ANNUAL REPORT OF THE SOCIETY FOR 2010
DIRECTOR'S REPORT, SOCIETY AWARDS AND AUDITED FINANCIAL REPORT (2009)

Director's Report

Annual Meeting

SEPM held its Annual Meeting in New Orleans, LA jointly with A.A.P.G. Steve Driese turned the gavel over to the new President, Mitch Harris. Under the leadership of SEPM Vice-Chair Mike Blum and his committee, SEPM's sole and joint sessions accounted for about 44% of the oral presentations and 45% of the poster program. The SEPM Research Symposium for 2010 was "Autogenic and Allogenic Controls on Sedimentary Successions". At the business luncheon, Janok Bhattacharya gave his insights into "Death of a Sequence Boundary and Revelations from the Cretaceous Interior Seaway of North America". Then at the outgoing President's Reception Steve honored the society's 2010 medalists and the best journal papers, best poster, best oral presentation and student awardees. SEPM offered a full load of courses and trips. In 2010 two new Global Ambassadors were established, one for Brazil (Leonardo Borghi) and one for Germany (John Snedden).

SEPM Annual Meeting Committee

- **Mike Blum**, Vice-Chair for SEPM
- **John Suter**, Oral Session Chair
- **John Holbrook**, Poster Session Chair
- **Mark Kulp**, Field Trip Chair
- **Vitor Abreu**, Short Course Chair
- **Royhan Ghani**, Award Chair
- **Howard Harper**, Sponsorship Chairs

Short Courses & Field Trips

SEPM sponsored field trips and short courses at the Annual Meeting.

- SEPM Short Course: Sequence Stratigraphy for Graduate Students
- SEPM Short Course: 3-D Seismic Interpretation for Geologists
- SEPM Short Course: Deltas: Processes, Stratigraphy, and Reservoirs - Core Workshop
- SEPM Short Course: Evolution of Neogene Mixed Carbonate - Siliciclastic Systems
- SEPM Short Course: Sequence-stratigraphic analysis of shales: Key to paleoclimate archives, subsurface fluid flow, and hydrocarbon source, reservoir, and seal.
- SEPM Trip: Geology of Unconventional Gas Plays in the Southern Appalachians
- SEPM Trip: Geology of the Louisiana Coastal Zone: Implications for Coastal Management and Restoration
- SEPM Trip: Heterogeneity in oolitic, skeletal, and reefal systems: Insights from the Holocene of the Abacos, Bahamas
- SEPM Trip: Sedimentology and stratigraphy of shales: Expression and correlation of depositional sequences in the Devonian of Tennessee, Kentucky, and Indiana
- SEPM Trip: Fluvial-Deltaice-Submarine Fan Systems: Architecture and Reservoir characteristics in a convergent setting - Jackfork, Atoka and Hartshorne Formations, Arkansas.
- SEPM Trip: Subsidence and Sea-Level Rise in Coastal Louisiana

Journals

Both of our technical journals continued having excellent years. The Impact Factors for both journals increased again. The ***Journal of Sedimentary Research*** continues publishing top-quality papers under the guidance of the co-editors, Gene Rankey (University of Kansas) and Paul McCarthy (University of Alaska). ***PALAIOS*** under the continuing editorship of Steve Hasiotis and Edie Taylor at University of Kansas published more pages and decreased turn around time. With online science journal access being the preferred mode by many scientists and students, SEPM and its journals continued to play an important role, as a founder and current board member of the geoscience online journal aggregate, GeoScienceWorld (GSW), which continues to thrive. *JSR* is part of the GSW and AAPG-Datapages, while *PALAIOS* is part of GSW, BioOne and JSTOR online aggregates.

The Sedimentary Record, the full color member magazine, is now in its eigth year, under the new editorship team of Ruarri Day-Stirrat, Xavier Janson and Wayne Wright, all of the Bureau of Economic Geology, Texas. The SedRec has continued publishing a current, interesting science article as well as giving members up to date information concerning the world of sedimentary geology. The Sedimentary Geology Division of GSA, continues to publish its newsletter

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section twice a year as part of this magazine in the March and September issues to better communicate to the wider sedimentary geology community.

Special Publications

Under the co-editorship of Gary Nichols, Don McNeill and Don's replacement, Brian Ricketts, the special publications of SEPM continue to produce top of the line products. In 2009, a total of five new books are either now out or planned to be published and the pipeline of future books continues to be well filled. SEPM has now instituted an online submission and review process similar to the journals for our books. This should help to reduce the time needed to take a book from idea to publication. The system being used is Allen Track, which is the same system used for both journals.

One of the biggest accomplishments this year was the digitization and CD production of essentially all of our past book publications, which includes some 150 books. This project, begun in 2007, was funded by contributions by the SEPM Foundation, Marta Weeks, Chevron, Shell and ConocoPhillips. The first of the books on CD were available earlier this year and all of them were for sale at the June Annual Meeting. Finally, all of the books published in 2005 and before were made available, chapter by chapter, online. Although some of the chapter files had to be down sampled for online access (compared to full resolution on the CDs), the online access has proven very popular with the membership. All members were given free access from the launch in May until the end of 2010. Thereafter, access to the online book archive will be a subscription option similar to the online journal subscriptions. 2010 also saw the publication of CSP #9 on sequence stratigraphy. This book was developed over a ten year period, while Vitor Abreu and others taught the very popular short course on sequence stratigraphy.

New books published in 2010 were:

- ***SP #94* - Application of Modern Stratigraphic Techniques**. Edited by Kenneth Ratcliffe and Brian Zaitlin
- ***Short Course Notes #54* - Delineating and Quantifying Depositional Facies Patterns of Modern Carbonate Sand Deposits on Great Bahama Bank**, Edited by Paul Harris, James Ellis and Samuel Purkis.
- ***CSP #9* - Sequence Stratigraphy of Siliciclastic Systems - The ExxonMobil Methodology: Atlas of Exercises**. Edited by Vitor Abreu, Jack E. Neal, Kevin M. Bohacs, and James L. Kalbas
- ***SP #95* - Cenozoic Carbonate Systems of Australasia**. Edited by William A. Morgan, Annette D. George, Paul M. (Mitch) Harris, Julie A. Kupecz, and J.F. (Rick) Sarg

Research Conferences

In 2010, SEPM held two research conferences, both of which were very successful and summaries can be seen on the SEPM website (www.sepm.org). One of the conferences was held in Denver and the other was held at the Petrified Forest National Park. The schedule for 2011 looks to include two to three conferences with potential meetings in London (with GSL), California and Nova Scotia. A 2011 planned meeting in Mexico was postponed due to travel issues.

2010 Reserach Conferences were:

- ***Microbial Mats and Sediments***, May 21-23, 2010, Denver, CO.
- ***Paleosols and Surface System Analogs***, September 21-26, 2010, Petrified National Park, Holbrook, AZ

Additionally, SEPM co-sponsored scientific meetings in China and India, under the leadership of SEPM's Global Ambassadors in those countries, joining with the local sedimentary geology societies there. Results of these meetings can be viewed at www.sepm.org.

Collaborations (AAPG, AGI, GSL, GSA, ANAPS, NACSN and IUGS)

In 2010, SEPM continued its long tradition of holding the SEPM Annual Meeting in conjunction with AAPG and helping provide an excellent technical program with the volunteer work of the SEPM members on the Local Convention Committee. We co-sponsored a student field trip with AAPG. SEPM continues to work with AAPG, GSA, GSL, SEPM Sections, and our Global Ambassadors to produce jointly sponsored conferences and publications where applicable. SEPM remains an official member of the American Geological Insitute (AGI), the North American Commission on Stratigraphic Nomenclature (NACSN), the Association of North American Paleontological Societies (ANAPS), as well as an associated society with the International Union of Geologic Societies (IUGS).

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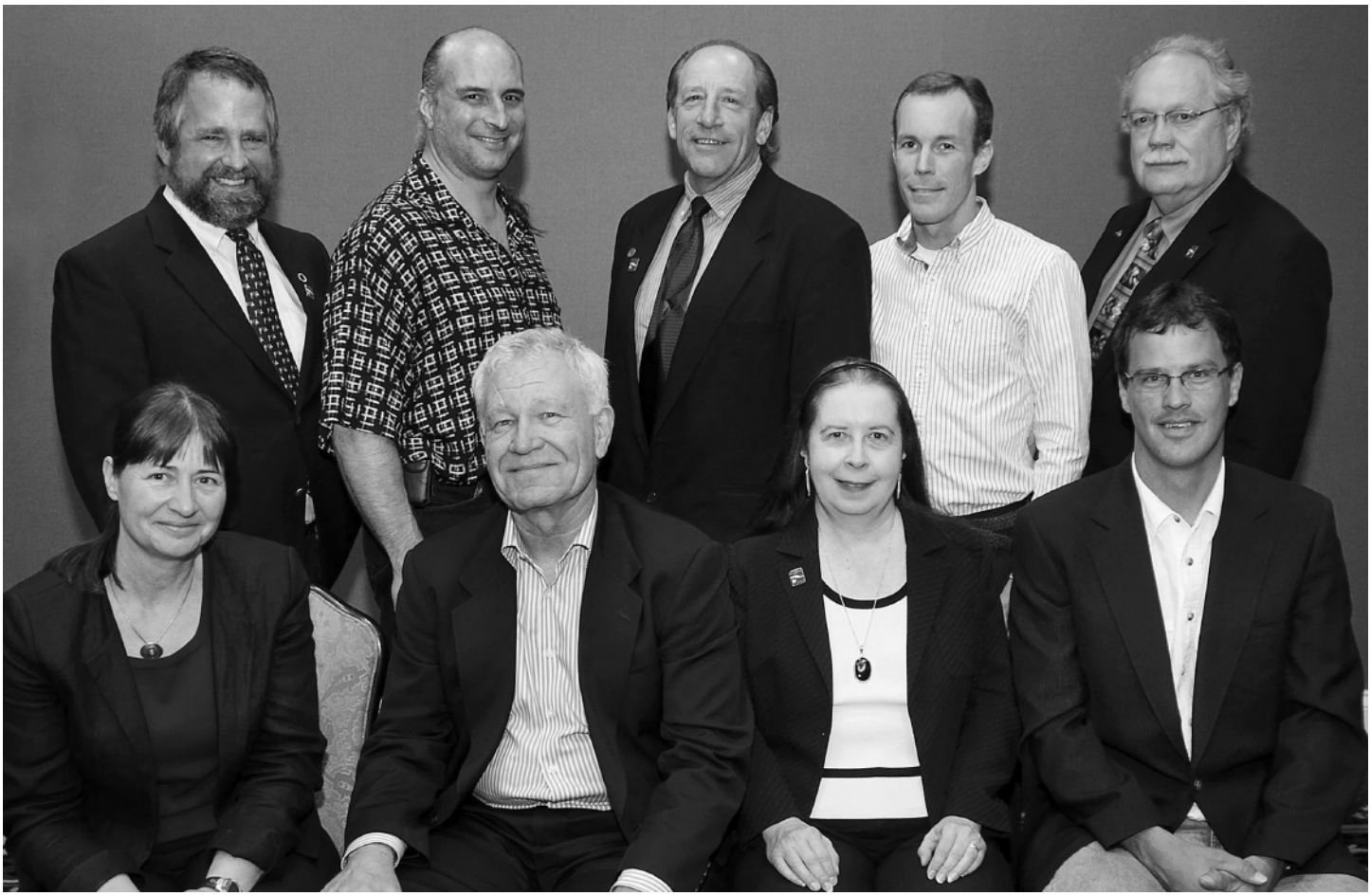

SEPM 2010 – 2011 Council
Back row: Sam Bentley, Steve Hasiotis, Evan Franseen, Paul McCarthy and Tim Carr
Front row: Diane Kamola, Paul (Mitch) Harris, Nancy Engelhardt-Moore and Gene Rankey
(not pictured: Chris Fielding, Maria Mutti, Edith Taylor, Gary Nichols and Brian Ricketts)

TABLE 1.–*Membership Statistics*

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
SEPM MEMBERSHIP											
Members	4,625	4,597	4,299	4,156	3,790	3,521	3,504	3,399	3,422	3,475	3,457
Nondues Paying Members	261	200	192	265	205	332	345	402	194	105	147
	4,886	4,797	4,491	4,421	3,995	3,853	3,849	3,802	3,616	3,580	3,604
PALAIOS MAILING LIST											
SEPM Members & Honorary (Regular)	992	937	906	810	812	807	848	830	775	894	903
SEPM Members (Students)	148	169	149	109	138	142	481	523	468	490	595
Subscribers	447	430	456	494	509	435	386	312	278	247	221
	1,587	1,536	1,511	1,413	1,459	1,384	1,715	1,665	1,521	1,631	1,719
Journal of Sedimentary Research MAILING LIST											
SEPM Members & Honorary (Regular)	2,959	2,859	2,569	2,107	2,175	2,112	2,261	2,191	2,083	2,119	2,085
SEPM Members (Students)	397	422	268	253	298	277	587	571	501	514	620
Subscribers	1,204	1,176	1,176	1,122	1,073	1,022	988	882	817	768	715
	4,560	4,457	4,013	3,482	3,546	3,411	3,836	3,644	3,401	3,401	3,420
NEW MEMBER INFORMATION											
Applications Completed	198	236	181	229	296	294	320	302	293	299	407
Reinstatements	16	15	12	10	8	20	25	20	25	22	14
Transfers	-	-	-	-	-	-	-	-	-	-	-
Resigned	34	29	14	15	45	30	15	28	10	8	4
Deceased	15	16	5	4	5	15	7	12	5	6	7
Dropped for non-payment of dues	281	236	306	713	294	336	387	495	380	408	448

Society Awards

Shanan Peters accepts the James Lee Wilson Award
from President Steve Driese

James Lee Wilson Award
For Excellence in Sedimentary Geology Research by a Young Scientist
Shanan E. Peters

Shanan's passion for geology began during his youth in southeastern Ohio, where he was an avid collector of rocks and fossils. From the start Shanan's approach was more organized than most, resulting in the assembly of a veritable museum of geology and paleontology in his uncle's basement. Shanan received his B.S. from Denison University in 1998, after conducting undergraduate research that resulted in three journal publications.

Shanan received his Ph.D. in 2003 from the University of Chicago, working with Michael Foote on a field-based analysis of community-level paleoecology during the Cambrian and Ordovician radiation. His broad interest in rocks in the field led him to also begin investigating a difficult but fundamental question: are the patterns of taxonomic diversity and extinction seen in the fossil record determined biologically, by paleoenvironmental factors, or by the variable and incomplete nature of the stratigraphic record? Later as a Visiting Assistant Professor and Michigan Society Fellow at the University of Michigan, Shanan invented a rigorous new quantitative approach called macrostratigraphy to help investigate this question. He concluded that changes in the fossil record and in the rock record are both driven by a common set of forcing mechanisms, such as sea level change (the "common cause" hypothesis). Recently Shanan has incorporated macrostratigraphy as the paradigm for an online database of North American stratigraphy, that is intended to serve as a community resource.

Since 2007, Shanan has been an Assistant Professor at the University of Wisconsin, where he has pursued an impressive variety of new collaborative research projects. These include work on the relationship of Eocene sequence stratigraphy and sea level changes to the taphonomy of early whales and the glaciation of Antarctica, the spatial and temporal distribution of Mesozoic and Cenozoic deposits in the deep ocean, the macrostratigraphy of lake deposits of the Eocene Green River Formation, and several others. Shanan's contributions are helping to revitalize a traditionally strong Wisconsin program that has roots going back to William Twenhofel. More broadly, he is a uniquely creative young scientist who is helping to lead sedimentary geology in exciting new directions.

Biographer: Alan Carroll

Citation: In recognition of Prof. Shanan E. Peters contributions to rigorous quantitative evaluation of the relationships between stratigraphy, biotic diversity, and forcing mechanisms such as climate and sea level change.

Reply from Shanan E. Peters

I would like express my sincere thanks to the Society for this honor. I never had the privilege of meeting Dr. James Lee Wilson, but as often happens, our paths cross academically. Dr. Wilson retired as a Distinguished Professor from the University of Michigan in 1986, and seventeen years later I joined his department as a Michigan Society Fellow. Based on what I've heard from former students and friends over the past few days, I can only hope that my career will one day be as well remembered as Dr. Wilson's.

I do not have much to say about my career right now - it is far too early to tell what will become of it - but I have been interested in geology and paleontology for as long as I can remember. For most of my life, the thrills of personal discovery and understanding have been at the center of what I value about our science. I am, of course, still excited and passionate in this same child-like way and I'm very lucky to be following a life-long dream, and to be doing so in a field that is vibrant and only becoming more relevant. But I am now starting to realize that there is much more to it than the depth of my own comprehension, or how many papers I publish, or whether this macrostratigraphy business amounts to anything at all (I'm pretty sure that it will!). Instead, what is making this pursuit most rewarding and gratifying is you, the amazing people all around me who share my passions and who encourage and are sometimes encouraged by them. I am incredibly lucky to have had a constant stream of mentors; my uncle, my mother, and my grandmother, who planted the seeds of my early interest; my undergraduate mentor Ken Bork, and my graduate advisor Michael Foote, who challenged me at every turn. Equally important are those informal mentors, Bruce Wilkinson, Philip Gingerich and others who have supported me and who have generously given me more opportunities - both personal and professional - than I deserve. It's hard to imagine where I would be without all of them in my work and life.

And now I am at Wisconsin. And now I am teaching and beginning to take on the role of mentor for a new generation of students. I'm experiencing for the first time the joy that inspiring minds and making life-long connections can bring. And so I thank you, friends and colleagues, mentors and fellow students, for this honor.

Society Awards

Rick Sarg accepts the Honorary Membership Award
from President Steve Driese

Honorary Membership Award
For contributions to the science and SEPM
J. F. (Rick) Sarg

Honorary Membership in SEPM for Rick Sarg recognizes his sustained and outstanding service and leadership to the Society, technical publications in carbonate and siliciclastic sedimentology and reservoir analysis. His contributions in the area of carbonate sequence stratigraphy, in particular, have greatly advanced our science.

Rick has served SEPM as Secretary/Treasurer in 1998-2000 and President-elect and then President in 2003-05. A memorable presidential column in the Sedimentary Record was Rick's article called “Readers of the Rocks” which emphasized the importance of field work for sedimentary geologists (September, 2004). An SEPM member since 1971, Rick also served on numerous committees addressing continuing education and officer nominations. He recently helped lead the successful 2009 AAPG annual meeting in Denver where he was SEPM Oral Program Chair. He is life member of the Permian Section of SEPM, having served as their Vice President and won the Best Paper Award at the SEPM Mid-Year Meeting in San Jose CA in 1984.

In terms of scientific impact, Rick has made many technical contributions, including his ground-breaking paper in SEPM Special Publication 42 which set the foundation for carbonate sequence stratigraphy. It reflects both his work at Exxon Production Research as well as his years of field work in the Permian Basin for which is he well-known and respected. Rick has worldwide experience in integrated seismic-well-outcrop interpretation of siliciclastic and carbonate systems as demonstrated by a long list of publications on the subject matter. He has been a valued mentor to a long list of both students and industry professionals. Rick co-edited three major SEPM and AAPG special publications, as well as leading many popular field trips. His scholarly work has also been recognized by other organizations including being named a GSA Fellow and AAPG Distinguished Lecturer.

Currently, Rick is research professor at the Department of Geology and Geological Engineering at the Colorado School of Mines where he leads and contributes to industry and government-supported projects ranging from unconventional resources to carbonate fracture heterogeneity. His technical leadership and mentoring skills were developed through a variety assignments at Exxon, Mobil, and ExxonMobil where he retired as global Coordinator of Stratigraphy. The development of a well-respected guild of 150 sedimentologists and stratigraphers at ExxonMobil was due in large part to his leadership and vision. He is known for his wise council and advisory support of numerous academic departments and projects, ranging from the Ocean Drilling Program to the National Center for Earth Dynamics.

Of course, Rick Sarg's society service and scientific contributions would not have attained their breadth and depth without the loving support of his wife, Ann, and sons Bryan and Kevin.

Biographer: John W. Snedden

Citation: For sustained service to SEPM as an outstanding leader, producer of scholarly works, wise council and inspired mentoring.

Reply from Rick Sarg

Receiving honorary membership in SEPM is very special to me. SEPM has provided a “science home” for many of us sedimentary geologists, and has always been my science community. I want to thank the nominating committee for selecting me and Council for their support. Special appreciation goes to John Snedden for his gracious citation. For much of my SEPM history, I was employed by ExxonMobil or its heritage companies, and they always supported the time spent and the cost of my Society activities, and I would like to thank them as well.

I joined SEPM in 1970, as a new graduate student. It was a great deal then for a student, and it still is today. As a graduate student at Madison, I was fortunate to work under SEPM giants, Lloyd Pray and Bob Dott, both Twenhofel Medalists, and they always stressed the importance of active participation in SEPM. To many of us, SEPM is sedimentary geology, and through its' activities the Society has provided a forum for scientific exchange, and most importantly has provided an environment for the testing and vetting of new ideas across the spectrum of sedimentary geology, especially in the fields of stratigraphy and sedimentology. SEPM was and is the community where all of us have felt welcome to express ourselves, even when we might be considered on the “lunatic fringe” of our science. There is a special acceptance and pride in the growth of young scientists, and I certainly benefited from that.

For all my activities in SEPM, I would like to single out my times as Secretary-Treasurer, and President. Both were two of the most rewarding experiences in my career. I had the opportunity to work with SEPM staff in Tulsa, and I can testify to their dedication to SEPM members. My time as Secretary-Treasurer was a time of some turmoil in the Society, and the HBC, of which I was a member, was deeply involved in helping SEPM through a transition to sound financial footing and to Howard's directorship. I came to learn the dedication of SEPM members like Gordon Fielder, John Armentrout, and Rod Tillman, amongst others, who freely gave their time and energy to make sure SEPM remained strong and vibrant. Based on my earlier experience as Treasurer, Howard will “fondly” remember my time as President for the diligent application of the principle that “optimism in budgeting is never rewarded”. During this time as President, I saw the Society make the transition to the

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digital age, no mean feat for us paper addicted members. The success of this effort, led by Howard and the headquarters staff, can be seen in our stable finances, an increase in citations, and most importantly the maintenance of our high standards of scientific publishing. One of the great pleasures of my time as President was seeing the willingness of SEPM members to help the Society. Whenever I needed to ask for volunteers, I was never refused.

I would like to finish with a word of encouragement. Volunteering your time and expertise to SEPM will reward you beyond your expectations. I would like to encourage you all to participate, to keep the Society the leading sedimentary geology society in the world. Thank you again for this very special award.

David Piper accepts the Francis P. Shepard Medal
from President Steve Driese

Francis P. Shepard Medal
For Sustained Excellence in Marine Geology
David J. W. Piper

David Piper has been a central figure in the field of deep-water sedimentology since the 1970's. His research has significantly advanced understanding of triggering processes for submarine gravity flows, criteria for the distinction of turbidites from contourites along continental margins, and the correspondence between deep-marine facies at outcrop and the acoustic facies of modern submarine fans. He has also made fundamental contributions to the stratigraphy and Quaternary development of the eastern Canadian continental margin and parts of the Mediterranean Sea.

Piper has authored and co-authored approximately 250 articles, mostly in the realm of marine geology, but extending into fields like tectonics and igneous petrology. His research footprint is exceptionally broad; for example, he has played a leading role in collecting and interpreting comprehensive marine datasets from the 1929 Grand Banks landslide area (Laurentian Fan), the submarine fans of the California Borderland (with long-time collaborator Bill Normark), the Var Fan, and the Amazon Fan. His papers feature elegant diagrams that simplify complex relationships for the reader and students. The hallmarks of Piper's contributions are precision in observation, intimate knowledge of the discipline, and clearly argued interpretations and conclusions. In the context of this award, one supporter offered perhaps the highest praise of all: "were [Francis] Shepard still with us, he would read Piper's papers".

David grew up in England and was educated at Cambridge University before coming to Canada in 1972 (first employed by Nova Scotia's Dalhousie University and then the Geological Survey of Canada). As a visiting student at Scripps Institution in 1967-68, he developed a strong mentor-student relationship with Francis Shepard - Piper describes himself as the "last graduate student" of Shepard. This experience cemented Piper's enthusiasm for marine sedimentology. Like Shepard, he is a very active and experienced field-based marine geologist (>50 blue-water cruises, 3 DSDP/ODP cruises, 9 submersible dives). Piper has been co-editor-in-chief of the journal *Marine Geology* since 1998, where he has made a special effort to provide guidance to young marine scientists embarking on their new careers and striving to publish their first papers.

Biographer: Richard N. Hiscott

Citation: In recognition of his many accomplishments in Marine Geology, including: clarification of the facies, triggering mechanisms and depositional processes on submarine fans; distinction of mud turbidites from contourites; and the mentoring of students and young scientists embarking on careers in marine geoscience.

Reply from David J. W. Piper

I would like to thank SEPM for this award and the numerous colleagues who played a role in putting my name forward. This award means a lot to me, not the least because I had the good fortune to work as a visiting Ph.D. student with Fran Shepard a couple of years after his retirement. I remember him as a real gentleman with a fine, dry sense of humour. I learnt from him in particular the importance of remaining rigorously true to the data.

Such occasions are commonly the time for reminiscing about the role that particular individuals have played in setting the scientist on his way. I recall many such individuals who inspired me, or gave a helping hand, from the time I was a high-school student until the present day. To choose among them is difficult, and my uncertainty is not of particular interest to you: the memories and the impact are personal, not public. I would only say that it was tough to recently lose two of my closest friends in the marine geology community, Bill Normark and Bruno Savoye, within the space of eight months. They enriched my professional life enormously, and we had great times together at sea.

Rather, I would like to talk about four institutions that I feel have been of critical importance in enabling me to contribute to our science of marine geology. Institutions are creations of society, not accidental personal encounters, and so my experiences may be of interest to a wider audience.

First, my science has depended on the work of a fine group of ships' crews and marine technicians who work on our Canadian government ships. These are good friends who show a fierce pride in doing the best they can to make a scientific cruise successful, and they are the envy of my non-Canadian colleagues. I thank them all, and also the techs and drilling staff on the DSDP and ODP cruises that I have participated in. Let me not forget the institutions that employ them. Without all of them, my science would not have been possible.

Second, our enlightened national funding agency for science, NSERC. After I left the Dalhousie University for the Geological Survey of Canada, I was able to continue to receive funding for

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graduate students from NSERC as an adjunct professor. NSERC have provided funding of $15000-20000 per annum for the past 25 years. For me, it has been seed money for setting many graduate students on a productive scientific career. These students providing me with ongoing stimulation of new ideas from fresh young minds.

Third, the institution of publishing, with which I have been involved as an enthusiastic author, reviewer and editor. Publishing scientific papers is a democratic process at work - the free competition of ideas. It is the way in which a starting scientist can benefit from the experience of experts in the same field from all around the world, serving as reviewers and editors. And the way that those past their prime can be anonymously slapped down! I work for an employer who sees foreign travel as somewhat sinful: publishing has become my way of being part of a network - of keeping in touch with others in my field.

Finally, the institution of marriage. Georgia, my best friend of 40 years, managed our household and our two daughters during my many absences at sea and my trips to work with collaborators. We still recall the morning of Christmas Day 1988 when I left home from a cruise, and the Brazilian gunboat on the occasion of her 50th birthday. I like to say that the hard knocks of working at sea teach you patience, interpersonal skills, nimbleness in dealing with changing priorities, and initiative in seizing opportunities. But developing these life skills is done on the backs of one's family. Both she and our daughters have put up with a lot, but also created a supportive, exciting and questioning home life that has kept me young at heart. Georgia is, of course, also an award-winning geologist, who has constantly challenged my strategic choices in science (not more of your stupid turbidites !) and has broadened my outlook in getting me involved with volcanic rocks, granites and petroleum geology. We thoroughly enjoy working together as a scientific team. I have got great fun out of embarrassing casual acquaintances by telling them we have a rocky marriage.

So, thank you SEPM for this honour. For me and my family, it is a very gratifying reward for many years of hard work.

Jere Lipps accepts the Raymond C. Moore Medal
from President Steve Driese

Raymond C. Moore Medal
For Sustained Excellence in Paleontology
Jere H. Lipps

Jere Lipps is truly a renaissance paleontologist. His interests cover much of the spectrum of paleontology including evolutionary biology, paleobiology, ecology and paleoecology, sampling bias and extinctions, paleoceanography, biostratigraphy, and even astrobiology. These extensive interests require a broad taxonomic base and Jere has expertise not only in planktonic and benthic foraminifera but also in calcareous nannofossils, silicoflagellates, radiolaria, early Metazoa, mollusks, pinnipeds, and flightless geese! His knowledge is deep as well as broad. He is as at home in the Precambrian as in the Recent, in the Antarctic as in Death Valley, in the mountains with a hammer in his hand as diving in Jellyfish Lake, Palau, with a vial for sampling living foraminifera. Jere is also one of the few specialists on foraminifera to utilize molecular approaches. Geologists and biologists are equally valued colleagues, reflecting Jere's own stance, straddling the fuzzy boundary between paleontology and biology.

Jere's influence on our science is considerable. This is, in large part, due to his research but at least as important is the influence of his teaching. Many graduate students and several postdoctoral scholars from around the world have benefited from Jere's tutelage. There is no better measure of success for an academic than the legacy of one's students. The satisfaction that Jere derives from his students' careers, with their own significant contributions, must be great.

The infrastructure of our science has not been neglected. Jere is a past-president of the Cushman Foundation for Foraminiferal Research, the Paleontological Society and the North American Micropaleontology Section of the SEPM. He has served on numerous committees, organized several large conferences, and edited *Marine Micropaleontology*.

In these times of pseudoscience and instant internet experts, Jere's outreach efforts must not be ignored. During his eight years as Director of the Museum of Paleontology at UC Berkeley, public education was emphasized. A Friend of Darwin Award from the National Center for Science Education recognized the importance of Jere's work in this arena.

Forty-eight years (and counting) of sustained excellence in paleontology - Jere Lipps is truly deserving of the Raymond C. Moore Medal.

Biographer: Stephen J. Culver

Citation: For contributions to the evolutionary biology of marine animals and protists in particular, to the education of a new generation of paleontologists, to the communication of science to the general public, and for service to the science of paleontology.

Reply from Jere H. Lipps

I am greatly honored and very much pleased to accept the Raymond C. Moore Medal for Sustained Excellence in Paleontology for 2010, especially because Ray Moore was such an outstanding leader in paleontology and because of my life-long association with SEPM. Moore made huge contributions to paleontology with his textbook, still in use by students today, the Treatise of Invertebrate Paleontology, his scientific publications, as well as the establishment of the Institute of Paleontology at the University of Kansas. His is a career that I am delighted to be associated with in this way. SEPM has made a significant difference in many of our lives too through its activities, journals, research grants, and honors, and I am also pleased to acknowledge my gratitude to it.

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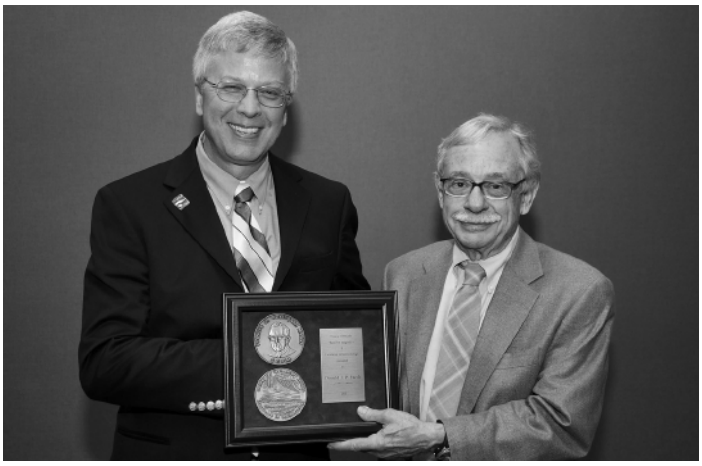
My adventure, like so many professional paleontologists, began when I was just a kid saying I'd be a paleontologist when I grew up, based on my exposure to dinosaurs, naturally, and the Rancho La Brea fossils and tar pits in Los Angeles where I grew up. Museums and National Parks played a role in these interests too as my father made sure we visited many of these. Perhaps the biggest influence of all was my father. He took a night school course in mineralogy just for fun, and took me on the field trips with him. That field work and seeing geologists at work in the quarries was one of the most exciting events of my life. I still remember them vividly, for then I realized that I happily could do that the rest of my life, and I did.

The field is the most important part of my job. For me, that's where the data and ideas come from and without that we wouldn't have much of a science. We get so much more than just fossils from an outcrop, if we pay attention. We owe a lot to those field paleontologists and geologists who went before us-Darwin, Merriam, Simpson, Moore, and so many others. Don't miss a chance to go into the field yourself; it's the best part of being a paleontologist, geologist or marine biologist. I remember breaking rocks (with my father's rock pick) to find fossils in Nevada, California, Alabama, Siberia, China, Galapagos, and plenty of other places, or scuba diving in Antarctica, Eniwetok, Papua New Guinea, Tahiti, Bimini, and other places, all to try to figure out what was real and what was fantasy. That's the fun part-gathering all the pieces and putting them together with other data, logic and hypotheses to make a complete and, hopefully, lasting story. If it doesn't last because someone else came up with a better idea, that's ok too. That's the way science advances; we all stand on the shoulders of those who went before us and even those who are around us now. Most importantly for the younger people here, it is a fantastic way to learn and keep learning the rest of your life. Like most geologists and paleontologists you and I will have no regrets about our careers in this science. I am not done yet, but if I had the chance, I'd do it all over again.

Thanks to all my past undergraduate students, my graduate students, professors, colleagues and co-authors-far too many to name individually but I hope you will remember the times we had together. I thought they were just great! I learned a lot and got most of my ideas from you one way or another. Most importantly, my family has been amazingly supportive and helpful-Susie, Jeremy, Jamie, Brian, Matt, Michelle, and Conor. Thanks to all of them. And as I said, I'd do that all over again too!!

Thank you SEPM and Raymond C. Moore for making this medal such a treasure for me.



Donald Swift accepts the Francis J. Pettijohn Medal
from President Steve Driese

Francis J. Pettijohn Medal
For Sustained Excellence in Sedimentology
Donald Swift

In honoring Old Dominion University's Don Swift, the SEPM recognizes one of the pioneers in marine geology, sequence stratigraphy and basin analysis.

Don Swift holds the Slover Chair of Oceanography at Old Dominion University and has been designated Eminent Professor. He is also recipient of the Shepard Medal of SEPM.

Don received his Ph.D. in 1964 from the University of North Carolina, at that time a classical geology department, for a sedimentological and stratigraphic analysis of the Cretaceous section of the Carolina coastal plain. The actualistic model for this study had to be the rivers, lagoon and sounds, barrier systems, and the broad continental shelf of North Carolina. At Don's first position at Dalhousie University, he was told that he was to develop a program in geological oceanography. Here was the Atlantic continental margin again, and this time, the tools with which to examine it. The result was Don's first major series of papers, many in collaboration with his colleague, D.J. Stanley. Studies of the Atlantic Continental Margin continued as Don moved to Old Dominion University. However, scientific ideas must not only be generated, they must be disseminated. A succession of workshops short courses, and symposia were convened, followed by a symposium volume entitled Shelf Sediment Transport: Process and Pattern. Harold Reading told Don that he had created a template for continental margins that could be applied to the rock record as well as to other modern regions.

As NOAA's budget faltered in 1981, the price of oil was rising rapidly. It was in this atmosphere that Exxon Production Research Company gave rise to the theory of Sequence Stratigraphy. Don joined the research department of ARCO Oil and Gas Company. The oil-bearing sandstones of the Cretaceous Western Interior Basin were suspected of being continental shelf deposits. Don was asked to apply his oceanographic expertise to the problem. For Don, it was a chance to revisit his roots in classic sedimentology and stratigraphy, and to build models of continental margin sedimentation that evolved through time and space. Don's second major series of papers were the result, and these also culminated in a dissemination phase of short courses, workshops, and Field seminars, several in collaboration with R.

Society Awards

W. Tillman and R. G. Walker, and finally (in 1991) the volume of topical syntheses and edited papers entitled “Shelf Sand and Sandstone: Bodies: Geometry, Facies, and Sequence Stratigraphy.”

By this time, Don was offered his former position at Old Dominion University, and accepted it. Don's third series of papers have been oriented toward developing numerical models that could reproduce sedimentary fabrics at petrographic facies, and stratigraphic scales. Much of this work was done in collaboration with Alan Niedoroda and Michael Steckler.

Don vividly remembers the fall of 1960, when he took a course named Sedimentary Petrology from Francis J Pettijohn, an experience that probably shaped the rest of his life.

Biographer: Nora Noffke

Citation: For outstanding and pioneering research in marine geology, sequence stratigraphy, and geological exploration.

William Galloway accepts the William F. Twenhofel Medal from President Steve Driese

William F. Twenhofel Medal For a Career of Outstanding Contributions in Sedimentary Geology William E. Galloway

Bill Galloway is simply one of the foremost stratigraphers and sedimentologists in the world. He has published more than 100 papers and abstracts on subjects ranging from clastic sedimentology of fluvial, deltaic, shore-zone, shelf, and deep marine systems, to sequence stratigraphy and on sedimentary basins from the Gulf of Alaska to the Sydney basin, Australia. One of the most durable pieces of work was the still-used classification scheme for delta systems developed in his early career (1975). In addition, his early work on depositional systems contributed significantly to the revolution in subsurface geology instigated by W.L. Fisher and L.F. Brown, and built the solid foundation for genetic stratigraphy. Perhaps the most influential work in the oil industry is the genetic sequence stratigraphy he established in the late 1980s, with its foundational elements still in use today. His work on the sedimentology and geohydrology of sedimentary uranium deposits continues to be cited in the literature and textbooks on hydrogeology. He has taught more than 100 short courses, field seminars, core workshops, and continuing education programs for AAPG, SEPM, private companies, and geological societies. This work led to publication of one of the best reference/text books, "Terrigenous Clastic Depositional Systems", co-authored by David K. Hobday, first in 1983, with a second edition in 1996. In the last decade or so, he has engaged in long-term synthesis studies of the Cenozoic deposits of the Gulf of Mexico and North Sea basins with current research activity focusing on the Gulf Basin Depositional Synthesis (GBDS) Project, an industry-funded research consortium located at the Institute for Geophysics, University of Texas (UT). It is safe to say that no one has contributed more to our understanding of Gulf Coast Basin geology than Bill Galloway.

Dr. Galloway is one of the best teachers in the world of practical stratigraphy and sedimentology as utilized in the petroleum industry. The wisdom and training he has imparted to a legion of students (I was privileged to be one of them) entering the petroleum industry over the past 30 years as well as to the many professional geologists who have attended his AAPG lectures, Distinguished Lectures, and other forms of training courses has been profound.

Bill has received numerous awards for his outstanding contributions in sedimentary geology: AAPG: Best Paper Award, 1979; Wallace Pratt Memorial Award, 1983; Distinguished Lecturer, 1985-1986; International Distinguished Lecturer, 2002; A. I. Levorsen Memorial Award, 1977 and 1986; Grover E. Murray Distinguished Educator Award, 2004. GCAGS: Outstanding Educator Award, 1993. GCSSEPM: Honorary Membership, 2002.

GCAGS and GCSSEPM: Gordon I. Atwater Best Poster Award, Second Place, 2006.

Bill's receipt of the 2010 Twenhofel Medal Award is richly merited.

Biographer: Dr. Xijin (CJ) Liu

Citation: To William E. Galloway, in recognition of his outstanding accomplishments in sedimentary geology through excellent research, publication, and teaching.

Reply from William E. Galloway

I am most honored by award of the SEPM Twenhofel Medal. Especially gratifying is the fact that the nomination and follow-up organization of supporting documents was orchestrated by several of my former students who maintain friendships both with each other and with me. Although I have always considered myself first as a researcher and secondly as a teacher, I found myself especially pleased when I learned of their plan to nominate me. So, first of all, my thanks to Janet Coleman, Xijin Liu, Mac McGilvery, and Xinxia Wu for conspiring in this effort, and for the others who joined in the nomination process. I know first hand that they are all busy professionals, with multiple calls of job and family, for whom time is always at a premium.

There are, of course, many friends, students, and co-workers who have shaped, guided, expedited, and enriched a career that spans forty years. There were, however, a few critical moments and people that stand out in my mind. Observations through my career have made me a great believer in serendipity, and my professional life has often been so guided. While a senior at Texas A&M, my roommate and friend bore a familiar name to those of us versed in the foundational literature of modern sediment studies…Rufus LeBlanc. One weekend, Rufus Jr. returned to campus with a book coauthored

Society Awards

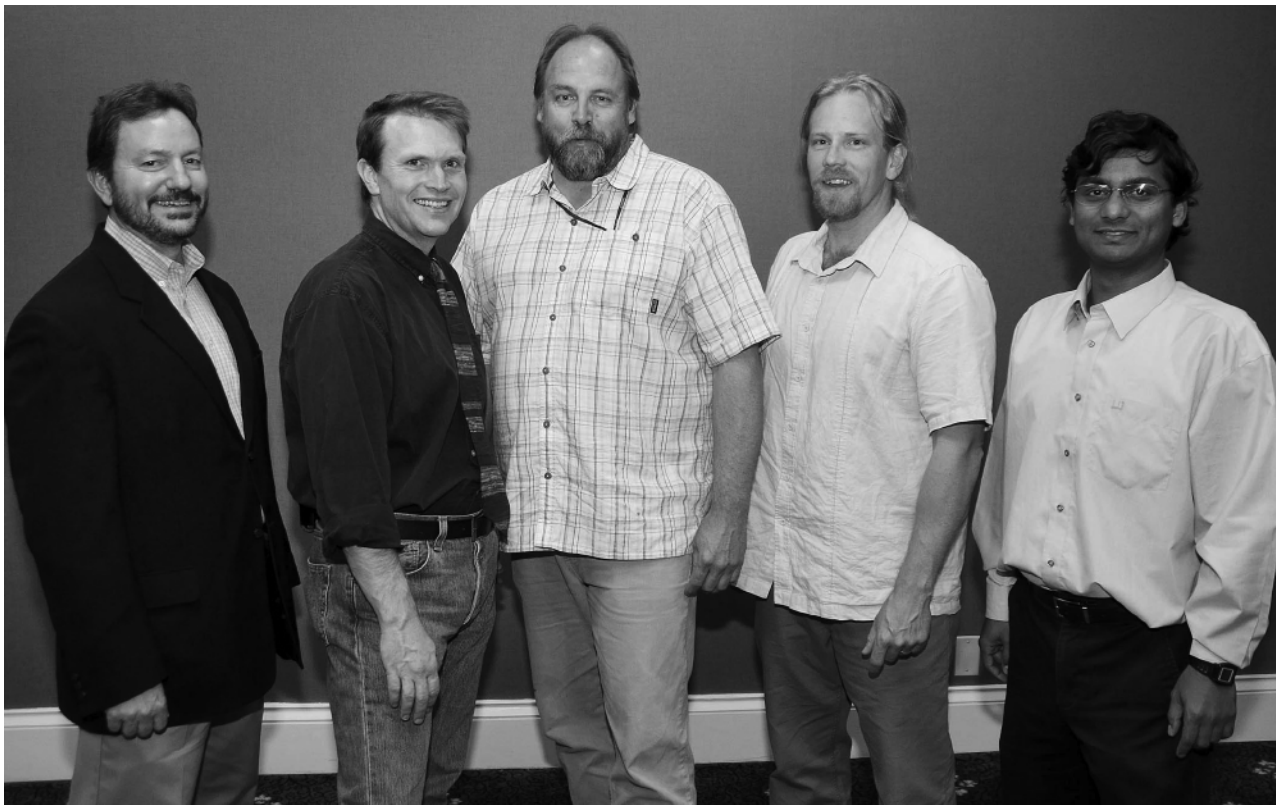
by his father. I picked it up, began to read, and quickly became fascinated with the concept of using modern sedimentary environments to interpret the landscapes of the geological past, and that such interpretations were of practical value to petroleum exploration. My path toward sedimentology was fixed.

At graduate school at the University of Texas I was at the right place and right time to experience first hand the emergence of the depositional systems approach to sedimentary basin analysis. I had the great luck of being taught by and working with three creative and insightful interpreters of the stratigraphic record: Bill Fisher, Frank Brown, and Al Scott. Two would become internationally recognized names, the third, perhaps less well known outside the circle of his students and coworkers. Though sharing a common vision of applied sedimentology, each taught me very different yet complimentary lessons that molded my philosophy and approach to interpreting sedimentary environments. Bill taught me to think expansively, to integrate, and to reconstruct three dimensionally. Frank taught me the importance of bringing large, thoroughly interpreted, and carefully integrated data bases to bear on the problem. Al taught me the artistry and poetry of reconstructing, visualizing, and painting in detail, using both verbal and graphical description, the images of past landscapes. These lessons served me well, as they have for so many of the students and coworkers of this geoscience triumvirate.

My next lesson, of a more practical nature, came with my first job with Conoco Exploration Research. There, I soon moved into a group researching ways to derive and interpret lithologic information from seismic data. As the token sedimentologist in a flock of geophysicists, I soon became an expert seismic interpreter, adding a critical technology to my tool belt. So much so, that a few years later, the audience for my talk about seismic modeling was greatly surprised to learn during the question period that I was not a geophysicist by training. I treasure that moment. It gave me the confidence, when a further assignment brought me into contact with the uranium exploration program of Conoco Minerals Division, to become a self-trained geohydrologist in order to better understand the origins and controls on sedimentary ore body distribution.

My unanticipated opportunity to return to the University of Texas, first at the Bureau of Economic Geology and then the Department of Geological Sciences, provided the venues to expand the diversity and global scope of my projects. Through the many years of my middle career, my wife, Rosemary, patiently maintained house and family, sometimes at the sacrifice of her own professional opportunities (it is she who has justifiably won the teaching awards), while research and teaching dictated our travels, and work brought home occupied my time and energy. Her support has been the sure foundation upon which I have been blessed to build a career.

I now have the luxury of working on geological topics that intrigue and entertain me…a pleasing twilight for a career that far surpassed any that I might have dreamed of when I arrived at U.T. to begin graduate school. The honor of the Twenhofel award is a delightful capstone that is both unexpected and gratifying.



2010 SEPM Annual Meeting Organizing Committee
Left to right: John Suter, John Holbrook, Mike Blum, Mark Kulp and Md. Royhan Gani

Society Awards

2009 Excellence of Oral Presentation

David W. Hunt, Arnout Colpaert, Florian Miquelis, Brita Graham-Wall, Gaynor Fisher and Anthony Avu
"Palaeozoic Carbonates from the Subsurface Barents Sea Part II: Paleokarst Distribution and Heterogeneity from 3-D Seismic Data"

2009 Excellence of Poster Presentation (Co-Awardees)

Jeroen Kenter and Mark Skalinski
"Carbonate Pore Type Classification in Tengiz Field, Republic of Kazakhstan"

David Pyles and Roger Slatt
"Integrating Outcrop and Subsurface data to Define Regional and Reservoir-Scale patterns in Prograding Systems, Lewis Shale and Fox Hills Sandstone, Wyoming"

David Hunt accepts the 2009 Excellence of Oral Presentation award from President Steve Driese

2008 Outstanding Paper in the Journal of Sedimentary Research

Nikki Strong and Chris Paola
"Valleys That Never Were: Time Surfaces Versus Stratigraphic Surfaces"

2008 Outstanding Paper in the Journal of Sedimentary Research - Honorable Mentions

Thomas P. Gerber, Lincoln F. Pratson, Matthew A. Wolinsky, Ron Steel, Jeré Mohr, John B. Swenson and Chris Paola
"Clinoform Progradation by Turbidity Currents: Modeling and Experiments"

Stacy Lynn Reeder and Eugene C. Rankey
"Interactions Between Tidal Flows and Ooid Shoals, Northern Bahamas"

Andrew L. Petter and Tetsuji Muto
"Sustained Alluvial Aggradation and Autogenic Detachment of the Alluvial River from the Shoreline in Response to Steady Fall of Relative Sea Level"

2008 Outstanding Paper in PALAIOS

Seth Finnegan and Mary L. Droser
"Reworking diversity: Effects of storm deposition on evenness and sampled richness, Ordovician of the Basin and Range, Utah and Nevada"

2008 Outstanding Paper in PALAIOS - Honorable Mention

Mark T. Clementz, Patricia A. Holroyd and Paul L. Koch
"Identifying aquatic habits of herbivorous mammals through stable isotope analysis"

Roger Slatt and David Pyles accepts the 2009 Excellence of Poster Presentation award from President Steve Driese

Gene Rankey and Stacy Reeder accept the 2008 Outstanding Paper in JSR – Honorable Mention from President Steve Driese

Audited Financial Report – 2008

HKS
HARTOG | KALLENBERGER | SWARTHOUT
Certified Public Accountants

Certified Public Accountants
1560 E. 21st Street, Suite 300
Tulsa, Oklahoma 74114
Phone 918-743-2581
Fax 918-742-9057
www.hks-cpa.com

INDEPENDENT AUDITORS' REPORT

SEPM Council
SEPM (Society for Sedimentary Geology)
Tulsa, Oklahoma

We have audited the accompanying statement of financial position of SEPM (Society for Sedimentary Geology) as of December 31, 2009, and the related statements of activities and cash flows for the year 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 audit. The financial statements as of December 31, 2008 were audited by Emmons, Hartog & Swarthout, P.C., whose report dated May 21, 2009 expressed an unqualified opinion on those statements. Emmons, Hartog & Swarthout, P.C. merged with Kallenberger & Associates as of November 1, 2009 to form Hartog, Kallenberger & Swarthout, PLLC.

We conducted our audit 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2009 financial statements referred to above present fairly, in all material respects, the financial position of SEPM (Society for Sedimentary Geology) as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Hartog, Kallenberger & Swarthout, PLLC

Tulsa, Oklahoma
May 12, 2010

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

STATEMENTS OF FINANCIAL POSITION
December 31, 2009 and 2008

ASSETS	2009	2008
Current Assets		
Cash and cash equivalents	$ 1,049,367	$ 1,151,288
Accounts receivable	166,330	82,978
Inventories	165,242	146,696
Prepaid expenses	37,157	53,582
Total current assets	1,418,096	1,434,544
Non-Current Assets		
Furniture and equipment, less accumulated depreciation	34,714	45,383
Long-term investments, including board-designated funds of $737,782 and $625,483	1,718,244	1,343,682
	$ 3,171,054	$ 2,823,609
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	$ 35,044	$ 37,616
Deferred income	502,303	650,739
Total current liabilities	537,347	688,355
Net Assets - Unrestricted	2,633,707	2,135,254
	$ 3,171,054	$ 2,823,609

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

STATEMENTS OF ACTIVITIES
Years Ended December 31, 2009 and 2008

CHANGES IN UNRESTRICTED NET ASSETS	2009	2008
Revenues, Gains and Other Support		
Dues	$ 112,653	$ 104,050
Publications	178,176	269,861
Journal of Sedimentary Petrology - subscriptions, royalties and other	659,290	612,847
Palaios - subscriptions, royalties and other	213,780	195,024
Continuing education	46,665	47,240
Meetings, conferences and field trips	234,002	224,955
Membership activities	13,749	26,270
Net realized and unrealized gain (loss) on investments	328,558	(626,983)
Investment income	54,364	113,534
Total revenues, gains and other support	1,841,237	966,798
Expenses		
Publishing costs - Journal of Sedimentary Petrology	260,661	223,880
Publishing costs - Palaios	165,566	150,512
Publications	135,404	172,349
Continuing education	28,849	23,754
Meetings, conferences and field trips	130,181	130,951
Membership activities	145,969	120,707
General and administrative	476,154	439,035
Total expenses	1,342,784	1,261,188
Change In Unrestricted Net Assets	498,453	(294,390)
Net Assets - Beginning of Year	2,135,254	2,429,644
Net Assets - End of Year	$ 2,633,707	$ 2,135,254

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2009 and 2008

	2009	2008
Cash Flows from Operating Activities		
Change in unrestricted net assets	$ 498,453	$ (294,390)
Adjustments to reconcile change in unrestricted net assets to net cash (used in) provided by operating activities:		
Depreciation	19,222	19,387
Net realized and unrealized (gain) loss on investments	(328,558)	626,983
(Increase) decrease in:		
Accounts receivable	(83,352)	(44,196)
Inventory	(18,546)	(18,416)
Prepaid expenses	16,425	(2,476)
Increase (decrease) in:		
Accounts payable and accrued expenses	(2,572)	11,172
Deferred income	(148,436)	64,937
Net cash (used in) provided by operating activities	(47,364)	363,001
Cash Flows from Investing Activities		
Payments for purchase of equipment	(8,553)	(38,747)
Purchase of investments	(442,941)	(95,861)
Proceeds from maturations and sales of investments	396,937	-
Net cash (used in) investing activities	(54,557)	(134,608)
Net (Decrease) Increase in Cash	(101,921)	228,393
Cash and Cash Equivalents - Beginning of Year	1,151,288	922,895
Cash and Cash Equivalents - End of Year	$ 1,049,367	$ 1,151,288
Supplemental Cash Flows Information		
Interest paid	-	-
Income taxes paid	-	-

Audited Financial Report – 2008

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

SUMMARY OF ACCOUNTING POLICIES

Organization and Business

On September 27, 1987, the Society of Economic Paleontologists and Mineralogists (Society) became a separate entity from the American Association of Petroleum Geologists. Prior to this date, the Society was an unincorporated technical division of the American Association of Petroleum Geologists. In the event of the dissolution of the Society, the net assets will be donated to charitable, scientific or educational institutions; no assets shall inure to the benefit of any member.

The objective of the Society is to advance the science of stratigraphy through the dissemination of scientific knowledge of, promotion of, research in, and other contributions to paleontology, sedimentology, and allied disciplines.

The Society primarily deals with members of the organization for services, to universities and oil-related companies for attendance at educational schools, workshops, and short courses, and for sales of special publications. Substantially all customers are located in oil-producing regions both within the United States of America and internationally.

Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Inventory

Inventory consists of special publications (including short course notes), which excludes the journals published by the Society. The limited excess quantities of the journals are provided as reference material to the profession and, as such, are not inventoried.

Special publications are valued at cost (specific identification) in the year of publication and the next two succeeding years. After this period, publications are valued at 50% of cost, with the further limitation that the valuation of publications over five years old is limited to 100 copies.

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

SUMMARY OF ACCOUNTING POLICIES

Inventory write-downs were as follows:

	2009	2008
Publications	$ 9,732	$ 11,917

Inventory consists of the following:

	2009	2008
Publications	$ 133,479	$ 111,919
Continuing education materials	26,393	17,177
Work in process	5,370	17,600
	$ 165,242	$ 146,696

Furniture and Equipment

Furniture and equipment are valued at cost. Depreciation is provided using the straight-line method over the useful life, three to seven years.

Cash and Cash Equivalents

The Society considers all cash and short-term securities with maturities of three months or less when purchased as cash and cash equivalents.

Tax Status

The Society is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. It is not a private foundation.

Revenue Recognition

The Society recognizes income and expense on the accrual accounting basis for financial statement presentation.

Membership dues and subscriptions are recognized as revenue ratably over the period of membership or subscription term.

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

SUMMARY OF ACCOUNTING POLICIES

Contributions

Donor-restricted contributions are classified as unrestricted support if the restrictions are satisfied in the same reporting period in which the contribution was received.

Advertising Expense

Advertising costs are expensed when incurred. No advertising expenses were incurred during the years ended December 31, 2009 and 2008.

SEPM (SOCIETY FOR SEDIMENTARY GEOLOGY)

NOTES TO FINANCIAL STATEMENTS

Note 1. Furniture and Equipment

Included under this caption are the following:

	2009	2008
Furniture and equipment	$ 216,368	$ 207,815
Less accumulated depreciation	181,654	162,432
Net furniture and equipment	$ 34,714	$ 45,383

Note 2. Investments

Investments at December 31, 2009 and 2008, consist of the following:

Growth and capital appreciation funds	$ 475,891	$ 432,894
Cash and cash equivalents	82,049	82,049
Bond and balanced funds	397,412	359,304
International funds	99,897	106,215
Total general investments	1,055,249	980,462
New Frontiers Fund		
U.S. Government and agency obligations	57,629	60,250
Cash and cash equivalents	4,468	4,468
Growth and capital appreciation funds	403,930	397,733
International funds	122,976	128,674
Bond and balanced funds	151,780	146,657
Total New Frontiers Fund	740,783	737,782
Total Investments	$ 1,796,032	$ 1,718,244

Audited Financial Report – 2008

Note 2. Investments (Continued)

December 31, 2008	Historical Cost	Market (Carrying Amount)
General Investments		
Growth and capital appreciation funds	$ 477,562	$ 311,617
Cash and cash equivalents	42,449	42,449
Bond and balanced funds	295,293	219,091
International funds	181,350	145,042
Total general investments	996,654	718,199
New Frontiers Fund		
U.S. Government and agency obligations	52,842	68,511
Cash and cash equivalents	97,581	97,581
Growth and capital appreciation funds	269,789	189,824
International funds	128,041	86,338
Bond and balanced funds	209,712	183,229
Total New Frontiers Fund	757,965	625,483
Total Investments	$ 1,754,619	$ 1,343,682

Realized and unrealized gains and losses were as follows:

	2009	2008
Unrealized Gains (Losses)	$ 332,760	$ (626,983)
Realized (Losses)	(4,202)	-
Total realized and unrealized gains and (losses)	$ 328,558	$ (626,983)

Note 3. Fair Value Disclosures

The Society determines the fair values of its financial instruments based on the fair value hierarchy established in FASB 157, Fair Value Measurements, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

Level 1 inputs: quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Note 3. Fair Value Disclosures (Continued)

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data.

Level 3 inputs: unobservable inputs for the asset or liability, that is, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability (including risk assumptions) developed on the best information available in the circumstances.

The Society's financial assets that are measured at fair value on a recurring basis were recorded using the fair value hierarchy as follows:

December 31, 2009	
Level 1:	
Mutual funds	$ 1,718,244
December 31, 2008	
Level 1:	
Mutual funds	$ 1,343,682

Note 4. Deferred Income

Deferred income consisted of the following:

	2009	2008
Dues	$ 55,778	$ 65,203
Subscriptions	382,389	446,757
Publications in process and other	64,136	138,779
Total	$ 502,303	$ 650,739

Note 5. Commitment

The Society leases its offices and warehouse under operating leases. Total minimum rent commitments for space and equipment leases are as follows: years ended December 31, 2010- $45,477; 2011 - $46,186; 2012 - $46,896; 2013- $27,597.

Rent expense was $42,894 and $41,567 in 2009 and 2008, respectively.

Note 6. Unrestricted Net Assets

Unrestricted net assets consist of the following:

	2009	2008
General Fund	$ 1,895,925	$ 1,509,771
New Frontiers Fund	737,782	625,483
	$ 2,633,707	$ 2,135,254

The New Frontiers Fund represents board-designated funds for the purpose of funding the development of science and education. The board has designated one-third of the royalties from the Copyright Clearance Center, Inc., to be used specifically for the building of this fund.

At December 31, 2009 and 2008, the New Frontiers Fund consisted of the following:

	2009	2008
Investments	$ 737,782	$ 625,483

Note 7. Related Party Transactions

The Society received $8,000 for each of the years ended December 31, 2009 and 2008, respectively, from the SEPM Foundation, Inc. (an affiliated non-profit entity) for management fees.

The Society had receivables from the SEPM Foundation, Inc. of $165,227 and $83,054 at December 31, 2009 and 2008 respectively.

Note 8. Concentration of Credit Risk

The Society maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Society has not experienced any losses in such accounts. The Society believes it is not exposed to any significant credit risk on cash and cash equivalents.