ANNUAL REPORT OF THE SOCIETY FOR 2015
DIRECTOR'S REPORT, SOCIETY AWARDS AND AUDITED FINANCIAL REPORT (2014)

Director's Report

SEPM Annual meeting and GSA Meeting Activities

SEPM held its Annual Meeting in Denver, CO, jointly with A.A.P.G. Outgoing President Kitty Milliken turned the gavel over to the new President, Janok Bhattacharya. Under the leadership of SEPM ACE Vice-Chair Bob Cluff and his committee, SEPM's sole and jointly sponsored sessions accounted for about 35% of the technical program. The SEPM Research Symposium for 2015 was ***"Channels: from geomorphic expression to stratigraphic record"***. At the business luncheon, Joe MacQuaker gave attendees the latest updates on details of mudstones in his presentation ***"Diagenesis: The underappreciated factor controlling mudstone variability and the role it plays on hydrocarbon systems."*** Then at the outgoing President's Reception Kitty and the membership honored the society's 2015 medalists and the outstanding journal papers, and student awardees. This year SEPM awarded four cash prizes to the 2015 top SEPM Student Posters. SEPM again offered a balanced selection of courses and trips in 2015. Additionally, SEPM sponsored multiple technical sessions at the Geological Society of America's Annual Meeting in Baltimore, MD under the leadership of Lucy Edwards (USGS) as SEPM's Joint Technical Program Chair. SEPM also cosponsored the Seds & Suds reception with a new "Bring Your Example" of unusual sedimentary structures. Along with the Sedimentary Geology Division of GSA and the Limnology Division, SEPM cosponsored the Tuesday evening reception for sedimentary geologists.

SEPM Annual Meeting Committee

- Robert Cluff - SEPM Vice-Chair
- Robert Cluff & Howard Harper - SEPM Short Course Co-Chairs
- Ryan Sharma - SEPM Field Trip Chair
- Jennifer Aschoff - SEPM Awards Chair
- Howard Harper - SEPM Sponsorship Chair

Short Courses & Field Trips

Annual Meeting (AAPG – Denver, CO)

- SEPM Short Course: Sequence Stratigraphy for Graduate Students
- SEPM Short Course: Microbialites and Lacustrine Depositional Systems
- SEPM Short Course: Seismic Geomorphology and Seismic Stratigraphy
- SEPM Short Course: Sequence Stratigraphy Analysis of Shales: Key to Paleoclimate Archives, Subsurface Fluid Flow, and Hydrocarbon Source
- SEPM/EMD Short Course: Mudrock Petrology and Pore-Scale Imaging
- SEPM Trip: Geology of Exposures along the Rocky Mountain Front Range
- SEPM Trip: Paleontology and Volcanic Setting of the Florissant Fossil Beds
- SEPM Trip: Wasatch-Green River Fluvial-Lacustrine Field Trip, Piceance and Uinta Basins, Colorado and Utah.
- SEPM Trip: From Seaways to Gasways: The last 100 million years in the Denver Basin.
- SEPM Trip: Mechanisms of Petroleum Generation: Geochemical Field Trip & Lab Demonstration Focusing On the Green River Petroleum System

International Meeting (AAPG/SEG ICE- Melbourne, Australia)

- SEPM Short Course: Sequence Stratigraphy for Graduate Students

GSA Annual Meeting (Baltimore, MD)

- SEPM Field Trip: Geology and Paleontology of Calvert Cliffs (Miocene, Chesapeake Group),Calvert County, Maryland, USA

Journals

Both of our technical journals continued having great years. The 5-year Impact Factors for both journals continue to be highly ranked. The ***Journal of Sedimentary Research*** continues publishing top-quality papers under the guidance of the co-editors, Leslie Melim (University of Kansas) and James MacEachern (Simon Frasier University). ***PALAIOS*** under the editorship of Gabriela Mangano (University of Alberta) and Tom Olszewski (Texas A&M). *JSR* has increased it annual content to about 1500 pages and *PALAIOS* is at about 900 pages. Both journals are using continuous publishing where new articles are published online as soon as they are ready, not waiting until the entire monthly issue is ready. 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 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. Additionally, SEPM's content of the Journal of Paleontology (1927-1985) is also online at JSTOR. Both of the journals as well as an SEPM Book Archive are within SEPM's independent online publications site www.sepmonline.org , which also hosts

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the Gulf Coast Section SEPM (GCSSEPM) Conference Proceedings. SEPM journal content is also part of the Geofacets dataset, which SEPM members can access as a membership option.

The Sedimentary Record, the full color member magazine, is now in its 13th year, continued under the editorship team of Isabel Montañez and Peter Isaacson. The SedRec has continued publishing a current, interesting science article as well as giving SEPM members up to date information concerning the world of sedimentary geology. The Sedimentary Geology Division of GSA, continues to publish its newsletter section twice a year as part of this magazine in the March and September issues to better communicate to the wider sedimentary geology community. The online version often contains additional content.

Special Publications

Under the continued co-editorship of Gary Nichols and Brian Ricketts, the special publications of SEPM continue to produce top of the line products. In 2015, a total of two new books were published, however, the pipeline of future books continues to grow with new proposals and has several additional manuscripts being prepared. SEPM's online submission and review process similar to the journals continues to function well. This helps to reduce the time needed to take a book from idea to publication. Additionally, SEPM's Online First, where new Special Publications are published chapter by chapter online at www.sepm.org as each chapter is finalized, hosted it first book - Special Publication # 105. After the last chapter was finalized the book was compiled and is sold on the SEPM Bookstore, in print or digital format.

- ***SP # 105- Deposits, Architecture, and Controls on Carbonate Margin, Slope and Basinal Settings.*** Edited by: Klaas Verwer, Ted E. Playton, and Paul M. (Mitch) Harris.
- ***CSP # 12- Mudstone Primer: Lithofacies variations, diagnostic criteria, and sedimentologic/stratigraphic implications at lamina to bedset scale.*** By Remus Lazar, Kevin M. Bohacs, Juergen Schieber, Joe Macquaker, and Timothy Demko

The first SEPM Online Book Archive was launched late in 2010 and continues to be used by both library and member subscribers. Books in the Special Publications, Concepts, Short Course Notes and Core Workshop Notes Series are uploaded to the site as they are published and can be purchase individually or via an Archive I or Archive II collections. SEPM's new books are now available in print, hard digital format (CD/DVD/USB) or via online access. Additionally, SEPM book publications are now included in the GSW e-books collection, which opened in 2015. SEPM book publications are also part of the Geofacets dataset which SEPM members can access as a membership option.

Research Conferences

In 2015 SEPM held one research conference.

- **Banff, Canada - Mountjoy I:** SEPM with CSPG held the first Mountjoy Conference, August

Additionally, SEPM supported or cosponsored these scientific meetings operated by other organizations:

- **Austria – 2nd International Congress on Stratigraphy, July, 2015**
- **Manchester, UK - Ichnofacies in core and in the field, September, 2015**
- **Jeju Island, Korea - 8th International Conference on Asian Marine Geology (ICAMG-8),**

Collaborations (AAPG, AGI, GSL, GSA, NACSN, IUGS, AGU, IAS and CSPG)

In addition to SEPM's long standing relationship with AAPG and it membership in AGI and NACSN, SEPM had previously signed Memorandums of Understanding (MOU) with The Geological Society of London, American Geophysical Union and Geological Society of America for cooperative activities. These agreements have resulted in numerous jointly sponsored technical sessions, conferences, short courses and field trips.

In 2015, two additional MOUs were signed, one with International Association of Sedimentologists and one with the Canadian Society of Petroleum Geologists and we look forward to even more co-sponsored sedimentary geology activities. SEPM continues to be a society that works with other groups to fulfill its mission for sedimentary geology.

Howard E. Harper, Executive Director

Director's Report

SEPM Governance and Council 2015

SEPM added three new Council positions in recent years and now all of are being filled on a continuous basis. These are the Web & Technology Councilor, to oversee SEPM's online communications efforts; Early Career Councilor, to make sure that this large community of sedimentary geologists has input into SEPM; and Student Councilor, to make sure that the future leaders in our community are part of SEPM's governance from the beginning.

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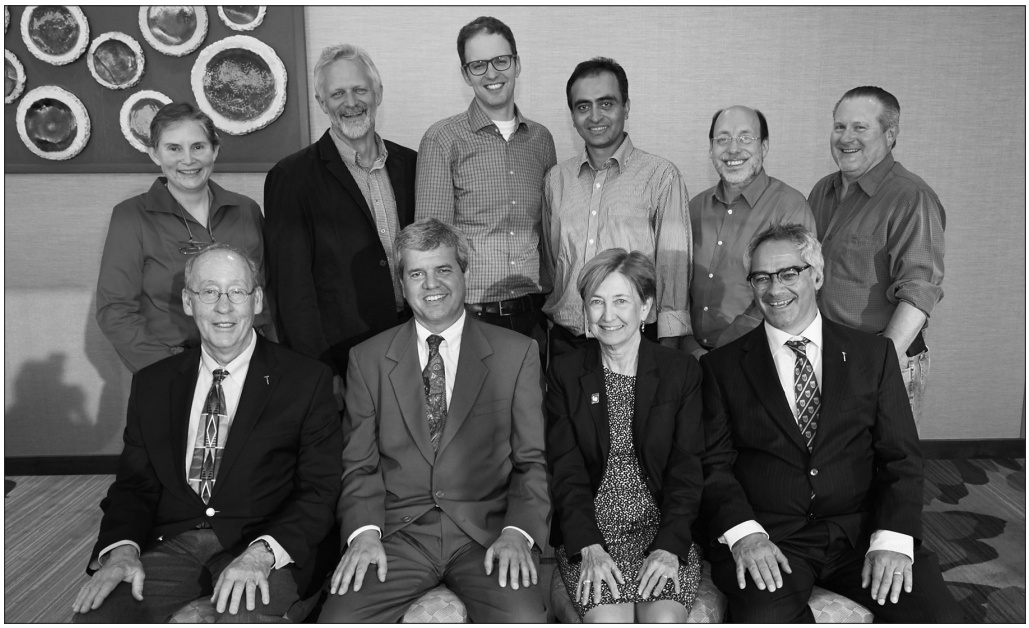

SEPM 2015 – 2016 Council
Pictured Left to Right:
Standing: Leslie Melim, JP Zonneveld, Steve Hubbard, Santanu Banerjee, James MacEachern, Greg Ludvigson
Seated: Rick Sarg, Vitor Abreu, Kitty Milliken, Janok Bhattacharya
Not pictured: David Bottjer, Mike Blum, Andrea Fildani, Jason Mintz, Kyle Straub, Hannah Hilbert-Wolf, Tom Olszewski, Gabriela Mangano, Brian Ricketts

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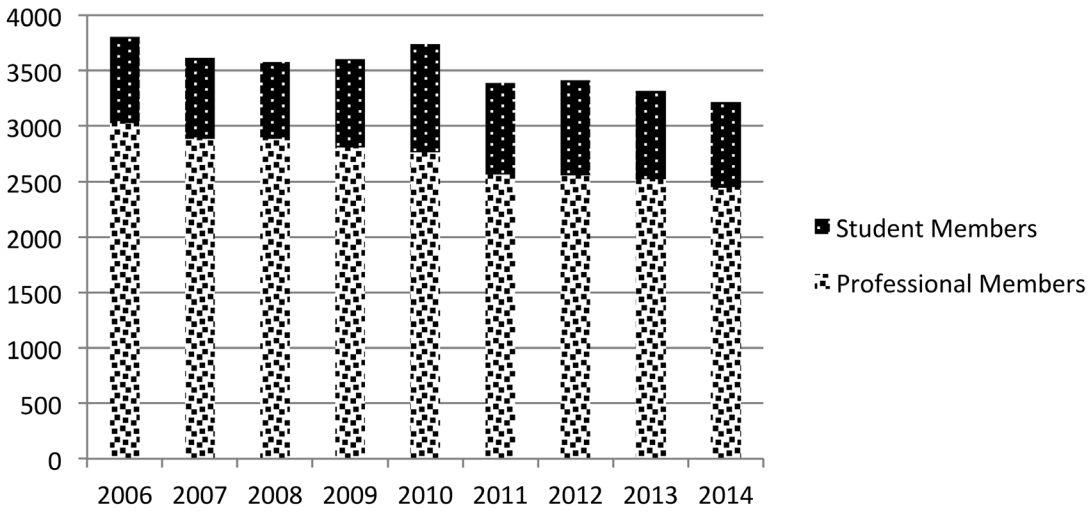
Table 1. – *Membership Statistics*

	2006	2007	2008	2009	2010	2011	2012	2013	2014
SEPM MEMBERSHIP									
Total Members	3802	3616	3580	3604	3739	3389	3414	3320	3215
Professional Members	3027	2883	2883	2809	2767	2562	2560	2520	2445
Student Members	775	733	697	795	972	827	854	800	770
New Members	302	293	299	407	264	383	344	367	274
Dropped Members	495	380	408	448	619	559	658	437	554
Journal of Sedimentary Research									
Individual Library Subscribers	882	817	768	715	669	621	587	522	458
Aggregate Library Subscribers (GSW & DataPages)	349	422	486	541	583	647	747	836	1368
Member Subscribers	2762	2584	2633	2705	2386	2168	1901	1672	1702
PALAIOS									
Individual Library Subscribers	312	278	247	221	199	181	167	134	133
Aggregate Library Subscribers (GSW & BioOne)	1217	1269	1420	1647	1774	1878	1978	2129	2339
Member Subscribers	1353	1243	1384	1498	1339	1281	1013	1060	931
Online Book Archive 1									
Individual Library Subscribers	NA	NA	NA	NA	NA	13	16	13	14
Member Subscribers	NA	NA	NA	NA	NA	650	880	1030	999



Society Awards

Nathan Sheldon accepts the James Lee Wilson Award from President Kitty Milliken

James Lee Wilson Award For Excellence in Sedimentary Geology Research by a Young Scientist Nathan D. Sheldon

I am delighted to introduce Nathan D. Sheldon as the 2015 recipient of the SEPM James Lee Wilson Award. Dr. Sheldon received his Ph.D. at the University of Oregon in 2003, and after a one year post-doc and serving as a Lecturer at the Royal Holloway University of London, joined the University of Michigan in 2008, where he was tenured and promoted to Associate Professor. I first met him in 2001 when I visited Eugene, Oregon as a guest speaker for the Department of Geological Sciences, and it was then that we had an opportunity to talk about his ongoing paleosol research. We continue to interact with each other annually at professional meetings.

Nathan's research is focused around the broad areas of *paleopedology* (the study of climate and landscape records recorded by paleosols), and *geochemistry* applied to paleosol-bearing successions. Once, while I was preparing an invited speaker list for a research conference, I asked him to identify "what he is" (research-wise) and his reply to me was that "I am a geochemist applying tools to interpreting terrestrial systems in deep-time". I think that this very aptly describes his primary research interests and strong connections with sedimentary geology.

Nathan Sheldon's principal contributions to sedimentary geology over the past decade are applications of paleosol geochemistry to interpreting the paleoclimate records of terrestrial stratigraphic successions. Seminal papers introduced "proxies" such as the Chemical Index of Alteration minus Potassium (CIA-K) for estimating paleoprecipitation (Mean Annual Precipitation, MAP) and the Paleosol Weathering Index (PWI) for estimating paleotemperature (Mean Annual Temperature, MAT) from the bulk geochemistry of paleosols, as well as novel weathering proxies for estimating paleoatmospheric CO_2 using bulk geochemistry. Nathan has subsequently applied these and other geochemical and mineralogical proxies to reconstruction of past climates associated with major thresholds, changes in CO_2-forcing of climate, and ecosystem disruptions such as at the Permo–Triassic and Eocene–Oligocene boundaries. He has made significant contributions in examining the paleosol record of the Precambrian (Archean–Proterozoic) as it relates to changes in terrestrial biotic communities and in paleoatmospheric CO_2 and O_2, and in evaluating the linkage between climate change and the evolution and expansion of Cenozoic biomes such as grasslands.

Nathan D. Sheldon is an ideal recipient of the James Lee Wilson Award because of these contributions and the continuing quantitative rigor and creativity he brings to his many studies in sedimentary geology.

Biographer: Steven G. Driese

Citation: *For innovative applications of combined field and laboratory studies leading to development of geochemical proxies for interpreting paleoclimate and the terrestrial stratigraphic record through Earth history.*

Reply from Nathan Sheldon

Thank you Steve for your generous words and thank you to SEPM for this honor. I would also like to thank Della Wilson, James Lee Wilson's widow, who wrote to me expressing how much she and Jim had enjoyed their time at the University of Michigan and how happy their family was to have an awardee from UM. This is where I'm contractually obligated to say "Go Blue!" As I move into the middle part of career, post-tenure, but without any grey hairs yet, I've begun to think more and more about mentoring, both of the explicit kind that I've received from my PhD supervisor Greg Retallack, but also from professors like Kathy Cashman or Clint Cowan who opened their homes to students. I'll be the 19th recipient of this prestigious award; six of the previous winners have been women. That's actually pretty good, a much higher ratio than for most awards. At the same time, while about 50% of Earth Science undergraduates are women nationally, about 40% of masters students are women, that figure drops to 24% of PhDs, with less than 20% professors, and substantially lower proportion in management in industry. According to the Department of Commerce, about 40% of men with STEM degrees have STEM jobs, whereas for women the figure is only 26%, reflecting significant brain drain among women. The numbers would be even uglier if we were talking about African Americans or Latinos. As a society, we are facing

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big problems. Whether you are interested in understanding past climate change to predict what future climate change will look like or interested in trying to feed our ever growing population or to provide the energy needed to sustain that population in the most responsible way possible as many of you are, we need all hands on deck. To get there, all of us, whether in academia or industry need to think about how we make our jobs inclusive enough that we plug that leaky pipeline. James Lee Wilson was known as a great mentor to young scientists and a builder of careers, hence the young scientist award bears his name. I hope to carry on that legacy with the help of many others, and hope that you will join me in trying to make sure that we face our most serious problems with all of the best and brightest minds available.

Steven Driese accepts the Honorary Membership Award from President Kitty Milliken

Honorary Membership
For contributions to the science and SEPM
Steven G. Driese

Honorary membership in SEPM is given to Steven G. Driese in recognition of his sustained, outstanding contributions to SEPM and his accomplishments in clastic sedimentology and paleopedology.

Steve grew up in Illinois and got his start with sedimentary rocks by collecting fossils during trips with his father to local open-pit coal mines and along railroad cuts. He went on to study geology at Southern Illinois University, where he received his BS degree in geology in 1977. Steve continued to the University of Wisconsin–Madison, and received his MS in geology in 1979. At that point, Steve debated pursuing a career in industry or continuing with PhD research. Steve chose to continue his education under the supervision of Bob Dott and completed his PhD in 1982. It was while working with Professor Dott and at Bob Dott's urging that Steve joined SEPM. Following his PhD, Steve joined the faculty at the University of Tennessee–Knoxville, where he rose to Full Professor in 1995. In 2004, Steve moved to Baylor University, where he served as Chair of the Geology Department for nine years.

Steve's admirable record of service to SEPM began when Gail Ashley involved him in the SEPM Bedforms and Bedding Structures Research Group; Steve served as vice-chair and then chair of the Group (1990–92). About the same time, Steve was involved with the Midcontinent section of SEPM as vice-president and then president. Steve's other contributions to SEPM are many and include: associate editor of JSR, Secretary-Treasurer (1994–96), President-elect and President (2008–10). During Steve's tenure as President, the Society focused on promoting stronger relationships with student members; explored the consequences of the OSTP Policy on Open Access, which eventually led to the SEPM Policy on Open Access; and moved to have both SEPM journals provide free color graphics in the on-line versions of journal articles. Following his presidency, Steve was part of a research group that convened a workshop on paleosols and modern soil analog systems at Petrified Forest National Park. A tangible outcome of that workshop was Special Publication #104, which Steve co-edited. Steve's service to the sedimentary geology community extends beyond SEPM. He has been a member of the editorial boards of *PALAIOS*, *Sedimentary Geology*, and *Geology*, and he has been a leader in GSA's Sedimentary Geology division.

Steve is internationally recognized for his contributions in paleopedology and clastic sedimentology. His research has included rigorous and detailed analysis of modern soils as analogs for paleosols, reconstructing paleolandscapes and paleoclimatic conditions in East Africa, and investigating Pleistocene–Holocene soils to reconstruct the climate record of Texas. He has graduated over 30 MS and PhD students and has a strong record of mentoring undergraduate research projects.

Steve has a laudable record of service to SEPM, to the broader sedimentary geology community, and to students. His career combines academic achievements, distinguished research accomplishments, successful student mentoring, and exceptional professional leadership. SEPM and the field of sedimentary geology have been enriched by his efforts.

Biographer: Mary Kraus

Citation: *For sustained service to SEPM and the sedimentary geology community as a strong leader, dedicated researcher, and inspiring teacher and mentor.*

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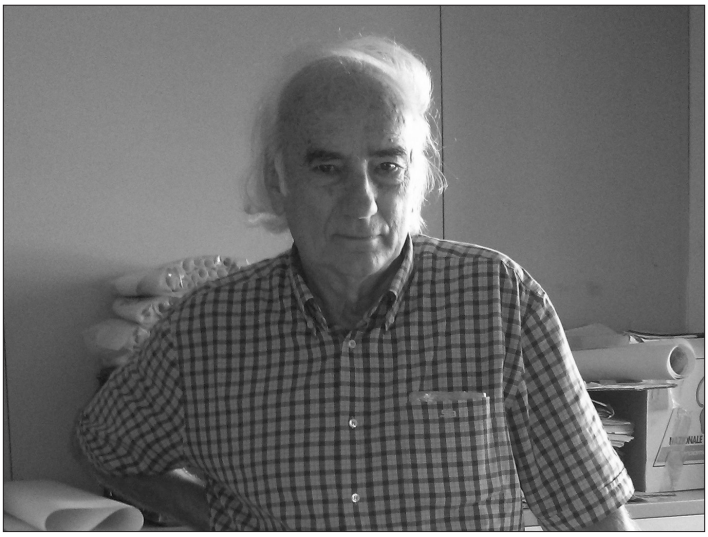
Reply from Steven Driese

I am pleased to receive the 2015 SEPM Honorary Membership Award. I thank the Nominating Committee for having recommended me, and my fellow paleosol specialist Dr. Mary Kraus for preparing her statement given on my behalf.

SEPM was the first professional society that I joined back in 1978, as Mary noted, at the urging of my Ph.D. supervisor, Professor Bob Dott, Jr., at the University of Wisconsin. I remember eagerly awaiting receiving copies of the *Journal of Sedimentary Petrology* (now the *Journal of Sedimentary Research*) in the mail, which I would read, cover-to-cover. And I remember, at Professor Gail Ashley's urging, becoming involved in the Bedforms and Bedding Structures Research Group. Over the years I have been drawn to further SEPM service in various capacities, including Secretary-Treasurer, *JSR* and *PALAIOS* Associate Editorships, and President. For me, it has always been a matter of "giving back" to a Society that has shaped my professional career immeasurably, and I will be forever grateful to SEPM.



Enrico Bonatti accepts the Francis P. Shepard Medal

Francis P. Shepard Medal For Sustained Excellence in Marine Geology Enrico Bonatti

Enrico Bonatti's innovative research has shaped our views of the dynamics and the processes active at the interface between the oceanic lithosphere and the overlying sediments. It has led to a deeper understanding of the evolution of the deep ocean floor, of its igneous and sedimentary architecture along spreading ridges, at transform faults, and of the ophiolites and associated sediments in mountain belts.

Born in Rome, Bonatti graduated in Geology at the University of Pisa. Postdoctoral work at Yale and Scripps Institution of Oceanography was followed by faculty positions at the University of Miami and later at the Lamont-Doherty Earth Observatory, Columbia University, where he retains a position as Senior Scientist. In 1992, Bonatti returned to Italy, accepting professorships, first at Pisa, then at Rome while also leading the Institute of Marine Geology in Bologna and later the agency of the Italian National Science Foundation responsible for marine research.

Bonatti's work covers a wide spectrum from lacustrine to deep-sea sediments and hydrothermal deposits. He was among the first to document the alteration of submarine volcanics and the importance of authigenic minerals (e.g., zeolites, ferromanganese deposits) and of terrigenous dust for pelagic sedimentation. His investigations of hydrothermal circulation through spreading ridges documented chemical mass transfers that control the changing chemical composition of seawater. In equatorial Atlantic transfoms he reconstructed vertical displacements along giant faults that generated sedimentary transverse ridges and their ephemeral carbonate platforms.

His oceanic observations and field work in the Apennines had a major impact on actualistic models for oceanic rocks in mountain belts, enabling Alpine geologists to recognize 'sedimentary serpentinites', hydrothermal deposits and tectono-sedimentary breccias (ophicalcites) related to intra-oceanic tectonics and submarine exposure of mantle rocks in Alpine ophiolite complexes.

Along with major contributions to marine research, he has served the community as a leader on numerous cruises, in the activities on ocean drilling, and on varied panels that underpin basic research in marine geology. Last not least Bonatti shared his knowledge generously with many colleagues and students who owe much of their success to his inspiring influence.

Biographers: Daniel Bernoulli and Robert E. Garrison

Citation: *In recognition of Enrico Bonatti's interdisciplinary work on the interplay of igneous, hydrothermal, sedimentary and diagenetic processes active on and below the deep-sea floor that have greatly enlarged our understanding of the geodynamics of the oceanic lithosphere. And in appreciation for his leadership in the marine sciences and generosity in sharing his knowledge with colleagues and students*.

Reply from Enrico Bonatti

I remember when as a young man at the Scripps Institution of Oceanography I met that legendary pioneer of marine geology, Francis Shepard. I would never have imagined that about half

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a century later I would be honored by the Francis P. Shepard Medal! I am most grateful to the SEPM for this.

I have been very lucky in starting as a marine geologist in the right place, Scripps, and at the right time, when in the sixties the revolution in the Earth Sciences that led to Plate Tectonics was just starting. The new ideas were inspired mostly by knowledge obtained from the geological exploration of the oceans. I recall the excitement of going out at sea in those years, when almost each expedition came back with major discoveries. What attracted me to ocean geology was the sense of adventure at being out in the immense ocean in a small vessel for weeks at the time, and the sense of mistery at facing the darkness of the deep ocean both in the imagination and in real submersible dives.

I have been very lucky in those early years in being mentored by two wonderful persons, George E. Hutchinson at Yale, the great limnologist and ecologist, and Gustaf Arrhenius at Scripps, who tought me the fundamentals of ocean geology and helped me in many ways in the early stages of my career. Later I was influenced and inspired by many brillant and generous persons. Among them, Cesare Emiliani at the University of Miami; Bruce Heezen, Mary Tharp, Walter Pitman and Wally Broecker at Lamont; Gleb Udintsev of the Russian Academy of Science; Galina Savelieva, also of the Russian Academy (she introduced me to the ancient oceanic lithosphere exposed in the Polar Ural ophiolites); Giorgio Marinelli of the University of Pisa (he introduced me to the birthplace of a new ocean in the Afar Rift, Red Sea). I was also lucky in working with many bright younger men and women: among them Carlo Doglioni of the University of Roma, Dee Breger of Lamont, Giulio Ottonello of the University of Genova, Giovanni Bortoluzzi, Marco Ligi, Luca Gasperini and Alina Polonia of Bologna's Institute of Marine Sciences.

I am grateful to all these persons, and to Anna Cataldi. I am particularly thankful to Daniel Bernoulli and Bob Garrison for their generous presentation.

Thank you SEPM!

Ann Budd accepts the Raymond C. Moore Medal
from President Kitty Milliken

Raymond C. Moore Medal
For Sustained Excellence in Paleontology
Ann F. Budd

For over thirty years since her doctoral degree at Johns Hopkins, Dr. Ann Budd has been a leader in the fields of systematic paleontology, evolutionary paleoecology, and Caribbean coral stratigraphy. Dr. Budd has published over 95 journal articles, 4 systematic monographs, and co-edited 4 books. Dr. Budd has been a champion of interdisciplinary research, quantitative paleontology, and the establishment of large-scale databases and community data sharing to promote evaluation of the fossil record. Her work on coral speciation and extinction is now recognized as a key benchmark for marine conservation efforts. Ann is equally at home in the rivers of the Dominican Republic, the jungles of Costa Rica, or the islands of Panama, as at a petrographic microscope differentiating taxonomic features of corals.

Ann has been an innovator in the study of origination and extinction of corals in the fossil record, the relationship of these events to environmental change, and the historical importance of these events in development of modern reef ecosystems. Ann has continually ventured to the field to collect data and test theoretical concepts. Her paper *Origination preceding extinction during late Cenozoic turnover of Caribbean reefs* is a benchmark paper resulting from a decade-long effort to document the stratigraphic record and evolutionary turnover. Ann has worked closely with biologists and molecular geneticists to answer key questions in taxonomy and evolutionary biology. This research has revolutionized species concepts of both modern and ancient corals, and fundamentally changed our understanding of the evolutionary history and relationships of higher taxonomic groups.

With the development of the internet, Ann quickly realized the

value of such a resource and has been a pioneer in developing paleontological databases and web-based resources for sharing paleontological and stratigraphic datasets. She led development of the Neogene Marine Biota of Tropical America database, a web-based resource with taxonomic information on numerous fossil groups as well as stratigraphic and locality information from throughout tropical America.

Ann has played a key role in bringing together scientists and organizing integrative approaches to understanding Earth history. She played a lead role in both the Panama Paleontology Project and the Dominican Republic Project, two large-scale projects that brought together a wide range of paleontologists, stratigraphers, sedimentologists, and geochemists.

Ann Budd's contribution to paleontology has extended well beyond her personal research. She served as managing editor of the Journal of Paleontology from 1997–2006, advisory editor of Coral Reefs from 1984–1992 and has served on several NSF advisory panels aimed at guiding future research in paleontology and systematics. She has mentored numerous graduate and undergraduate researchers and conducted student workshops at the Universidad Autónoma de Santo Domingo (Dominican Republic) as part of developing a paleoecology and modern ecology program at that University.

Finally, the namesake of this Medal would be pleased to know that Ann is continuing the concept of the Treatise of Invertebrate Paleontology, as she is currently a coordinating author of the coral volume Scleractinia.

Biographer: Donald F. McNeill

Citation: *For sustained scholarly contributions to the taxonomy, systematics and evolutionary biology of Cenozoic scleractinian corals, to the creation of a web-based taxonomic database to support the science of paleontology, and to the education of a generation of paleontology students*.

Reply from Ann Budd

I am truly honored to receive the Raymond C. Moore Medal of the Society for Sedimentary Geology. Although I consider myself primarily a Systematic Paleontologist, the most interesting and exciting research that I have been involved in has crossed disciplines and involved collaboration with geologists and marine biologists. I am particularly indebted to Don McNeill, Jim Klaus, and Tony Coates for providing the stratigraphic and environmental information needed for recognizing coral origination and extinction events, and placing these events in a temporal and spatial framework. The challenge to understanding Plio-Pleistocene turnover on Caribbean coral reefs has long been an interdisciplinary team effort.

I am lucky to have been involved in the early stages of two large field-based fossil collecting projects: the Dominican Republic Project led by Peter Jung & John Saunders of the Natural History Museum in Basel Switzerland, and the Panama Paleontology Project led by Jeremy Jackson & Tony Coates of the Smithsonian Tropical Research Institute in Panama. In many ways, these leaders were visionary in designing sampling protocols for addressing questions about the relationship between evolution and environment in tropical America.

Databases are fundamental to modern specimen-based paleontology, and I thank Tiffany Adrain, Tom Foster, and all of my former students for encouraging my efforts in this area, especially Ken Johnson, Tom Stemann, Jim Klaus and many others. John Pandolfi collaborated using morphometrics to study coral speciation in the fossil record.

Finally, Nancy Knowlton, Dave Carlon, and members of the Scleractinia Working Group worked with me to integrate molecular and morphological data, and show that Caribbean corals have a unique evolutionary history, deserving of special conservation measures. And of course, none of this would have been possible without the support of the National Science Foundation. To my mentors at Johns Hopkins (Steve Stanley and Jeremy Jackson), colleagues at the University of Iowa, and all of my collaborators, I am grateful!

Charles Kerans accepts the Francis J. Pettijohn Medal from President Kitty Milliken

Francis J. Pettijohn Medal For Sustained Excellence in Sedimentology Charles Kerans

Dr. Charles Kerans, known to most as "Charlie", is recognized internationally for his groundbreaking research in carbonate

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sequence stratigraphy. Dr. Kerans' research—from major outcrop syntheses to massive subsurface compilations—is underpinned by the rocks. *{If the person who sees the most rock wins: Charlie wins!}*

From his early remote field work in the Canadian Arctic and Australian outback, to his pioneering, multi-decadal synthesis of the Paleozoic section in the Guadalupe Mountains, to his ground breaking Pecos River Canyon synthesis of the Albian ramp stratigraphy and sedimentology, Charlie has led the scientific community in carbonate sequence stratigraphy. But he has not stopped at the outcrop. He has taken his understanding of outcrops into analogous subsurface settings, logging literally tens of miles of core. From the Proterozoic of the Canadian shield, to the Ordovician of the Ellenberger, to the Devonian of the Canning Basin, to the Mississippian paleokarst systems of the Grand Canyon and Wyoming, to the Pennsylvanian and Permian of West Texas; to the Jurassic and Cretaceous giants in the Middle East and the Golden Lane of Mexico, to the Pleistocene to Modern of the Turks and Caicos platform. Charlie blends core, thin sections, logs, seismic and outcrop analogs to derive the 3D architecture of some of the more complex systems in the world. Beyond the data synthesis, Charlie combines a unique understanding of climate, eustacy, tectonics, and paleobiology into an elegant framework representing the evolution of carbonate systems.

Dr. Kerans' impacts in carbonate geology cover aspects of carbonate sedimentology and sequence stratigraphy, depositional systems, applied aspects of carbonate reservoir characterization, outcrop analog studies, basin analysis, seismic stratigraphy, paleokarst analysis, carbonate diagenesis, carbonate geomorphology, and new approaches to 3D modeling. Charlie is also the co-Principal Investigator of the Bureau of Economic Geology's Carbonate Reservoir Characterization Research Laboratory (RCRL) Industrial Associates Research Program, which he founded in 1987. The RCRL program is strong as it enters its 28th year, having secured over $25 million in total research funding for the University.

As a result of his research he has been an AAPG Distinguished Lecturer both domestically and internationally. He has won 14 best paper/poster/oral presentation awards with co-workers and students, including two Wallace Pratt awards for best published paper in AAPG, and the Carlos Dengo award for best paper presented at the International AAPG in South Africa in 2008. In 2000, Charlie was awarded an Honorary Life Membership by the Permian Basin Section of the SEPM (Society for Sedimentary Geology). He received the WTGS Distinguished Service award and was selected as the Qualline Lecturer at The University of Texas at Austin. Charlie has taught numerous short courses for professional societies and companies in the United States, South America, Europe, Asia and the Middle East. Charlie has shared his insights with thousands of industry representatives in his professional training courses and field trips.

Professor Kerans holds the Goldhammer Chair of Carbonate Geology in the Department of Geological Sciences at The University of Texas at Austin and advises a very talented group of 13 current graduate students working global carbonate problems. He has also advised 25 students, been a member on another 29 PhD and Master committees. Charlie's ability teach fundamentals in an applied manner significantly helps them entering and being in the professional work force where he has scholars in 21 different companies. His commitment to education has won him several teaching awards including the Grover E. Murray Distinguished Educator by AAPG in 2014. He commands the dedication of his students, not through rank, but by a genuine sense of engagement with them, not only as a great person with an infectious laugh but also to forward his teachings into the full reach of carbonates.

Biographers: Laura C. Zahm, William L. Fisher, and Scott W. Tinker

Citation: *For ground breaking contributions to carbonate sequence stratigraphy from the outcrop to subsurface and in the classroom*.

Reply from Charles Kerans

I am truly grateful to my friends and colleagues who have nominated me for the Pettijohn Medal in sedimentology. Though I may be one of the first (but not the last!) Pettijohn medalist that had not met Francis Pettijohn in person, I certainly avidly read his textbooks and my PhD supervisor, Al Donaldson, was a Pettijohn student. I couldn't have a greater honor!

I can look at my career in three phases, the mentor phase (otherwise known as the drinking from a firehose phase), my colleague phase, where I developed lifelong partnerships with so many great geologists, and my payback phase, taking on graduate students and teaching short courses and classes at UT Austin and globally. Mark Erickson, Tim Cross, Al Donaldson, Paul Hoffman, Phil Playford, Jerry Lucia, and Bill Fisher, and James Lee Wilson served as mentors through my undergraduate, PhD, post-Doc and early professional career. Field work in upstate New York and Ontario (Undergrad Honors Thesis), northern Northwest Territories working Proterozoic basin analysis with Al Donaldson in Canada taught me what real field work was. Phil Playford took a chance bringing me on as a post-doc based on a reference from Paul Hoffman, and introduced me to the carbonate world in what has to been one of the 2-3 most spectacular carbonate provinces in the world. Mitch Harris, who has touched on so many carbonate sedimentologists careers, got me an

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interview with the Bureau of Economic Geology where I began to develop as a professional geologist and learn to apply my education to solving real-world problems for the next 20 years. Don Bebout introduced me to core work and I learned what a pore was from the expert, Jerry Lucia! Throughout this time at the BEG Bill Fisher provided the gut-check "what do you have new today" inspiration that served to galvanize our work.

My colleague phase began in undergraduate school. Here I met Gerry Ross, and we wound up in graduate school together with the same advisor, who remarkably turned us loose in the spectacular Middle Proterozoic Amunsden Basin together. What an adventure!!. After couple of years working subsurface reservoirs I was itching to get back to field work. It seemed unbelievable to me that the University of Texas at Austin did not have an active research in the Guadalupe Mts. Lucia and I created the Reservoir Characterization Research Lab as a way of pushing the outcrop analog theme in carbonate reservoirs and believe it or not, this rouse is still working!! It is in this phase that I developed critical relationships with Mike Gardner, Scott Tinker, Mark Sonnenfeld, Steve Ruppel, Bob Goldhammer, Jerry Bellian. Scott Tinker and I started a life-long friendship working on reservoir characterization research in both the outcrop and subsurface, and it here that many ideas gelled. Mitch Harris and more recently Steve Bachtel have patiently turned me into a Holocene carbonate junkie and Chris Zahm has fractured my world with insights on how important structure really is in carbonate stratigraphy.

Once any of us looks around and realizes how incredibly lucky we have been in terms of our educational paths, it becomes clear that payback is in the cards. Thus begins the supervisor phase. Bill Fitchen, Laura Zahm, Scott Tinker, and Ted Playton were among the first. Wow! In time I have moved to a teaching-dominated role and have had the joy of supervising numerous incredible grad students who have been the ones to keep moving me and the group forward.

Throughout this science experiment it is my wife Pam who has kept me grounded (and in shape) and my 3 geo/engineering boys who have been there through it. Thanks to my family, my mentors, my colleagues, and my students for making it all so memorable.

Robert Dalrymple accepts the William F. Twenhofel Medal from President Kitty Milliken

William F. Twenhofel Medal For a Career of Outstanding Contributions in Sedimentary Geology Robert W. Dalrymple

Bob Dalrymple is internationally reknowned for his fundamental research on the origin and interpretation of siliciclastic sediments and sedimentary rocks. Early in his career he used new concepts of sedimentary processes and hydrodynamics together with his formidable skills of observation, measurement, and integration to undertake a seminal study of tidal deposition in the world-famous Bay of Fundy. Perhaps the most important universal contributions to come from this and subsequent research here with graduate students and colleagues were the models of estuarine sedimentation that are now used today by sedimentologists worldwide. Since then, he has continued to expand our understanding of tidal deposits with fundamental research on tide-dominated deltas, wave-dominated, open-coast tidal flats and the fluvial-marine transition. Probably his most fundamental and I suspect most lasting contribution to our science, however, has been his work on modern and ancient incised valley depositional systems. This research resulted in two SEPM Special Publications and is now a whole subdiscipline within sedimentology. But this belies his profound understanding of global sedimentology as demonstrated by his co-editing books on facies models and tidal sedimentology. He has been particularly interested in Proterozoic and early Paleozoic rocks with fundamental papers on the origin of shales, facies-controlled mineralization, paleoenvironments of the Ediacran biota, and the nature of oceans during the enigmatic snowball earth. Bob has been a tireless worker for and champion of SEPM, culminating in his election as President of the Society. His sterling reputation as an educator is exemplified by his

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guidance of more than 30 research students and Post Doctoral Fellows as well as his countless invitations to address national and international scientific meetings and the petroleum industry worldwide. Finally, he has just been honored by the Geological Association of Canada and awarded the Middleton Medal for outstanding contributions to sedimentology in the Canadian context.

Biographer: Noel P. James

Citation: *Robert Dalrymple, a gentleman, outstanding academic, and gifted researcher, is globally one of the best-known and respected of sedimentologists. He exemplifies the attributes of intellectual rigor, scholarship, and natural observation that define the discipline in our age.*

Reply from Robert Dalrymple

It is with great surprise and pleasure that I learned I was to be awarded the Twenhofel Medal; it is an enormous honor to receive this award, given that the list of past recipients is a "who's who" of our discipline. I am thankful to Noel James and the others who nominated me, and also to the SEPM selection committee, for this recognition. Foremost amongst the many people who deserve thanks, however, is my wife, Linda, who has put up with the many absences, the long hours and the solitary focus that I've dedicated to my research. She deserves this award as much as I do.

My research career started at McMaster University, where my Ph.D. supervisor, Gerry Middleton, gave me a fundamental understanding of fluid mechanics that has underpinned all of the research I've done, Gerry, together with Roger Walker, taught me how to think broadly and critically (not negatively); these are skills that I've valued throughout my career. Gerry also introduced me to SEPM and initiated a life-long affiliation with this great organization that has been my professional home since I became a member in 1971. It has been a pleasure to have served as SEPM's SP Editor, President Elect and President. The many interactions with like-minded colleagues on Council, and with SEPM staff, who were always professional, helpful and friendly, will be fondly remembered.

Finally, I want to thank the many students and colleagues with whom I've worked over the last 40 years; so much of what I've done have been a collaborative effort. In particular, I would single out my departmental colleagues, Noel James and Guy Narbonne, who have made my 35 years at Queen's so enjoyable; among my students, all of whom have taught me as much as I taught them, I would mention Brian Zaitlin and Kyungsik Choi; and among research collaborators, Ron Boyd and Ron Steel have been especially stimulating to work with.

Thank you again for this great honour.

2013 Outstanding Paper in the Journal of Sedimentary Research

Stacy C. Atchley, Lee C. Nordt, Stephen I. Dworkin, Jahandar Ramezani, William G. Parker, Sidney R. Ash, and Samuel A. Bowring
2013, A LINKAGE AMONG PANGEAN TECTONISM, CYCLIC ALLUVIATION, CLIMATE CHANGE, AND BIOLOGIC TURNOVER IN THE LATE TRIASSIC: THE RECORD FROM THE CHINLE FORMATION, SOUTHWESTERN UNITED STATES: JSR 83:12

2013 Outstanding Paper in the Journal of Sedimentary Research Honorable Mention

Jonathan P. Allen, Christopher R. Fielding, Michael C. Rygel, and Martin R. Gibling
2013, DECONVOLVING SIGNALS OF TECTONIC AND CLIMATIC CONTROLS FROM CONTINENTAL BASINS: AN EXAMPLE FROM THE LATE PALEOZOIC CUMBERLAND BASIN, ATLANTIC CANADA: JSR 83:10

2013 Outstanding Paper in Palaios

Rowan C. Martindale, Leopold Krystyn, Frank A. Corsetti, and David J. Bottjer
FROM FORE REEF TO LAGOON: EVOLUTION OF THE UPPER TRIASSIC DACHSTEIN CARBONATE PLATFORM ON THE TENNENGEBIRGE (SALZBURG, AUSTRIA), PALAIOS, v. 28, p. 755-770.
November, 2013, published online May 1, 2014
doi:10.2110/palo.2013.016

2013 Outstanding Paper in Palaios Honorable Mention

Beverly J. Walker, Molly F. Miller, Samuel S. Bowser, David J. Furbish, and Guilherme A. R. Gualda
DISSOLUTION OF OPHIUROID OSSICLES ON THE SHALLOW ANTARCTIC SHELF: IMPLICATIONS FOR THE FOSSIL RECORD AND OCEAN ACIDIFICATION, PALAIOS, v. 28, p. 317-332.
May 2013, published online June 24, 2013
doi:10.2110/palo.2012.p12-100r.

Andrew H. Knoll, Sarah Wörndle, and Linda C. Kah
COVARIANCE OF MICROFOSSIL ASSEMBLAGES AND MICROBIALITE TEXTURES ACROSS AN UPPER MESOPROTEROZOIC CARBONATE PLATFORM, PALAIOS, July 2013, v. 28, p. 453-470.
July 2013, published online August 16, 2013
doi:10.2110/palo.2013.p13-005r

Audited Financial Report – 2014

HoganTaylor LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Council
SEPM (Society for Sedimentary Geology)

Report on the Financial Statements

We have audited the accompanying financial statements of SEPM (Society for Sedimentary Geology) (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SEPM (Society for Sedimentary Geology) as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of SEPM (Society for Sedimentary Geology), as of and for the year ended December 31, 2013, were audited by Hartog, Kallenberger & Swarthout, P.L.L.C. (HKS). HKS was acquired by HoganTaylor LLP effective January 1, 2015. The HKS report dated on June 27, 2014, expressed an unmodified opinion on those financial statements.

Hogan Taylor LLP

October 12, 2015

SEPM (Society for Sedimentary Geology)

STATEMENTS OF FINANCIAL POSITION

December 31, 2014 and 2013

	2014	2013
Assets		
Current assets:		
Cash and cash equivalents	$ 1,119,221	$ 1,250,535
Certificate of deposit	244,591	245,000
Accounts receivable	2,954	-
Due from affiliate	39,139	14,356
Inventory	172,011	250,604
Prepaid expenses	33,062	42,613
Total current assets	1,610,978	1,803,108
Furniture and equipment, net	14,463	19,584
Investments	2,675,266	2,513,415
Total assets	$ 4,300,707	$ 4,336,107
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 50,740	$ 65,885
Deferred income	506,765	535,350
Total current liabilities	557,505	601,235
Unrestricted net assets:		
Unrestricted	2,530,241	2,691,242
Board designated	1,212,961	1,043,630
Total net assets	3,743,202	3,734,872
Total liabilities and net assets	$ 4,300,707	$ 4,336,107

See notes to financial statements.

SEPM (Society for Sedimentary Geology)

STATEMENTS OF ACTIVITIES

Years ended December 31, 2014 and 2013

	2014	2013
Revenues, Gains and Other Support		
Dues	$ 108,645	$ 99,850
Publications	192,182	207,261
Journal of Sedimentary Research - subscriptions, royalties and other	586,218	518,111
Palaios - subscriptions, royalties and other	202,893	170,023
Continuing education	51,870	44,525
Meetings, conferences and field trips	121,279	68,508
Membership activities	26,963	52,531
Net realized and unrealized gain on investments	45,991	270,310
Investment income	120,570	65,257
Total revenues, gains and other support	1,456,611	1,496,376
Expenses		
Program expenses:		
Publishing costs - Journal of Sedimentary Research	180,004	136,645
Publishing costs - Palaios	143,161	105,279
Publications	190,941	146,682
Continuing education	43,545	22,749
Meetings, conferences and field trips	84,092	42,347
Membership activities	270,557	157,246
Grant award to SEPM Foundation, Inc.	42,485	76,000
General and administrative	493,496	486,174
Total expenses	1,448,281	1,173,122
Change in net assets	8,330	323,254
Net assets, beginning of year	3,734,872	3,411,618
Net assets, end of year	$ 3,743,202	$ 3,734,872

See notes to financial statements.

Audited Financial Report – 2014

SEPM (Society for Sedimentary Geology)

STATEMENTS OF CASH FLOWS

Years ended December 31, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Change in net assets	$ 8,330	$ 323,254
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	5,875	7,703
Net realized and unrealized (gain) on investments	(45,991)	(270,310)
Change in operating assets and liabilities:		
Accounts receivable	(2,954)	123,246
Due from affiliate	(24,783)	
Inventory	78,593	8,097
Prepaid expenses	9,551	4,298
Accounts payable and accrued liabilities	(15,145)	(14,174)
Deferred income	(28,585)	20,448
Net cash provided by (used in) operating activities	(15,109)	202,562
Cash Flows from Investing Activities		
Purchase of furniture and equipment	(754)	(6,570)
Purchase of investments and certificates of deposit	(400,208)	(533,162)
Proceeds from maturations and sales of investments and certificates of deposit	284,757	102,000
Net cash used in investing activities	(116,205)	(437,732)
Net change in cash and cash equivalents	(131,314)	(235,170)
Cash and cash equivalents, beginning of year	1,250,535	1,485,705
Cash and cash equivalents, end of year	$ 1,119,221	$ 1,250,535

See notes to financial statements.

SEPM (Society for Sedimentary Geology)

NOTES TO FINANCIAL STATEMENTS

December 31, 2014 and 2013

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Nature of operations

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. In 1989, the Society changed its name to SEPM (Society for Sedimentary Geology).

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.

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.

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 included in inventory.

Special publications are valued at cost (specific identification) in the year of publication and the 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.

Furniture and equipment

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

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.

Publications, continuing education and membership activities are recognized as revenue when the publication is delivered and the service is provided.

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the appropriate category of net assets in the period received. Unconditional promises to give are recorded net of an allowance for uncollectible receivables. This estimate is based on such factors as prior collection history, type of contribution and the nature of the fund-raising activity. Donor-restricted contributions are classified as unrestricted support if the restrictions are satisfied in the same reporting period in which the contribution was received.

Pledges receivable are charged off when deemed uncollectible by management.

Income taxes

The Society is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation. As a result, as long as the Society maintains its tax exemption, it will not be subject to income tax.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the accounting period. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to the 2013 financial statements to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

Subsequent events

Management has evaluated subsequent events through October 12, 2015, the date the financial statements were available to be issued.

Note 2 – Inventory

Inventory consists of the following at December 31:

	2014	2013
Publications	$ 156,295	$ 233,784
Continuing education materials	14,051	15,005
Work in process	1,665	1,815
Total inventory	$ 172,011	$ 250,604

Inventory write-downs were $40,631 and $6,403 for the years ended December, 31, 2014 and 2013, respectively.

Note 3 – Furniture and Equipment

A summary of furniture and equipment at December 31 is as follows:

	2014	2013
Furniture and equipment	$ 246,613	$ 245,859
Less accumulated depreciation	(232,150)	(226,275)
Total	$ 14,463	$ 19,584

Note 4 – Investments

The fair value measurement standards establish a consistent framework for measuring fair value and a fair value hierarchy based on the observability of inputs used to measure fair value. These inputs are summarized in three broad levels:

- Level 1 Quoted prices in active markets for identical assets or liabilities.
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

There were no investment transfers due to changes in the observability of significant inputs between Level 1, Level 2 and Level 3 assets during the years ended December 31, 2014 and 2013.

Bank certificates of deposit are valued at cost plus accrued interest. The certificate of deposit is a level 2 security for 2014 and 2013.

Investments measured at fair value on a recurring basis consisted of the following:

	Fair Value Measurements as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 2,675,266	$ -	$ -	$ 2,675,266

	Fair Value Measurements as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 2,513,415	$ -	$ -	$ 2,513,415

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Investments held at December 31 consist of the following:

	December 31, 2014	
	Historical Cost	Market (Carrying Amount)
General investments:		
Cash and cash equivalents	$ 51,947	$ 51,947
Growth and capital appreciation funds	596,249	754,626
Bond and balanced funds	652,450	674,033
International funds	63,787	96,586
Total general investments	1,364,433	1,577,192
New Frontiers Fund:		
Cash and cash equivalents	6,320	6,320
Growth and capital appreciation funds	510,461	750,817
Bond and balanced funds	175,427	183,301
International funds	109,721	157,636
Total New Frontiers Fund	801,929	1,098,074
Total investments	$ 2,166,362	$ 2,675,266

	December 31, 2013	
	Historical Cost	Market (Carrying Amount)
General investments:		
Cash and cash equivalents	$ 169,548	$ 169,548
Growth and capital appreciation funds	343,809	477,021
Bond and balanced funds	697,097	719,574
International funds	61,717	103,642
Total general investments	1,272,171	1,469,785
New Frontiers Fund:		
Cash and cash equivalents	1,952	1,952
Growth and capital appreciation funds	487,820	692,748
Bond and balanced funds	166,122	166,171
International funds	114,333	182,759
Total New Frontiers Fund	770,227	1,043,630
Total investments	$ 2,042,398	$ 2,513,415

Realized and unrealized gains were as follows:

	2014	2013
Unrealized gains	$ 32,962	$ 262,314
Realized gains	13,029	7,996
Total	$ 45,991	$ 270,310

Note 5 – Deferred Income

Deferred income consists of the following at December 31:

	2014	2013
Dues	$ 89,787	$ 78,112
Subscriptions	309,641	330,824
Publications in process and other	107,337	126,414
Total	$ 506,765	$ 535,350

Note 6 – Commitments

The Society leases its offices and warehouse under operating leases having expiration dates through August 2018. Minimum annual rental commitments are as follows:

Year	Amount
2015	$ 45,477
2016	46,186
2017	46,896
2018	27,597

Rent expense was $48,717 and $48,569 for the years ended December 31, 2014 and 2013, respectively

Note 7 – Unrestricted Net Assets

Unrestricted net assets consist of the following:

	2014	2013
General fund	$ 2,530,241	$ 2,691,242
Board designated:		
New Frontier Fund	1,098,074	1,043,630
Other	114,887	-
Total	$ 3,743,202	$ 3,734,872

The New Frontier 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.

Note 8 – Related Party Transactions

The Society received $8,000 for each of the years ended December 31, 2014 and 2013, from SEPM Foundation, Inc. (an affiliated nonprofit entity) for management fees.

The Society contributed $42,485 and $76,000 to SEPM Foundation, Inc. during 2014 and 2013, respectively, for general operations.

The Society had receivables from SEPM Foundation, Inc. of $39,139 and $14,356 at December 31, 2014 and 2013, respectively, resulting from the Society funding SEPM Foundation, Inc. grants and capital project expenses.

Note 9 – Concentration of Credit Risk

The Society maintains accounts and deposits with financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC). Typically, cash balances exceed the FDIC insurance limits.