

THE BULLETIN



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1ST QUARTER 2017

A Message from the Director

Your Board of Directors held the 2017 1st Quarter Board Meeting on Thursday, March 16th. The primary focus of the Q1 Board meeting is a financial review of 2016 results. The Board received a report on 2016 portfolio performance from Mac Carroll in IP's Stamford office. The Society's investments are split between stocks and bonds. The portfolio earned a combined return of 8%. The portfolio's 3 year and 5 year returns average 4.7% and 8.3% respectively. These returns allow the Society to remain in a good financial position to support the Mission of helping members in financial need. Administrative expenses were 2% under budget in 2016. Chapter financial grant activity in 2016 reflected 91 grants totaling \$107,503. This represents a 12% increase in number of grants and a 39% increase in dollars relative to 2015. 83% of the grants made in 2016 went to retirees, 9% to active employees and 8% to dependents of QCS members. 22 Chapters participated in the grant process, an increase over 2015 and a focus area for the Board. Riverdale, Mobile, Franklin and Ticonderoga were the most active in grant administration. North American QCS membership totals 45,454, an increase of 3.8% over 2015. 14,317 members or 31.5% are aligned with the current Chapter network. 73% of our Chapter members are retired. On a sad note we lost 849 members in 2016. Efforts remain underway to increase the number of Chapters based on targeted facilities and regional areas with a high number of members, active and retired. Local Chapter activity drives the Society's ability to identify and reach QCS members in financial need.

The 1st Quarter Meeting agenda also focused on the continuing effort to expand the current Chapter network. As noted, only 31.5% of North American members are aligned with an existing Chapter. The Board is focused on five facilities, four mills and one converting operation, for Chapter consideration. QCS member density analysis has been completed on regional areas that represent opportunities for Chapter consideration. Wisconsin has been identified as a prime candidate for a regional pilot model. The Board is also working to define an organization model based on the regional network of converting facilities. Both approaches represent a departure from the traditional facility based focus for Chapter organization. This remains a key initiative for 2017.

The Board effort to review and identify requirements to update QCS Constitution language remains underway.

OUR MISSION STATEMENT

The Society's purpose is to provide financial aid quickly and confidentially to and for the benefit of a member or a deceased member's surviving eligible dependent who is in need of financial assistance in the face of misfortune or emergency.

A Message from the Director (Continued)

In late 2016 the Board chartered an effort to analyze Chapter financial grant activity focused on a break down of grant amounts. The average 2016 grant was \$1,181. The objective was to understand how grant amounts break down based on frequency in an effort to address grant investigation documentation. Chapters own the investigation process and the end result is to simplify and standardize the documentation process based on a defined grant amount. This analysis has been completed and suggests focusing on grants in excess of \$2,500 will address 50% of grants made. Work is underway with select Chapters to address standardizing documentation.

The QCS Board of Director's priorities for 2017/2018 include the following:

- Develop Organization Model for a Regional Chapter
- Finalize a Converting Network Chapter Proposal
- Standardize the Grant Management Process
- Update the QCS Constitution As Needed
- Support Chapter Leadership Succession Planning
- Streamline Financial Reporting

The Board extends appreciation to all Chapter leadership teams for their continued commitment to the QCS Mission. Grant activity continues to increase as a direct result of Chapter efforts. Your hard work and dedication remain the key to realizing the QCS Mission: Identifying and confidentially supporting QCS members in dire financial need. Thank you!

Bill Wilson

Executive Director

The Quarter Century Society, Inc.
Historical Flashback
(Direct Reprint From QCS Archives)

In January, 1898, the International Paper Company opened its first headquarters in the Johnson Building at 30 Broad Street, New York. Right after New Year's Day, in 1923, Ambrose H. White, Chief Engineer of the company, entered the office of Chester W. Lyman, Vice President and Manager of Sales at the same location, and said: "Chester, it's just twenty-five years since International Paper was organized. Why not do something about it?" They summoned Owen Shepherd, Treasurer of the Company, and, after a short discussion, "Shep" agreed that there should be a real celebration.

On January 11, 1923, a meeting of employees, who had been with International for twenty-five years, resulted in the forming of a permanent organization, called the Quarter Century Society. At the meeting, with Alice M. Snyder acting as Secretary, the officers and Executive Committee for the year 1923 were elected.

On January 31, 1923, a banquet to commemorate the "silver anniversary" of International Paper Company, was held at the Vanderbilt Hotel, New York City, under the auspices of the newly formed Society. President P.T. Dodge and all of the officers of International, many of its directors and nearly everybody from the New York Office and all the mill managers and their wives were present. There were many speeches and much enthusiastic singing and dancing. Everybody had a glorious time.

Similar gatherings of employees and mill managers were held in 1924, 1925, 1926 and 1928. Bill and Jimmy Murray, Charley Walker, Willie Grant, of Batiscan, Province of Quebec, and many others "pried off the lid" with their songs and good humored antics. "Alouette" was led by Willie Grant with most of the gang vainly trying to sing in French. "The International Paper Monthly" the company magazine (started by President Dodge in 1924, but discontinued four years later) printed glowing accounts of these "get togethers."

Source: Quarter Century Society archive files

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IP Recognized Among Most Admired Companies

International Paper announced that it has been named again by FORTUNE magazine as one of the "World's Most Admired Companies." Our company has earned this recognition fourteen times in the last fifteen years based on scores achieved in the following categories: ability to attract and retain talented people; quality of leadership; social responsibility to the community and the environment; innovativeness; quality of products or services; wise use of company assets; financial soundness; long-term investment value; and effectiveness in doing business globally. "Our vision is to be among the most successful, sustainable and responsible companies in the world," said Mark Sutton, chairman and chief executive officer. "Our 55,000 team members are committed to doing the right things, in the right ways, for the right reasons, all of the time. Congratulations to our global IP family for achieving this well-deserved recognition."

Chapter Reporting Requirements

The following represents the reporting required from each Chapter on an annual basis:

- 6 Month Chapter Activity Report
 - January – June July 31st
 - July – December February 15th
- 1099 Form (Grants over \$599) January 15th
- Annual Audit Report March 15th

All Chapters receive a timely request for their 6 Month Activity Report, 1099 Form report and Annual Audit Report. The Executive Director remains available to support any Chapter as they complete the required reporting.

1st & 2nd Quarter 2017 Calendar

2016 Chapter Audits	March 15 th
Chapter Funding	April 15 th
Q2 Board Meeting	June 22 nd

- A good heart is better than all the heads in the world.
- The journey of 1,000 miles starts with a single step. It is also how the journey to nowhere begins. Action without direction rarely leads to progress.