

General Assembly Meeting Minutes

Horsaal A, Henry Ford Building, Freie Universitat Berlin
Sunday April 2, 2017, 12:30-13:30



President Peter Herscovitch called the meeting to order at 12:40 CEST, welcomed the assembly and reviewed the agenda; 93 in attendance –including those on stage.

1. Approval of the minutes from the last General Assembly, Vancouver 2015 (Joe LaManna)

LaManna briefly reviewed the minutes and asked for a voice vote of approval. All in favor: All. Any opposed: None. General Assembly approved minutes.

2. Report of the Secretary (Joe LaManna)
 - a. LaManna read the results of the elections (see Appendix) and asked for a voice vote of approval. All in favor: All. Any opposed: None. General Assembly approved the election results.
 - b. LaManna reviewed a few of the most recent membership statistics and asked if anyone had any questions; there were none. Also mentioned that ISCBFM had a booth at the meeting if anyone had any questions about membership or their membership status.
 - c. LaManna reviewed the bylaw changes, why they were reviewed, and what substantive changes were made to what section.

Question: Can you explain the 3 month rule for voting.

Answer: LaManna explained the issue that has transpired during election time period and if we can move that wave of applications forward, we have time to process prior to the election.

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Request: Put a comma after Emeritus Members so the 3 month rule doesn't apply to that category only.

- d. LaManna asked for a voice vote of approval with the requested change incorporated. All in favor: All. Any opposed: None. General Assembly approved the bylaw changes.

3. Report of the Treasurer (Jun Chen)

a. Chen went through the report (see Appendix):

- i. Explained the role of the Treasurer and thanked Herscovitch for mentorship on Treasurer duties.
- ii. Explained the audit by the US Tax Authority.
- iii. Explained Management Services Contract – FASEB in 2012.
- iv. Explained Investment Policy started by Herscovitch.
- v. Reviewed reserve fund and asset allocation.
- vi. Reviewed change to Investment Policy – approved by the Board of Directors Saturday April 1st
- vii. Reviewed major income sources and expense categories.

b. Motions for approval:

- i. Treasurer's Reports for fiscal years 2015 and 2016
- ii. Retention of Morgan Stanley Smith Barney LLC as banker and fund manager
- iii. Retention of Osterman, Pollack & Moses LLC as auditor and tax firm for filing of US tax returns.

- c. Question: Investments – do you consider socially responsible investments. Not suggesting that we should but do we consider that?
Answer: we can bring that up to Morgan Stanley and see what they say.

- d. Question: Impressed with the income from the Journal – how much is the total income for the journal versus what we get.
Answer: Society gets 65% of the profit and Sage gets 35%. \$450k guaranteed and sent as pre-payment; the remainder determined after sales for the year.

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- e. Question: With the journal income, is there opportunity to bring down the publication charges (for example open access charges)
Answer: we can have that brought up to the Executive Committee and Board for discussion. Note: members do get a discount in page charges and open access fees
 - f. Question: Is there any way the education courses can be free for younger attendees.
Answer: that is something we can discuss at the second board meeting – we might need to have a minimum charge.
 - g. Question: Can we have an Emeritus discount for attendees? A separate registration category for Emeritus members.
Answer: We can address this at the second board meeting.
 - h. Since these questions are about future expenses, not about the reports currently up for approval, we should defer them to the next board meeting. If you have any other ideas, please talk to a board member so it can be brought up. But all of these that have been brought up here will be discussed.
 - i. LaManna asked for a voice vote of approval with for the three motions as a group. All in favor: All. Any opposed: None. General Assembly approved all three motions.
4. Report of the Editors of the J CBFM (Mhairi Macrae & Martin Lauritzen)
- a. Lauritzen mentioned that the report is published on the website for any specific details needed (see Appendix). Review of changes: used journal development fund to decrease backlog, special publications to improve impact factor, etc.
 - b. Macrae spoke of the move to SAGE from NPG. Additional benefits include: use of development fund, reviewer benefits of 60 day access to Sage journals, journal is included in more bundles so access is great, a new/modern website, social media editors from Sage, support for symposium at this meeting of authors with high cites.
 - c. Herscovitch made a formal announcement of Chen as the new Editor-in-Chief. Explained the process the Publications Committee used to narrow candidates and ultimately make the decision. Congratulations and applause followed.
 - d. Herscovitch thanked the outgoing Editors – applause followed.
5. Thanks to retiring Board Members and Officers (Peter Herscovitch)

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- a. Closing remarks made by Herscovitch. Thank you to – Chen/LaManna (outgoing officers). Edith Hamel for wisdom sharing as Past President. Committee Chairs – (Ed, Program, Membership, Pubs, ECI).
6. Proposal to hold the next ISCBFM General Assembly in Yokahama in 2019 (Peter Herscovitch)
 - a. Peter mentioned the dates are Jul 4-7, 2018. LaManna asked for a voice vote of approval. All in favor: All. Any opposed: None. General Assembly approved the next General Assembly meeting.
7. Welcome of the new President Eng Lo and transfer of the gavel (Peter Herscovitch)
 - a. Herscovitch initiated the ceremonial transfer of gavel to Lo. Applauds followed. Lo thanked Herscovitch, LaManna, and all. Applauds followed.

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2017 ELECTION RESULTS

2017-2019 President Elect

Customer ID	Display Name	First Name	Last Name	Employer Name	State Code	Country Name
1209217	Hiroyuki Kinouchi, MD, PhD	Hiroyuki	Kinouchi	University of Yamanashi-Natl University Corporation		Japan

2017-2019 Secretary

Customer ID	Display Name	First Name	Last Name	Employer Name	State Code	Country Name
1209175	Nicolas P. Blondeau	Nicolas	Blondeau	C.N.R.S - Centre National De La Recherche Scientifique		France

2017-2021 Board of Directors

Customer ID	Display Name	First Name	Last Name	Employer Name	State Code	Country Name
1209049	Kazuto Masamoto, PhD.	Kazuto	Masamoto	University of Electro-Communications		Japan
1209208	Hideaki Hara	Hideaki	Hara	Gifu Pharmaceutical University, Molecular Pharmacology		Japan
1212235	Christoph Harms, MD	Christoph	Harms	Charite University Medicine Berlin		Germany
1209205	Helene Girouard, PhD	Helene	Girouard	University of Montreal	QC	Canada
1209274	Raghu Vemuganti, PhD	Raghu	Vemuganti	University of Wisconsin-Madison	WI	USA
1208844	Doris J. Doudet	Doris	Doudet	University of British Columbia	BC	Canada

2017-2019 Replacement - Board of Directors

Customer ID	Display Name	First Name	Last Name	Employer Name	State Code	Country Name
1209411	Yongting Wang	Yongting	Wang	Shanghai Jiao Tong University		China



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Treasurer's Report to ISCBFM Board of Directors
April 1, 2017; Berlin, Germany

By Dr. Jun Chen

Treasurer's role

I took the position as the Treasurer of the ISCBFM in May 2013. My role has been overseeing all financial transactions within the Society. Closely working with Graystone Consulting/Morgan Stanley, an investment consulting service located in the Washington D.C. metropolitan area, I oversee all Society's investment activities and fund transactions between the NPG or SAGE and Graystone Consulting, and between Graystone Consulting and our Society's accounting office at FASEB. I also oversee all expenses paid out by our Society's accounting office.

Assistant Treasurer

In 2010, bylaws were amended to add the position of Assistant Treasurer, to facilitate the transfer of financial responsibilities at the end of the Treasurer's term and to have the Treasurer's term match that of the other officers. The next Treasurer-elect became Assistant Treasurer at the end of BRAIN15 and will become Treasurer at the end of BRAIN17.

Management of Assets in the U.S.

In February 2010 during the tenure of the former Treasurer, all assets had been transferred from Germany to Morgan Stanley Smith Barney in the US. This was to avoid the inconvenience and potential financial loss associated with liquidation of assets, foreign currency exchange, and difficulty in understanding our accounts by the tax authorities in the U.S. where the ISCBFM is incorporated. It has been suggested that in long term regardless of where the Treasurer lives, assets remain in the U.S.

Audit by the IRS and tax returns

In May 2011, we received notice that the ISCBFM would be audited by the United States tax authority, the Internal Revenue Service (IRS) for calendar year 2008. This was apparently prompted by the fact that the IRS was auditing non-profit corporations with foreign assets (we had our accounts in Germany in 2008). The audit was in the IRS offices in Washington DC. We were reviewed not only for our finances but also for our operations as a non-profit society incorporated in the U.S., including confirmation of tax-exempt status; confirmation of our non-profit educational and scientific mission; operation of the Board; bylaws, motions, minutes and record keeping; relationship with the JCBF&M, and payments to non-U.S. entities. The audit resulted in only minor suggestions for improvement. However, we must be sure to continue to follow best practices for a non-profit, tax-exempt corporation in the U.S.

Osterman, Pollack & Moses, LLC has been hired to conduct the audit and tax return preparation for our Society, and the FASEB office and I assisted in the preparation of 2013-2016 tax returns; the most recent one is included in this report as Appendix I.

Society Management Services Contract

FASEB took over our affairs in the summer of 2012. It supports the Secretary (membership database, dues collection, web site, elections) and the Treasurer. It provides financial services including maintaining a cash account, bill payment, and preparation of our annual financial statements. It will hold our official documents and advise us with regard to best practices for a non-profit corporation. Our overall cost for Society management services was \$42,570 for 2016.

Switch of Publisher and The Financial Aspects

On January 1, 2016, SAGE became the new publisher for our Society journal, *JCBFM*. The contract is a 5-year term (1/1/2016-12/31/2020). The main financial obligations are as follow:

- SAGE pays a guaranteed minimum sum of USD \$450,000/year to the Society as the shared profits from the Journal (65% of all profits to the Society), including Subscription sales, Consortia sales, Backfile sales, Licensing, Commercial sales, Page charges, APCs, and other sales.
- SAGE pays an honorarium to the Journal editor(s) on a yearly basis.
- SAGE provides a **Journal Development Fund** of USD \$250,000 to be used by the Publications Committee and Editor(s) to fund activities and projects that support the development of the Journal.

Financial Statements

Our financial statements for 2015 and 2016 are included as appendices. A summary of our finances in the last 4 years are as follows:

Total assets at end-of-year:

2013	\$4,073,283
2014	\$4,341,642
2015	\$4,697,474
2016	\$5,100,025

Main sources of income in 2014

1. JCBFM profit share from NPG (\$470,841)
2. Income from investments (\$160,179)
3. Membership dues (\$18,500)

Main sources of income in 2015

1. JCBFM profit share from NPG (\$447,990)
2. Income from investments (\$173,978.45)
3. Membership dues (\$21,075.22)

Main sources of income in 2016

1. JCBFM profit share from SAGE (\$449,982 in advance + royalties \$78,089 3/28/2017)

2. Income from investments (\$142,910.20)
3. Membership dues (\$21,086.78)

Main sources of income in 2017

1. JCBFM profit share from SAGE (\$449,982, received on 2/3/2017)
2. Investment returns (\$) 108,349.78 (quarter to date 12/31/2016-02/28/2017)
3. Membership dues (\$) current membership rate \$80/2 years

Main expenses

1. BRAIN meeting (currently ~\$170,000 for BRAIN17; odd years)
2. Society management services (Total \$42,570/year, including membership/database services \$14,900/year, management services \$16,200/year, accounting services \$7,750/year)
3. Editorial office support for JCBFM (80,000 Euro/year)
4. Member subscriptions for JCBFM (\$50,000/year; online subscriptions for 2,000 members)
5. Graystone Consulting/Morgan Stanley, Investment Advisory Fees (~\$30,000/year)
6. Osterman, Pollack & Moses, LLC, Audit and Tax Preparation fees (~\$10,800/year)

Investment Policy

In 2009, an investment policy was developed; it was approved by the Board in Chicago at BRAIN09. The policy guides how our assets are allocated among various accounts. It includes an operating and contingency fund that is used to pay ongoing expenses and to meet any unexpected cash flow needs estimated over a 3-year period, and a long-term reserve fund consisting of a blend of investments.

The investment policy was re-approved in 2011, but should be reviewed annually. Because of the growth in cash in our operating and contingency fund, it currently exceeds the amount needed to pay ongoing expenses and to meet any unexpected cash flow needs, and our return is very low. Therefore our banker recommended amending our investment policy as follows:

- increase the amount of assets held in the long term reserve fund from 60% to 70% (range 60-80%), and modify the asset allocation targets to 55% equities/43% fixed income/2% cash. These changes were implemented in 2013.

The current operating and contingency fund consists of approximately 30% of our assets, and is made up of a money market cash fund and a series of CDs with 2-year terms and laddered maturities every 3 months. The long term reserve fund target is 70% of assets, with a modest level of investment risk as decided by the Board in 2009, 2011, 2013 and 2015. The target mix of assets in this fund is currently (12/31/2016) 41.64% equities, 50.75% fixed income, and 2.42% cash.

Performance of the long-term reserve fund has been as follows (% net return):

Last 5 years (12/31/2011-12/31/2016):	5.3%
Calendar year 2016 (12/31/2015-12/31/2016):	7.96%
1 st quarter 2017:	3.1%

The dollar amounts since 12/31/2011:

Beginning value:	\$1,879,923.63
Contributions:	\$972,031.59
Current value (12/31/2016)	\$3,486,919.43
Total returns:	\$634,964.21

BRAIN Meetings

The Brain Conference is a signature program of the Society. A conference management contract was signed between Kenes and the Society in November 2009, which granted the right for Kenes to manage Brain 2011, Brain 2013, and Brain 2015. Financially, the contract favors both the Society and organizers, as the contractor carries the financial risk of a deficit; however, it has resulted in difficult discussions regarding the meeting budget between the contractor and the Society or organizers.

As approved by the Board, Brain 2017 is managed by Germany-based contractor. The conference management contract for Brain 2017 was signed, in which the contractor carries the financial risk of a deficit.

The current policy of the Society is not planning for a profit from meetings. Indeed, the Society has continued to increase financial support to maintain meeting quality. Approximately \$135,000 was spent to support Brain 2013; approximately \$170,000 was used to support Brain 2015; and approximately \$210,000 will be used to support Brain 2017.