

To: Executive Board
From: Bonnie Fisher and Chris Eskridge
Date: April 15, 2018
Re: Treasurer and Executive Director's Report

This has been a period of high activity, as usual. We are currently working on our taxes and other legal forms, paid our various dues and fees for the year, are continuing to refine the annual meeting app, working on meeting logistics, and dealing with the normal flow of business.

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 2017: We had \$3.6 million in assets at the end of 2017. Approximately \$3.1 million was open balance equity (our net worth).
 2. Profit and Loss 2017: We realized a profit of \$340,500 for the year. Our investments realized a net returned of \$320,000, which yielded a \$20,500 positive operational cash flow in 2017. We had no problem making our payroll and paying our bills. An examination of the Balance Sheet and the Profit and Loss statement reveal that we are in a very positive fiscal position.
- C. Philadelphia Meeting Financial Report – There is so much more to our annual meetings than just the bottom line of our balance sheet, though our focus at times tends to shift in that direction. In that latter context, we did very well in Philadelphia, showing a \$205,000 profit. That substantial profit was realized due in part to the solid turnout – 4,100 participants from 43 countries. We do wish to re-emphasize that in addition to size and money, the meetings were just tremendous, and Jim and his team did a wonderful job.
- D. Divisions - The Divisions are all doing well. They are all on the positive side of the ledger financially and have solid membership figures. We do have several new divisions and they are just getting their feet on the ground, and will see an increase in membership (and in their bank balance) as the year moves on. Division chairs receive detailed financial updates and membership counts on a monthly basis. The following current information has been given to all of the Division Chairs:

- BioPsychoSocial - \$740; 65 members
- Communities and Place - \$2,400; 111 members
- Corrections and Sentencing - \$14,500; 242 members
- Critical Criminology and Social Justice - \$24,800; 172 members
- Developmental and Life Course Criminology - \$2,400; 212 members
- Experimental Criminology - \$3,600; 115 members
- International Criminology - \$11,700; 128 members
- People of Color and Crime - \$25,000; 147 members
- Policing - \$7,700; 260 members
- Terrorism and Bias Crime - \$5,500; 96 members
- Victimology - \$29,400; 149 members
- White Collar Crime - \$900; 54 members
- Women and Crime - \$41,800 (plus \$70,800 in Fem Crim);
260 members

2. Membership - We ended the year with 3,686 members (down 12 from the year before). Roughly 88 percent of our membership is U.S.-based, and 28 percent of our members in 2017 were students (1,024).
3. Atlanta Meeting Site Visit - A site visit of the Atlanta Marriott will be conducted the day before the Board meeting. We will provide a verbal report of our walk-thru at the meeting.
4. San Francisco Site Visit – Susan and Chris visited San Francisco in February, and had a very productive walk-thru of the property. We had several items that needed to be re-negotiated, and that has now been taken care of. The San Francisco Marriott is a tremendous property. We have plenty of meeting space, and plenty of sleeping rooms. This will be, we predict, the largest meeting we have ever had.
5. Divisions and Committees and Editors – Chris has stayed in touch with division and committee chairs and editors, communicating with them regarding a number of issues, as usual. There are currently thirteen (and soon to be fourteen) divisions, 28 committees, nine journals and a handbook, and we have representatives to five external organizations (AAAS, COSSA, IACP, OACP, UNODC).
6. Mid-Year 2018 Budget Review and Adjustment – We made a number of adjustments to the budget as we examined last year’s actual expenses and income realized in each line-item, and anticipated expenses and income for this year in light of that data. We also looked carefully at the \$90,000 in additional expenses that we will have this year we did not have last year. We have put together a revised draft budget (see page 10 of this report), but it is not sustainable. This budget is only a draft that is going to need to undergo serious discussion because we don’t have the income to balance things out. Our income will be smaller this year because the annual meeting will be smaller than it has been the last few years, and the stock market is much more volatile and we will not have the positive

return we have had in the past, and yet again, we have \$90,000 in additional expenditures that we did not have last year.

The increased expenditures are as follows:

- A. Criminology is asking for additional \$14,000 in funding (see item #7).
- B. The fiscal planning for my retirement starts this year, a \$50,000 line-item expense going forward each year now.
- C. You kindly gave me a \$10,000 raise.
- D. We added an \$8,000 line-item for Collaborative Research Initiatives.
- E. Via our rules, this is a financial audit year, which carries an \$8,500 price tag.

All told, this amounts to a new \$90,000 increase in our expenses from last year. We can't do that, not with our current income flow. We have to make the budget balance per ASC rules, so for the moment, we put in a fabricated anticipated income of \$169,500 from our investments for the year, which of course is fantasy. The reality is that our investments lost \$35,000 the first quarter, and the investment gurus are saying things will be just as chaotic in the marketplace for the rest of the year with Trump in office. Our annual meetings make money and we have lived off that of late, but Atlanta is not going to have the participation numbers we have seen in recent years. We anticipate an Atlanta meeting profit in the \$130,000 range which is wonderful, but not enough to cover what we need. On the income side, we just raised dues, meeting registration fees, and advertising fees so we can't touch any of those for a while. We have to look at things to cut, and there are not a lot of places to do that. We will be optimistic that the market will turn around a bit, and suggest that we need to come up with budget cuts in the \$70,000 range to make the budget balance this year (ie., that we will in the end see a portfolio return in the \$100,000 range). Some options:

- A. I am not going to take the \$10,000 salary increase you so kindly and graciously offered me, so we can pick up \$10,000 there.
- B. Should we cut back on the \$8,000 fund we set aside for Presidential travel to international meetings?
- C. Should we cut back on the \$8,000 we set aside for the Collaborative Research Initiatives?
- D. Should we cut back on the size of the annual meeting receptions or maybe even cut out the Presidential reception all together since there are so many university parties that night anyway? That would save us around \$30,000.

- E. A touchy issue, but it needs to be raised - do we need to have both COSSA and CJRA? Between the two, we are spending nearly \$80,000/year on lobbying efforts. Perhaps we can drop our membership in COSSA since we have now created the CJRA? COSSA membership costs us about \$9,000/year.

- F. There are a number of expenditures that we cannot adjust this year because we made commitments. All of these activities/expenditures have great value, but we are at a point where we are going to have to begin to make some choices. Some future cost-cutting options:
 1. Should we continue to provide \$5,000 to support the oral history project?
 2. Should we continue to allocate \$25,000 to support presidential plenaries at the annual meetings?
 3. Should we continue to provide \$5,000 to sponsor social events at various professional associations (ie., European Society of Criminology, Australia/New Zealand Society of Criminology, Asian Criminological Society)?
 4. Should we provide \$10,000 in travel support for our liaisons to attend the meetings of the organizations to which they are assigned?
 5. Should we reduce the number of workshops we offer at the Annual Meetings as these are money losing ventures, or, keep the same number of workshops but reduce what we pay the workshop instructors (currently \$1,000 per workshop) and/or charge more so that we could perhaps break even?
 6. Do we need and/or can we afford a half-time media consultant for CJRA which is a \$45,000/year expense to us (buying conceptually ¼ of her time)? While \$180,000 may be the going rate in Washington, D.C. for a full-time media consultant, can we afford that as an organization?
 7. How much money can we continue to put into the CJRA given other organizational initiatives? Should we consider spinning CJRA off as a stand-alone 501c(4) entity, a formal lobbying organization, that has its own officers and generates its own budget?

In sum, we have extended our expenditures to the point that they now exceed our income, and we are beginning to embark down an unsustainable fiscal path. We going to have to start to make some choices, some tough decisions going forward. We do temper these thoughts a bit with this footnote - 2018 is somewhat of a unique year. As noted, the Atlanta meetings typically draw the smallest number of attendees of all our Annual Meeting venues, and the stock market is particularly volatile with Trump in office. We still, however, do need to make some tough decisions in the not too distant future with respect to our growing expenditures.

- 7. Criminology Budget – This is a bit of a sticky wicket and requires some detailed

review, per the comment in Item #6. We offered the Criminology editors a \$40,000 package in the Call for Editors that went out two years ago (see attached ad; \$35,000 to the school and \$5,000 to the editors as a stipend). That is what Albany agreed to. The Editors have now come back to us and have asked for more. Here is what they are now asking for:

No editor stipend - \$0

Editor travel - \$10,000 (so that the 4 editors can meet twice a year)

Editorial Board Meeting Reception - \$2,000 (at the ASC meeting)

GRA #1 – \$43,108 (\$20,800 for the academic year plus \$6,000 for the summer stipend plus \$8,154 in tuition for 2 semesters/year)

Total Albany request - \$55,108

We have provided roughly \$1,000/year for the Criminology Editorial Board Meeting reception over the years, so the bottom line increase being sought is roughly \$14,000 (\$54,000 vs. \$40,000).

In addition, Albany is also making a soft request that we pay for a 2nd GRA. The current cost of the 2nd GRA is as follows:

GRA #2 – \$28,612 (\$20,800 for the academic year plus \$6,000 for the summer stipend plus \$906 in tuition for 2 semesters/year)

At present, Albany is paying for this 2nd GRA as it does take two GRA's to run Criminology. The tuition dollar figure for GRA #2 is lower than that of GRA #1 because GRA #2 is now ABD. David McDowall believes that this individual will stay with the journal (and stay at this lower tuition rate) thru August of 2019. At that point, starting in the Fall semester of 2019, the overall cost for GRA #2 will be the same as the current overall cost GRA #1 (in the \$43,000+ range for the year). Pro-rated, if we pay for GRA #2, it will cost ASC \$35,860 in 2019 and then \$43,000+/year thereafter. Do note that the \$8,154 tuition figure is certainly going to move upward as virtually all universities are raising tuition regularly, but I have used the \$8,154 figure in these calculations.

A couple of relevant issues here:

1. We currently pay for one GRA at Florida State - \$50,500/year. If we cover the cost of two GRA's at Albany, should we then cover the cost of two GRA's at Florida State as well, as the journals are now of equivalent size? If we pay for two GRA's at Albany, the cost would increase by \$30,000 this year, \$36,000 in 2019 and then by \$43,000 in 2020. If we pay for two GRA's at FSU, the increase would be obviously \$50,500 per year. In total, the increased costs would be as follows:

	2018	2019	2020
Total budgetary increase	\$80,500	\$86,500	\$93,500

We cannot sustain an immediate increase to our budget of this size.

2. In our view, we cannot pay for two GRA's at Albany and just one at Florida State. The workload between the two journals is different, but of an equivalent nature as I view the data (below). Criminology deals with more submitted manuscripts, but CPP has to deal with more published articles. So Criminology has more up-front work, with CPP has more back-end work if you would.

	2016		2017	
	Word Count	# of Articles	Word Count	# of Articles
CPP	529,821	86	480,732	75
Criminology	353,667	26	472,859	32

The February 2018 issues were almost identical in word count, though again CPP had more articles. I don't have May data at this point.

CPP - 108,577 words, 16 articles
Crim - 107,870 words, 7 articles

Number of submissions:

	2015	2016
Criminology	255 (209)	287 (232)
CPP	90	81

3. If we go with two GRA's for both Criminology and CPP, what about the Call for the new CPP editor that went out this past Fall said we will pay a maximum of \$60,000 to the school, which pragmatically meant ASC would cover one GRA? To change that now, after the "bidding" for the new journal has already taken place and proposals submitted, would be entirely inappropriate in my view. Some who did not bid for the CPP editorship would note that if they knew ASC was going to pay for two GRAs, they would have bid. We cannot change it now, we cannot go down that road.

Albany's request for support for a 2nd GRA is a soft one. They took the editorship position knowing and agreeing to the terms that ASC would pay for one GRA. We think we pay for one GRA at Albany at this time. An important side comment before moving on. We think that one of the factors that sparked this whole discussion is that in gross dollars, ASC has been budgeting/paying more for CPP than we have for Criminology, but that is simply because the fee for GRA's at FSU is more (\$50,500) than it was at Penn State and more than what it is at Albany (\$43,000).

Perhaps down the road, the next time we bid out Criminology and CPP, we can look to pay for a second GRA for both journals, and we should start to budget accordingly perhaps, but at this time, we really cannot. The two journals have an equivalent amount of editorial workload and we don't have the money to pay for two GRA's at both schools, Albany agreed to ASC supporting for just one GRA, and it would be completely unfair in the context of the current CPP Call for Editor's milieu.

The bottom line. Here is what we propose – identical budgets for Criminology and CPP, and since the editorship efforts are functionally requiring equivalent work, that is a good thing! Our proposal:

CPP (\$72,000)

GRA - \$50,500
Copy Editor - \$15,000
Editor Stipend - \$5,000
Postage - \$1,500
Misc - \$500

Criminology (\$72,000)

GRA - \$43,000
Copy Editor - \$15,000
Editor travel - \$10,000
Reception - \$2,000
Postage - \$1,500
Misc - \$500

8. Footnote point that Chris is adding...there is an item under new business on the agenda regarding the email notification we send to all the members regarding the release of the monthly CJRA newsletter. To refresh your memory, the Board has asked that we send a notification to the membership regarding the release of the newsletter each month. In my opinion, I do not think this is necessary. No one has complained, but in my opinion, by sending material out to the members each month, our members are going to start ignoring the emails that come from the Columbus office.

Again, in my opinion, sending a notification out each month regarding the release of this newsletter is just too much. If you have not checked out the CJRA newsletters, you may do so at: <http://crimeandjusticeresearchalliance.org/news/>. We have this link noted on the Policy Page and on the Publications Page, so it is readily available for those who are interested.

**2017 PHILADELPHIA
FINAL MEETING FINANCIAL**

<i>INCOME</i>	
Registration	580,830.00
Dance	1,750.00
Prev. Year Reg Fee	220.00
Room Rebate	6,674.79
Workshops	3,625.00
TOTAL:	\$593,099.79

<i>EXPENSES</i>	
All Academic	11,000.00
App Program	6,000.00
Audio Visual	139,896.59
Child Care	2,831.50
Drayage	25,383.63
Extra Help/Program Chairs	20,339.25
Miscellaneous	482.62
Postage	1,516.93
Presidential Plenaries	1,123.14
Printing	6,768.11
Programs	24,269.76
Receptions	103,570.52
Reg Desk Internet	1,506.00
Shipping	661.15
Site Visit	950.83
Supplies	25,952.39
Travel	7,444.13
Workshops	5,872.00
TOTAL:	\$387,568.55

New Editor Sought for *Criminology*

The American Society of Criminology invites applications for the position of Editor of *Criminology*, one of its official journals. The new Editor will be responsible for three volumes beginning with the February 2017 issue. It is anticipated that new manuscript submissions will transfer to the new Editor around November 2016.

The Editor is responsible for the timely and substantive output of the journal, including the solicitation of manuscripts, supervision of the peer review process and the final selection of articles for publication. The American Society of Criminology pays for copy-editing and final proof-reading, typesetting, providing PDF files, and up to \$35,000 per year toward full-time equivalent Managing Editor/graduate student assistance. The Editor's supporting institution might propose to provide office space, file storage, equipment, and funds to cover office expenses such as postage, phone, copying, additional graduate student assistance, and release time for the Editor. ASC will provide a \$5,000 honorarium to the Editor each year. Supporting institutions may propose to assume some of the expenses now provided by the ASC.

Interested applicants may contact the current Editor, Wayne Osgood (dwo1@psu.edu; 814-865-1304) for additional information regarding the logistics or operational details of editing and producing the journal. Applicants are welcome to contact Eric Stewart, Chair, ASC Publications Committee (estewart2@fsu.edu; 850-645-8150), to discuss their applications before submission.

Application materials should include (1) a statement of editorial philosophy, (2) resumes of all proposed personnel, including the Editor and Associate Editors, and (3) assurances and details of institutional support. Application materials are due March 1, 2016 and should be sent to:

Eric Stewart
College of Criminology and Criminal Justice
310 D Eppes Hall
145 Convocation Way
Florida State University
Tallahassee, FL 32312
dwo1@psu.edu
814-865-1304 (o)

Applications must be received by March 1, 2016.

2018 BUDGET - Draft

INCOME

Advertising/Marketing	\$50,000
Annual Meeting	575,000
<i>Criminologist</i>	15,000
<i>Criminology/CPP</i>	146,000
Dues	290,000
Employment Exchange/Web	75,000
Investments (Returns/Withdrawals)	169,500
Misc	1,000
Peterson Fellowships	2,000
Reprints	1,000
Royalties	<u>1,500</u>
TOTAL	\$1,326,000

EXPENSES

Advertising/Marketing	\$3,000
Affiliations	9,000
Annual Meeting	443,000
Awards	5,000
CJRA	70,000
Committees	28,000
<i>Criminologist</i>	44,000
<i>Criminology</i>	72,000
<i>CPP</i>	72,000
Depreciation	1,000
Employment Exchange	1,000
Equipment Expense	10,000
Executive Board	19,000
Executive Director Office	38,000
Executive Director Transition	50,000
International Initiatives	14,000
Investment Expense	23,000
Misc	24,000
Next Years' Meetings	2,000
Office Expenses	51,000
Personnel	296,000
Peterson Fellowships	18,000
President's Secretary Support	2,000
Professional Fees	11,000
Taxes	<u>20,000</u>
TOTAL	\$1,326,000