instead, these gains and losses are deferred (not recorded) and amortized to future years' annual expense, thus recognizing the effects slowly over (sometimes largish periods of) time. This 'smooths out' the effects on the income statement instead of requiring it to include a large gain or loss that resulted from economic environmental changes and other factors that occurred during the year, and which may reverse course over the life of the asset or obligation. The deferral or non-recognition of these gains and losses results in the recording of a 'benefit liability' (or asset) that is different in amount from the APBO.

SFAS 158 changes this result for the balance sheet, but not for the income statement. Now, how can you change the balance sheet to record the APBO (less current market value of plan assets, if any) and not have all these significant changes that affect the measurement of the APBO each year show up in the income statement? Isn't that part of the beauty of Luca Pacioli's 'double entry bookkeeping'? Well, it is actually quite easy to comply with the confines of double entry accounting and still not report these gains and losses on the income statement. We can define them as something other than how we normally define gains and losses, which requires them to be recorded in the income statement accounts. We can define them as a change in owners' equity, which removes them from the income statement to the seldom read statement of changes in owners' equity, and the books still balance! This clever solution results in the balance sheet being 'more fairly stated' than under SFAS 106, but still keeps all the annual ups and downs that are 'really big' out of the income statement for for-profit organizations. This appeases the large constituencies out there that demand a high degree of predictability in the income statement in an unpredictable world, and the results of operations don't have to include the effects of events over which management has no direct control. Of course, one is conveniently forgetting that management, with Board approval, set up the pension or other postretirement plan in the first place some time in the past, and either didn't fully fund it with investment assets or they are also

managing the related investment portfolio. But current management may have nothing to do with what happened in the past, so it is sometimes argued that these large, unpredictable ups and downs should not be used in evaluating their current stewardship, which is one use of the income statement. And besides, it is all disclosed in the footnotes that accompany all financial statements, so everybody knows what they need to know, right?

But what about the effect of these ups and downs on not-for-profit organizations' financial statements? There is no statement of owners' equity, because most are non-stock corporations. Our version of the income statement is actually a statement of changes in net assets; which performs the double duty of an income statement and the statement of changes in equity. If we record this directly in unrestricted net assets, it has to show up somewhere on our version of the income statement! Well, FASB threw us a bone on this. We don't have to report the change as a component of operations, which is where the expected annual benefit cost is recorded. We can show it 'below the line,' so to speak, outside of operating performance, where we report the unrestricted long-term investment income that is in excess of amounts appropriated for operations. Whew!

In 2007, the entry required to adopt the provisions of SFAS 158 resulted in a significant positive number 'below the line' on the statement of changes in net assets, because the benefit liability expected at the end of 2007 under the former plan provisions and SFAS 106 is significantly greater than the APBO at the end of 2007 under the amended plan provisions. Did the Society get a windfall? No, but it looks like it did in its 'income statement.' The plan was amended with exactly the intention of significantly reducing the Society's estimated 'real' liability for future plan benefits, so it should come as no surprise that the changes made in the amended plan did, in fact, lower the APBO by $2.4 million. This $2.4 million 'gain on amendment' was greater than the remaining losses that had yet to be recognized under SFAS 106, by the almost $680,000 shown just below the unrestricted long-term investment income in the A and B Pages as well as the audited financial statements.

In future years, the annual expense for the postretirement benefit plan will continue to include the amortization of actuarial gains and losses (including the $2.4 million), and these very same amortizations will then be 'reversed out' in that no man's land below the Society's operating results. This bit of accounting chicanery is necessary to keep the balance sheet liability 'more fairly stated' because that liability no longer includes the deferral of gains and losses. So, if we amortize something that wasn't recorded on the balance sheet in the first place, we have to reverse out that amortization somewhere else. Ah, the beauty of Luca Pacioli's double entry system.

I will be pleased to answer your questions about this change in accounting principle at the meeting (oh, the sarcasm has ended).

Respectfully submitted,
Constance W. Pass
Chief Financial Officer

The Uniform Prudent Management of Institutional Funds Act and Possible Changes in Accounting Principles for 2008

In September 2006, the National Council of Commissioners on Uniform State Laws issued a model act for consideration by States entitled the Uniform Prudent Management of Institutional Funds Act (UPMIFA), replacing its previously released Uniform Management of Institutional Funds Act (UMIFA). The District of Columbia adopted a modified version of UPMIFA in late 2007, effective mid December 2007, so this is now the legal guidance to be followed by the Society in managing its true endowment funds.

As explained below, this new Act, as well as the Financial Accounting Standards Board's (FASB's) current position on accounting changes that are necessary due to the Act, present us with a potential problem. In the short-term, we may have to reclassify significant dollars from unrestricted and temporarily restricted net assets to permanently restricted net assets. In the long-term, careful monitoring (and adjustment) of the permanently restricted portion of each true endowment fund will be required, using a measure of inflation such as the CPI, which has not been necessary to date. Appendix A shows value of each fund necessary to maintain its purchasing power from the date(s) of original gifts (the "purchasing power value") as of December 31, 2007 and the related adjustments necessary to the three net asset classifications as currently proposed by the staff of FASB. It shows: (a) the original gift amount(s) of each true endowment fund (which is the permanently restricted net asset amount under current accounting principles); (b) the amount of temporarily restricted or unrestricted net assets associated with each fund; (c) the total of these two figures, which equals each fund's allocated value and is the amount used in determining each fund's spendable income; and (d) the purchasing power value of each fund, which is the amount required to be shown as permanently restricted net assets under FASB's current accounting proposal, all as of December 31, 2007.

Endowment Investment Management. UPMIFA is more explicit than the prior Act as to the factors to be considered in managing the underlying investments of endowment funds, and uses concepts and terms consistent with modern investment portfolio theory. Since the Society adopted the total return concept in the early 1990's and has managed its long-term investment portfolio in a manner consistent with modern portfolio theory, it appears unlikely that changes in the Society's management of the investment portfolio will result from the UPMIFA.

Endowment Spending and Accumulation of Value. UPMIFA is also more explicit regarding the appropriation for expenditure or accumulation of an endowment fund, and it is this section of UPMIFA which may result in changes in accounting principles in 2008. Section 4(a)(1) states:

> Subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure *or accumulate* so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes and *duration for which the endowment fund is established* (italics added for emphasis by CWP).

UPMIFA then lists seven factors to be taken into consideration when deciding to appropriate for expenditure or accumulation, including the duration and preservation of the endowment fund. The previous Act permitted the expenditure of appreciation of an endowment fund to the extent that the fund had appreciated in value above the fund's historic value (original gift amount). UPMIFA does specify any amount of an endowment fund that may be appropriated for expenditure; neither does it specify any amount that must be set aside as 'principal' and thus not

spent. Instead, it assumes that the institution will act to 'preserve principal' of a true endowment fund in complying with the Act, which it defines as *maintaining the purchasing power of the amounts contributed to the fund, while 'spending' in accordance with donors' wishes*.

Under the previous Act, the Society could spend the entire accumulated amount of an endowment fund in excess of the original gift amounts (although it would likely not be prudent to do so). Accordingly, for accounting purposes only the original gift amounts of the true endowment funds are currently classified as permanently restricted net assets in the Society's financial statements. Under the new Act, the Society must determine if the Act extends the donors' restrictions to include a permanent restriction on the accumulated value necessary to maintain the funds' purchasing power.

The staff of the Financial Accounting Standards Board (FASB) has issued a FASB Staff Position (FSP) No 117-a, which is often the first step in FASB's process of promulgating a new accounting standard. The FSP requires the entire amount of a true endowment fund (historical amount of contributions plus amounts appropriated for accumulation to maintain the fund's purchasing power) to be classified as permanently restricted net assets, should an institution determine that its jurisdiction's enacted version of UPMIFA requires it to maintain the purchasing power of true endowment funds. The FSP also includes additional disclosures regarding endowment funds.

Should this FSP be adopted by the FASB as currently written (either as an FSP or by promulgating a new Statement of Financial Accounting Principles, both of which would amend previously issued Statements of Accounting Principles, the Board will need to make a determination regarding the purchasing power of the Society's true endowment funds. A decision by FASB is expected this summer, as the intent of FASB staff is to make the new requirements effective for years ending after December 15, 2008.

If the Board determines that UPMIFA and/or donor intent in establishing each true endowment fund do impose the requirement to maintain each endowment fund's purchasing power, the permanently restricted amount of each true endowment fund as presented in Appendix A will need to be approved by the Board, as well as the underlying methodology used to make the determinations as of December 31, 2007 and to be used going forward. The Bureau of Labor Statistics Inflation Calculator was used to determine the 2007 purchasing power value of the original gift amounts, from the year each donation was made (with some reasonable estimates used for funds started in the 1920's). Once the methodology and results are approved by the Board, appropriate amounts will be reclassified from unrestricted and temporarily restricted net assets to permanently restricted net assets to bring the permanently restricted net assets for the endowment funds to the determined value. Going forward each year, annual CPI (as a measure of purchasing power) would be added to the permanently restricted portion of the endowment fund's net assets (taken as a whole).

If the fair value of the investments associated with individual endowment funds falls below the permanently restricted amount (due to periods with poor investment performance) this deficiency would be shown in unrestricted net assets. The result is that permanently restricted net assets are always stated at a value that maintains each fund's purchasing power, even when there are insufficient long-term investments to support that amount.

The change in the categories of net assets required by the FSP does not actually move any money among the funds, nor does UPMIFA or the FSP require an organization to do so. The allocated value used to determine spendable income can go forward under the current methodology

employed, keeping each endowment fund in its same relative position in the pool of funds and consistent with the historical investment and spending activity of each fund.

The Board has the authority to 're-allocate' allocated value among the funds with respect to the amount originally reported as unrestricted net assets, and bring each fund's allocated value to its purchasing power value. However, this action would alter each fund's relative position in the pool, and thus alter the amount of spendable income available to each fund in the future compared to the results that would occur if no such re-allocations were made. Re-allocation could result in a negative response from donors to those funds that had accreted an excess in allocated value above the amount necessary to maintain its purchasing power. These 'over-accumulated' funds would see their allocated value decrease, and thus future years' spendable income decrease. The value lost would be used to increase the allocated value of those funds that had not accumulated sufficient value to meet their purchasing power values.

Connie Pass
Chief Financial Officer
April 11, 2008

Appendix A: True Endowment Funds: Original Gift Amount, Allocated Value and Purchasing Power Value at December 31, 2007

	Original Gift Amount (Permanently Restricted N.A.	Cumulative Accretion In Value (Unrestricted Net Assets)	(Temporarily Restricted N.A.)	Allocated Value Dec 31, 2007	Value Req'd to Maintain Purchasing Power Dec 31, 2007	Reduction in Unrestricted N.A.	Reduction in Temp Restr N.A.
Income Restricted:							
Prize Funds:							
Steele	145,009		509,502	654,511	805,412	150,901	509,502
Birkhoff	40,076		30,599	70,675	47,945	0	7,869
Veblen	2,000		11,372	13,372	13,552	180	11,372
Wiener	2,000		11,372	13,372	12,415	0	10,415
Bocher	1,450		8,275	9,725	15,032	5,307	8,275
Conant	9,477		34,173	43,650	34,534	0	25,057
Cole Algebra	2,775		8,707	11,482	17,730	6,248	8,707
Cole Number Theory	2,775		8,707	11,482	17,730	6,248	8,707
Satter	15,000		19,764	34,764	23,253	0	8,253
Moore							
Doob (Book)	45,000		5,867	50,867	47,775	0	2,775
Robbins	40,500		6,219	46,719	42,966	0	2,466
Morgan	25,000		22,502	47,502	34,977	0	9,977
Albert Whiteman	63,468		8,369	71,837	73,632	1,795	8,369
Eisenbud	40,000		3,920	43,920	41,139	0	1,139
Arnold Ross Lectures	70,000		9,932	79,932	83,388	3,456	9,932
Trjitzinsky Scholarships	196,030		330,213	526,243	341,861	0	145,831
C.V. Newsom - Von Neumann Symp	100,000		144,885	244,885	158,640	0	58,640
Centennial	56,100		69,461	125,561	84,684	0	28,584
Menger	9,250		3,038	12,288	12,146	0	2,896
Ky Fan (China)	366,757		20,328	387,085	456,447	69,362	20,328
Epsilon	1,037,431		130,110	1,167,541	1,163,337	0	125,906
Total Income Restricted	**2,270,098**		**1,397,315**	**3,667,413**	**3,528,595**	**243,497**	**1,015,000**

Appendix A: True Endowment Funds: Original Gift Amount, Allocated Value and Purchasing Power Value at December 31, 2007

	Original Gift Amount (Permanently Restricted Net Assets)	Cumulative Accretion in Value		Allocated Value December 31, 2007	Value Required To Maintain Purchasing Power	Reduction in Unrestricted Net Assets	Reduction in Temporarily Restricted N.A.
		Unrestricted Net Assets	Temporarily Restricted N.A.				
Income Unrestricted:							
Endowment	100,240	705,236		805,476	1,212,766	1,112,526	
Morita	100,000	43,694		143,694	127,204	27,204	
Henderson	548,223	3,768,338		4,316,561	3,801,592	3,253,369	
Schoenfeld/Mitchell	573,447	236,382		809,829	651,873	78,426	
Laha	189,309	83,824		273,133	227,943	38,634	
Ritt	51,347	205,827		257,174	187,139	135,792	
Moore	2,575	21,667		24,242	32,041	29,466	
Total (Income Unrestricted)	**1,565,141**	**5,064,968**		**6,630,109**	**6,240,558**	**4,675,417**	
Total Endowment Funds	**3,835,239**	**5,064,968**	**1,397,315**	**10,297,522**	**9,769,153**	**4,918,914**	**1,015,000**

	Current Rules	Proposed Rules
Recorded in Perm. Restricted Net Assets	3,835,239	9,769,153
Recorded in Temp. Restricted Net Assets	1,397,315	382,315
Recorded in Unrestricted Net Assets	5,064,968	146,054
	10,297,522	**10,297,522**

Report on Association Management Software Project
Tom Blythe, Director, Management Information Systems

In 2007, the Association Management Systems Evaluation Team completed the evaluation of commercially available association management systems and recommended to the Staff Executive Committee that the Society schedule a project for 2008 to select an association management system for purchase. The team reached the conclusion that the commercial packages available offer a viable option to an in-house developed system. Although none of the commercial packages will meet all of our needs, we believe they will be able to meet 80% to 85% percent of our needs.

The short list of vendors for the selection project will consist of:

- Advanced Solutions Incorporated (iMIS)
- Aptify Corporation (Aptify)
- TMA Resources (Personify)

Our best estimate for the total cost of the package purchase, training and implementation charges is between $750,000 and $1,000,000.

The Staff Executive Committee approved the evaluation team's recommendation for a selection project in 2008 and approved a secondary recommendation that the project include investigation of modules that support the creation and maintenance of the scientific program and meeting registration and housing.

During 2008, members of Management Information Systems (MIS) have been working on creating the first draft of a request for proposal (RFP) for association management systems. This will be an integral part of the package selection process.

Project Report

The project to evaluate association management systems was intended as an educational process that would allow the Society's staff to gather and evaluate information about commercial association management systems for the Society. The primary goal of the project was to be able to answer a number of questions, including:

- Will existing commercial software for associations be able to meet the Society's needs?
- What are the approximate costs for the software?
- What vendors should be included in the RFP process?

An evaluation team was formed, composed of:

Janice Clark
Carol Hill
Cheryl Marino
Tom Freitas
Stephen Hultquist
Connie Pass
Bill Olson
Tom Blythe
Cheryl Dwyer
Barbara Veznaian

The team created a request for information (RFI), which contained:

- a description of the Society
- a description of our current technical environment
- a description of our desired technical environment
- a list of vendor questions, including questions about their company and their software package
- functional requirement outlines, up to three levels deep, for the following Society functions:
  - Membership management
  - Customer maintenance
  - Order processing
  - Subscription Fulfillment
  - Item maintenance
  - Inventory management
  - Committee management
  - Customer call center
  - Member rewards

We distributed the RFI to 12 vendors on August 1. In September, we received 10 responses. The project team evaluated the vendors' responses and invited five vendors to make short presentations to us during the week of October 22. After the presentations, the evaluation team met and immediately removed one vendor from contention. At that meeting we compiled a list of follow-up questions for the vendors. After receiving the responses, the team reviewed the vendors' responses and reached a consensus on the short list of vendors.

AMERICAN MATHEMATICAL SOCIETY

312D Ayres Hall, University of Tennessee
Knoxville, TN 37996-1330 USA
Phone: 865-974-6900 Fax: 865-974-2892
www.ams.org

Robert J. Daverman, Secretary
Email: daverman@math.utk.edu

SECRETARIAT
Business by Mail
November 1, 2007

MINUTES
from the Ballot dated October 1, 2007

There were five votes cast by Robert Daverman, Susan Friedlander, Michel Lapidus, Matthew Miller and Lesley Sibner.

1. Approved electing to membership the individuals named on the list dated September 20, 2007.

2. Approved an Eastern Sectional meeting on April 25-26, 2009, in Worcester, Massachusetts, at Worcester Polytechnic Institute.

3. Approved changing the dates of the 2009 Joint Mathematics Meetings to be held in Washington, D.C., to January 5-8, 2009, (instead of January 7-10, as previously approved).

4. Approved holding a Council Meeting on January 4, 2009, in Washington, D.C.

5. Approved the minutes of the Secretariat Business by Mail from the ballot dated September 1, 2007.

Robert J. Daverman

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Email: daverman@math.utk.edu

SECRETARIAT
Business by Mail
December 3, 2007

MINUTES

from the Ballot dated November 1, 2007

There were four votes cast by Robert Daverman, Susan Friedlander, Michel Lapidus, and Matthew Miller.

1. Approved electing to membership the individuals named on the list dated October 20, 2007.

2. Approved holding an AMS Central Sectional meeting at Macalester College, in St Paul, Minnesota, on April 10-11, 2010.

3. Approved AMS co-sponsorship of the Tenth Conference on p-adic and Non-Archimedean Analysis, to be held June 30 - July 3, 2008, at Michigan State University.

4. Approved the minutes of the Secretariat Business by Mail from the ballot dated October 1, 2007.

Robert J. Daverman

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Robert J. Daverman, Secretary
Email: daverman@math.utk.edu

SECRETARIAT
Business by Mail
January 2, 2008

MINUTES
from the Ballot dated December 1, 2007

There were three votes cast by Robert Daverman, Michel Lapidus, and Lesley Sibner.

1. Approved electing to membership the individuals named on the list dated November 20, 2007

2. Approved electing to membership the non-individuals on the listed dated November 14, 2007.

3. Approved the minutes of the Secretariat Business by Mail from the ballot dated November 1, 2007.

Robert J. Daverman

AMERICAN MATHEMATICAL SOCIETY

312D Ayres Hall, University of Tennessee
Knoxville, TN 37996-1330 USA
Phone: 865-974-6900 Fax: 865-974-2892
www.ams.org

Robert J. Daverman, Secretary
Email: daverman@math.utk.edu

SECRETARIAT
Business by Mail
February 1, 2008

MINUTES
from the Ballot dated January 2, 2007

There were five votes cast by Robert Daverman, Susan Friedlander, Michel Lapidus, Matthew Miller and Lesley Sibner.

1. Approved electing to membership the individuals named on the list dated December 20, 2007

2. Approved a Central Sectional Meeting at Notre Dame University on September 18-19, 2010.

3. Approved the minutes of the Secretariat Business by Mail from the ballot dated December 1, 2007.

Robert J. Daverman

AMERICAN MATHEMATICAL SOCIETY

312D Ayres Hall, University of Tennessee
Knoxville, TN 37996-1330 USA
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Robert J. Daverman, Secretary
Email: daverman@math.utk.edu

SECRETARIAT
Business by Mail
March 4, 2008

MINUTES
from the Ballot dated February 1, 2008

There were five votes cast by Robert Daverman, Susan Friedlander, Michel Lapidus, Matthew Miller and Lesley Sibner.

1. Approved electing to membership the individuals named on the list dated January 20, 2008.

2. Approved holding an AMS Council Meeting in Chicago, Illinois, on April 18, 2009.

3. Approved the minutes of the Secretariat Business by Mail from the ballot dated January 2, 2008.

Robert J. Daverman

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312D Ayres Hall, University of Tennessee
Knoxville, TN 37996-1330 USA
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www.ams.org

Robert J. Daverman, Secretary
Email: daverman@math.utk.edu

SECRETARIAT
Business by Mail
April 1, 2008

MINUTES
from the Ballot dated March 4, 2008

There were five votes cast by Robert Daverman, Susan Friedlander, Michel Lapidus, Matthew Miller and Lesley Sibner.

1. Approved electing to membership the individuals named on the list dated February 20, 2008.

2. Approved the minutes of the Secretariat Business by Mail from the ballot dated February 1, 2008.

AMS Committee on Meetings and Conferences (COMC)

Highlights of 2008 Meeting (April 12, 2008)

The Committee on Meetings and Conferences (CoMC) held its annual meeting on April 12, 2008, at the O'Hare Hilton Hotel in Chicago, IL. Katherine St. John, chair, presided over the meeting

Introductory items. The meeting began with a round of introductions. Time was then devoted to discussing the components that play roles in AMS meetings: the Secretariat, the Meetings and Conferences Department, and CoMC. Committee members had numerous questions, which were answered by the Secretary Bob Daverman, Associate Secretary Matthew Miller and AMS staff members AED Ellen Maycock, Director of Meetings Penny Pina and Meetings Supervisor Donna Salter.

Report of the Secretariat. Bob Daverman gave a report on the April 11, 2008 Secretariat meeting.

- The Secretariat reviewed the scheduled International Meetings: Brazil on June 4 - 7, 2008 and Shanghai on December 17 - 21, 2008 (considered as the 2009 meeting). There was a report on the New Zealand meeting, held on December 12 - 15, 2007. There is the possibility of a joint meeting with the Korean Mathematical Society in late 2009 or 2010.
- The 2008 Erdős Lecture was given by William Timothy Gowers at Courant Institute in New York University on March 15, 2008. The next Erdős Lecure will be held at the University of Illinois in March 2009.
- The next Einstein Public Lecture will be held at the University of British Columbia in Vancouver in October 2008. Freeman Dyson will be the speaker. North Carolina State University in Raleigh will be the site for the 2009 Einstein Public Lecture in April 2009.

Report on the Subcommittee to Review the Sectional Meetings. This subcommittee was composed of **John Meakin (Chair**), **Susan Friedlander, Judy Kennedy and Katherine St. John**. The subcommittee reported:

> *The subcommittee believes that the sectional meetings are valuable and successful. The work of the associate secretaries and AMS staff involved in supporting these meetings has been outstanding. The overall organizational structure of sectional meetings is sound.*

Additionally, the committee had these recommendations:

- ***Invited Addresses**: More care needs to be devoted to selection of speakers to give invited addresses at sectional meetings.*

- ***Choice of location****: Additional attention needs to be paid to the quality of facilities at host institutions in the choice of locations for sectional meetings.*
- ***Scheduling and communication issues****: Additional attention should be paid to scheduling special sessions, to ensure that scheduling conflicts between special sessions on closely related topics are minimized and to ensure that such sessions are assigned rooms as close as possible to each other. Organizers of special sessions may need to be reminded at appropriate times about information available on the AMS website pertaining to organization of special sessions.*
- ***Data collection, demographic information****: The AMS might consider whether it could collect more detailed demographic information on participation in sectional meetings. Consideration should also be given to timely collection of feedback from local organizers and organizers of sectional meetings at special sessions.*

CoMC endorsed all of the recommendations of this subcommittee. The committee discussed several additional possibilities for sectional meetings. One idea was to have a focus group at a sectional meeting, with participants chosen from among the special session organizers. There was a suggestion to pass the special session proposals that are rejected for the JMM onto the associate secretaries in order that they be considered for sectional meetings. CoMC hopes that computer projectors will be available in all rooms for sectional meetings.

There was an extended discussion of how the invited talks at sectional meetings could be more accessible to graduate students and general audiences. There could be one talk at each sectional meeting that was a survey or overview talk, given by a senior mathematician. The invited speaker could give a general talk as an invited address and a specialized talk in a special session. Another suggestion was to have a talk broken up into two parts—one part very accessible and one part more technical. Also, at a sectional meeting where either the Einstein or Erdős lecture is given, there could be one fewer invited address.

Report on the San Diego Focus Group. Catherine Roberts, who had chaired the focus group at the JMM, presented the ideas that had been discussed during that breakfast. CoMC agreed that there should be fewer committee members and more participants invited to the breakfast next year. CoMC will host a Focus Group on Tuesday, January 6, 2009 in Washington, D.C. Catherine Roberts will chair the focus group.

San Diego Questionnaire. The responses from the San Diego questionnaire were reviewed. For the first time, the AMS used an electronic survey form, and sent email to all participants after the meeting with a link to the survey. Over 1500 participants responded to the survey.

Update on Mathematics Research Communities. Ellen Maycock reported that the AMS had received formal notification from NSF that the grant proposal will be fully

funded. Several committee members suggested that there be a call for topics for future years of the program.

Review of Selected Activities.

- A subcommittee composed of David Meredith (chair) and Carol Wood considered the full cycle of topics for review. The subcommittee recommended, and CoMC agreed, that there should be more flexibility in the process. The order of topics shouldn't be considered rigid, nor should the particular topics on the list be the only ones considered. For example, some topics should be considered frequently, and others only once every ten years. CoMC decided to add one topic to the current list: an overall look at the "big picture" or structure of the meetings program.
- For the 2009 meeting, the topics to be reviewed will be: (b) Special Lecture Series, Special Projects and Short Course, and (f) Cosponsorship of meetings and conferences of other organizations; conferences programs and institutes. The subcommittee for (b) will consist of Skip Garabaldi (chair), Irena Peeva and Katherine St. John. The subcommittee for (f) will be Carol Wood (chair) and Ann Trenk, plus one additional member.

Graduate Students and Undergraduate Students at the Joint Meeting. CoMC was asked for suggestions on programs for the growing population of undergraduate and graduate students. The topic generated a wide-ranging discussion. The committee suggested that the flyer of student activities be reformatted to be more attractive and easier to read. Of particular concern to committee members was the issue of the preparing students for graduate school. The committee would like to suggest that a panel discussion be held at the 2009 JMM on this topic. Panel members could include current graduate students and recent PhDs. (MRC participants would be ideal). The committee would like the AMS to consider other avenues to address this important issue, including encouraging more schools or groups to offer summer bridge programs. The AMS could have a web site with information about appropriate preparation for graduate school.

Miscellaneous Items. CoMC would like to have more interaction with other AMS policy committees, especially with CoProf. It was noted that many of the issues that were considered at this meeting could also be of interest to CoProf. CoMC also encourages the AMS to continue to explore how technology could be used to enhance AMS meetings. One example would be to videotape major addresses, and post these on the AMS web site.

2009 CoMC Meeting. The committee approved the suggested date of March 14, 2009 for its next meeting, to be held at AMS Headquarters in Providence.

Ellen Maycock
Associate Executive Director
April 23, 2008

American Mathematical Society
Committee on Science Policy Meeting
March 7-8, 2008
Washington, DC

Summary Report

The 2008 Committee on Science Policy (CSP) meeting included information sessions on the federal budget request for FY2009, research funding in the UK, a new effort to create a grassroots network for advocacy through the AMS, the AMS-AAAS Congressional Fellowship program and international cooperation in science and mathematics.

Highlights from presentations:

Benjamin Mann, Program Manager – Mathematics Program
Defense Advanced Research Projects Agency (DARPA)
Mann gave meeting attendees an overview of DARPA and DARPA's Defense Sciences Office (DSO). He talked about the founding of DARPA and its mission to prevent technological surprise from harming U.S. national security. His presentation included discussion of the characteristics of a DARPA program and some of DARPA's accomplishments. He also detailed the seven programs that he manages, including Topological Data Analysis (TDA), Sensor Topology for Minimal Planning (SToMP), Focus Areas in Theoretical Mathematics (FAThM) and others.

Tony Chan
Assistant Director, Directorate for Mathematical & Physical Sciences
National Science Foundation
Tony Chan gave a brief overview of the structure of the National Science Foundation and enumerated the FY 2008 appropriation for each of the NSF directorates. He also talked about trends in federal basic research funding across all agencies and specifically at NSF. He spoke briefly about the President's American Competitiveness Initiative (ACI) and how global economic competitiveness drives federal investment in science research. He then discussed the FY 2009 NSF Budget Request, particularly at the Division of Mathematical Sciences within MPS. At present, MPS is slated to receive a 20.2% increase over FY 2008 and DMS a 16% increase. He also discussed trends in funding rates and award sizes at DMS.

Chan felt that appropriations for the FY 2009 budget will not take place before the fall elections and he emphasized that, in the meantime, Congress will be looking to the science community to explain the role of the physical and mathematical sciences in addressing our nation's challenges. He felt that the mathematics community needs to be able to answer this question and, in turn, this will help determine the amount of the federal investment in mathematics and science research and education.

Helen Thorne
Director, Office in the U.S.
Research Councils UK
Helen Thorne introduced meeting attendees to the Research Councils UK. She explained the UK government's vision for science and technology, which is similar to U.S. goals of being a leader in innovation and global competitiveness. She also explained how research is funded in the UK through

seven different research councils covering all academic disciplines. These discipline-based research councils operate independently, but work together within a 3-year funding cycle through the Research Councils UK.

Thorne specifically discussed the Engineering and Physical Sciences Research Council (EPSRC) which is the major funder of mathematics research in the UK. Its current portfolio is worth $210 million which is invested in research grants, fellowships and PhD studentships.

Thorne explained that the UK is addressing some of the same challenges that the U.S. has and is committed to improving the quality of mathematics teaching at primary and secondary levels, increasing the number of students studying mathematics after age 16 and improving career advice. She also talked about collaborative efforts between the UK and the U.S.

James Turner, Chief Counsel
House Committee on Science & Technology
Jim Turner discussed the federal appropriations process and the status of the FY 2009 budget. He explained that it remains to be seen whether there will be several appropriations bills (as is the usual process), a large appropriations bill (an omnibus bill where all appropriations are done together) or a continuing resolution (where everything is funded at the prior year's level until the appropriations process is completed). Since it is a Presidential election year, the appropriations process will likely be delayed until the new President takes office in January 2009 so that he/she may be able to insert his/her priorities for funding into the FY 2009 budget. Turner felt it very possible that we would end up with a continuing resolution between the September 30, 2008 fiscal year end and the new Administration taking office in January 2009.

Homer Walker
Program Manager for Applied Mathematics, Office of Advanced Scientific Computing Research
Office of Science, U.S. Department of Energy
Homer Walker began his presentation by outlining the organization at the DOE Office of Science. He discussed its mission, vision, research programs and projects. He discussed several of the programs and projects in particular. As an example, Walker highlighted the Scientific Discovery through Advanced Computing (SciDAC) program, which uses coordinated research efforts to exploit emerging computer applications. He also discussed the Computational Science Graduate Fellowship program, Applied Mathematics Research program, and the Multi-Scale Mathematics Research and Education program.

Walker discussed budget trends at the Office of Advanced Scientific Computing Research and how funding for applied mathematics is allocated. He also talked about a new funding opportunity for multi-scale mathematics and optimization for complex systems, and an upcoming workshop to be held in June 2008 on mathematics for petascale data.

Jeffry Phan
AMS Congressional Fellow, Office of Senator Jeff Bingaman
Jeffry Phan, the AMS Congressional Fellow for 2007-08, currently works in the Office of Senator Jeff Bingaman. His presentation was centered on his experience as a Fellow in this program sponsored by the American Association for the Advancement of Science (AAAS). He gave an overview of the Congressional Fellowship program itself and then explained what his role is in the office of Senator Bingaman. He emphasized the importance of the fellowship experience as a means to give scientists a voice behind the scenes where policy decisions are made.

Joel Parriott
Program Examiner, Office of Management and Budget (OMB)
Joel Parriott explained the organization of the Executive Office of the President and how the Office of Management and Budget fits in. He also made the distinction between career staff and political staff and their roles within the OMB hierarchy. He explained that the purpose of the OMB is to assist the President in developing and executing policies and programs. He talked about federal funding for science research by examining trends, discretionary v. non-discretionary spending and how the President's priorities and budget pressures determine funding amounts.

Kei Koizumi
Director, R&D Budget and Policy Program
American Association for the Advancement of Science
Kei Koizumi outlined the composition of the FY 2009 federal budget and looked at trends in discretionary spending over the past 30+ years. He discussed the proposed budget in terms of total R&D funding by agency and explained how the American Competitiveness Initiative (ACI) impacts the total amounts requested. He also discussed trends in federal R&D funding overall and by agency.

Koizumi then presented FY 2009 budget request amounts for the NSF as a whole and by directorate. He pointed out that there is a clear differentiation in this budget request between the directorates, but it remains to be seen whether it will be sustained. He talked about the importance of funding for R&D to the U.S. economy and to U.S. competitiveness. He expressed the concern shown by policymakers over the weakening trend in research dollars spent as a percentage of U.S. GDP when trends in other countries are showing increased investments in research.

Koizumi explained that Congress has begun its work on an FY 2009 budget resolution with discretionary spending targets that will determine totals for later appropriations action. However, it is possible that appropriations bills will not move forward until the next President takes office in January 2009. If the process drags on, it will become more likely that appropriations for FY 2009 will be done through an omnibus bill, which could result in weaker increases for funding research.

Sam Rankin
AMS Associate Executive Director
Sam Rankin presented a new effort to create an AMS Grassroots Advocacy Network which would be charged with building the case for increased federal support of mathematics and science research and education to Members of Congress. He explained that mounting pressure on the federal budget requires broad community support in this endeavor, especially since Members do not currently feel repercussions for their lack of support for increased science funding.

Rankin explained why such an advocacy group is needed and how it would go about its work. He explained that in order for the network to be successful, mathematicians would need to make a commitment to create ongoing relationships with their Congressional representatives, and to both ask for support of increased research funding and to offer themselves as a resource to the representative. The AMS Washington Office would spearhead this effort and provide support to network members.

The Committee was very supportive of this new endeavor and it was decided that the AMS Washington Office would set up the first drive in this effort the week of May 5, 2008. The AMS Washington Office would provide the message to be conveyed and all pertinent material and information to network members.

Marjorie Senechal
Smith College and CSP Member
Marjorie Senechal led a discussion on the importance of international collaboration and relationship building in the mathematics community. She reviewed a report to be presented at the upcoming AMS Council meeting that highlights the international efforts of the AMS. There was some discussion about the idea of open access to journals and ways in which mathematicians in developing countries could gain access to publications. The AMS Council will review its ongoing international activities and look for ways in which they might be expanded.

Other Discusssion
Jim Glimm, SUNY at Stony Brook and AMS President, led an informal discussion on the focus of the mathematics community on its definition of pure v. applied mathematics. It was the general consensus of the group that the "tent" was big enough for all and that the community's ultimate goal should be to work towards increased funding for all mathematics research.

Committee on Science Policy Events at the 2009 Joint Mathematics Meeting
Since the Joint Mathematics Meeting will be held in Washington, DC in 2009, the committee decided to use its time slot to invite some Members of Congress and/or staff to speak. The format and topic will be determined later. The additional time slot set aside for a government speaker will not be used.

Date of Next Meeting
The next meeting of the AMS Committee on Science Policy was scheduled for Friday-Saturday, March 6-7, 2009 in Washington, DC.

Submitted by Anita Benjamin
American Mathematical Society
March 24, 2008

Washington Office Report
March 24, 2008

Much of the activity in Washington science policy circles these days has to do with the aftermath of the FY 2008 federal budget process, which resulted in an omnibus budget bill, and the presentation on February 4, 2008, of the FY 2009 Federal Budget Request.

Our hopes for solid budget increases for science research were not realized when the FY 2008 federal budget was finally completed. The FY 2008 National Science Foundation (NSF) budget only increased 2.5 percent over the FY 2007 budget. This small increase was a surprise and hard to take given that the House had passed an NSF budget increase of 10 percent and the Senate an increase of 10.8 percent. Typically, a compromise between the two bodies would result in an increase somewhere between these two increases and no less than the FY 2008 Budget Request increase of 8.8 percent.

The Division of Mathematical Sciences (DMS) received an FY 2008 budget increase of 2.9 percent or $6.05 million over FY 2007. For comparison, the FY 2008 Budget Request had an increase of $17.73 million for the DMS. The $6.05 million includes $5.2 million for Cyber-enhanced Discovery and Innovation (CDI), an NSF-wide initiative. Emphasis in FY 2008 will be on new interdisciplinary partnerships, developing and increasing interdisciplinary opportunities within the NSF and with other agencies. Core mathematics and workforce programs will see cuts. Core mathematics is decreased by $2 million instead of a $7.5 million planned increase based on the FY 2008 Budget Request. Assuming an average grant size of $65 thousand, DMS will make approximately 25 fewer grants in FY 2008 versus FY 2007. Funding for institutes in FY 2008 will go up by $3.5 million over FY 2007.

In FY 2009, approximately 61 percent of the DMS budget will be available for new research awards, with the remainder going to continuing commitments from previous years. The DMS FY 2009 priorities are fundamental mathematical and statistical science, including activities that strengthen the core of the discipline and enable effective partnering with other science and engineering disciplines; and interdisciplinary research and education, including key components of the American Competitiveness Initiative (ACI), where the mathematical sciences play a critical role in discovery for competitiveness and innovation. These ACI components are NSF-wide initiatives, Cyber-enabled Discovery and Innovation, Science Beyond Moore's Law, and Adaptive Systems Technologies; MPS initiatives, Quantum Information Sciences, MPS-Life Sciences Interface, and ACI Fellows.

The ACI Fellows program aims to improve the freshman and sophomore experience in mathematics through involvement in interdisciplinary, discovery-based activities. The program hopes to help increase the number of undergraduate mathematics, science, and engineering majors. The goal of the MPS-Life Sciences Interface is to promote the emergence of biology as a quantitative science and encourage bio-technological innovation. Adaptive Systems Technologies will focus on innovation in areas such as robotics, sensor systems, specialized materials, and assistive devices. Quantum Information Sciences (QIS) involves research on quantum computing and communications, including the understanding and implementation of algorithms for QIS.

The Mathematical Sciences are funded in the Department of Energy (DOE) through the Office of Advanced Scientific Computing Research (ASCR), one of six interdisciplinary research offices within DOE's Office of Science. ASCR funding for the mathematical sciences is found primarily in the Applied Mathematics program and the Scientific Discovery through Advanced Computing (SciDAC) program. Overall funding of the mathematical sciences at DOE is slated to increase by 9.4 percent in FY 2009. The aggregate budget for the Applied Mathematics and SciDAC programs currently totals $87.1 million. The

aggregate mathematical sciences FY 2008 budget at DOE increased by 16.9 percent over the FY 2007 budget, a much better percentage increase than the NSF received.

The AMS Washington Office continues to work with other organizations on science policy issues through the Coalition for National Science Funding, the Bridging the Sciences Coalition, and the Task Force on the Future of American Innovation. A current endeavor that the AMS office is working on with a number of coalitions is to try to influence the Congress and the White House to include additional money for agencies funding science research and education in a supplemental appropriations bill. This is an uphill battle, although some Members of Congress have begun to embrace the idea. It remains to be seen whether or not appropriators and the White House will agree to supplemental funding as a mechanism to increase research budgets. This effort to support science research through a supplemental appropriations bill is part of the fallout from the FY 2008 omnibus budget. Neither the Congress nor the White House wants to be seen as being responsible for low support of science research in the FY 2008 budget.

On November 14, 2007, mathematician Ken Golden of the University of Utah gave the annual AMS Congressional Luncheon Briefing. Ken did a nice job with his presentation, "Mathematics of Ice to Aid Global Warming Forecasts." Two Members of Congress, Dana Rohrbacher (R-CA) and Jerry McNerney (D-CA), attended the briefing along with fifty-seven other attendees.

The Washington Office organized the annual Department Chairs Workshop prior to the Joint Mathematics Meetings in San Diego, CA. This year's meeting boasted a record 54 department chairs attending. The Joint Meetings also included a session on the AMS Congressional Fellowship, organized by the Washington Office, a Committee on Education panel discussion on "Making Teacher Preparation our Business," and a Town Hall Meeting with mathematician and Member of Congress, Jerry McNerney.

Sam Rankin was invited to be a Selection Committee member for the American Association for the Advancement of Science (AAAS) Science and Technology Policy Fellowships. He served on the committee that selects Energy, Environment, Agriculture & Natural Resources Fellows.

The Director of the Washington Office has again provided an analysis of the funding for the mathematical sciences in the FY 2009 Federal Budget Request for the AAAS Annual Research and Development Report. This analysis will also appear in the NOTICES.

Sam Rankin was invited by Senator Kennedy, chair of the Senate Committee on Health, Education, Labor, and Pensions, to give testimony before the Committee on March 11, 2009 at a hearing "The Broken Pipeline: Losing Opportunities in the Life Sciences." Rankin was asked to talk about the NSF and to comment on the way in which the U.S. funds science research.

Respectively submitted,
Samuel M. Rankin III
Associate Executive Director
Washington Office

TRAVEL EXPENSE VOUCHER
AMERICAN MATHEMATICAL SOCIETY
201 Charles Street
Providence, RI 02904-2294
(see detailed instructions on reverse of this form)

Level A
Officer
Forward to Staff Liaison:

Name:_____

Mailing
Address:_____
street city state zip

Purpose of trip:_____ _____
meeting attended meeting attended

_____ __ _____
city,date city,date

Date and hour: Departure:_____ Return: _____

TRANSPORTATION EXPENSES:
Airline ticket reimbursement is limited to economy class, at least two weeks advance purchase rate.
Private automobile mileage reimbursement is limited to the comparable cost of an airline ticket.

Intercity: From To Carrier	Amount Claimed
_____	$_____.____
_____	$_____.____
Local (taxi, etc. - may not exceed $150)	$_____.____
Private auto:____ miles @50.5¢/mile = $_____ + $_____ tolls + $ ____ parking = (2008 rate)	$_____.____

LIVING EXPENSES:

Hotel (Do NOT include movie rentals, health club, or laundry. Reasonable daily cost of internet access IS allowed.)	$_____.____
Meals (**ACTUAL** expenses only, which do not appear on hotel bill; list on reverse)	$_____.____
TOTAL EXPENSES CLAIMED	$_____.____
MINUS ADJUSTMENTS (list on reverse)	- $_____.____
AMOUNT REQUESTED (Attach payment if amount of adjustments exceeds total expenses.)	$_____.____

I certify that this statement of charges claimed by me, including attachments, is correct and proper:

SIGNATURE_____ DATE_____

Office Use Only

Supervisor:_____ 01-_____-_____- _____ $_____.___

Date:_____ 01-_____-_____- _____ $_____.___

Revised 01/08

American Mathematical Society
Explanation of Level A Reimbursement

Travel support is provided for Officers. The Level A voucher is for use to reimburse travel for official AMS duties. Officers are urged to exercise economy in formulating travel plans and discretion in requesting reimbursement from the Society.

Reimbursable travel expenses

Travel expenses are reimbursed when an Officer or his/her representative is carrying out a duty of office. Generally, ground transportation, air or other transportation up to the economy round trip air amount, lodging for a reasonable number of nights, and meals for that time period are covered, when requested.

Limitations on tickets and hotel

Air tickets must be purchased at least two weeks in advance and can be reimbursed before the travel takes place. Reimbursement will be made for the actual cost of an airline ticket, or ticket for another form of transportation, not exceeding economy class round trip fare. If driving, reimbursement will be at the actual mileage from home city to the meeting site and back at the current approved rate, to the extent that this amount does not exceed the cost of economy class round trip air fare for the same trip. Hotel and meal expenses will be covered for no more than the night before and night of any meeting attended.

Expenses not covered

Expenses not covered include: registration fees for AMS meetings, first class tickets, excess charges for airline tickets not purchased at least two weeks prior, excess baggage charges, ticket change charges if for personal reasons (except if plans are changed due to illness or emergency), flight insurance, room charges in excess of the single rate, laundry, health club fees, and in-room movies.

Submitting vouchers

The Level A completed voucher should be forwarded to the Staff Liaison noted on the front of this form at the AMS address. Attach receipts, including ticket stubs, for all expenses. If the amount of the expense claimed on the voucher does not match the amount on the receipt, please write a note of explanation on the receipt. Expenses under $25 do not require receipts if a receipt is not readily available; however, **only actual expenses will be reimbursed, not estimated**. *All expense reimbursement requests must be received within 90 days of the date the meeting occurred*. A copy of each voucher and all supporting documentation should be retained for possible inspection by the Internal Revenue Service.

Adjustments

In those instances where the expenses have been or will be paid directly by the AMS please indicate here:

MEAL LOG

DATE	BREAKFAST	LUNCH	DINNER	TOTAL

Level B
Committee:
Forward to Staff Liaison:

TRAVEL EXPENSE VOUCHER
AMERICAN MATHEMATICAL SOCIETY
201 Charles Street
Providence, RI 02904-2294
(see detailed instructions on reverse of this form)

Name:_____

Mailing Address:_____
street city state zip

Purpose of trip:_____ _____
meeting attended meeting attended

_____ _____
city,date city,date

Date and hour: Departure:_____ Return:_____

TRANSPORTATION EXPENSES:
Airline ticket reimbursement is limited to economy class, at least two weeks advance purchase rate.
Private automobile mileage reimbursement is limited to the comparable cost of an airline ticket.

Intercity: From To Carrier	Amount Claimed
_____	$_____.____
_____	$_____.____
Local (taxi, etc. to and from home/airport/hotel only - may not exceed $150)	$_____.____
Private auto:____ miles @50.5¢/mile (2008 rate) = $_____ + $_____ tolls + $ ____ parking =	$_____.____

LIVING EXPENSES: (limited to night before and night of meeting)

Hotel (Do NOT include movie rentals, health club, or laundry. Reasonable daily cost of internet access IS allowed.)	$_____.____
Meals (**ACTUAL** expenses only, which do not appear on hotel bill; list on reverse)	$_____.____
TOTAL EXPENSES CLAIMED	$_____.____
MINUS ADJUSTMENTS (list on reverse)	- $_____.____
AMOUNT REQUESTED (Attach payment if amount of adjustments exceeds total expenses.)	$_____.____

I certify that this statement of charges claimed by me, including attachments, is correct and proper:

SIGNATURE_____ DATE_____

Office Use Only

Supervisor:_____ 01-_____-_____- _____ $_____.___

Date:_____ 01-_____-_____- _____ $_____.___

Revised 01/08

American Mathematical Society
Explanation of Level B Reimbursement

Travel support is provided for meetings of Level B committees. The Level B voucher is for use to reimburse official AMS committee meetings. In the case of Joint Committees, support from the AMS is available to AMS committee members only. Committee chairs should notify the AMS liaison before undertaking meetings for which travel support will be required. Members are urged to exercise economy in formulating travel plans and discretion in requesting reimbursement from the Society.

Reimbursable travel expenses

This is a "full travel support" committee. Meetings are limited to the stated number per year (see charge). Travel to other functions will be reimbursed only with prior approval of the committee chair and staff liaison. For each member attending a regular meeting of the committee the following expenses will be reimbursed, if requested: ground transportation (up to $150) to and from home/airport/hotel; air or other transportation up to the economy round trip air amount; lodging for the night before and night of any scheduled meeting; reasonable meals for that time period (except that when meals are to be served in a meeting, no other meal will be reimbursed during that part of the day); and reasonable cost of daily internet access in the travel time period.

Limitations on tickets and hotel

Air tickets must be purchased at least two weeks in advance and can be reimbursed before the travel takes place. Reimbursement will be made for the actual cost of an airline ticket, or ticket for another form of transportation, not exceeding economy class round trip fare. If driving, reimbursement will be at the actual mileage from home city to the meeting site and back at the current approved rate, to the extent that this amount does not exceed the cost of economy class round trip air fare for the same trip. Hotel and meal expenses will be covered for no more than the night before and night of any meeting attended.

Expenses not covered

Expenses not covered include: registration fees for AMS meetings, first class tickets, excess charges for airline tickets not purchased at least two weeks prior, excess baggage charges, ticket change charges if for personal reasons (except if plans are changed due to illness or emergency), flight insurance, room charges in excess of the single rate, laundry, health club fees, and in-room movies.

Special grant conditions

Grant-supported projects requiring meetings have special exceptions. No alcoholic beverages will be reimbursed under a federal grant-supported project. Only air travel on U.S. flag carriers will be reimbursed by federal agencies (unless specifically approved in advance). RECEIPTS ARE REQUIRED FOR ALL EXPENSES. Please consult the staff liaison for further details.

Submitting vouchers

The Level B completed voucher should be forwarded to the Staff Liaison noted on the front of this form at the AMS address. Attach receipts, including ticket stubs, for all expenses. If the amount of the expense claimed on the voucher does not match the amount on the receipt, please write a note of explanation on the receipt. Expenses under $25 do not require receipts if a receipt is not readily available; however, **only actual expenses will be reimbursed, not estimated**. *All expense reimbursement requests must be received within 90 days of the date the meeting occurred*. A copy of each voucher and all supporting documentation should be retained for possible inspection by the Internal Revenue Service.

Adjustments

In those instances where the expenses have been or will be paid directly by the AMS please indicate here:

MEAL LOG

DATE	BREAKFAST	LUNCH	DINNER	TOTAL

TRAVEL EXPENSE VOUCHER
AMERICAN MATHEMATICAL SOCIETY
201 Charles Street
Providence, RI 02904-2294
(see detailed instructions on reverse of this form)

Level C
Council of the AMS
Forward to Staff Liaison:
ELLEN HEISER

Name: _____

Mailing Address: _____
street city state zip

Purpose of trip: Council Meeting _____
meeting attended

_____
city and date

Date and hour: Departure:_____ Return:_____

TRANSPORTATION EXPENSES:
Airline ticket reimbursement is limited to economy class, at least two weeks advance purchase rate.
Private automobile mileage reimbursement is limited to the comparable cost of an airline ticket.

Intercity: From To Carrier	Amount Claimed
_____	$_____.____
_____	$_____.____
Local (taxi, etc. to and from home/airport/hotel only - may not exceed $150)	$_____.____
Private auto:____ miles @50.5¢/mile (2008 rate) = $_____ + $_____ tolls + $ ____ parking =	$_____.____

LIVING EXPENSES: (limited to night before and night of meeting)

Hotel (Do NOT include movie rentals, health club, or laundry. Reasonable daily cost of internet access IS allowed.)	$_____.____
Meals (**ACTUAL** expenses only, which do not appear on hotel bill; list on reverse)	$_____.____
TOTAL EXPENSES CLAIMED	$_____.____

I certify that this statement of charges claimed by me, including attachments, is correct and proper:

SIGNATURE_____ DATE_____

Office Use Only

Supervisor:_____ 01-_____-_____- _____ $_____.___

Date:_____ 01-_____-_____- _____ $_____.___

Revised 01/08

American Mathematical Society
Explanation of Level C Reimbursement

Travel support is provided for travel to Council meet ings by members of the Council, members of the Board of Trustees, and Policy Committee Chairs.

Members are urged to exercise economy in formul ating travel plans and discretion in requesting reimbursement from the Society.

Reimbursable travel expenses
Meetings are limited to the stated number per year (see charge). For each member attending a regular meeting of the Council the following expenses will be reimbursed, if requested: ground transportation (up to $150) to and from home/airport/hotel; air or other transportation up to the economy round trip air amount; lodging for the night before and night of any scheduled meeting; reasonable meals for that time period (except that when meals are to be served in a meeting, no other meal will be reimbursed during that part of the day); and reasonable cost of daily internet access in the travel time period.

Limitations on tickets and hotel
Air tickets must be purchased at least two weeks in advance. Reimbursement will be made for the actual cost of an airline ticket, or ticket for another form of transportation, not exceeding economy class round trip fare. If driving, reimbursement will be at the actual mileage from home city to the meeting site and back at the current approved rate, to the extent that this amount does not exceed the cost of economy class round trip air fare for the same trip. Hotel and meal expenses will be covered for no more than the night before and night of any meeting attended.

Expenses not covered
Expenses not covered include: registration fees for AMS meetings, first class tickets, excess charges for airline tickets not purchased at least two weeks prior, excess baggage charges, ticket change charges if for personal reasons (except if plans are changed due to illness or emergency), flight insurance, room charges in excess of the single rate, laundry, health club fees, and in-room movies.

Submitting vouchers
The completed Level C voucher should be forwarded to Ellen Heiser at the AMS address shown on the front of this form. Attach receipts, including ticket stubs, for all expenses. If the amount of the expense claimed on the voucher does not match the amount on the receipt, please write a note of explanation on the receipt. Expenses under $25 do not require receipts if a receipt is not readily available; however, **only actual expenses will be reimbursed, not estimated**. *All expense reimbursement requests must be received within 90 days of the date the meeting occurred*. A copy of each voucher and all supporting documentation should be retained for possible inspection by the Internal Revenue Service.

Questions
If you have any questions, please contact Ellen Heiser at the AMS Headquarters: ehh@ams.org, 800-321-4267 (from within US and Canada), or 401-455-4103.

MEAL LOG

DATE	BREAKFAST	LUNCH	DINNER	TOTAL

First Amendment
To The
American Mathematical Society Retirement Plan

IMPLEMENTATION OF FINAL REGULATIONS UNDER SECTIONS 401(k) AND 401(m)

Section 1. General Rules

1.1. Adoption and Effective Date. For purposes of implementing the final regulations under sections 401(k) and 401(m) of the Internal Revenue Code (the "Code") American Mathematical Society, adopts the following amendment to its American Mathematical Society Retirement Plan effective, for plan years beginning on or after January 1, 2006, provisions of this amendment shall apply including any options elected below.

1.2. Precedence. The requirements of this Article will take precedence over any inconsistent provisions of the Plan.

1.3. Requirements of Treasury Regulations Incorporated. All matters addressed under this Article will be determined and made in accordance with the Treasury Regulations under Code sections 401(k), 401(m), 402(A) and 415.

Section 2. Excess Deferrals, Excess Contributions and Excess Aggregate Contributions

2.1. Excess Deferrals, Excess Contributions and Excess Aggregate Contributions distributed from the Plan shall be adjusted for any income or loss based on a reasonable method of computing the allocable income or loss. The method selected each year by the Plan Administrator, in his sole discretion, must be applied consistently to all Participants and used for all corrective distributions under the Plan for the Plan Year, and must be the same method that is used by the Plan for allocating income or loss to Participants' Accounts. For Plan Years beginning after 2005 or 2004 if early adoption of the Regulations is elected, income or loss allocable to the period between the end of the taxable year and the date of distribution may not be disregarded in determining income or loss. The income allocable to Excess Deferrals, Excess Contributions or Excess Aggregate Contributions is equal to the sum of the allocable gain or loss for the Plan Year and, to the extent the Excess Contributions are or will be credited with gain or loss for the gap period (i.e., the period after the close of the Plan Year and prior to the distribution) if the total Account were to be distributed, the allocable gain or loss during that period. Two reasonable methods treat the income and loss allocable to Excess Contributions as the sum of:

(a) Income or loss allocable to the Participant's Elective Account (Roth or Pre-tax) (and, if applicable, the Qualified Non-Elective Account or the Qualified Matching Account, or both) for the Plan Year, multiplied by a fraction, the numerator of which is such Participant's Excess Contributions for the year and the denominator is the Participant's Account balance attributable to Elective Deferrals (and Qualified Non-Elective Contributions or Qualified Matching Contributions, or both, if any such contributions are included in the ADP test) without regard to any income or loss occurring during such Plan Year; or

(b) Ten percent (10%) of the amount determined under (a) multiplied by the number of whole calendar months between the end of the Plan Year and the date of the distribution, counting the month of distribution if distribution occurs after the 15th of such month.

(c) The plan will not fail to use a reasonable method for computing the income allocable to Excess Contributions, Excess Deferrals or Excess Aggregate Contributions merely because the income allocable to such contributions is determined on a date that is no more than 7 days before the distribution.

Section 3. Qualified Non-Elective Contributions (QNEC) (Including Qualified Matching Contributions (QMAC))

3.1. Any allocation of a QNEC shall be adjusted so that the allocation rate conforms to the following provisions:

(a) Any allocation of a QNEC shall be adjusted so that the allocation rate does not exceed the product of an NHCE's compensation and the greater of 5% or two times the Plan's Representative Contribution Rate.

(b) Any QNEC taken into account under an ACP test under the Plan (including the determination of the Representative Contribution Rate to be used in this determination), is not permitted to be taken into account for purposes of this the ADP test (including the determination of the Representative Contribution Rate).

(c) For purposes of this Section, the Plan's Representative Contribution Rate is the lowest Applicable Contribution Rate of any eligible NHCE among a group of eligible NHCEs that consists of half of all eligible NHCEs for the Plan Year (or, if greater, the lowest Applicable Contribution Rate of any eligible NHCE in the group of all eligible NHCEs for the Plan Year and who is employed by the Employer on the last day of the Plan Year).

(d) For purposes of this Section, the Applicable Contribution Rate for an eligible NHCE is the sum of the Qualified Matching Contributions taken into account under this Section for the eligible NHCE for the Plan Year and the Qualified Non-Elective Contributions made for the eligible NHCE for the Plan Year, divided by the eligible NHCE's compensation for the same period.

(e) Notwithstanding the preceding provisions, Qualified Non-Elective Contributions that are made in connection with the Employer's obligation to pay prevailing wages under the Davis-Bacon Act (46 Stat. 1494), Public Law 71-798, Service Contract Act of 1965 (79 Stat. 1965), Public Law 89286, or similar legislation can be taken into account for a Plan Year for an NHCE to the extent such contributions do not exceed 10 percent of that NHCE's compensation.

3.2. Any allocation of a QMAC shall be adjusted so that the allocation rate conforms to the following provisions:

(a) Any allocation of a QMAC (Including Qualified Non-Elective Contributions (QNEC) shall be adjusted so that the allocation rate does not exceed the product of an NHCE's compensation and the greater of 5% or two times the Plan's Representative Contribution Rate.

(b) Any QMAC taken into account under an ADP test under this Plan (including the determination of the Representative Contribution Rate to be used in this determination), is not permitted to be taken into account for purposes of this the ACP test (including the determination of the Representative Contribution Rate).

(c) For purposes of this Section, the Plan's Representative Contribution Rate is the lowest Applicable Contribution Rate of any eligible NHCE among a group of eligible NHCEs that consists of half of all eligible NHCEs for the Plan Year (or, if greater, the lowest Applicable Contribution Rate of any eligible NHCE in the group of all eligible NHCEs for the Plan Year and who is employed by the Employer on the last day of the Plan Year).

(d) For purposes of this Section, the Applicable Contribution Rate for an eligible NHCE is the sum of the Qualified Matching Contributions taken into account under this Section for the eligible NHCE for the Plan Year, Matching Contributions and the Qualified Non-Elective Contributions made for the eligible NHCE for the Plan Year, divided by the eligible NHCE's compensation for the same period.

(e) Notwithstanding the preceding provisions, Qualified Matching Contributions that are made in connection with the Employer's obligation to pay prevailing wages under the Davis-Bacon Act (46 Stat. 1494), Public Law 71-798, Service Contract Act of 1965 (79 Stat. 1965), Public Law 89-286, or similar legislation can be taken into account for a Plan Year for an NHCE to the extent such contributions do not exceed 10 percent of that NHCE's compensation.

3.3. Qualified Non-Elective Contributions and Qualified Matching Contributions cannot be taken into account under this Section 3 to the extent such contributions are taken into account for purposes of satisfying any other ADP test, any ACP test, or the requirements of Treasury Regulation section 1.401(k)-3, 1.401(m)-3 or 1.401(k)-4. Thus, for example, Matching Contributions that are made pursuant to Code section 1.401(k)-3(c) cannot be taken into account under the ADP test. Similarly, if a plan switches from the current year testing method to the prior year testing method pursuant to Code section 1.401(k)-2(c), Qualified

Non-Elective Contributions that are taken into account under the current year testing method for a year may not be taken into account under the prior year testing method for the next year.

Section 4. Plan Aggregation.

4.1. If a Highly Compensated Employee participates in more than one CODA of the Employer and the Plans have different Plan Years, all Elective Deferrals made by the Highly Compensated Employee during the Plan Year under all such arrangements shall be aggregated.

4.2. For Plan Years beginning before 2006, all such CODAs ending with or within the same calendar year shall be treated as a single arrangement.

4.3. Compensation for Plans aggregated pursuant to this Section shall use the same twelve-month period described in Section 4.1 and the definition of compensation under this Plan.

4.4. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under regulations under Code section 401(k).

4.5. If a Highly Compensated Employee participates in another CODA of the Employer that is aggregated with this Plan in a Plan Year in which this Plan intends to rely upon the ACP Safe Harbor of Code section 401(m)(11) then:

(a) The HCE in question shall not participate in the CODA portion of this Plan for such Plan Year, and

(b) The period used to calculate compensation to be used in any Plan matching formula is limited to compensation for the period the HCE in question participated in this Plan.

4.6. The amount of Excess Contributions apportioned for a Plan Year with respect to any HCE must not exceed the amount of contributions actually contributed to the Plan for the HCE for the Plan Year. Thus, in the case of an HCE who is an eligible employee in more than one Plan of the Employer to which Elective Contributions are made and whose Actual Deferral Percentage (ADP) is calculated in accordance with Section 4.1, the amount required to be distributed under this Section shall not exceed the contributions actually contributed to the Plan for the Plan Year. Therefore, if an HCE that has Elective Deferrals made during the Plan Year under this Plan and one or more other CODAs of the Employer aggregated for purposes of testing this Plan, requires a corrective distribution in an amount that exceeds the amount of the relevant contributions in this Plan, such unsatisfied distribution shall be made by allocating the difference to the remaining HCE(s) with the next highest dollar amount.

Section 5. Restriction on Distributions. Notwithstanding any Plan provisions to the contrary the following provisions shall limit distributions to Participants.

5.1. A Participant's Elective Deferrals, Qualified Non-Elective Contributions, and Qualified Matching Contributions, and income allocable to each are not distributable earlier than upon a Participant's severance from employment (separation from service, for Plan Years beginning before 2002), death, or disability except as provided below.

5.2. Such amounts may also be distributed upon:

(a) Termination of the Plan without the Employer maintaining another defined contribution plan (other than an employee stock ownership plan as defined in Code section 4975(e)(7) or 409(a), a simplified employee pension plan as defined in Code section 408(k), a SIMPLE IRA plan as defined in Code section 408(p), a plan or contract described in Code section 403(b) or a plan described in Code section 457(b) or (0) at any time during the period beginning on the date of plan termination and ending 12 months after all assets have been distributed from the Plan. Such a distribution must be made in a lump sum.

(b) The attainment of age 59 1/2 in the case of a profit-sharing Account.

(c) The hardship of the participant as described in the Plan as amended by this Amendment, if applicable.

For Plan Years beginning before 2002, such amounts could also be distributed upon:

(d) The disposition by a corporation to an unrelated corporation of substantially all of the assets (within the meaning of Code section 409(d)(2)) used in a trade or business of such corporation if such corporation continues to maintain the Plan after the disposition, but only with respect to employees who continue employment with the corporation acquiring such assets. Such distribution must be made in a lump sum.

(e) The disposition by a corporation to an unrelated entity of such corporation's interest in a subsidiary (within the meaning of Code section 409(d)(3)) if such corporation continues to maintain the Plan, but only with respect to employees who continue employment with such subsidiary. Such a distribution must be made in a lump sum.

All distributions that may be made pursuant to one or more of the foregoing distributable events are subject to the spousal and participant consent requirements (if applicable) contained in Code sections 401(a)(11) and 417.

Section 6. Compensation

6.1. Section 415 compensation required.

(a) This Plan satisfies this Section 6 only if cash or deferred elections can only be made with respect to amounts that are compensation within the meaning of Code section 415(c)(3) and Treasury Regulation section 1.415(c)-2. Thus, for example, an Eligible Employee who is not in Qualified Military Service (as that term is defined in Code section 414(u)) cannot make a cash or deferred election with respect to an amount paid after Severance from Employment, unless the amount is paid within $2^1/2$ months following the Eligible Employee's Severance from Employment and is described in Treasury Regulation section 1.415(c)-2(e)(3)(ii).

(b) Payment prior to Severance from Employment. In order to be taken into account for a Limitation Year, compensation within the meaning of Code section 415(c)(3) must be paid or treated as paid to the Employee (in accordance with the rules of this Section) prior to severance from employment (within the meaning of Code section 401(k)(2)(B)(i)(I)) with the employer maintaining the plan.)

(c) Severance from Employment. An Employee has a Severance from Employment when the Employee ceases to be an Employee of the Employer maintaining this Plan. An Employee does not have a Severance from Employment if, in connection with a change of employment, the Employee's new employer maintains this Plan with respect to the Employee. For example, a new employer maintains a plan with respect to an employee by continuing or assuming sponsorship of the Plan or by accepting a transfer of plan assets and liabilities (within the meaning of Code section 414(1)) with respect to the employee.

6.2. Compensation paid after Severance from Employment.

(a) In general. Effective for Plan Years beginning on or after the effective date of this Amendment, the Employer may elect to treat any compensation described in Section 6.2(b) of this Section that is paid within 2 1/2 months after an Employee's Severance from Employment as compensation under the Plan (within the meaning of Code section 415(c)(3)).

(b) Certain payments made within 21/2 **months after Severance from Employment.** The following are types of post-severance payments that are not excluded from compensation if they are paid within $2^1/2$ months following Severance from Employment:

(1) Payments that, absent a Severance from Employment, would have been paid to the Employee while the Employee continued in employment with the Employer and are regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar compensation; and

(2) Payments for accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued.

(c) Other post-severance payments are not compensation. Any payment that is not described in 6.2(b) of this Section is not considered compensation if paid after Severance from Employment, even if it is paid within $2^1/2$ months following Severance from Employment. Thus, for example, compensation does not include amounts paid after Severance from Employment that are severance pay, unfunded nonqualified deferred compensation, or parachute payments within the meaning of Code section 280G(b)(2).

6.3. Certain military service. The rule of 6.1(b) of this Section does not apply to payments to an individual who does not currently perform services for the Employer by reason of Qualified Military Service (as that term is used in Code section 414(u)(1)) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering Qualified Military Service.

6.4. Interaction with Code section 401(a)(17). The Plan's definition of compensation for a Limitation Year that is used for purposes of applying the limitations of Code section 415 is not permitted to reflect compensation for a plan year that is in excess of the limitation under Code section 401(a)(17) that applies to that Plan Year.

Section 7. Miscellaneous**.**

7.1. Rule of Parity.

(a) Elective Deferrals will not be disregarded under the Plan when determining whether a Participant has had his entire vested interest under the Plan distributed to him. Therefore, a Participant who is zero percent vested under the Plan's forfeiture provisions will not incur a deemed distribution so long as an Elective Contribution Account is maintained for the Participant.

(b) Service prior to 5 consecutive one year Breaks in Service shall not be disregarded in the case of a Participant who is zero percent vested, but for whom an Elective Deferral Account is maintained.

7.2. Timing of Contribution

(a) In general, contributions are made pursuant to a cash or deferred election only if the contributions are made after the Employee's performance of service with respect to which the contributions are made (or when the cash or other taxable benefit would be currently available, if earlier).

(b) The timing of contributions will not be treated as failing to satisfy the requirements of paragraph (a) merely because contributions for a pay period are occasionally made before the services with respect to that pay period are performed, provided the contributions are made early in order to accommodate bona fide administrative considerations (for example, the temporary absence of the bookkeeper with responsibility to transmit contributions to the plan) and are not paid early with a principal purpose of accelerating deductions.

(c) Cash or another taxable benefit is currently available to the Employee if it has been paid to the Employee or if the Employee is able currently to receive the cash or other taxable benefit at the Employee's discretion. An amount is not currently available to an Employee if there is a significant limitation or restriction on the Employee's right to receive the amount currently. Similarly, an amount is not currently available as of a date if the Employee may under no circumstances receive the amount before a particular time in the future. The determination of whether an amount is currently available to an Employee does not depend on whether it has been constructively received by the Employee for purposes of Code section 451.

7.3. Notwithstanding Plan provisions to the contrary, in addition to any other ADP or ACP Test Safe Harbor Contribution that may be made to the Plan, a discretionary ACP Test Safe Harbor Contribution may be made to the Plan as determined by the Employer for the Plan Year as a percentage of the Elective Deferrals that do not exceed 6% of a Participant's Compensation, such that the allocation of the additional ACP Test Safe Harbor Contribution does not exceed 4% of a Participant's Compensation for the Plan Year.

IN WITNESS WHEREOF, the American Mathematical Society has caused this Amendment to be executed by its duly authorized officer as of the 31st day of December, 2006.

By:_____

State of the AMS

April 5

2008

An annual report to the Council.

American Mathematical Society

State of the AMS 2008

When I report to the Council each spring, I try to look at the AMS from a different perspective – membership, programs, meetings, or publishing. This year, I will look at the AMS from yet another perspective—its history. Because the Society celebrates its 120th anniversary in 2008, I want to look at the Society over time and contrast what we do now with what we have done in the past. That's a big job, with only a small amount of time to accomplish it. This will therefore be a condensed history, designed more to highlight how we have changed rather than to provide a comprehensive history. If you are interested in finding out more, there are excellent resources online at

Volume I: A Semicentennial History of the American Mathematical Society, 1888—1938
http://www.ams.org/online_bks/hmreprint/
Volume I: A History of the Second Fifty Years, American Mathematical Society, 1939 – 1988
http://www.ams.org/online_bks/hmpitcher/
AMS History of Mathematics, Volume 1: A Century of Mathematics in America, Part I
http://www.ams.org/online_bks//hmath1/

Overview

The American Mathematical Society was founded by graduate students. In the spring of 1887, while he was in his second year as a graduate student at Columbia University, Thomas Fiske was told by one of his professors to spend some time at Cambridge University in England. He went later that year and immersed himself in mathematics. Even more than his lectures, however, he found the regular meetings of the London Mathematical Society exciting. He went with J.W.L. Glaisher, "who spent with me many evenings in heart to heart conversations … and who entertained me with gossip about scores of contemporary and earlier mathematicians." Fiske later wrote: "On my return to New York I was filled with the thought that there should be a stronger feeling of comradeship among those interested in mathematics, and I proposed to my classmates … that we should try to organize a local mathematical Society."

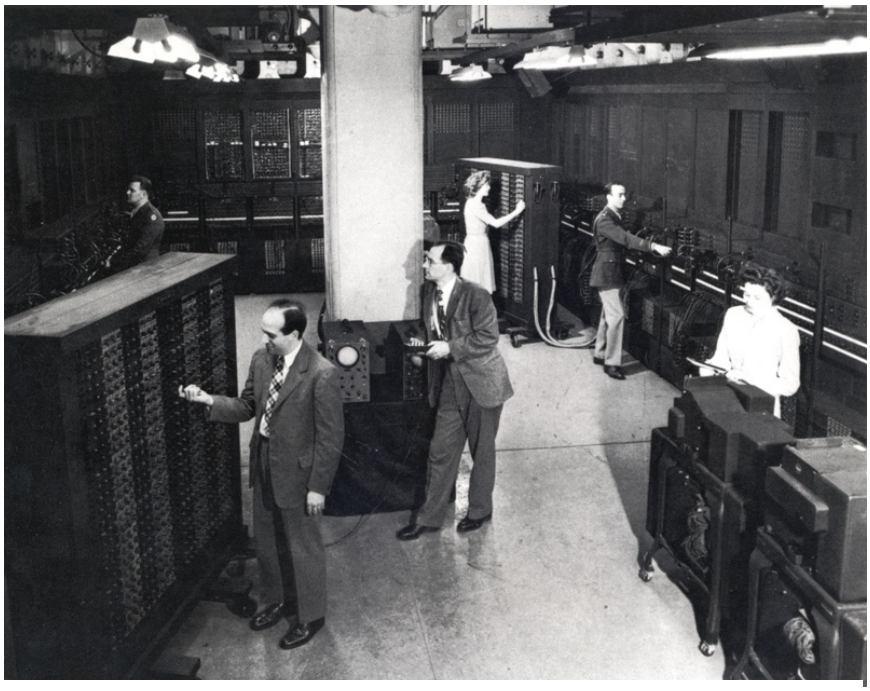

Thomas Fiske

They succeeded, and the New York Mathematical Society was formed in 1888. It grew slowly at first (by the end of 1889 it had only 16 members), but the members held regular meetings and soon began to publish a *Bulletin*. In 1894, when it was clear that the organization was truly national in scope, the name was changed to the American Mathematical Society and the organization held its first summer meeting (in conjunction with the American Association for the Advancement of Science).

For the next thirty years, the AMS continued to grow along with American mathematics. At the turn of the century, most prominent mathematicians in America were educated in Europe. Research mathematics was not a tradition in American universities, and mathematics was often associated with more practical matters. (The second president of the Society was an actuary; the third president an astronomer.) As the new century dawned, that tradition began to change. American trained mathematicians became more visible (E.H. Moore among them) and research became more important. Birkhoff's proof of Poincaré's "last geometric theorem" greatly enhanced the reputation of American mathematics, and American mathematicians began to play a role

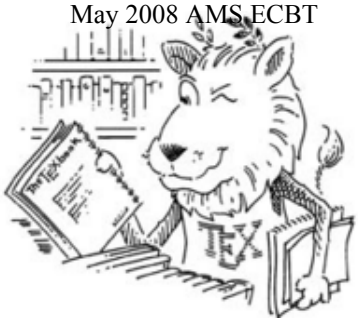
in the international community. The Society continued to grow, expanding its meetings and adding the *Transactions* and the Colloquium series to its publications.

Until 1923, the Council was the only governing body of the AMS. In that year, the AMS was incorporated (in the District of Columbia) and the Board of Trustees was added to look after the financial affairs of the Society. The Society headed into a quarter-century of steady operations – regular meetings, the *Bulletin* and *Transactions*, an occasional book. The depression took its toll on the AMS (revenues were flat for the decade of the 1930s) and not much changed until the War. Then, everything changed. Mathematics became important, disputes broke out between pure and applied mathematicians, and in the aftermath of the war, people recognized that science and mathematics played a new role in the country's future. There was much acrimony about pure versus applied, both during the War and afterwards. This was the time when the Society for Industrial and Applied Mathematics was formed, along with applied mathematics departments at several universities. It was a dark period for mathematics that affected attitudes for decades afterwards, and many of the wounds are still healing.



ENIAC (circa 1948)

By the late 1940s, the Society had grown more complex. For its first sixty years, the Secretary ran most operations of the AMS (with the Treasurer and, to a lesser extent, the President). But as the budget and staff began to grow, it became clear that someone was needed to run the business. The position of executive director was created in 1949. Around this time, the Society was also forced to move its offices from New York (Columbia University), where it had been since its beginning, and it chose Providence as its new home. (Providence was the location of Mathematical Reviews, which now was a key part of the AMS. Its founder, Otto Neugebauer, was a faculty member at Brown University.)

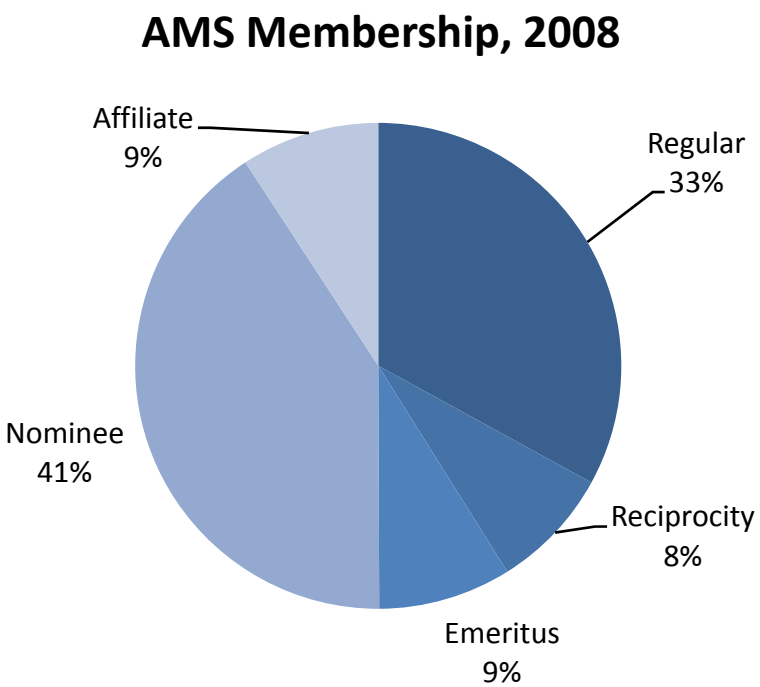


During the remainder of the twentieth century, the AMS grew. It went from a staff of about 10 to 215 (peaking near 250); its annual budget went from $145,000 to $25,000,000; and it expanded nearly everything it did – membership, meetings, outreach, education, and publications—slowly, over its second sixty years. The Society became a leading force internationally, organizing two international congresses (1950 and 1986) and reaching out to other mathematics societies around the world. It became more politically engaged (although not always in the most productive way). It promoted and developed tools (AMS-TeX, AMS-fonts, and various packages) for writing mathematics in the new world of computers. It involved itself in professional issues, from employment to research funding. The AMS evolved over the second half of its life, in some ways returning to its roots.

Membership

In 2008, the AMS will have a little over 32,000 members. That overall figure is misleading, however, because there are many different categories of membership. Regular members are divided into three categories (high, low, and entry). There are more and more life and emeritus members each year. Reciprocity members (who belong to a reciprocating society and pay half-dues) make up a significant group from outside North America; so do affiliate members (from developing countries). The largest category of members is "nominee/student", which now makes up about 40% of the membership. About a third of our members are from outside North America.

We also have over 500 institutional members of the AMS. These institutions pay dues that vary with their size, and in return receive certain benefits, which include discounts on publications (often exceeding the dues) as well as certain rights to appoint those nominee members mentioned above.



Membership wasn't always so varied. From the 16 members in its first year, the AMS had grown only to 251 when it changed its name in 1894. It took until 1921 to exceed 1000 members; until 1937 to exceed 2000. For much of this time (1891-1921) the dues level was set at a steady $5, and membership was

essentially undifferentiated with just a single category. Then, in the next two decades, dues began to rise and membership became more complicated. The AMS added reciprocity members (beginning with our parent, the London Mathematical Society) and life memberships were created. By 1937, dues had risen to $9, and while the number of reciprocity members was small (52), it was clearly growing. Institutional memberships were created around this time as well.

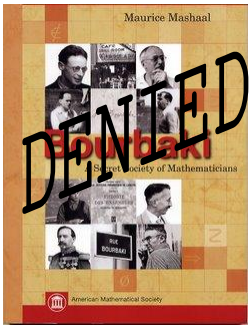
The classes of membership remained relatively stable until the early 1970s, when the Council created "nominee" members as a way to entice young mathematicians to join the AMS early in their career. Affiliate members (they were originally called "Category-S") were added in the early 1980s.

One chapter in the Society's attempts to deal with membership might better be forgotten. In 1965, the minutes of the Executive Committee and Board of Trustees record the following action:

> The establishment of $28 as membership dues for a husband-wife joint memberships [sic]. The husband is to be billed at the rate of $28 for dues and will receive the *Notices* and the *Bulletin* as a privilege of membership. The wife will pay no dues but will be allowed a choice of subscriptions at members' rates, and both will be accorded all other privileges of membership.

The AMS still offers family memberships, but they are not described in such language—a stark reminder of attitudes in 1965.

While the records are incomplete, it seems that membership in the Society was only denied to one mathematician, Nicolas Bourbaki. He had applied for reciprocity membership in 1948, having recently joined the Société Mathématique de France. The Secretary of the AMS, J.R. Kline, rejected the application, saying that "That Society has two types of membership, individual and institutional, and Bourbaki comes under neither classification." The matter eventually made its way to the Council in December 1950, and the Council pronounced that (1) Bourbaki was not eligible for reciprocity membership, (2) Bourbaki was eligible for institutional membership, and (3) the constituents of Bourbaki could individually become members. A reply came from J. Dieudonné soon after: "If the French Mathematical Society took itself as seriously as seems to be the case with the AMS, this letter and the breach of the reciprocity agreement implied therein could seriously jeopardize the good relations between the two Societies." The Council did not back down.



Meetings

Meetings have always been an essential part of the Society. Each year, we hold the Joint Mathematics Meeting with the Mathematical Association of America. In recent years, a number of other organizations have participated in the meeting as well. This past meeting in San Diego set a record for attendance – about 5,500 people. Each year, the joint meeting seems to grow and become richer and more complex. We also hold eight regional meetings each year, four in the spring and four in the fall, and those meetings continue to grow as well.

The AMS holds joint meetings with the *Sociedad Matemática Mexicana* on a regular basis, and the last one in May 2007 took place in Zacatecas, Mexico. In addition to these, the AMS has approximately one joint international meeting each year, organized jointly with one or more societies in another country. During 2007, we held two such meetings—one in Warsaw, Poland, and another in New Zealand. During 2008, we will hold two more—one in Rio de Janeiro, Brazil, and the other in Shanghai, China. Such

meetings provide opportunities for mathematicians to make international connections, but they also provide a way for the societies to connect as well.

In a sense, the AMS was built on meetings. Thomas Fiske set out to create a mechanism to hold regular meetings, and for the first few years of the Society that was essentially all it did. Many other parts of the Society grew from meetings—the *Bulletin* as a way to publicize presentations, the Colloquium series as a way to publish the Colloquium lectures, the Gibbs lectures as a way to reach out to the public.

A Sample of Gibbs Lectures (mid-century)

- Albert Einstein, 1934
- Vannevar Bush, 1935
- Theodore von Kármán, 1939
- Harry Bateman, 1943
- John von Neumann, 1944
- S. Chandrasekhar, 1946
- Hermann Weyl, 1948
- Norbert Wiener, 1949
- G. E. Uhlenbeck, 1950
- Kurt Gödel, 1951
- Marston Morse, 1952
- Wassily Leontief, 1953
- K. O. Friedrichs, 1954
- M. H. Stone, 1956

For many years, the annual meeting was held between Christmas and New Years. It consisted of a few hour-talks mixed with many short presentations (contributed papers). Over time, the number of hour-talks has increased, and the notion of "special sessions" has become a staple of all our meetings. In 1963, there were five special sessions; today, there are more than 30 at the Joint Meeting, and dozens more at our other meetings.

Summer meetings were a part of the AMS program until 1996. They were usually smaller, but often attracted families, who combined the meeting with a vacation. The Colloquium lectures were given at the summer meeting each year. Gradually, however, summer meetings seemed to have less and less interest for AMS members, and eventually they were discontinued.

Regional meetings have evolved over many years. When they started, these meetings were invariably held in New York or Chicago – a way to supplement the larger meetings with smaller meetings that focused on a more limited set of topics. There were usually seven or fewer each year. Over the past fifty years, these meetings have become more regular and organized, with two held in each of the four regions, one in spring and one in fall.

For many years, the summer and winter joint meetings with the MAA were five-day meetings, with six half days assigned to the AMS and four half days to the MAA. The two days in the middle were interlaced. In 1984, the format was changed to a four-day meeting with all sessions intermingled. These joint meetings have become far more complex in recent years, both because the AMS and MAA have added many more activities (talks, panels, social events) and because a number of other organizations have joined the meeting as well. The governance of the joint meeting is still done by the two primary organizations, AMS and MAA. As the meetings have grown, we have had to accommodate the need for more space. Because meetings have to be planned many years in advance (we are currently working on 2016) this is not always easy to do.

Future Joint Meetings

Washington, DC	*2009*
San Francisco	*2010*
New Orleans	*2011*
Boston	*2012*
San Diego	*2013*
Baltimore	*2014*
San Antonio	*2015*

Programs/outreach

In a certain sense, this is the part of the AMS for which there is no good historical perspective. For its first 60 years, the AMS concentrated on meetings and, to a lesser extent, on publications. That's not surprising; the Society had only a handful of staff, and it was largely volunteer run with only modest resources. In its second 60 years, this all changed.

Here is a partial list of some of the programs the AMS runs today.

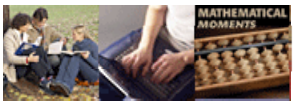
- The ***annual survey***, which covers more than 1,500 mathematics departments and reports on employment, salaries, and demographic data.
- The ***CBMS survey***, which takes place every five years and produces a comprehensive view of all aspects of mathematics in colleges and universities.[1]
- Production of ***Assistantships and Graduate Fellowships***, which contains comprehensive information on graduate programs throughout the mathematical sciences.
- Production of ***Employment Information in the Mathematical Sciences (EIMS)***, which is the standard location for advertising jobs.
- The ***Employment Center***, which has evolved over the years from the old employment register. It now provides a convenient mechanism for employers and potential employees to meet at the annual meeting.
- The support of ***MathJobs***, which is a service that grows each year and makes the job application process easier for all those involved.[2]

- The ***Young Scholars Program*** that makes awards to summer programs for talented high school students. This year, this program has awarded $100,000 in grants to help these programs. The AMS has been working to endow the program by raising $2M for an endowment, and we are approaching that goal.
- The ***Math in Moscow*** Semester for Undergraduates, which supports visits of American undergraduates to the Independent University of Moscow for an intensive mathematical program, which is designed for the very best students.[3]
- ***Early Careers*** is an effort to answer the question, "What good is a mathematics degree?" It publishes profiles of undergraduate majors and encourages mathematics departments to collect such information.
- The ***Society for the Advancement of Chicanos and Native Americans in Science (SACNAS)*** has an annual meeting that brings together some spectacular students. The AMS has been an enthusiastic participant each year and provides financial support for part of this meeting.
- The ***Ky Fan China Exchange Program*** funds visits by distinguished North American mathematicians to Chinese departments, as well as visits by prominent young Chinese mathematicians to North American universities.
- The ***Book and Journal Donation Program*** helps mathematics to donate material to mathematics departments in developing countries, first by matching donors with recipients and then by paying for shipping costs.[4]

[1] The CBMS survey is carried out under the auspices of the Conference Board on the Mathematical Sciences and is funded by the National Science Foundation.
[2] MathJobs is a cooperative effort of the AMS and the Mathematics Department at Duke University.
[3] Math in Moscow is supported by a grant from the National Science Foundation.

The newest program of the Society is ***Mathematics Research Communities (MRC)***, which will begin in summer 2008. The goal is to bring together groups of young mathematicians in a common field, so that they make connections and possibly work cooperatively in the future. They will come together in groups of 20 or so, along with more senior mentors, for a week-long conference (at Snow Bird, Utah), and then reconnect at a special session at the Joint Meeting. There will be additional opportunities to work together online. Part of the project is also to carry out longitudinal studies of their progress over a number of years, so that we can understand better the career path of young mathematicians. The project is funded by a grant from the National Science Foundation and will last for at least three years, and we hope far beyond that.

In 2000, the AMS created a public awareness office, which has grown steadily each year since and now carries out a set of regular activities that have made mathematical research more visible and better understood. **Mathematical Moments**, **Math in the Media**, and the **Feature Column** are all expository efforts, each aimed at a slightly different audience. Math Moments hang in classrooms around the country, and some of them have been translated into six different languages. **Headlines and Deadlines** helps to keep AMS members informed; **Who Wants to be a Mathematician** entertains and encourages high school students; **What's Happening** is a series of books aimed at exposing the mathematically interested population to recent mathematics. The public awareness office has connected mathematics to the new media in a way it never was before.



Public Awareness

For nearly a decade in the 1980s, the Society talked about establishing a **Washington Office** of the AMS in order to advocate for mathematics. Finally, in 1993, the Society created the office, which has been headed by Sam Rankin since 1995. Its mission and operations have evolved over the past dozen years, and it now carries out many events each year, including annual **Science Policy Forums**, **Congressional briefings**, and **workshops of department chairs**. The Washington Office also manages our **Congressional fellows** and **mass media fellows**.[5]

The main function of the Washington Office is something that wasn't on the top of anyone's list before 1993. It gives mathematicians a presence in Washington, along with all the other organizations that advocate for science and research. When people gather to talk about mathematics, or when reporters ask for comments about science, mathematicians are included with physicists, chemists, biologists, and engineers. Sam Rankin who heads the Washington Office chairs the Coalition for National Science Funding, which advocates for the National Science Foundation on behalf of many science and engineering societies. That makes mathematics part of mainstream science, and that has changed the general attitude about the importance of mathematics.

CNSF
COALITION FOR NATIONAL SCIENCE FUNDING

[4] The Book and Journal Donation Program is funded by donations from Stroock Family Foundation, supplemented by the Society's operating funds when necessary.
[5] The Congressional fellow and mass media fellow programs are run through the American Association for the Advancement of Science, but fully supported by the AMS.

Many people think of prizes as an essential part of AMS activities, but it is somewhat surprising that they were largely absent from its first 60 years. The Bôcher prize was first given in 1923 to honor AMS president Maxime Bôcher (1909-10). The two Cole prizes, in algebra and number theory, were first given in 1928 and 1931. But there were no other prizes until a spate of new prizes appeared – the Veblen prize (1964), the Birkhoff prize (1968), and the Steele prizes[6] (1970). Many more prizes have been created in recent years, and the Society now has a rich program of prizes and awards, both for research and for other activities (including outstanding departments and programs).

Surveys, employment services, programs for high school students, outreach to the developing world, public awareness, advocacy, and prizes – almost none of these was part of the Society's mission in its first sixty years (and few could have been carried out with only a few staff and a tiny budget).They have come to define the Society in its second sixty years, and they play an increasingly important role in all our activities.

Education

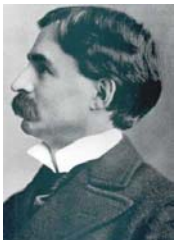
Education has always been problematic for the AMS. When the Society began in 1888, its purpose was clearly stated by its founders – preserving, supplementing, and utilizing the results of their mathematical studies so that "original investigations to which members may be led shall be brought before the society at its meetings." The AMS was focused on research. Indeed, Thomas Fiske wrote about teaching in an article he published in the 1905 *Bulletin*:

> Notwithstanding the great progress recently made in America by our science, we are far from being in a position that we can regard as entirely satisfactory.... the most pressing demand seems to be that those engaged in lecturing…at American universities should be given greater opportunities for private study and research. At present, the time of almost every university professor is taken up to a very large extent with…the care of comparatively young students. [*Bulletin*, February 1905, p. 245]

This would be a familiar theme over the next century: Less time teaching, more time for research.

But then as now, research mathematicians were often engaged in teaching, and from its earliest days the Society's members were mainly teachers. One of its greatest presidents, E.H. Moore (1901-02), was passionate about teaching. His retiring presidential address focused on education, and it contained this plea:

> The American Mathematical Society has, naturally, interested itself chiefly in promoting the interests of research in mathematics. It has, however, recognized that those interests are closely bound up with the interests of education in mathematics. …Do you not feel with me that the AMS, as the organic representative of the highest interests of mathematics in this country, should be directly related with the movement of reform?…[*Bulletin*, May 1903, p. 412]



E.H. Moore

[6] These prizes were established in 1970 in honor of George David Birkhoff, William Fogg Osgood, and William Caspar Graustein, and are endowed under the terms of a bequest from Leroy P. Steele.

It was a plea that went largely unheeded by most of the Society's leadership. Indeed, twelve years later, when the *American Mathematical Monthly* came to AMS for help, the AMS dismissed Moore's words. The *Monthly* had become the premier journal for college teachers, but it was in financial trouble and needed an institutional home. They hoped that the Society would provide it and, in doing so, would take on the responsibility for collegiate teaching. The issue was hotly debated, a committee was formed to study the problem (plus ça change…), and by a narrow vote of 3-2 the AMS turned down the *Monthly*. Soon after, the Mathematical Association of America was formed to provide a home for the *Monthly*, and it became the organization devoted to collegiate mathematics teaching.

That decision more than ninety years ago shaped the course of the AMS for most of the twentieth century. For decades afterwards, the AMS scarcely dealt with education at all. Education was the business of the MAA. Even in the turbulent times of the "new math", the AMS stayed (mainly) on the sidelines. But, in the last two decades of the twentieth century, the AMS began slowly to renew its interest in education and began to reinsert itself in areas it had previously avoided. The Committee on Education became active in the 1990s, and it now holds an annual forum in Washington that attracts dozens of department chairs and their representatives. Each year the AMS provides judges and prizes for mathematics at the Intel Science Fair[7]; it provides eight $3000 scholarships to undergraduate mathematics majors[8]; and it has enthusiastically supported Research Experiences for Undergraduate programs with two separate conferences in the past ten years to help those running these programs to share information.[9]

Most recently, the AMS has been engaged in two other projects, one aimed at providing resources for high school students (and their teachers) so they can prepare themselves for serious undergraduate work in mathematics. The other project focuses on the first-year of college mathematics and seeks ways to make a difference by changing the way mathematics departments deal with first year instruction. That effort is now moving into a new phase, which we hope will offer truly practical solutions.

All this interest in education, from K-12 to graduate level, is starkly different from the attitude expressed by the AMS in 1915 when it turned down the *Monthly*. The AMS now finds itself keenly interested in all aspects of education—more involved with the MAA, with which we share a common interest in promoting *both* quality research *and* quality education. That broader interest is good for the future of mathematics.

Publishing

Membership, meetings, programs, public awareness, advocacy, and education – all of these have come to be essential aspects of the Society's personality. But most of this would be impossible if the AMS had not nurtured and eventually expanded its publishing program. Indeed, AMS publishing is what makes the Society different. It's the reason the AMS has more than 200 employees (we own our own printing plant and warehouse), and it's certainly the reason the AMS has a budget of $25M.

We now publish a dozen journals with more than 20,000 pages annually. We publish more than 100 new books each year as well, and we keep more than 3,000 titles in print – an extraordinary number for any

[7] The Intel Science Fair activity is partially supported by the Menger Prize endowment, given in honor of Karl Menger.
[8] The scholarships are funded by the Trjitzinsky Fund, given in honor of Waldemar Trjitzinsky.
[9] Both conferences are supported by grants from the National Security Agency.

A Sample of Colloquium Lectures (first 50 years)

1896, **Maxime Bôcher**, *Linear differential equations and their applications.*

1906, **Eliakim H. Moore**, *On the theory of bilinear functional operations*.

1913, **Leonard E. Dickson**, *On invariants and the theory of numbers*.

1913, **William F. Osgood,** *Topics in the theory of functions of several complex variables*.

1916, **Oswald Veblen,** *Analysis situs*.

1920, **G. D. Birkhoff,** *Dynamical systems*.

1927, **E. T. (Eric Temple) Bell**, *Algebraic arithmetic*.

1927, **Anna J. Pell Wheeler**, *The theory of quadratic forms in infinitely many variables and applications*.

1929, **R. L. (Robert Lee) Moore**, *Foundations of point set theory*.

1930, **Solomon Lefschetz,** *Topology*.

1931, **Marston Morse**, *The calculus of variations in the large*.

1932, **Joseph F. Ritt**, *Differential equations from the algebraic standpoint.*

1935, **Harry S. Vandiver**, *Fermat's last theorem and related topics in number theory*.

1937, **John von Neumann**, *Continuous geometry*.

publisher. And, of course, we publish the Math Reviews database, in several formats but most especially as MathSciNet online.

We make money from our publishing, of course, and that's what allows us to do all those other things. But we publish for many other reasons, which include competing with other publishers (to keep them honest), providing mathematicians a friendly venue for their work, and disseminating research material that might otherwise never be seen by the broad community. The competition has been especially important for journals, but it plays an ever larger role in our book publishing as well.

The AMS has always viewed publishing, along with meetings, as an integral part of its activities. Soon after its founding, the *Bulletin* was created as a vehicle for publicizing what happened at meetings. The *Transactions* was started in 1900 in order to give American mathematicians a more amenable outlet for their research. (European journals seemed to be somewhat snobbish towards the fledgling American mathematics community.) The *Proceedings* cleaved itself from the *Bulletin* in 1950 as the "gray issues," replacing many small research papers that were previously published in the primary member journal. The *Memoirs* were created at about the same time, publishing papers at the other end of the spectrum (long!) in a series that was part book, part journal. *Mathematics of Computation* grew from World War II as *Mathematical Tables and Other Aids to Computation*. It was originally published by the National Research Council, but the AMS took over publishing (but not editorial control) in 1961. By 1966, the journal had been fully transferred to the AMS. The *Journal of the AMS* is the youngest of the four primary journals, which after a ten-year debate first appeared in 1988. It has been a remarkable success in every way, and now is considered among the top few mathematics journals in the world. The *Notices* was redesigned and first appeared in its new (enhanced) format in 1995. All the other journals, including our translation journals, were acquired over time in a variety of ways.

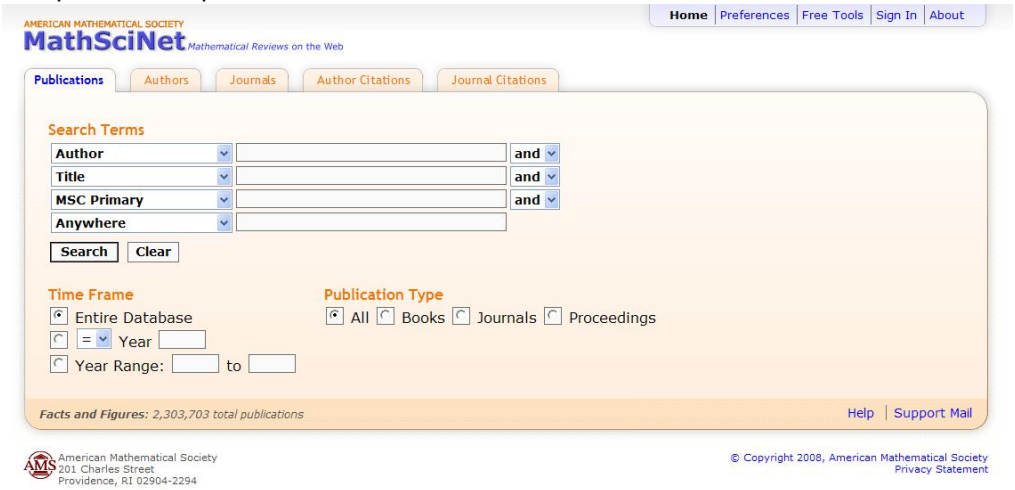
The *Notices* and the *Bulletin* are now the two "member" journals of the AMS, and printed copies are mailed to all members.[10] Both are "open access" – that is, they are freely available online to all members and non-members alike, and people have sometimes wondered why we give away our most important member benefit. But making *member* journals available to the world makes them *more* valuable, not less, and because mathematicians everywhere can access these journals, they provide an easy way to reach all mathematicians. In this sense, the *Bulletin* and

[10] Affiliate members must choose between the two journals.

Notices are a donation, from AMS members to the community of mathematicians.

Books have developed more slowly than journals. The oldest series, *Colloquium*, began as a way to publish the proceedings of colloquia given at the annual meeting. The series originated in the earliest days of the Society with the Chicago Congress and Evanston Colloquium of 1893 (not an AMS meeting, but an opportunity nonetheless) and it continued to publish lectures as the colloquium lectures became ever more popular. For its first fifty years, the Society kept largely to this format and style. Then in 1940, the AMS published *Mathematical Surveys* (using a commercial publisher to do the production) and soon after published proceedings of various kinds. In the next fifty years, the AMS was a "small" publisher of books – conference proceedings, volumes from summer workshops, an occasional Survey, and regular translations, especially from Russian. In 1988, the Society published just over 30 new titles—its specialty consisted of books in which commercial publishers had little interest.

Around the time of its centennial, the AMS set out to reinvigorate and expand its book program. In the past twenty years, it has added series (*Graduate Studies*, *Student Math Library*) and increased every part of the program from acquisitions to marketing. Book publishing is a complicated business, however, and it grows over decades, not months. It has taken these twenty years to expand the program to its present state, and it is poised to expand much further in the future.



Mathematical Reviews is in many ways the most important single publication of the Society. When it was started by Otto Neugebauer in 1940, it was a relatively small operation, patterned on *Zentralblatt*, for which Neugebauer had been editor. (When *Zentralblatt* fell under the influence of the Nazi regime, Neugebauer had fled to the United States.) Math Reviews was run from an office at Brown University using a staff of four people. In its first year of operation (1940), it had 350 reviewers and published 400 pages containing 2120 reviews.

Math Reviews grew year by year, and by the 1970s it consisted of those giant orange volumes that one pored over in libraries, trying to find just the right reference in what often took hours. Through remarkable foresight, the Society began to computerize the data long before anyone had thought about a worldwide web. When the Web came into being, the AMS created an interface for that database, and MathSciNet was born in 1996. The online version of Math Reviews goes through an annual revision each year, with a new version appearing each September and MathSciNet has become an indispensible tool for mathematicians around the world. To the original data, we have added links to original articles (nearly a million of them), links to retro-digitized material that has recently appeared, vast amounts of

citation data (over three million citations), and many other tools that can be used to carry out searches in seconds, where hours were previously required. Math Reviews now adds over 80,000 items each year, using more than 12,000 reviewers and a staff of over 70 people located in Ann Arbor. The database has more than 2.3 million items written by almost half a million authors and published in over 1,800 journals. Math Reviews has grown up.

One feature of Math Reviews relies on 68 years of effort, which at one time may have seemed frivolous: For its entire existence, the staff at Math Reviews has identified each author of each article, sometimes doing detective work that might even require making phone calls. As a consequence, the database has a unique identifier for each author, and one can do many things (for example, call up all papers by a particular author) that would be hard to do without author identification. This has become ever more important in an electronic age, when tools such as Google return tens of thousands of results and find it particularly hard to differentiate between many people with the same name.

The future

Looking back over the history of the AMS, it's hard to miss the irony: The AMS was founded by graduate students who wanted to communicate the excitement and vitality of mathematics to one another; 120 years later, we are creating programs to communicate the excitement and vitality of mathematics to graduate students. To be sure, the Society has done many valuable things in the intervening years — meetings, publications, programs, service, awareness, and advocacy—and it has done all those things remarkably well. All these things partly accomplished the original purpose of the Society. But in the past, the AMS sometimes viewed its mission far too narrowly and circumscribed mathematical research not only from the rest of science, but from other parts of mathematics.

The Society has matured in the past few decades – embraced a broader vision of mathematics, accepted its responsibility for education, and taken on a larger role for itself as a society. Much of what the AMS did for a century laid the foundation for these changes, and perhaps it was good to grow in this way, slowly over time.

But it's also good to come back to our roots.

John Ewing
Executive Director

TRUSTEE LIAISON ASSIGNMENTS TO DIVISIONS FOR 2008

Division (Director)	**Board Liaison**
Executive Director (Ewing) Deputy Executive Director (includes Development)[1] Human Resources	John Conway Linda Keen
Publishing (Beth Huber)[2] Distribution Member and Customer Services Printing Production Promotions Sales Administration	Eric Friedlander Linda Keen
Editorial (Sergei Gelfand)[3] Acquisitions[4]	Eric Friedlander Karen Vogtmann
Mathematical Reviews (Kevin Clancey) Administration Associate Editors Bibliographic Services Copy Editors Reviewer Services/ Production Slavic Languages Systems Support	Don McClure Carol Wood
Meetings and Professional Services (Ellen Maycock) Meetings and Conferences Membership and Programs Public Awareness	Linda Keen Carol Wood
Washington Office (Sam Rankin)	John Conway Carol Wood

[1] part of Administration Division in 2007
[2] called Publications and included Acquisitions in 2007
[3] Division did not exist in 2007
[4] part of Publications Division in 2007

TRUSTEE LIAISON ASSIGNMENTS TO DIVISIONS FOR 2008

Division (Director)	**Board Liaison**
Finance (Connie Pass) Facilities and Purchasing Fiscal	John Franks Don McClure Karen Vogtmann
Information Services (Tom Blythe)[5] Electronic Product Development[6] Management Information Systems[6] Systems and Operations[6]	John Franks Eric Friedlander

[5] Division did not exist in 2007
[6] part of Administration Division in 2007

HUMAN RESOURCES
Summary of 2007 Activities
Tammy Walsh, Director

2007 was a busy year with the Human Resources Department providing assistance and guidance related to policies, procedures, and programs to department heads, managers, and staff at all locations. In spite of a Society-wide turnover rate of 3.26%, which is low by all standards, we still recruited to fill 22 open positions in Providence and Ann Arbor. New employees were hired to fill 13 of the positions, while four were filled with internal transfers. At year-end, five positions remained under recruitment.

During 2007, we focused on health-related programs and benefits. A Wellness Committee was formed, a health interest survey was conducted, and Wellness Programs were expanded and enhanced. With medical insurance premiums continuing to rise, we began planning for our 2008 medical insurance renewal in July of 2007. This provided ample time to review the variety of options available in the medical insurance market and to request that insurers provide pricing options for us to consider at renewal time, to assist in our effort to offer comprehensive medical coverage at a price affordable to both staff and the Society.

In July, the Human Resources Department began reporting to the Executive Director. It was a seamless transition and going forward serves to position the Human Resources Department in support to the Society's goals.

Prepared April 2008

PUBLICATIONS DIVISION
Summary of 2007 Activities
Elizabeth Huber, Associate Executive Director

The journals program continues to prosper. Submissions remain strong and we are experiencing very minor overall subscription attrition. Subscription patterns are changing due to an increasing number of subscribers who are moving to electronic-only product delivery, resulting in a decrease in paper subscriptions.

To maintain the overall health of our journal publishing program, we have made a few investments in our journals. Starting in 2007, we began a two-year phase-in of a twenty percent (20%) page increase for four of our primary journals. We also entered into a cooperative agreement with Mathematical Sciences Publishers (MSP) of Berkeley, California, to license their peer review tracking system, ***EditFlow.*** This editorial workflow tool will be provided to all journal editors to assist with the orderly tracking and movement of manuscripts during the peer review process.

The Society published 101 new books in 2007, including 54 monographs and 47 proceedings. Although the number of new books fell short of budget by 10, we exceeded the revenue budget by over $350,000. The back-list continues to sell well driving the need to reprint 128 titles last year.

Activities in the departments of the Publications Division are summarized below:

Acquisitions
In their role as acquisitions editors, Sergei Gelfand, Ed Dunne, and Ina Mette made more than 30 trips to various locations, attending 19 national and international meetings, and visiting more than 30 mathematics departments in the US and abroad.

Acquisitions put forth approximately 300 new proposals to prospective authors in 2007, with about half developing into viable book projects.

In late 2007, the Acquisitions Department became part of the AMS's new Editorial Division, and Sergei Gelfand became the head of the new Division (Publisher), while also remaining the head of the Acquisitions Department.

Pre Press Production (Electronic Pre Press and Graphic Arts)
The page counts for the primary journals increased by 10% in 2007; the combined page increases for the *Journal of the AMS*, *Mathematics of Computation*, *Proceedings*, and *Transactions* totaled 1,300 pages. A second 10% increase for these journals and a one-year 600-page increase for *Memoirs* are planned for 2008.

The computing infrastructure in the Publications Division received needed updating in 2007 with the move of the production system to the UNIX environment. A key feature of this upgrade is a

new repository for production work product that provides version control, archiving, and protection against storage degradation. The revised system also accommodates a PDF workflow, which is advantageous since PDF submissions have increased and are a growing alternative to traditional TeX submissions.

The Graphic Arts Group continued to supply design services and support to all areas of the organization in 2007. Notable projects included the Graphic Arts Group's participation in the redesign of the AMS website and development of a society-wide theme for advertisements and displays associated with the Joint Mathematics Meetings.

After the Council voted to discontinue publication of the electronic journal *Electronic Research Announcements* at its January 2007 meeting, the American Institute of Mathematical Sciences (AIMS) approached the AMS to take over the publication under a new name, *Electronic Research Announcements in Mathematical Sciences.* The AMS published its last article in December 2007, and the journal has successfully transitioned to AIMS.

Printing
The Printing Department produced a total of 258 publications in 2007. These publications include both AMS and sale of service journals and books (including reprints). In addition, the Printing Department produced the *Abstracts* for AMS meetings, the Program book for the Joint Mathematics Meeting, and various specialty print jobs for the organization.

The Facilities and Purchasing Department replaced the HVAC systems in the Pawtucket facility in the fall of 2007, including the addition of a humidification system to maintain constant, optimum air humidity for our print production.

We continue to monitor the level of printing that is sent to outside vendors due to the lack of the equipment necessary to produce 4-color work. In 2007, $137,400 in outside printing was required Society-wide. We are predicting that this amount will more than double in 2008 due to the printing of up to 6 books in 4 color.

Distribution
Inventory management continues to be a significant challenge for our Distribution Department. With the number of new book titles published annually-over 100-we must continually evaluate our total inventory to ensure that we are warehousing the correct stock levels and that we are storing that inventory in the most space efficient ways. This past year we began a multi-year process of inventory reduction, particularly in the area of journals and *Math Reviews* paper volumes. Electronic versions of these products are more widely accepted as the trusted archive which has drastically reduced back issue and back volume sales.

We completed the migration to a new delivery method outside of North America which resulted in reduced transit time for books and journals. The change in shipping methods to end users, combined with new delivery methods for bulk shipments to domestic journal agents, has resulted in a reduction in the amount of "lost" shipments.

The department has experienced some staff instability, with a key employee out on a long-term medical leave that will likely extend well into 2008. At the same time the department is preparing for the retirement of a long-term employee this summer.

Customer Services
The staff spent a considerable amount of time in 2007 improving the integrity of our Order Processing and Distribution (OPD) database. This involved improving the process of scrutinizing new data prior to input as well as reviewing resident data to ensure that it conforms to changing guidelines from the U.S. Postal Service and other regulatory agencies. This work will yield big dividends when we migrate to new software in 2009.

With little notice, one of the major subscription agents changed the way they would report future subscription renewals, which significantly altered our processing routines for these orders. We are currently in the midst of the first renewal season under the new system. It is proceeding slowly and with great confusion on the part of the agent. We are hopeful that we will be able to improve the renewal process for the 2009 renewals.

Marketing and Sales
In India, where the list price of our publications has been a formidable barrier to increased sales, we are in the final stages of negotiation with an Indian publisher who will produce and distribute special editions of select back-list book titles at special pricing targeted for the Indian market. Under this agreement, we will publish 20 to 25 Indian editions at pricing typically below $25.00 per book. This strategy will allow us to retain editorial and price control of our product while obtaining greater visibility of our publishing program in this important market for research mathematics.

Over 100 sites were added to the MathSciNet Consortia program in 2007. There are now close to 1,800 sites subscribing to MathSciNet in consortia and over 1,000 of those are new MR database subscribers.

We have learned that reaching out to current and prospective members and customers with a broad presentation of the activities and programs of the Society is very effective. During 2007, representatives from the Marketing and Sales Group, Public Awareness, Membership and Meetings departments have been working cooperatively to leverage the power of the Society's "brand" more effectively.

Prepared March 2008

MATHEMATICAL REVIEWS DIVISION
Summary of 2007 Activities
Kevin Clancey, Executive Editor

In 2007, the Mathematical Reviews Database (MRDB) increased by 89,850 items including 56,489 review items. The following table offers a comparison of the number of items and the number of reviews added to the MR Database in the calendar year 2007 with the corresponding data for 2006. Note that the Digital Mathematics Library (DML) items are computer generated using bibliographic metadata harvested from digitization sites or supplied by publishers.

	2007	2006
Items added to the MRDB	89,850	89,167
Regular items	86,788	81,444
DML items	3,062	7,723
Reviews added to the MRDB	56,489	60,300

The volume of the mathematics literature continues to grow at the traditional rate of between 3-4% annually. It is interesting to note that MR added 99 new journal titles in 2007 which is up considerably over the 49 new titles added in 2006. The Mathematics Reviews Editorial Committee reviewed MR coverage of the Chinese language literature relative to coverage of the Chinese Natural Sciences journals published by low-ranking institutions in China. Thirty-five of these very low-density journals were dropped from MR coverage. The collection of journals where reference lists are appended to article listings now numbers over 400. The MR Citation Database is now the most complete source of current citation information in the mathematical sciences.

Significant staff changes include the appointment of Lila Dann as the manager of the combined Production – Reviewer Services departments and the hiring of two replacement associate editors.

Links are now offered from a collection of authors to their corresponding listings on the Mathematical Genealogy Project site. MR continues to maintain the rapidly-growing Digital Mathematics Registry at www.ams.org/dmr . The number of journal records on this site has grown from 839 to 1494 in the last 12 months. In addition, MR continues its proactive pursuit of listings, called DML items, of retro-digitized mathematics articles. Recent acquisitions of retro-digitized bibliographic data include the Bulletin of the AMS and the London Mathematical Society digitized journals.

The processing of journals at MR continues to be affected by the growing number of journals that are processed from online versions. Currently, 459 journals are being downloaded, which is up from around 260 journals that were being downloaded one year ago. The download manager which was created for acquisition of electronic journals by the Bibliographic Services department has now been enhanced to allow editors to prescan issues online. MR is developing

processing tools that allows it to move away from a journal issue processing model to the processing of an individual article or group of articles. MR now has additional permissions from publishers to deliver articles to review in the form of PDF files. In other electronic processing developments, the author identification program and the assigning application have seen enhancements. Most recently, a major improvement in the important review edit application was released. This improvement is a robust editing tool that has many new features including real-time previewing.

The most visible change at MR during 2007 was the renovation of the first floor work area and conference room construction. These beautiful new areas were completed in the fall of 2007 and should serve the staff of MR for many years to come.

Prepared March 2008

MEETINGS AND PROFESSIONAL SERVICES DIVISION
Summary of 2007 Activities
Ellen Maycock, Associate Executive Director

The mission of the division is to provide professional meetings, programs, services and public awareness materials that support the continuing professional development of the membership, both individuals and institutions, and the mathematical community at large. A central theme of all the activities within this division is outreach not only to members of the profession but also to a general audience. In addition to working on many ongoing projects, staff members began to develop several new programs to support the mission of the division in 2007.

The **Meetings and Professional Services Division** functions primarily to support the three departments contained within it. However, the AED and her assistant also do a number of things independently. In addition to handling the regularly scheduled administrative responsibilities, in 2007 they successfully planned and submitted a grant proposal to the National Science Foundation for the Mathematics Research Communities program and provided staff support to the Task Force on the First Year College Mathematics Experience. Staff members in the division worked together to plan the move of the NSA grants program to an online system.

The **Membership and Programs Department** continues to run a large number of programs for our members and for the larger mathematics community. The department designs and implements promotional efforts to our current, new and lapsed members, and has a booth at the Joint Mathematics Meetings for members. The department handles individual programs such as the Centennial Fellowship, the Young Scholars program, the Math in Moscow program, the China Exchange program, the Book and Journal Donation program, and the Trjitzinsky Memorial Awards. A variety of employment services—most notably the Employment Center at the Joint Mathematics Meetings and the ongoing Mathjobs.org electronic application service—are run by this department. Additionally, the department provides the administrative support for the NSA grants program. The department also provides support for several AMS committees. One major focus in 2007 was on building infrastructure within the department for the membership promotion and retention work. Mathjobs.org continued to grow and in 2007 some additional stability was gained by renegotiating our agreement with Duke University.

The **Meetings and Conferences Department** provided the staff support for the Von Neumann Symposium and three Joint Summer Research Conferences in 2007 at Snowbird, Utah, in addition to the regularly scheduled Joint Mathematics Meetings held in New Orleans in January 2007 and 8 Sectional meetings. The annual Arnold Ross Lecture, held on November 1, 2007, at the Boston Science Museum, was given by Barry Mazur of Harvard University. The department spent much of 2007 planning for the 2008 JMM in San Diego. The department also began planning for a series of conferences related to the proposed Mathematics Research Conferences (MRC) program. The department continues to explore how to update the computer systems that support our conferences. The director of the department, Diane Saxe, took a medical leave at the end of July 2007, and did not return to the department. Her absence meant that department members shouldered more responsibilities during the second half of 2007. The department

continued to function well, but the staff members of the department look forward to having a new director in place in 2008.

The **Public Awareness Office** maintained and expanded the programs to promote the Society and its programs and to promote mathematics. The PAO continued to run the popular *Who Wants to Be a Mathematician* games around the country, issue *Headlines & Deadlines* and *Headlines & Deadlines for Students*, and create and distribute printed materials about the Society (Annual Report, Member Newsletters, posters, calendars, etc.). A new poster, "What is math good for?" (to promote awareness of *Math in the Media*) was very well-received at meeting exhibits. The PAO posted many news items on the AMS home page, maintained relationships with three past media fellows (who contributed summaries for Math Digest), and worked with the EPD group to enhance the PAO's web offerings. Among the PAO highlights in 2007 were the introduction of podcasts to accompany several *Mathematical Moments* and *What's Happening in the Mathematical Sciences VI*, media coverage of Allyn Jackson's news release posted on Newswise about the Sudoku article in *Notices*, enhancements to *Math in the Media* (notably a greatly improved archive page), completion and analysis of two surveys on PAO programs, posting home page news and other web material in the new AMS website design and using the new Stagecoach tool, and wider distribution of PAO materials via the ICIAM meeting held in Switzerland and in Membership mailings.

The Meetings and Professional Services Division deals with activities and programs that lie at the heart of the AMS–activities and programs that directly affect all mathematicians, both members and nonmembers. So it is essential for each department in the division to be attuned to issues that are important for the mathematical community. The departments in the division initiated and continued many successful endeavors in 2007 that supported mathematicians around the world.

Prepared March 2008

WASHINGTON DIVISION
Summary of 2007 Activities
Samuel Rankin, Associate Executive Director

The AMS Washington Office was very active during 2007 working with a number of coalitions, first pushing for increases for the National Science Foundation (NSF) and the Office of Science (SC) of the Department of Energy in the FY 2007 Continuing Budget Resolution (CR) and secondly, encouraging policy makers to fund these agencies at least at the FY 2008 Budget Request levels. To this latter end, on April 18th, 28 mathematicians had 67 meetings in the offices of Members of the House and Senate, requesting that these Members support increases in the NSF and SC budgets at least at the Budget Request levels. This effort was part of the annual AMS Committee on Science Policy meeting. During these meetings, the contributions of the mathematical sciences to innovation and technological progress were emphasized. All of these meetings were scheduled by the AMS Washington Office.

The Director of the Washington Office continued to participate in the Task Force on the Future of American Innovation, a coalition led by technology companies, such as Intel, IBM, the American Electronics Association, and Northrop Grumman, and the Bridging the Sciences Coalition, an organization dedicated to encouraging the National Institutes of Health to fund disciplines, such as mathematics, that can contribute to biomedical research. The Task Force, because of the industry presence, has strong leverage with policy makers and provides access that is otherwise hard to achieve.

Sam Rankin continues to chair the Coalition for National Science Funding (CNSF) and Anita Benjamin directs the annual CNSF Exhibition on Capitol Hill. The Exhibition took place on June 26, 2007. Almost five hundred people attended the Exhibition including 11 Members of Congress. The AMS sponsored an exhibitor, Dalin Tang of Worcester Polytechnic Institute (WPI), who presented his work on cardiovascular disease and enhancing surgery design. Tang has recently received close to $2 million dollars in grants from the NSF and NIH. The CNSF holds meetings once a month to exchange information and to hear presentations from Hill and Administration staff. Over 100 professional societies, universities, and businesses are members of the CNSF.

In September, CNSF organized a Hill Visits Day. Forty scientists, engineers, and educators participated in the event and interdisciplinary teams made visits to over 65 congressional offices representing 11 states. Representatives Vernon Ehlers (R-MI) and Patrick Kennedy (D-RI) spoke at a reception held in conjunction with the event. Anita Benjamin was one of the three organizers of the Hill Visits Day. John Mayer, a professor of mathematics at the University of Alabama, Birmingham, participated for the AMS. Mayer met with the offices of Senator Richard Shelby (R-AL), Ranking Member on the Senate Commerce, Justice, Science and Related Agencies Appropriations Subcommittee (CJS), and Senator Robert Aderholt (R-AL), a member of the House CJS committee. Mayer teamed up with a chemist from Alabama sponsored by the American Chemical Society. Sam Rankin organized these visits and took part in the meetings.

Dan Ullman, the AMS Congressional Fellow for 2006-2007, completed his fellowship on the House Committee on Science and Technology in August and has returned to The George Washington University. Jeffry Phan, the new 2007-2008 AMS Fellow, is working in the personal office of Senator Jeff Bingaman (D-NM). Senator Bingaman is a strong supporter of science research and education and has led efforts in the Senate to increase funding for basic research. His Senate committee assignments include Energy and Natural Resources (chair), Finance, and Health, Education, Labor, and Pensions. Jeffry's placement in Bingaman's office is quite fortuitous for him and for mathematics. The Washington Office participates in the selection of these Fellows and maintains contact with them during their fellowship period and afterwards.

David Weinreich, the first AMS Congressional Fellow (2005-2006), is now working full time as a legislative assistant in the office of Bob Etheridge (D-NC). Representative Etheridge's district includes part of Raleigh, NC, where N. C. State University is located. Etheridge is a past member of the House Committee on Science and Technology, and is currently a member of the House Committees on Agriculture, Budget, and Homeland Security.

The 2007 AMS-AAAS Mass Media Fellow, Adriana Salerno, a Ph.D. student at the University of Texas, completed her fellowship in August. She worked for ten weeks at the Voice of America in Washington, DC. She enjoyed her stint in the media world and is looking forward to finishing her degree in the coming year. The DC Office participates in the selection of the Mass Media Fellow.

As usual, the Washington Office organized the Committee on Education (COE) and Committee on Science Policy (CSP) meetings held in Washington, as well as the annual AMS Department Chairs Workshop held before the Joint Mathematics Meetings (JMM). The Chairs Workshop set a record for attendance, with 46 chairs participating. The COE and CSP each had panels (organized through the Washington Office) at the JMM: COE had "A Panel on the National Mathematics Advisory Panel;" CSP a panel on "NSF Funding for Mathematics."

On May 10, 2007 the Washington Office hosted a Capitol Hill reception for newly elected Congressman Jerry McNerney (D-CA, 11th). Congressman McNerney is a Ph.D. mathematician (University of New Mexico) and has been a member of the AMS since 1977. Representatives of professional societies and organizations and universities were invited to the event. During the CSP meeting, April 17-18, 2007, participants met with Congressman McNerney, before going off to Hill meetings.

Sam Rankin provided his annual chapter on funding in the mathematical sciences for the AAAS Annual Research and Development Report. He is in his second year of a three-year term on the NSF Advisory Committee for the Government Performance and Results Act Performance Assessment. This committee assesses, among other things, what kind of impact NSF funded projects have on the various fields, on science in general, and on innovation. The committee is a diverse group representing many scientific disciplines.

In October, Sam began a three-year term as a member of the Advisory Board for the Mathematical Sciences department at WPI. The purpose of the Board is to assess the department's programs as to quality and significance and make recommendations for new programs and enhancements. The Board members are from both academia and industry.

In November, the Washington Office organized the annual AMS Congressional Luncheon Briefing. This briefing was presented by University of Utah mathematician Ken Golden and highlighted his research on sea ice's permeability to salt water. His work promises to help improve forecasts of the effects of global warming.

FINANCE DIVISION
Summary of 2007 Activities
Constance Pass, Chief Financial Officer

The majority of the functions performed by the departments comprising the Finance Division are on-going and routine in nature. However, there were several significant events and activities accomplished in 2007. These events and activities included:

Infrastructure Enhancement

- **Financial Software Project** - The Financial Software Project continues to be a focal point for the Fiscal Department. The AMS hired James Jumes (formerly of KPMG) as a consultant to assist with the software selection process. The new software package, Epicor Enterprise, was selected in December. The Implementation will take place in the first half of 2008, with anticipated switchover to the new software for July, 2008.

Grant Award Management

- **National Science Foundation (NSF) Desk Review** – Fiscal Department staff gathered data and prepared documentation for an arduous NSF Desk Review. The review evaluated the existence of policies and procedures and their implementation by the AMS to ensure that projects are managed in accordance with the terms and conditions of the existing NSF award.
- **NSF Indirect Cost Recovery Proposal** - Fiscal Department staff prepared and filed a full, formal Indirect Cost Recovery Proposal with the NSF.

Providence Facility Improvements

- **HVAC Project** - New digital controls with a software interface were installed on the Providence facility HVAC system. The new system is equipped with a full graphics package allowing staff to effectively identify problems with building temperatures, broken dampers, relative humidity, etc.
- **Carpeting Project** - Attractive and insulating new carpeting, selected by a staff committee, was installed throughout much of the Providence facility. The new carpeting greatly enhances both the appearance and comfort of the building.
- **South Wing Reconfiguration** - Much of the Providence facility's south wing was physically reconfigured. The move, involving more than thirty employees across multiple departments, provides staff and functional groups more efficient work areas.
- **Exterior improvements** - Energy efficient fixtures were added to the exterior of the Providence facility providing better lighting in the garage area, parking lot and front walkway; masonry work was done to the exterior block walls and expansion joints.

Pawtucket Facility Improvements

- **HVAC Project** - New heating/air conditioning units and a humidification system were installed in the Pawtucket facility pressroom and bindery. New HVAC units were also installed in the Distribution Department office areas; modifications were made to the existing warehouse units.

Prepared March 2008

ADMINISTRATION DIVISION
Summary of 2007 Activities
Gary Brownell, Deputy Executive Director

The Administration Division is made up of following:

- Deputy Executive Director (DED) Department, including Joanne O'Meara (responsible for development) and Karen Mollohan (responsible for records management and business recovery planning).
- Electronic Product Development (EPD), Gerry Loon, Director.
- Management Information Systems (MIS), Tom Blyth, Director.
- Systems and Operations (S&O), Nancy Kaull, Director.

Detailed reports of their activities during 2007 are included in Section VI of the 2007 Operating Plan, distributed separately. The following may be considered a brief summary of Section VI.

DEPUTY EXECUTIVE DIRECTOR DEPARTMENT

Development

Development activities include cultivation of major donors, processing and acknowledging donations, preparing monthly reports on the status of donations, maintaining development pages on the AMS website, the year-end appeal, assisting donors with planned giving arrangements when necessary, and promoting the Thomas S. Fiske Society. During 2007, Development staff worked with the Graphic Arts Department to create a new Year-end Appeal brochure using the theme "A World of Mathematics" developed in 2004. The new brochure design establishes a unified look and message for AMS development efforts. Staff also **completed the Fiske Society promotional mailing during the first quarter of 2007.**

Records Management

While the majority of Records Management (RM) functions in 2007 were on-going and routine in nature, one key step was taken to maintain recent gains in the revitalizing the Society's RM program. We produced user documentation on how various RM procedures are performed and how the new automated RM database works. This documentation will insure that RM functions are handled consistently in the future, and in case of staff turnover.

Business Continuity Planning

The focus of our business continuity planning efforts in 2007 was preparedness. We worked on pandemic preparedness, producing and distributing advance materials, handouts, and follow up materials. We also conducted an employee home computer connectivity survey for use in the event that employees are encouraged to work from home. During September, we developed and executed a Society-wide preparedness month communications plan to coincide with a national effort. Perhaps the most important and successful project we completed this year was a table-top exercise of the Society's Business Continuity Plan. We coordinated the exercise planning group's activities, conducted research, prepared all working documents, and facilitated the workshop-style exercise – dubbed "Hurricane Derek".

MANAGEMENT INFORMATION SYSTEMS DEPARTMENT

MIS lead a project to investigate commercial software for association management and MIS participated in a project to select new accounting software. These were important projects that will have a major impact on the Society's computing software environment.

The Publications Technical Group has completed the project to move our TeX book and journal production from VMS to Unix. The new production system is much more efficient than the old system and is directly integrated with the online Publications Archive.

SYSTEMS AND OPERATIONS DEPARTMENT

A significant accomplishment was the replacement of the ageing www hardware (purchased in 1999) with two Sun T2000s clustered together, accessing a common, mirrored disk storage array. This increases reliability and availability of one of our most valued services.

In the process of replacing the firewalls and VPNs here and in Ann Arbor, we added Powerlink appliances to manage internet traffic over multiple service providers, resulting in higher availability of internet access.

An interesting and unusual activity by the department was to run two half-day job exposure sessions for 24 young people taking part in a community action summer youth program. They had hands-on learning in the areas of networks, desktop hardware, and printers. They were treated to snacks and received small gifts from the AMS. The interest levels of the young people covered the fullest range possible; it was an interesting experience for all of us.

ELECTRONIC PRODUCT DEVELOPMENT

In late 2007 the AMS website got a much needed renovation. This remodeling included a fundamental change to how our web pages look to the user and how they work in the background. The new web interface has many modern features that include clearer presentation of the material, better overall site navigation, and consistent AMS branding. To assist AMS staff with providing content for the website, we developed customized website content management software called "Stagecoach", which supports the new website design framework. To make all this work more efficiently and reliably, we upgraded our web server hardware platform to a Solaris cluster dual-server environment.

There were notable enhancements to two of our flagship journal products. The web version of *Bulletin of the AMS* now contains all the back issues since its inception in 1891. All the back issues have the same look and feel as the new material which presents a perfectly seamless journal product. The *Notices of the AMS* received a facelift and now has a fresh, contemporary look and a new feature that allows web users to view and browse an entire issue.

The existing Author Resource Center (ARC) section of the website was completely redesigned with a new interface and an xml-based production workflow. The ARC is intended not only for AMS authors but any author of mathematics literature.

Prepared March 2008

EVALUATING HOW TO ADDRESS THE SOCIETY'S GROWING REQUIREMENTS FOR COLOR PRINTING

The AMS Printing Department has a very limited capacity for producing color printing. The only color press we have is a 20-year-old Shinohara single-color press, principally acquired to print journal covers and a small number of two-color book covers. Since the purchase of the Shinohara, our publishing program has expanded significantly. Twenty (20) new book series have been introduced, many of which have complicated multi-color covers. The growth of the book program and the promotional efforts required by that program were not considered when this press was purchased.

Until recently, we have been successful in expanding the book program without a need for color within our publications. However, authors are becoming more proficient with publishing tools, in particular in the area of graphics, so we are seeing an increase in requests for color from prospective authors. The competitive nature of book acquisition requires that we meet this author demand, particularly with our monographs. We attempt to restrict the use of color to one or two signatures which are printed at an outside vendor. The multi-color pages are then returned to the AMS for binding, with the black and white pages printed in our printshop. This is not the most efficient process.

The demand for color is not restricted to the publishing program. Over the past several years, we have increased the amount of printed material we provide to our members and the overall scientific community, including multi-colored brochures, newsletters, solicitations, etc. Our Printing Department can no longer address all our color printing needs. An increasing amount of money each year is spent on procuring outside color printing-over $130,000 in each of the past two years.

We are in the process of examining our options regarding how we will address our expanding color printing requirements in the future. Several key issues need to be evaluated including:

Economics and Efficiency: Our requirement for color printing, and the amount we are spending with external printers, is increasing each year. If the number of color books we publish increases as projected, we will likely see even more dramatic cost increases.

The way we currently manage work that is more than one color is inefficient. Our one color press requires a separate pass for each color, requiring plate changes and drying time between passes. Producing even our simplest two-color journal and book covers requires multiple passes.

Another example of the inefficiencies of our current color press is when we have limited color within a publication. If we can convince an author to restrict color to a signature, we send the color signature to an outside printer. The signature is then returned to our facility, where it is reunited with the remainder of the book or journal for binding.

Preliminary investigation indicates that with the purchase of the right type of press and bindery equipment, we can produce almost all of the color work outsourced with the current workforce, possibly with a smaller staff. We are evaluating whether it would be more cost effective to upgrade the printing and binding operation we currently maintain so that the majority of our color needs are addressed internally, compared with continuing to pay the growing cost associated with outsourcing this work.

We will closely examine the pros and cons associated with making additional capital investment in our printing facility including:

- Which path provides the best possible financial position for the AMS over the long term?
- What is the impact on our physical plant should we add a color press?
- How will other departments be impacted with each option?
- Is the flexibility in maintaining our own printshop in areas such as scheduling and optimal print runs of value?

Continuity of Operations: The age of our main presses continues to present the greatest threat to continuity of operations. Our three miller presses were all purchased used and have served us well over the past twenty years. Press breakdowns have increased over the past several years and we now find it difficult to obtain replacement parts, in many cases parts, have to be manufactured, which is expensive and time consuming.

The plate changeover technology on newer equipment is dramatically less labor intensive than what is required by the Miller press. Currently, our pressmen must manually mount a plate, which is time consuming, particularly in our shop where the press runs are rather short. Plate changeover on the new presses is automatic which optimizes actual press time.

If we were to purchase a new press we would retire at least one of our Miller presses and reduce the workload on the remaining presses. The new press would produce black and white book and journal work when not required for color work.

We are facing some difficult questions regarding the condition of our current printing equipment. Either way, there will be an impact on how we operate both long and short term. We will be evaluating several issues including:

- What will be the impact on repair costs if we don't reduce the load on the Miller presses? Are we risking a major disruption in our operation?
- Are we setting a course for phasing out the printing operation over time if we don't make any investment in our printing equipment?
- Is it more financially sound to move the risk of loss to equipment from wear and tear, accident, or other factor to an outside vendor?

Work on evaluating the future of our printing operation and setting our course for color printing is well underway. We anticipate providing the Board of Trustees with the staff's recommendation on these issues in the fall of 2008.

Beth Huber
Associate Executive Director, Publishing
May 2008

AMERICAN MATHEMATICAL SOCIETY

Financial Statements

December 31, 2007 and 2006

(With Independent Auditors' Report Thereon)

KPMG LLP
50 Kennedy Plaza
Providence, RI 02903

Independent Auditors' Report

The Board of Trustees
American Mathematical Society:

We have audited the accompanying balance sheets of the American Mathematical Society (the Society) as of December 31, 2007 and 2006, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Society as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

KPMG LLP

May 16, 2008

AMERICAN MATHEMATICAL SOCIETY

Balance Sheets

December 31, 2007 and 2006

Assets		2007	2006
Cash and cash equivalents (note 2)	$	921,425	1,518,285
Short-term investments (note 3)		16,387,716	17,095,580
Accounts receivable, net of allowances of $260,000 and $250,000, respectively		1,409,424	1,607,714
Deferred prepublication costs		608,723	580,769
Completed books		1,153,060	1,060,636
Prepaid expenses and deposits		1,323,430	1,172,409
Land, buildings and equipment, net (note 4)		4,270,952	3,734,674
Long-term investments (note 5)		74,065,208	68,461,186
Total assets	$	100,139,938	95,231,253
Liabilities and Net Assets			
Liabilities:			
Accounts payable	$	1,446,840	1,534,995
Accrued expenses:			
Severance and study leave pay (note 6)		1,213,114	1,147,066
Payroll, benefits, and other		1,167,720	994,608
Deferred revenue		12,335,892	12,907,692
Postretirement benefit obligation (note 7)		4,079,327	4,706,688
Total liabilities		20,242,893	21,291,049
Net assets:			
Unrestricted:			
Undesignated		6,358,405	6,435,525
Designated (note 8)		63,523,608	58,127,188
Invested-in fixed assets		4,270,952	3,734,674
		74,152,965	68,297,387
Temporarily restricted (notes 5 and 9)		1,908,841	1,965,378
Permanently restricted (notes 5 and 10)		3,835,239	3,677,439
Total net assets		79,897,045	73,940,204
Total liabilities and net assets	$	100,139,938	95,231,253

See accompanying notes to financial statements.

AMERICAN MATHEMATICAL SOCIETY

Statements of Activities

Years ended December 31, 2007 and 2006

	2007	2006
Changes in unrestricted net assets:		
Operating revenue (notes 1 and 5):		
Publication:		
Mathematical Reviews and related activities	$ 9,747,337	9,444,936
Journals (excluding Mathematical Reviews)	4,481,903	4,407,455
Books	3,693,828	3,293,020
Sale of services	411,763	385,855
Other	137,369	142,632
Total publication revenue	18,472,200	17,673,898
Membership and professional services, including net assets released from restrictions (note 9):		
Dues, services, and outreach	3,609,792	3,583,116
Grants, prizes and awards	550,202	881,496
Investment earnings available for spending (notes 1 and 5)	917,949	819,630
Meetings	908,836	893,202
Total membership and professional services revenue	5,986,779	6,177,444
Short-term investment income	895,022	756,686
Other	161,156	152,355
Total operating revenue	25,515,157	24,760,383
Operating expenses:		
Publication:		
Mathematical Reviews and related activities	6,115,797	6,133,098
Journals (excluding Mathematical Reviews)	1,351,788	1,293,764
Books	2,957,073	2,926,057
Divisional indirect	955,416	805,909
Customer services	814,685	848,861
Warehousing and distribution	889,903	857,274
Marketing and sales	248,330	232,922
Sale of services	243,109	251,747
Total publication expense	13,576,101	13,349,632
Membership and professional services:		
Dues, services and outreach	3,350,117	3,539,475
Grants, prizes and awards	754,103	1,190,011
Meetings	940,853	916,111
Governance	400,390	417,497
Divisional indirect	554,806	441,759
Total membership and professional services expense	6,000,269	6,504,853
Other	57,384	142,711
General and administrative	3,196,735	3,114,916
Total operating expenses	22,830,489	23,112,112
Excess of operating revenue over operating expenses	$ 2,684,668	1,648,271

(Continued)

AMERICAN MATHEMATICAL SOCIETY

Statements of Activities

Years ended December 31, 2007 and 2006

		2007	2006
Excess of operating revenue over operating expenses	$	2,684,668	1,648,271
Investment income in excess of investment earnings available for spending (note 5)		2,420,182	6,879,748
Effect of adoption of Statement of Financial Accounting Standards No. 158 (note 7)		750,728	—
Change in unrestricted net assets		5,855,578	8,528,019
Changes in temporarily restricted net assets:			
Contributions		53,952	52,971
Investment income (note 5)		200,215	420,472
Net assets released from restrictions (note 9)		(310,704)	(302,549)
Change in temporarily restricted net assets		(56,537)	170,894
Change in permanently restricted net assets:			
Contributions		157,800	203,728
Change in permanently restricted net assets		157,800	203,728
Change in net assets		5,956,841	8,902,641
Net assets, beginning of year		73,940,204	65,037,563
Net assets, end of year	$	79,897,045	73,940,204

See accompanying notes to financial statements.

AMERICAN MATHEMATICAL SOCIETY

Statements of Cash Flows

Years ended December 31, 2007 and 2006

	2007	2006
Cash flows from operating activities:		
Change in net assets	$ 5,956,841	8,902,641
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation	489,098	426,148
Net realized and unrealized gains on long-term investments	(1,278,919)	(6,550,554)
Contributions restricted for permanent investment	(157,800)	(203,728)
Loss on disposal of equipment	1,351	—
Changes in assets and liabilities:		
Accounts receivable, net	198,290	(471,972)
Deferred prepublication costs	(27,954)	29,108
Completed books	(92,424)	(88,522)
Prepaid expenses and deposits	(151,021)	(92,881)
Accounts payable	(88,155)	(10,825)
Accrued expenses	239,160	(9,522)
Deferred revenue	(571,800)	936,671
Postretirement benefit obligation	(627,361)	708,043
Net cash and cash equivalents provided by operating activities	3,889,306	3,574,607
Cash flows from investing activities:		
Change in short-term investments	707,864	(950,036)
Purchases of property and equipment	(1,026,727)	(332,666)
Sales of long-term investments	8,706,639	15,919,655
Purchases of long-term investments	(13,031,742)	(17,571,627)
Net cash and cash equivalents used in investing activities	(4,643,966)	(2,934,674)
Cash flows from financing activities:		
Contributions restricted for permanent investment	157,800	203,728
Net cash and cash equivalents provided by financing activities	157,800	203,728
Net (decrease) increase in cash and cash equivalents	(596,860)	843,661
Cash and cash equivalents at beginning of year	1,518,285	674,624
Cash and cash equivalents at end of year	$ 921,425	1,518,285

See accompanying notes to financial statements.

AMERICAN MATHEMATICAL SOCIETY

Financial Statements

December 31, 2007 and 2006

(1) Description of Business and Summary of Significant Accounting Policies

(a) Description of Business

The American Mathematical Society (the Society) was created in 1888 to further mathematical research and scholarship. It is an international membership organization, currently with over 30,000 members. The Society fulfills its mission with publications and professional programs that promote mathematical research, increase the awareness of the value of mathematical research to society and foster excellence in mathematics education.

(b) Basis of Financial Statement Presentation

The accompanying financial statements are presented on the accrual basis of accounting and have been prepared to focus on the Society as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities, as of the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(c) Classifications of Net Assets

The Society's net assets and activities that increase or decrease net assets are classified as unrestricted, temporarily restricted, or permanently restricted.

Unrestricted net assets are those without any donor-imposed or other restrictions as to their use which are available for the general operations of the Society. The Society defines operating income as the net increase in unrestricted net assets derived from the activities related to the accomplishment of its mission, such as publications, programs, meetings and conferences, and member services. Investment earnings appropriated by the Board on unrestricted long-term investments are presented as an operating revenue. Any excess investment earnings (loss) is presented as a nonoperating item.

Temporarily restricted net assets are those whose use is restricted by donor-imposed limitations which will lapse upon the passage of time, use of the asset for its intended purpose, or the meeting of other donor-imposed stipulations.

Permanently restricted net assets are those which must be permanently invested to provide a source of support for the activities of the Society and which are commonly referred to as endowments.

(Continued)

The Society is incorporated under the laws of the District of Columbia and is therefore subject to the provisions of the Uniform Management of Institutional Funds Act (the Act). Under the Act, the accumulated realized and unrealized gains related to the investment of an endowment gift may legally be appropriated for expenditure by the governing body of an organization unless the applicable gift instrument indicates the donor's intention that such gains may not be expended. None of the Society's endowment gift instruments executed by donors contains such a restriction. Accordingly, the net gains on endowment gifts that contain no donor restrictions as to the use of income derived therefrom have been included in unrestricted net assets. The net gains on endowment gifts that contain donor restrictions as to the use of income derived therefrom have been included in temporarily restricted net assets. Only the original amount of endowment gifts has been included in permanently restricted net assets.

(d) Contributions and Net Assets Released from Restrictions

The Society records as contribution revenue unconditional promises to give. All other contribution revenue is recorded as received. If the contribution is made in assets other than cash, the amount of the contribution is measured at the fair value of the asset contributed at the date the contribution or unconditional promise to give is made by the donor.

Contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated asset for some specific purpose or time period and as permanently restricted support if the donated asset must be invested in perpetuity.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions.

If a donor-imposed restriction is met for the full amount of the contribution within the year, the related revenues and expenses are recorded solely in the unrestricted net assets category in the accompanying statements of activities.

The Society receives contributed services from its members, principally as volunteer leaders in the governance structure of the Society and as volunteer members of editorial committees for the Society's various publications. The latter category of contributed services qualifies for recognition as income and expense under accounting principles, as the members of the editorial committees must possess specialized skills. However, the Society has no practical way of measuring the market value of the services received from its volunteer editorial committee members and, accordingly, no such estimate is included as revenue or expense in the accompanying financial statements.

(e) Investments and Related Income

Substantially all of the Society's investments, both short term and long term, are carried at fair value, as determined by quoted market prices. Investments in mutual funds are carried at the quoted net asset value of the fund, which approximates fair value. Certain investments, such as money market funds and certificates of deposit, are carried at cost, which approximates fair value.

(Continued)

The total return (interest, dividends, and realized and unrealized gains or losses) derived from permanently restricted net assets whose use of income is restricted for a specific purpose is recorded as investment return (loss) in the temporarily restricted net asset category. As the purpose restriction is met, the income is reclassified to the unrestricted net assets category via net assets released from restrictions.

The Board of Trustees annually appropriates investment earnings to support operations of the Society. The Board uses a 5% spending rate applied to the three-year moving average of the board-designated Operations Support Fund to support the membership and professional services activities of the Society. The Board also annually appropriates investment income from the endowment funds whose use of income is unrestricted to support specific Society projects, using a 5% spending rate applied to the three-year moving average of these true endowment funds. The amount used to support these specific projects consisted of the following at December 31:

		2007	2006
Investment earning used to support operations:			
Included in membership and professional services revenue	$	724,300	637,000
Appropriated endowment income:			
Included in publication revenue		89,120	80,000
Included in membership and professional services revenue		193,649	182,630
	$	1,007,069	899,630

(f) Deferred Prepublication Costs

Prepublication costs, consisting of translation, editorial, composition and proofreading costs, are deferred until publication. Upon publication, prepublication costs related to books are transferred into completed books inventory and prepublication costs related to journals are expensed to offset subscription revenue for the journals.

(g) Completed Books

Publication costs of books, consisting of paper, printing, and prepublication costs, are deferred and charged to expense as the books are sold. Completed books are recorded in the accompanying balance sheets at the lower of average cost or market.

(h) Land, Buildings, Equipment, and Accumulated Depreciation

Land, buildings, and equipment are recorded at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the assets using straight-line or accelerated methods.

(i) Membership Journals

Members are provided certain journals at no charge as these journals are considered to be benefits of membership in the Society.

(Continued)

(j) Revenue Recognition

Advance collections for dues, subscriptions, and publications are deferred and generally recognized as income when the services are rendered or the publications shipped. For subscriptions to current-year journals for which all of the issues have not yet been published but for which substantially all of the costs have been incurred, the Society accrues estimated completion costs and recognizes the related revenues. For sales of books and journals, revenue is recognized upon shipment. In addition, the Society reserves for its estimate of book returns.

(k) Income Taxes

The Society is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. Rules and regulations regarding unrelated business income tax apply to the Society, but no activities resulting in a material amount of taxes due occurred in 2007 or 2006.

(l) Grant Income

The Society receives various grants that are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement for expenditures disallowed under the terms of the grant; however, management believes that these disallowances, if any, would be immaterial.

(2) Cash and Cash Equivalents

Bank accounts, money market funds and petty cash comprise the entire cash and cash equivalents balance as of December 31, 2007 and 2006. The Society's bank accounts are federally insured to a maximum of $100,000 each.

(3) Short-Term Investments

Short-term investments, at fair value, consist of the following as of December 31:

		2007	2006
Certificates of deposit	$	4,887,000	5,087,000
Fixed-income mutual funds		4,207,272	3,975,623
U.S. Government bonds, $500,000 face value, 5-year TIPS, 0.875%, due April 15, 2010		549,552	504,795
Convertible securities mutual fund		1,299,214	1,174,613
Domestic corporate stock		10,769	10,926
Money market mutual funds		5,433,909	6,342,623
	$	16,387,716	17,095,580

It is the Society's policy to invest no more than the federal insured limit of $100,000 in each financial institution's certificate of deposit. The income derived from these investments is unrestricted and is used to support operations.

(Continued)

AMERICAN MATHEMATICAL SOCIETY

Financial Statements

December 31, 2007 and 2006

(4) Land, Buildings, and Equipment

The following comprise the Society's investments in land, buildings, and equipment as of December 31:

	2007	2006
Land and improvements	$ 464,388	456,788
Building and improvements	6,685,346	6,280,624
Furniture, equipment and software	4,683,163	4,345,351
Transportation equipment	60,094	60,694
Construction in progress	274,589	—
	12,167,580	11,143,457
Less accumulated depreciation	(7,896,628)	(7,408,783)
	$ 4,270,952	3,734,674

Progress payments for new carpeting and a new heating, ventilation and air conditioning controls system in the Providence facility and a new financial software system comprise the construction in progress at December 31, 2007. All projects are expected to be completed by the end of 2008.

(5) Long-Term Investments

The Society's long-term investments are segregated into seven separate portfolios (including mutual funds), each with its own investment manager and investment objective. The overall investment strategy is determined by the Investment Committee of the Board of Trustees and is approved by the Board of Trustees annually. The primary investment objective of the long-term investment portfolio is an average real total return (net of investment fees and the effects of consumer inflation) of at least 6% over the long term. To achieve this result, the investment portfolio is allocated approximately 80% to equity investments and 20% to fixed-income investments. The equity investments are further diversified into domestic, international, and real estate holdings. Additionally, the entire portfolio is diversified across economic sectors, geographic locations, industries, and size of investees.

The following comprise the Society's total long-term investment portfolio as of December 31:

	2007		2006	
	Fair value	Cost	Fair value	Cost
Cash and cash equivalents	$ 497,906	497,906	283,784	283,784
Domestic common stocks	5,165,394	4,485,961	4,869,461	4,226,067
Fixed-income mutual funds	14,901,217	14,663,732	13,189,245	13,381,592
Equity mutual funds:				
Domestic common stocks	38,734,271	31,539,653	39,786,992	33,837,854
Domestic real estate investment trusts	3,654,745	2,870,115	4,452,924	2,415,044
International common stocks	11,111,675	9,803,797	5,878,780	4,759,094
Total	$ 74,065,208	63,861,164	68,461,186	58,903,435

(Continued)

The investment portfolio is allocated among the three categories of net assets as of December 31 as follows:

		2007	2006
Unrestricted net assets:			
Board-designated purposes (note 8)	$	63,523,608	58,127,188
Undesignated		5,064,969	4,997,611
Total allocated to unrestricted net assets		68,588,577	63,124,799
Total allocated to temporarily restricted net assets		1,641,392	1,658,948
Permanently restricted net assets:			
Unrestricted use of income		1,565,141	1,564,901
Restricted use of income		2,270,098	2,112,538
Total allocated to permanently restricted net assets		3,835,239	3,677,439
Total long-term investments, at fair value	$	74,065,208	68,461,186

The following schedule summarizes the investment return and its classification in the accompanying statements of activities for the years ended December 31:

		2007	2006
Dividends and interest, net of management fees of $39,920 and $66,045, respectively	$	2,348,547	1,649,296
Net realized and unrealized gains		1,278,919	6,550,554
Investment income		3,627,466	8,199,850
Less investment income classified as temporarily restricted		(200,215)	(420,472)
Less investment earnings available for spending (note 1(e))		(1,007,069)	(899,630)
Investment income in excess of investment earnings available for spending	$	2,420,182	6,879,748

(6) Severance and Study Leave Pay

Certain employees of the Society receive vested rights to severance and study leave pay based upon salary and years of service. The Society provides for this obligation over the related years of the employees' service. The provision for severance and study leave pay charged to expense totaled $131,188 and $141,910 in 2007 and 2006, respectively.

(Continued)

(7) Pension and Retirement Benefits

(a) The Society has contributory retirement plans (the Plans) covering substantially all full-time employees. The Plans are administered by, and related assets are maintained with, Teachers Insurance and Annuity Association and College Retirement Equities Fund. The Society's retirement expenses for these Plans totaled approximately $1,122,256 and $1,082,700 in 2007 and 2006, respectively.

(b) The Society sponsors a defined benefit postretirement medical plan that covers substantially all full-time employees. Under the plan provisions, employees who retire from the Society at age 62 or older with at least 12 years of service are eligible for benefits under the plan. Plan benefits consist of health insurance coverage under a Medicare Supplement Plan and reimbursement of Medicare Part B premiums. Employees who retire before age 62 may qualify for coverage under the plan according to a longer service requirement schedule established by the Society. Spouses of eligible retirees are not covered. The plan is noncontributory and is unfunded.

In 1998, this plan was amended to include the prior service of employees previously leased from the University of Michigan as eligible service when such persons became Society employees. The resulting prior service cost of these employees is being amortized over their estimated average future service period until retirement.

Effective January 1, 2007, the plan was further amended to limit the annual benefit per retiree to $4,000 with no other limits applied to the Medicare Part B or "Medigap" insurance premiums. The amendment also limits the eligible population to retirees eligible under the prior provisions at June 30, 2006 and Society employees as of June 30, 2006. There is no provision for this maximum benefit amount to increase over time. This amendment resulted in a prior service credit of approximately $2,975,000.

The Society adopted the provisions of Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans" (SFAS 158) on December 31, 2007, whereby the recorded liability for the post-retirement health benefit obligation was adjusted to reflect the actual funded status of the plan at December 31, 2007. This adoption resulted in a decrease in the Society's liability and a corresponding increase in unrestricted net assets of $750,728, comprised of the following:

Prior service cost not yet recognized in net periodic benefit cost	$	18,934
2007 plan amendment, prior service credit		(2,727,452)
Prior years' net losses not yet recognized in periodic benefit cost		1,957,790
Total adjustment to adopt provisions of SFAS 158	$	(750,728)

(Continued)

Net postretirement benefit cost for the years ended December 31, 2007 and 2006, respectively, consisted of the following components:

		2007	2006
Service cost	$	153,400	317,533
Interest cost		220,600	360,898
Amortization of prior service cost, pre-2007 amendment		1,722	1,878
Amortization of prior service credit, 2007 amendment		(247,980)	—
Amortization of net experience losses		118,300	109,691
Adjustment to reverse prior years' cumulative over provisions		(30,105)	—
Net post-retirement benefit cost	$	215,937	790,000

The prior service cost (credit) and net loss (gain) expected to be recognized as components of net periodic post-retirement benefit cost for the year ending December 31, 2008 are approximately $(103,324) and $246,258, respectively.

The following table reconciles the plan's funded status with the amounts presented in the Society's financial statements at December 31, 2007 and 2006:

		2007	2006
Projected post-retirement benefit obligation, beginning of the year (and funded status)	$	6,877,681	6,290,006
Service and interest cost for the year		374,000	677,675
Plan amendment, 1/1/07		(2,975,431)	—
Benefits paid		(92,570)	(90,000)
Actuarial gain		(104,353)	—
Projected post-retirement benefit obligation, end of year		4,079,327	6,877,681
Funded status adjustment		—	(2,170,993)
Net liability recognized in the balance sheet	$	4,079,327	4,706,688

(Continued)

The following table presents additional information relating to the plan for the years ended December 31, 2007 and 2006:

	2007	2006
Fair value of plan assets	$ —	—
Post-retirement health benefit liability	4,079,327	4,706,688
Discount rate	5.50%	5.50%
Healthcare cost trend rate assumed for next year	Not Applicable	12.4%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	Not Applicable	5.0%
Year that the rate reaches the ultimate trend rate	Not Applicable	2016

The expected future benefit payments under the amended plan provisions for the next ten years are as follows:

Year-end:	
2008	$ 104,000
2009	100,000
2010	111,000
2011	107,000
2012	106,000
2013-2017	475,000

(8) Designated Unrestricted Net Assets

The Board of Trustees of the Society has designated components of unrestricted net assets to support certain purposes. All such designated funds within unrestricted net assets are supported by the unrestricted portion of the long-term investment portfolio. The Economic Stabilization Fund is designated to provide support for the Society in future years should an unexpected need arise. The Operations Support Fund is designated to provide current operating support to the Society via use of a 5% spending rate applied to the three-year moving average value of the fund. The Journal Archive Fund is designated to accumulate funds to support changes that may be necessary for electronic files to be available for future use due to as-yet-unforeseen technological changes. The Epsilon Fund for Young Scholars was created by the Board of Trustees in 2000 to augment the funds in a true endowment fund that supports programs for high school mathematics students.

(Continued)

The following comprise the balances in these designated funds within unrestricted net assets as of December 31:

		2007	2006
Economic Stabilization Fund	$	21,326,742	21,302,648
Operations Support Fund		40,830,813	35,571,266
Journal Archive Fund		677,039	599,289
Epsilon Fund for Young Scholars		689,014	653,985
Total	$	63,523,608	58,127,188

(9) Temporarily Restricted Net Assets

Temporarily restricted net assets consist of amounts restricted by donors for the following purposes as of December 31:

		2007	2006
Restricted purpose:			
Prizes and scholarships	$	219,524	216,225
Lectures		12,434	42,182
Fellowships		105,554	115,947
Special programs		13,020	13,020
Charitable gift annuities		105,272	160,992
Other miscellaneous		55,167	50,870
Accumulated gains on purpose-restricted endowment gifts, principally related to the prize funds		1,397,870	1,366,142
Total	$	1,908,841	1,965,378

Net assets released from restrictions totaled $310,704 and $302,549 in 2007 and 2006, respectively, entirely due to the accomplishment of the designated purposes.

(Continued)

(10) Permanently Restricted Net Assets

Permanently restricted net assets are supported by the long-term investment portfolio. The Society has two types of endowments: gifts with no donor designations as to the use of income derived there from and gifts whose donors have designated a specific purpose in the gift instrument. These endowments consisted of the following at December 31:

	2007	2006
Endowment without donor designation on use of income	$ 1,565,141	1,564,901
Endowment with donor designation on use of income:		
Prizes	443,780	413,280
Scholarships and fellowships	252,130	252,130
Symposia and lectures	170,000	170,000
China collaboration	366,757	366,757
Epsilon fund for young scholars	1,037,431	910,371
	$ 3,835,239	3,677,439

(11) Changes to Laws Governing Endowment Management

Effective in December 2007, the District of Columbia (the District) adopted the provisions of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which provides general guidance to institutions incorporated in the District regarding governance of their endowment funds, subject to he purview of the District's Attorney General (AG).

The Society's management believes that the adoption of UPMIFA would not result in a different classification of its net assets related to its endowment funds under existing U.S. generally accepted accounting principles. In February 2008, the Financial Accounting Standards Board issued a proposed FASB Staff Position (FSP) on the net asset classification of endowment funds of not-for-profit organizations that are subject to an enacted version of UPMIFA. As of the date of issuance of these 2007 financial statements, FASB has not issued a final FSP, nor has the District's AG issued interpretive guidance on the application of UPMIFA to endowment funds held by organizations incorporated in the District.