

Business meeting

October 2012 meeting
of the American Evaluation Association





Treasurer & Board Member

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Treasurer's Report



3rd AUDIT OF AEA

- Voluntary and initiated by Us!
- Audit period: July 2011 through June 2012
- Findings reported
 - to Board in October 2012
 - to Membership right now!
- Firm selection process:
 - audit firm selected by Finance Priority Area Team in consultation with Board, same as preceding 2 years



VOLUNTARY AUDIT OF AEA, II

DeLeon and Stang, CPAs

- Gaithersburg, MD
- founded in 1984
- staff of 20
- over 25 years of experience auditing nonprofits
- about 50% of audit clients are not-for-profit associations





VOLUNTARY AUDIT OF AEA, IV

- "... we have elected not to issue the SAS 115 [deficiencies / recommendations letter] based on my review of items in question with staff assigned to AEA's audit."
- translation: really good, not even minor problem, and no "material weaknesses" at all.



VOLUNTARY AUDIT OF AEA, III

- Audit cost \$11,211
 - \$7,600 to auditing firm
 - \$3,611 for AMC management time and expenses



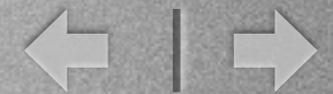
Financial Policy Changes

1. Returned to 100% self-insurance for next year's budget
2. Candidates for positions with signatory privileges must pass credit checks prior to nomination by the Board
3. Finance Advisors to the Board (FAB) now an independent advisory group



Finance Advisors to the Board

- Rakesh Mohan (Chair)
- Tessie Catsambas (outgoing)
- Felicia Bohanon (Chair-to-be)
- Nadini Persaud (incoming)



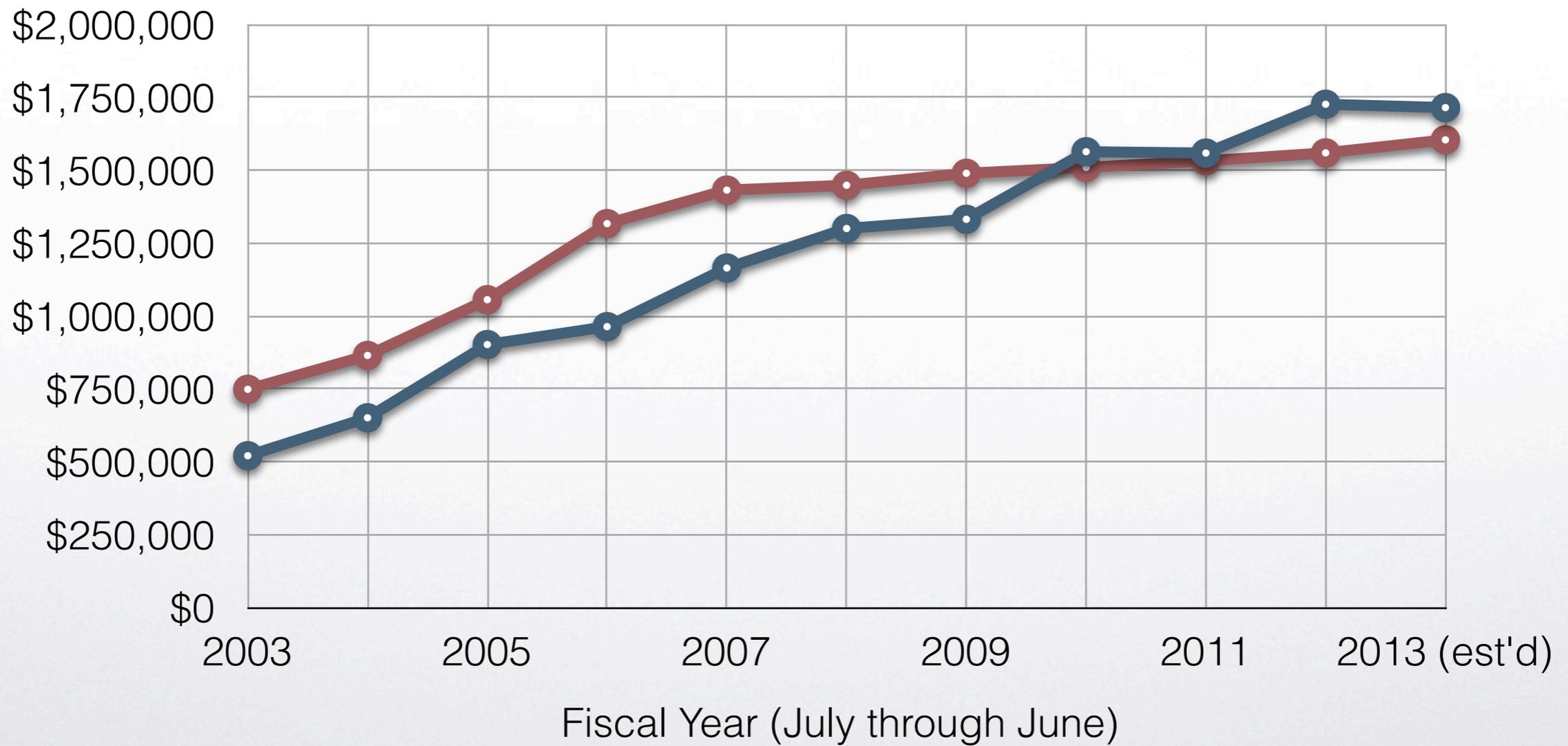
Financial category	amount (\$US 6/30/2012)
no-risk investments (US-insured CDs)	\$ 2,245,000
low-risk investments (mutual fund: Parnassus Equity)	\$ 131,917
accounts receivable, prepaid expenses, accounts payable	\$ 85,050
liquid assets (cash)	\$ 154,902
liabilities (deferred conference and workshop revenue: no loans, no judgments)	- \$ 346,483
Net AEA Assets	\$ 2,270,386
Operating reserve (one year's Schedule I budget for self-insurance for disasters: highest of budget for operations for prior, current, or next fiscal year) for Fiscal Year 2012	\$ 1,514,718
general reserve (Net AEA Assets - operating reserve)	\$ 755,668

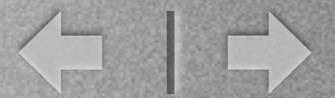


AEA's Finances

Expenses

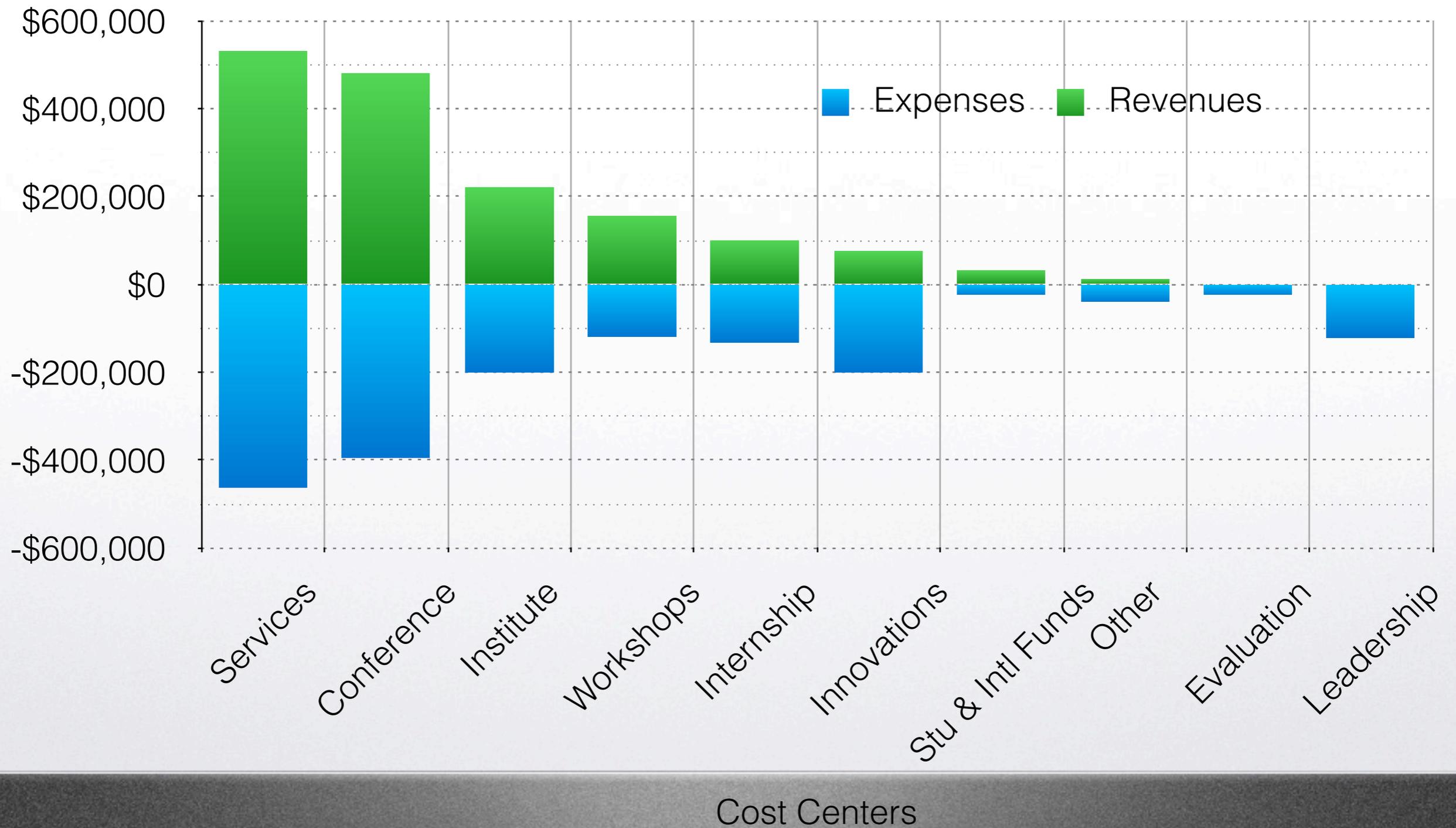
Revenues

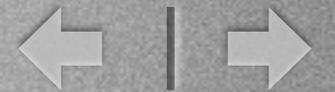




revenues and expenses

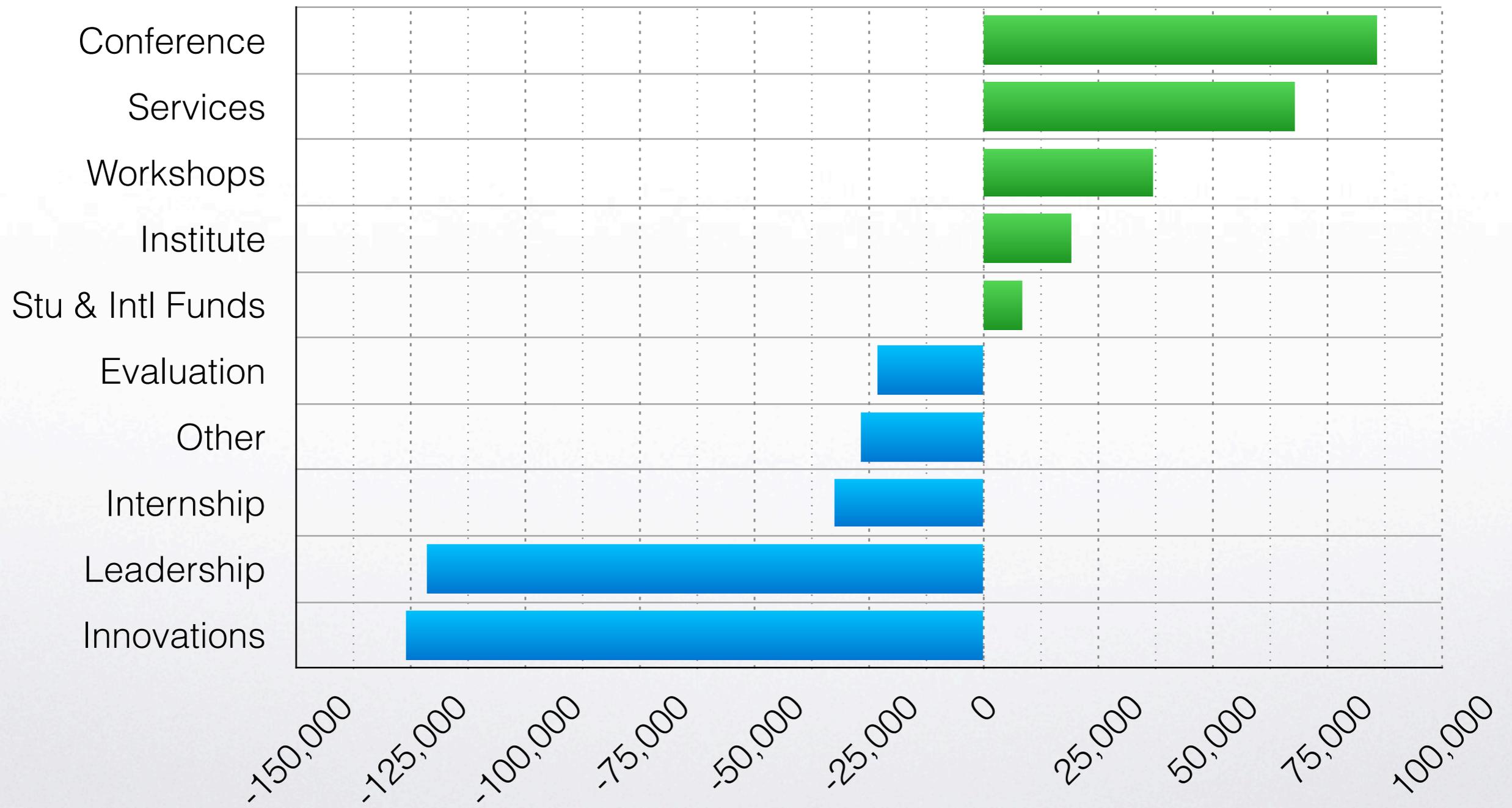
(July 1, 2012 – June 30, 2013 budget)





revenues - expenses

(July 1, 2012 – June 30, 2013 budget)





costs of transition

- what "transition?"
 - ... to a new Executive Director and new Association Management Company
- how much will this cost?
- estimate: \$144,000 during Fiscal Year 2013 (July 2012-June 2013)
 - consultant for search, travel for search
 - overlap of:
 - old and new Executive Directors (EDs)
 - old and new Association Management Companies (AMCs)



how we're paying for the costs of transition

- 1. funds available in our General Reserve
(we retain our full self-insurance in Operating Reserve)
- 2. unspent items in current budget
- 3. better-than-expected conference registration (and workshop?) revenues
- should cover the unexpected \$144,000



download report from

- already in the AEA Public eLibrary!
- [http://comm.eval.org/EVAL/Go.aspx?
c=ViewDocument&DocumentKey=d946f03a-
d704-42ee-ad93-c1203a33764d](http://comm.eval.org/EVAL/Go.aspx?c=ViewDocument&DocumentKey=d946f03a-d704-42ee-ad93-c1203a33764d)
- tags: "Treasurer Report" and "business meeting"
- file: "2012 Treasurer's Report"