

To: Executive Board
From: Bonnie Fisher and Chris Eskridge
Date: April 10, 2014
Re: Treasurer and Executive Director Report

This has been a period of high-level activity. The ACJS/ASC National Joint Policy Committee has been meeting regularly and Chris has been involved with that. The Finance Committee has met on several occasions and of course Bonnie has been involved with that. We are interacting more frequently with international folks, and we have been adjusting to a new editorial system with respect to The Criminologist (i.e., we now have an Associate Editor in Susan Sharp). We have filed our taxes and other legal forms and paid our various fees for the year, updated our Criminologist software system, are refining the app for the Annual Meeting, and dealing with the normal flow of business in what is one dynamic organization.

Our report, with a particular focus on the financial state of affairs:

1. Financial State of the Organization:

- A. We have engaged in the normal flow of business; invoicing, collecting, paying our bills, maintaining the books, etc. These functions are being carried out accurately and with dispatch.
- B. The following end of the year financial reports are attached:
 1. Balance Sheet 2013: We had \$2.6 million in assets at the end of 2013. Approximately \$2.25 million was open balance equity (our net worth).
 2. Profit and Loss 2013: We realized a profit of \$320,600 for the year. Our investments returned \$112,500 and we realized a \$200,000 operational positive cash flow in 2013 and consequently had no problem making our payroll and paying our bills. An examination of the Balance Sheet and the Profit and Loss statement clearly reveal that we are in a positive fiscal position.
 3. Profit and Loss Budget Comparison 2013: As you can see, we generated more income than expected, and spent less than expected, which is a good thing! More precisely on the expenditure side, we came in nearly \$160,000 under budget. There were a couple of line-item areas where we exceeded the budget that warrant some brief comment:
 - A. Awards (\$990 over) - We gave the members of the Hot Spots and the Ron Akers band awards that we did not budget for at the beginning of the year.
 - B. Criminologist (\$8,500 over) - We started a number of new

“Corners” in 2013 and just ended up with more pages than we expected. We are cutting back on the page count this year, and will come in at budget for 2014.

- C. Mid-Year Budget Review and Adjustment – We need to adjust the 2014 budget, based on possible adjustments to the staff salaries, and looking at the large San Francisco meeting. Given that that Board has yet to discuss the proposed increase in staff salaries, we will not make any proposed budget adjustments on that front, but we do need to adjust the San Francisco meeting budget (see below). Again, it appears as if the meeting is going to be quite large. We will make more money in registration fee revenue than we originally estimated, but we will also have additional expenses – more food costs, AV costs, printing, shipping, and we will be hiring one additional person to help out at registration. In the end, the increased income and increased expenditures will, by our conservative projection, be revenue neutral. The original approved San Francisco meeting budget carried a projected \$65,000 profit figure, as does this proposed revised budget.
- D. California Forms and Fees – The State of California has a new law that requires all entities that do business in California and/or have customers who are California residents to file tax forms with the Attorney General’s Office, complete their RRF-1 form, and pay a fee. The first year an organization files, they are required to provide Federal 990 tax forms for the previous 5 years and pay a rather hefty fee based on income. Based on our income statements, we had to pay \$800. Each year hereafter, we will be paying \$150. This is most frustrating and by admission of a representative from the Attorney General’s Office with whom Chris spoke, it is merely a revenue generating ploy by the State. We bring this to your attention because apparently other states are now looking at this, recognizing it as a potential revenue source, and may be doing the same. The prospect of having to file our federal 990 tax form, fill out a form, and pay a fee in every state every year is a bit overwhelming.
- E. Divisions - The Divisions are doing well. They are all on the positive side of the ledger financially and have solid membership figures. The new divisions are doing particularly well with respect to their membership counts, which is great news. Division chairs receive detailed financial updates on a monthly basis. The following information was updated as of April 1, 2014, and has been given to all of the Division Chairs:
 - 1. DCC - \$27,200; 214 members
 - 2. DCS - \$15,800; 311 members
 - 3. DEC - \$7,000; 138 members
 - 4. DIC - \$15,900; 198 members
 - 5. DLC - \$2,600; 200 members
 - 6. DOV - \$29,200; 152 members

7. DPCC - \$8,100; 168 members
8. DWC - \$46,800 (plus \$76,000 in Feminist Crim); 332 members
2. Membership - We ended the year with 3,442 members, down a bit from 2012 (3,645) but up from 2011 (3,259). By head-count, we have members from roughly 50 countries, though 90 percent of our membership is U.S. based. As usual, roughly 1/3 of our members in 2013 were students (1,192). With a bigger meeting projected for San Francisco, we estimate an end of the year membership count of 3,750.
- 3.. Atlanta Meeting Report – As you all know, we had a great meeting in Atlanta. We had 3,217 participants from more than 40 countries, and we generated a profit of nearly \$137,000.
4. Columbus visit – Chris visited the Columbus office in February, worked with the staff, reviewed office policies and practices, visited with Teron Carter (our investment broker), and dug a little more into the history files.
5. Meeting Site Visits - A site visit of the San Francisco Marriott Marquis will be conducted the day before the Board meeting. A site visit was conducted in Washington, D.C. in March (for the 2015 meetings) as Chris was a bit concerned about meeting space at the Hilton. He managed to secure some additional meeting space, and secured some additional sleeping rooms and meeting room space at hotels directly across the street from the Washington Hilton.
6. Divisions and Committees – Chris has stayed in touch with division and committee chairs, communicating with them regarding a number of issues, as usual. There are currently eight and soon to be nine divisions, 28 committees, seven journals, and we have representatives to five external organizations. This is one dynamic organization that has a lot going on in many spheres.
7. Staff salary increases – Chris was asked to work with a Human Resource firm to assess our staff salaries. A memo was sent to the Board regarding this matter a month ago, and there was some subsequent exchange. No need for a complete review of the matter at this point as again, you have the detailed memo that was sent out previously, so in a nutshell, based on the Sequent analysis, it is proposed that:
 - a. Staff salaries be increased to \$75,000/\$70,000/\$62,500 respectively.
 - b. The raises be retroactive to January 1, 2014.
 - c. The bonus provision be increased from the current “up to \$1,000” to “up to \$3,000”.
 - d. The staff titles be changed to Deputy Director, Assistant Director, and Senior Accountant.

We have shown an average profit of \$263,000 for each of the last 5 years. This proposal will add \$70,000 to the budget.

2014 SAN FRANCISCO MEETING BUDGET

INCOME

Registration	\$408,000
Dance	3,000
Donations	1,500
Workshops	<u>2,500</u>
TOTAL	\$415,000

EXPENSES

All Academic	\$16,000
App Program	10,000
Audio Visual	93,500
Drayage	30,000
Extra Help/Program Chairs	25,000
Miscellaneous	1,000
Postage	1,500
Printing	6,000
Programs	20,000
Receptions	115,000
Shipping	2,000
Site Visit Travel	3,000
Staff Travel/Meals	4,500
Supplies	17,500
Workshops	<u>5,000</u>
TOTAL	\$350,000

2014 SAN FRANCISCO MEETING BUDGET
Proposed Revised

<i>INCOME</i>	
Registration	\$435,000
Dance	3,000
Donations	1,500
Workshops	<u>2,500</u>
TOTAL	\$442,000

EXPENSES	
All Academic	\$12,000
App Program	10,000
Audio Visual	96,500
Drayage	30,000
Extra Help/Program Chairs	25,500
Miscellaneous	1,000
Postage	1,500
Printing	7,000
Programs	22,000
Receptions	135,000
Shipping	3,000
Site Visit Travel	3,000
Staff Travel/Meals	7,500
Supplies	18,000
Workshops	<u>5,000</u>
TOTAL	\$377,000

2014 BUDGET

INCOME

Advertising/Marketing	\$43,000
Annual Meeting	415,000
<i>Criminologist</i>	14,000
<i>Criminology/ CPP</i>	140,000
Dues	275,000
Employment Exchange/Web	60,000
Investment Income	60,000
Minority Fellowship	2,500
Miscellaneous	100
Reprints	2,400
Royalties	1,000
TOTAL	\$1,013,000

EXPENSES

Advertising/Marketing	\$2,000
Affiliations	8,500
Annual Meeting	350,000
Awards	4,500
Committees	64,000
<i>Criminologist</i>	30,000
<i>Criminology/ CPP</i>	125,000
Depreciation	1,000
Employment Exchange	2,000
Equipment Expense	13,000
Executive Board	15,000
Executive Director Office	28,000
International Initiatives	4,000
Minority Fellowship	21,000
Miscellaneous Expenses	59,000
Next Year's Meeting	3,000
Office Expenses	52,000
Personnel	208,000
President Secretary Support	2,000
Professional Fees	5,000
Site Selection	1,000
Taxes	15,000
TOTAL	\$1,013,000