

# THE BULLETIN



VOLUME 13 ISSUE 1

1ST QUARTER 2019

## A Message from the Director

Your Board of Directors held the 2019 1st Quarter Board Meeting on Thursday, March 21st. The primary focus of the Q1 Board meeting is always a review of prior year financial results. The Board received a report on 2018 portfolio performance from Mac Carroll and Carol Tusch in IP's Stamford office. The Society's investments are equally split between stocks and bonds. The portfolio earned a combined return of -4.3%. The portfolio's 3, 5 and 10 year returns average 4.6% and 7.0% and 7.9% respectively. Returns through February, 2019 have averaged 7%. These portfolio returns allow the Society to remain in a good financial position to support the Mission of helping members in financial need. Administrative expenses were under budget in 2018.

Chapter financial grant activity in 2018 reflected 56 grants totaling \$88,853. This represents a 37% reduction in the number of grants and a \$62,156 decrease in dollars relative to 2017. However, tropical storm Harvey drove 22 grants from the Orange Chapter in 2017. 79% of the grants made in 2018 went to retirees, 7% to active employees and 14% to dependents of QCS members. 15 Chapters participated in the grant process, down from 16 Chapters in 2017. This trend is a focus area for the Board. The Ticonderoga, Mobile, Franklin, Riverdale and Pensacola Chapter's were the most active Chapters in 2018 grant administration. These five Chapters made 30 grants totaling \$65,139 representing 73% of the total. One area of continued concern is the fact nine Chapters have not participated in the grant process for the past 5 years. One factor is low membership at some of those Chapters but the Board will work to ensure this failure is not due to lack of awareness of the grant process. Local chapter leadership teams play a critical role in this process.

North American QCS membership totals 43,108, a small decrease over 2017. The decrease is the result of improved database information. We lost 940 members in 2018 and 765 new members will be added in 2019. 13,657 members or 32% are aligned with the current Chapter network. 75% of our Chapter members are retired. 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 32% of North American members are aligned with an existing Chapter.

## 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)

Member density analysis has been completed on regional areas that represent opportunities for Chapter consideration. Northern California is a prime candidate for a regional Chapter. Meetings with IP's North American Converting leadership indicate support is available for a pilot initiative. The Board is working to define the communication plan and organization model required to support a regional Chapter approach. The state and regional approach to a Chapter structure represent a departure from the traditional facility based focus for Chapter organization. This remains a key initiative for 2019.

The Board is working to improve the QCS website and SharePoint site. Mary Fortin and Brian Issing have taken the lead on this effort. Key document analysis is also underway in an effort to ensure consistency in language and process. This includes the effort to update QCS Constitution language.

The QCS Board of Director's priorities for 2019/2020 include the following:

- Develop and Pilot a Model for a Regional Chapter
- Formalize Chapter Leadership Succession Process
- Develop Best Practice Model - Grant Management
- Expand Member Contact Database
- Streamline Financial Reporting

The Board extends appreciation to all Chapter leadership teams for their continued commitment to the QCS Mission. Our Chapter leadership volunteers remain the key to realizing the QCS Mission: Identifying and confidentially supporting QCS members in dire financial need. Thank you for your dedication to the Quarter Century Society Mission!

Bill Wilson  
Executive Director

## 2019 World's Most Ethical Company

International Paper has been recognized by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, as one of the 2019 World's Most Ethical Companies.

International Paper has been recognized for thirteen consecutive years and is one of only two honorees in the forestry, paper and packaging industry, underscoring its commitment to leading with integrity and prioritizing ethical business practices. In 2019, 128 honorees were recognized spanning 21 countries and 50 industries. The thirteenth class of honorees illustrate how companies continue to be the driving force for improving communities, building capable and empowered workforces, and fostering corporate cultures focused on ethics with a strong sense of purpose.

"It is an honor once again to be included on this list and to be among companies whose principles and practices uphold the highest standards of ethics and corporate social responsibility," said Sharon Ryan, General Counsel and Corporate Secretary. "Our work does not stop inside International Paper; we expect our business partners to share our values and principles as described in our Supplier Code of Conduct. Throughout our global supply chains, we promote safe and healthy working conditions; high ethical standards; protection of human rights and dignity; responsible use of natural resources; and compliance with all applicable laws."

Scores are generated in five key categories: ethics and compliance program (35 percent), culture of ethics (20 percent), corporate citizenship and responsibility (20 percent), governance (15 percent) and leadership and reputation (10 percent). All companies that participate in the assessment process receive their scores, providing them with valuable insights into how they stack up against leading organizations.

### Q2 2019 Calendar

2nd Quarter Board Meeting

June 20th

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## The Quarter Century Society, Inc.

### Historical Flashback

#### (From QCS Archives)

In January, 1898 International Paper Company opened its first headquarters in the Johnson Building at 30 Broad Street, New York. In early 1923, Ambrose H. White, Chief Engineer of the company, Chester W. Lyman, Vice-President and Manager of Sales and Owen Shepard, Treasurer made the decision to call as many twenty-five year employees together as possible. A few days later the Quarter Century Society was born. Philip T. Dodge was President of International when the Society was born and took great interest in its welfare. To his efforts and cooperation, the Society owes a substantial part of its present resources. In 1926 a handsome donation of \$1,000 was left to the Society by the will of Chester W. Lyman.

### New Board Member Onboarding

The Board initiated a new process in 2019 to support new Board members. Mike Gorski and Fred Ellrich developed an "onboarding" process in an effort to accelerate the ramp up of new members. In most cases new members join the Board with limited exposure to QCS history and process. The onboarding session took place before the March 21<sup>st</sup> meeting and was facilitated by Mike. The session addressed current Board member experience and skill sets. A brief QCS history was provided as well as information on the Society's financial background and management process, the role of Chapter teams, key initiatives and challenges the Board is currently addressing. This will be an annual process scheduled to precede the 1<sup>st</sup> Quarter meeting every year.

### QCS Website

The Society QCS website can be accessed at <http://www.ipqcs.com>. You can update Bookmarks with <http://www.ipqcs.com>. You can also Google [ipqcs.com](http://www.ipqcs.com) and click the first item in the results.

### Food For Thought

- The greatest gap in life is the gap between knowing and doing.
- Most people fail by never starting.
- Money has yet to make anyone rich.