VI-C-1 Treasurer-2015-Report

Treasurer's Report September 1, 2015

There are three parts to this Treasurer's Report; Current Financials, Historical Fund Balance and proposed 2016 budget. Current financials and a comparison of 2014 with 2015 for several important categories are shown in the EXCEL spread sheet titled "financials 2014 2015". The 2015 projected income/expense and the proposed 2016 are shown in the EXCEL spread sheet titled "Budget 2016v7". There is no audit report since the EC decided that an audit for 2014 was not required. The cost was high and the timeliness was lacking. An audit is not required by either the By-Laws or the State of Maryland.

Current Financials

In 2014 we had a projected loss of $84,400. This followed an actual loss in 2013 of $87,581. These significant losses led the EC and GB to immediately explore possibilities for both increasing revenue and decreasing costs. In 2014 these efforts had a major impact and we ended 2014 with a loss of $23,802 rather than $84,400. Actions taken by the SAS Office and the EC were directly related to this improved performance. However, 2014 was still a loss year. Given the projected loss of $100,070 in 2015, the EC and SAS Office took further steps to reduce our 2015 projected loss. Steps taken by the SAS Office to reduce costs included moving to the home office and transitioning to MemberMax. These steps along with other reductions have been very effective and the projected loss of $100,070 has turned to a projected gain of $9,628. The Statement of Activities and Statement of Financial Position as of July 31, 2015 have been included as Appendix A. The income as of the end of July for 2015 is at 76% of budget. Expenses are at 49% of budget. For a more detailed look at the breakdown and the projection for yearend 2015, look at the 2016 budget spread sheet. Member dues are projected to run slightly ahead of budget for the full year. However, given that we had a dues increase, we need to look at actual member numbers to determine whether there has been a net loss of dues paying members due to the increase. Income from advertising (both web and journal) is running well below budgeted amounts. However, Bill has projected Web revenue will exceed budget by yearend. Journal advertising will come in well under budget and is reflective of a continued move away from print advertising. Contributions are projected to be well above budget due to a large withdrawal from our funds held by FACSS. Our projected withdrawal of $25,000 will leave us with around $4,000 remaining with FACSS. Our total projected income for 2015 is $834,390, which is under budget. Our expenses for personnel and office are running well below budget reflecting the move to the home office. Bonnie and Stephanie are completed this transition and it has resulted in a significant savings. EC/GB expenses are running well above 2014 reflecting meetings at both Pittcon and SCIEX. In 2014 there was minimal activity at Pittcon. As always, anything ERC members can do to help control travel expenses will help. Journal expenses are running slightly below budget reflecting a favorable exchange rate between

US and Canadian currency. Internet costs are slightly above budget due to one-time transition costs for the move to MemberMax. Section costs are projected well above budget due to anticipated distributions to sections and affiliates. We may want to revisit the issues around funds being held for sections. The remaining categories are running at or close to budget. The total projected expenses for 2015 are $824,762 giving us a projected surplus of $9,628. However this is critically dependent on Web and Journal advertising meeting the projections. This will require a significant increase in these incomes categories for the remainder of the year.

Historical Fund Balance (Net Worth)

The Fund Balance is a picture of our assets minus liabilities. It is a measure of the long-term financial health of the Society. Any reduction in Fund Balance represents a reduced capacity to operate in years where the expenses exceed the income.

	12/31/11	12/31/12	12/31/13	12/31/14	7/31/15
Total Fund Balance	614,146	527,427	427,195	398,966	581,272
Less Restricted Fund Balance	(13,954)	(12,651)	(2,635)	(2635)	(2635)
Unrestricted Fund Balance	600,193	514,776	424,560	396,331	578,637

The Fund Balance figures for mid-year can be misleading since our income is front end loaded and our expenses are concentrated at the end of the year. Based on the projections, we should expect that our year-end Fund Balance should be approximately the same as 2014.

As shown below, the Chapter Designated Funds serve to decrease the actual available funds for operations. There is a significant probability that we may have a cash flow problem at the end of 2015, especially if there is any delay in payments from OSA . Also since we are transitioning to SAGE for the subscription revenue, there may be a temporary loss of subscription revenue during the transition. The bottom line is that we may have to remove some funds from the Vanguard investment accounts in order to handle expenses during the 2015/2016 transition.

	12/31/11	12/31/12	12/31/13	12/31/14	7/31/2015
Unrestricted Fund Balance	600,193	514,776	424,560	396,331	578,637
Less Funds Designated for Chptrs	(98,965)	(100,637)	(102163)	(110,547)	(110,547)
Unrstrctd Non-Designated Funds	501,228	414,140	322,396	285,784	468,090

Appendix A
Statement of Activities
Statement of Financial Position
July 31, 2015

Society for Applied Spectroscopy, Inc.
Statement of Activities (Budget vs. Actual)
January through July 2015

	Jan - Jul 15	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4300 · Member Dues				
4305 · Regular	75,150.86	70,000.00	5,150.86	107.4%
4310 · Corp Sponsor	30,095.95	35,000.00	(4,904.05)	86.0%
Total 4300 · Member Dues	105,246.81	105,000.00	246.81	100.2%
4400 · Web Revenue				
4410 · Newsletter Ads	1,150.00			
4420 · Marketplace Ads	14,729.50			
4430 · First Take eNews	6,640.00			
4400 · Web Revenue - Other	0.00	55,000.00	(55,000.00)	0.0%
Total 4400 · Web Revenue	22,519.50	55,000.00	(32,480.50)	40.9%
4500 · Journal Income				
4505 · Subscriptions	421,401.22	420,000.00	1,401.22	100.3%
4625 · Advertising	81,967.85	230,000.00	(148,032.15)	35.6%
4630 · Reprints	536.50	400.00	136.50	134.1%
4635 · Royalties	2,816.99	15,000.00	(12,183.01)	18.8%
4640 · Open Access	0.00	1,000.00	(1,000.00)	0.0%
4650 · Other Jrnl Inc				
4675 · Color Figures	300.00			
4650 · Other Jrnl Inc - Other	20.00	1,500.00	(1,480.00)	1.3%
Total 4650 · Other Jrnl Inc	320.00	1,500.00	(1,180.00)	21.3%
Total 4500 · Journal Income	507,042.56	667,900.00	(160,857.44)	75.9%
4825 · Contributions				
4830 · General Contributions	8,225.00			
4840 · SciX Surplus Claimed	0.00	16,000.00	(16,000.00)	0.0%
4825 · Contributions - Other	0.00	6,000.00	(6,000.00)	0.0%
Total 4825 · Contributions	8,225.00	22,000.00	(13,775.00)	37.4%
4850 · Investment Revenue				
4060 · Dividends - Unrstrctd Accts	3,962.28			
4855 · Interest - Unrstrctd Accts	13.39			
4870 · Intrst/Dvdnds - Kowalski	2.41			
4885 · Unrealized Gain	2,803.83			
4850 · Investment Revenue - Other	0.00	10,000.00	(10,000.00)	0.0%
Total 4850 · Investment Revenue	6,781.91	10,000.00	(3,218.09)	67.8%
4900 · Other Income				
4940 · Mailing List	610.00			
4968 · Chapter Income	860.00			

	Jan - Jul 15	Budget	$ Over Budget	% of Budget
4980 · Miscellaneous	320.95			
4900 · Other Income - Other	0.00	1,000.00	(1,000.00)	0.0%
Total 4900 · Other Income	1,790.95	1,000.00	790.95	179.1%
Total Income	651,606.73	860,900.00	(209,293.27)	75.7%
Expense				
5995 · Personnel & Fringes				
6000 · Salaries	84,847.84	165,000.00	(80,152.16)	51.4%
6040 · Payroll Taxes	8,082.46	14,000.00	(5,917.54)	57.7%
6060 · Personnel Benefits				
6064 · Health/Dental Insurance	8,428.70			
6060 · Personnel Benefits - Other	0.00	16,000.00	(16,000.00)	0.0%
Total 6060 · Personnel Benefits	8,428.70	16,000.00	(7,571.30)	52.7%
Total 5995 · Personnel & Fringes	101,359.00	195,000.00	(93,641.00)	52.0%
6095 · Exec Cm, Gov Bd, & Other Cm				
6100 · Executive Comm				
6101 · Travel	4,622.30			
6103 · Lodging	6,608.59			
6105 · Meeting Exp	5,195.96			
6100 · Executive Comm - Other	0.00	39,220.00	(39,220.00)	0.0%
Total 6100 · Executive Comm	16,426.85	39,220.00	(22,793.15)	41.9%
6150 · Governing Board	0.00	2,500.00	(2,500.00)	0.0%
6170 · Membership Comm	0.00	500.00	(500.00)	0.0%
6190 · Other Committees	0.00	500.00	(500.00)	0.0%
Total 6095 · Exec Cm, Gov Bd, & Other Cm	16,426.85	42,720.00	(26,293.15)	38.5%
6195 · Journals				
6200 · Applied Spec Jrnl				
6205 · Advertising				
6206 · Ad Commissions	23,250.06			
6207 · Ad Publication Costs	7,682.35			
6209 · Other Advrtsng Exp	7,457.56			
6205 · Advertising - Other	836.06	105,000.00	(104,163.94)	0.8%
Total 6205 · Advertising	39,226.03	105,000.00	(65,773.97)	37.4%
6210 · Publication	116,532.35	170,000.00	(53,467.65)	68.5%

	Jan - Jul 15	Budget	$ Over Budget	% of Budget
6220 · Operating				
6222 · Prep - Graphics	4,745.00			
6224 · Prep - Editing	1,050.00			
6225 · Jrnl Ofc - Clearance	66,911.21			
6228 · Jrnl Ofc - Currency Exch	(10,364.43)			
6238 · Jrnl Ofc - Dues & Rgstrtn	325.00			
6220 · Operating - Other	0.00	130,000.00	(130,000.00)	0.0%
Total 6220 · Operating	62,666.78	130,000.00	(67,333.22)	48.2%
6240 · Postage / Shipping	0.00	50.00	(50.00)	0.0%
6245 · Honorariums / Stipends	12,745.81	25,000.00	(12,254.19)	51.0%
6250 · Promotion	0.00	300.00	(300.00)	0.0%
6265 · Travel	281.99	5,000.00	(4,718.01)	5.6%
6275 · Online	15,075.34	14,800.00	275.34	101.9%
6280 · Small Furniture/Equip	0.00	200.00	(200.00)	0.0%
6285 · Back Issues				
6286 · Costs	2,128.13			
6287 · Storage	839.15			
6285 · Back Issues - Other	0.00	4,500.00	(4,500.00)	0.0%
Total 6285 · Back Issues	2,967.28	4,500.00	(1,532.72)	65.9%
6288 · Media Liability Ins	2,308.00	2,500.00	(192.00)	92.3%
6290 · Editorial Board	0.00	500.00	(500.00)	0.0%
6295 · Miscellaneous	0.00	100.00	(100.00)	0.0%
Total 6200 · Applied Spec Jrnl	251,803.58	457,950.00	(206,146.42)	55.0%
6300 · NEW Journal				
6368 · Other Exp	89.91			
6300 · NEW Journal - Other	0.00	10,000.00	(10,000.00)	0.0%
Total 6300 · NEW Journal	89.91	10,000.00	(9,910.09)	0.9%
Total 6195 · Journals	251,893.49	467,950.00	(216,056.51)	53.8%
6380 · Intrnt Srvcs / Data Mgmt Systms				
6382 · Contracted Srvcs Fees	39,830.10			
6385 · Other Exp	3,700.58			
6380 · Intrnt Srvcs / Data Mgmt Systms - Other	(1,500.00)	42,500.00	(44,000.00)	(3.5)%
Total 6380 · Intrnt Srvcs / Data Mgmt Systms	42,030.68	42,500.00	(469.32)	98.9%
6400 · Member Services				
6405 · Tour Speaker Program	1,090.39			
6410 · Newsletter				
6414 · Publication	2,921.55			
6416 · Ad Commissions	607.50			
Total 6410 · Newsletter	3,529.05			

	Jan - Jul 15	Budget	$ Over Budget	% of Budget
6435 · Student Activities	3,526.25			
6454 · Marketplc Commissions	7,909.50			
6465 · Other Exp	927.00			
6400 · Member Services - Other	0.00	44,000.00	(44,000.00)	0.0%
Total 6400 · Member Services	16,982.19	44,000.00	(27,017.81)	38.6%
6600 · Awards / Grants	0.00	20,000.00	(20,000.00)	0.0%
6650 · Sections				
6660 · Chapter Expenses				
6662 · Meeting Exp	190.82			
6668 · Supplies	541.34			
6674 · Honorariums / Awards	250.00			
6678 · Travel & Lodging	249.46			
Total 6660 · Chapter Expenses	1,231.62			
6650 · Sections - Other	0.00	13,000.00	(13,000.00)	0.0%
Total 6650 · Sections	1,231.62	13,000.00	(11,768.38)	9.5%
6700 · Conferences				
6702 · Booth Rental	600.00			
6708 · Other Exp	2,370.07			
6700 · Conferences - Other	0.00	8,000.00	(8,000.00)	0.0%
Total 6700 · Conferences	2,970.07	8,000.00	(5,029.93)	37.1%
6800 · Society Office				
6810 · Facilities				
6814 · Utilities, Alarm, Cleaning	796.49			
6816 · Internet Connection	719.60			
6810 · Facilities - Other	0.00	31,500.00	(31,500.00)	0.0%
Total 6810 · Facilities	1,516.09	31,500.00	(29,983.91)	4.8%
6825 · Insurances (Ofc & Personnel)	5,216.00	6,000.00	(784.00)	86.9%
6830 · Postage / Shipping	554.06	1,500.00	(945.94)	36.9%
6835 · Phone	1,780.25	3,000.00	(1,219.75)	59.3%
6840 · Printing, Dsgn, MI Prep	0.00	200.00	(200.00)	0.0%
6845 · Dues & Subscriptions	1,695.00	1,500.00	195.00	113.0%
6850 · Travel	6,656.87	9,000.00	(2,343.13)	74.0%
6865 · Supplies	404.50	1,600.00	(1,195.50)	25.3%
6870 · Equip / Furniture / Sftwr				
6874 · Rental	6,004.34			
6870 · Equip / Furniture / Sftwr - Other	0.00	6,000.00	(6,000.00)	0.0%
Total 6870 · Equip / Furniture / Sftwr	6,004.34	6,000.00	4.34	100.1%
6875 · Legal Fees	0.00	1,500.00	(1,500.00)	0.0%
6880 · Auditors	0.00	10,000.00	(10,000.00)	0.0%

	Jan - Jul 15	Budget	$ Over Budget	% of Budget
6885 · Bookkeeper / Pyrl Srvc	5,353.29	12,000.00	(6,646.71)	44.6%
6899 · Miscellaneous	384.72	500.00	(115.28)	76.9%
Total 6800 · Society Office	29,565.12	84,300.00	(54,734.88)	35.1%
6950 · Other Expenses				
7000 · Financing Exp				
7010 · Bank Fees - Unrstrctd Accts	951.44			
7020 · Bank Fees - Rstrctd Accts	20.00			
7030 · Processing Fees/Discounts	2,017.44			
7000 · Financing Exp - Other	0.00	4,500.00	(4,500.00)	0.0%
Total 7000 · Financing Exp	2,988.88	4,500.00	(1,511.12)	66.4%
7200 · Depreciation	1,197.00	2,500.00	(1,303.00)	47.9%
7300 · Member Acquistion/Retention				
7315 · Sponsor Commissions	1,500.00			
7300 · Member Acquistion/Retention - Other	0.00	6,000.00	(6,000.00)	0.0%
Total 7300 · Member Acquistion/Retention	1,500.00	6,000.00	(4,500.00)	25.0%
8200 · Income Taxes				
8210 · Federal	3,735.45			
8220 · State	3,000.00			
8200 · Income Taxes - Other	0.00	15,500.00	(15,500.00)	0.0%
Total 8200 · Income Taxes	6,735.45	15,500.00	(8,764.55)	43.5%
8950 · Marketing Clearance	0.00	15,000.00	(15,000.00)	0.0%
Total 6950 · Other Expenses	12,421.33	43,500.00	(31,078.67)	28.6%
9000 · Suspense/Ask Client	(203.00)			
Total Expense	474,677.35	960,970.00	(486,292.65)	49.4%
Net Ordinary Income	176,929.38	(100,070.00)	276,999.38	(176.8)%
Net Income	**176,929.38**	**(100,070.00)**	**276,999.38**	**(176.8)%**

Society for Applied Spectroscopy, Inc.
Statement of Financial Position
As of July 31, 2015

	Jul 31, 15
ASSETS	
Current Assets	
Checking/Savings	
1000 · Unrestricted Cash	
1005 · Non-Designated Funds	
1007 · Operating & Sweep	206,742.58
1012 · Chapter Dsgntd Funds (-)	(110,547.23)
1020 · Savings	7,681.96
Total 1005 · Non-Designated Funds	103,877.31
1080 · Chapter Dsgntd Funds (+)	110,547.23
Total 1000 · Unrestricted Cash	214,424.54
1200 · Temporarily Restricted Cash	
1235 · Kowalski Fund	4,144.91
Total 1200 · Temporarily Restricted C...	4,144.91
Total Checking/Savings	218,569.45
Accounts Receivable	
1300 · Accounts Receivable	
1315 · Marketing Rep Accts	83,339.95
1320 · Dues Via OSA	445.00
1325 · Color Figures	2,100.00
1335 · Spnsrshps - Dues/Other	850.00
Total 1300 · Accounts Receivable	86,734.95
Total Accounts Receivable	86,734.95
Other Current Assets	
1359 · Other Receivables	2,037.00
1450 · Deposits & Prepaid Expns	
1455 · Prepaid Expenses	8,910.00
1475 · Postage - Short Pd #96049	48.74
1480 · Postage - Meter/Reserve Acct	106.43
1490 · Security Deposit	799.41
Total 1450 · Deposits & Prepaid Expns	9,864.58
1510 · Vanguard Investments	323,921.36
1515 · 2018 Strategic Fund - Vanguard	2,995.23
1570 · Clearance Accts	
1572 · Deposits	5,763.13
Total 1570 · Clearance Accts	5,763.13
Total Other Current Assets	344,581.30
Total Current Assets	649,885.70
Fixed Assets	
1600 · Furniture & Equipment	39,282.86
1610 · Accumulated Depreciation	(36,516.24)
Total Fixed Assets	2,766.62
TOTAL ASSETS	**652,652.32**

Society for Applied Spectroscopy, Inc.
Statement of Financial Position
As of July 31, 2015

	Jul 31, 15
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Vendor Payables	9,619.40
Total Accounts Payable	9,619.40
Other Current Liabilities	
2100 · New	0.11
2200 · Passthrough Payables	
2208 · Analytical Letters Subs	260.00
2210 · Spectrochimica Subs	285.00
2213 · Inst Science & Tech Subs	315.00
2215 · Analytic & Bio Chem Subs	305.00
2218 · App Spec Reviews Subs	160.00
2220 · OSA Memberships	560.00
2223 · Spectroscopy Ltrs Subs	112.35
Total 2200 · Passthrough Payables	1,997.35
2260 · Affiliate Payables	1,283.15
2280 · Accrued Vacation Payable	9,648.45
2300 · Dues Dfrd	
2301 · 1YO	17,954.31
2302 · 2YO	6,368.73
2303 · 3+YO	205.00
2305 · Dues Clrnc - Regular	10,882.14
2310 · Dues Clrnc - Corp Spnsrs	8,236.06
Total 2300 · Dues Dfrd	43,646.24
2500 · Journal Subs Dfrd	
2505 · Subs Clearance	4,950.62
2500 · Journal Subs Dfrd - Other	234.22
Total 2500 · Journal Subs Dfrd	5,184.84
Total Other Current Liabilities	61,760.14
Total Current Liabilities	71,379.54
Total Liabilities	71,379.54
Equity	
3000 · Fund Balance - Unrestricted	578,637.65
3200 · Fund Balance - Temp Rstrctd	2,635.13
3900 · Net Income Offset	(176,929.38)
Net Income	176,929.38
Total Equity	581,272.78
TOTAL LIABILITIES & EQUITY	**652,652.32**