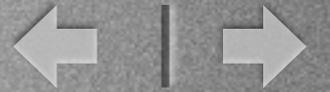


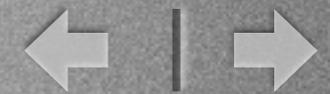
# Business meeting

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November 2011 meeting  
of the American Evaluation Association



# Treasurer's Report

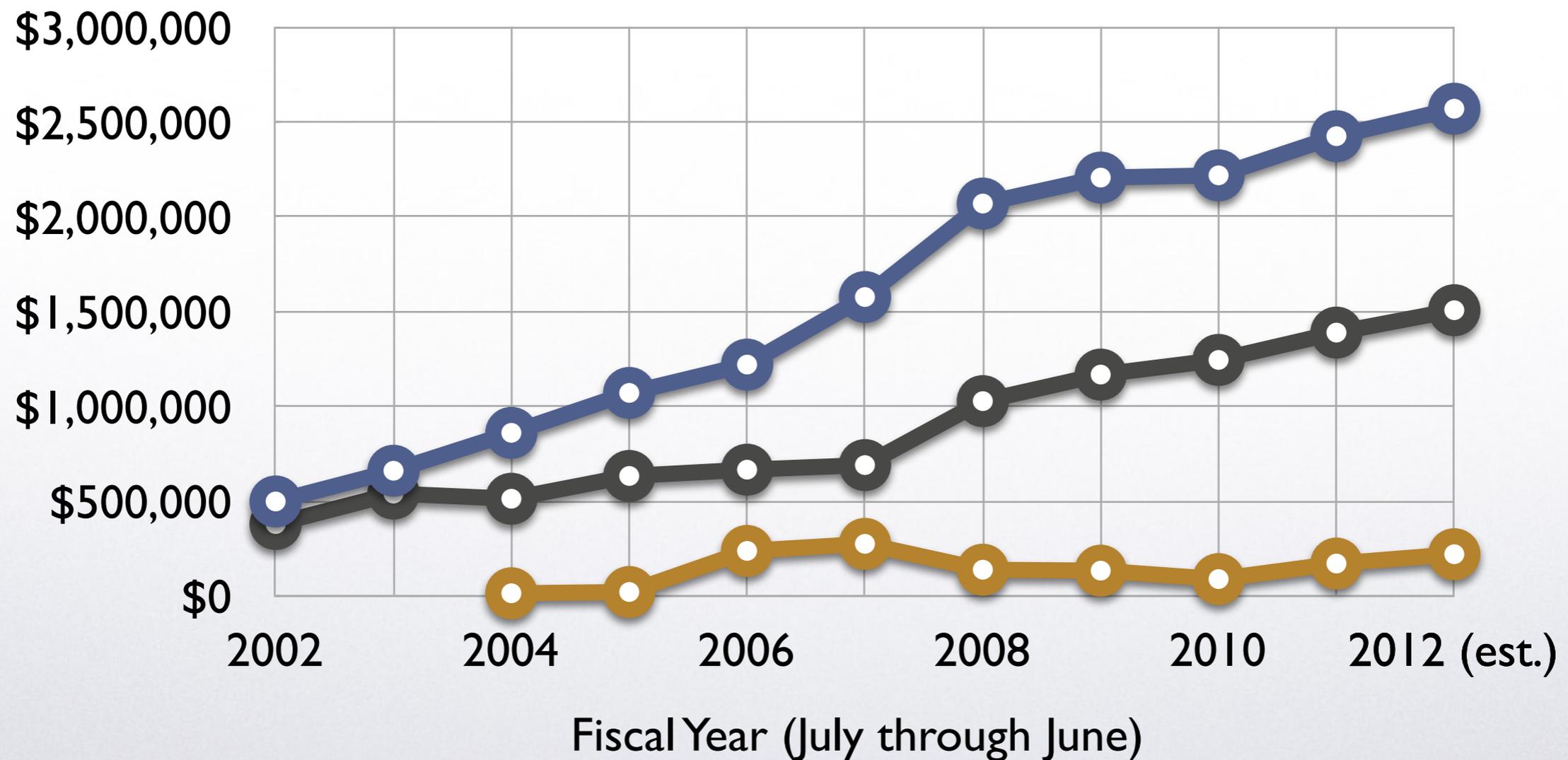


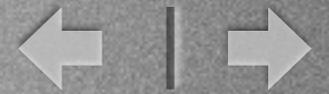
| <b>Financial category</b>  | <b>amount (\$US 6/30/2011)</b> |
|--|--------------------------------|
| no-risk investments (laddered CDs)   | \$ 2,100,000                   |
| low-risk investments (mutual fund)   | \$ 125,363                     |
| accounts receivable, prepaid expenses, accounts payable  | \$ 48,626                      |
| liquid assets (cash)   | \$ 10,763                      |
| liabilities (deferred conference and workshop revenue: no loans, no judgments)   | - \$ 240,838                   |
| <b>Net AEA Assets</b>  | <b>\$ 2,034,654</b>            |
| 85% of 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) | \$ 1,267,685                   |
| general reserve (Net AEA Assets - operating reserve)   | \$ 766,969                     |



# AEA's Finances

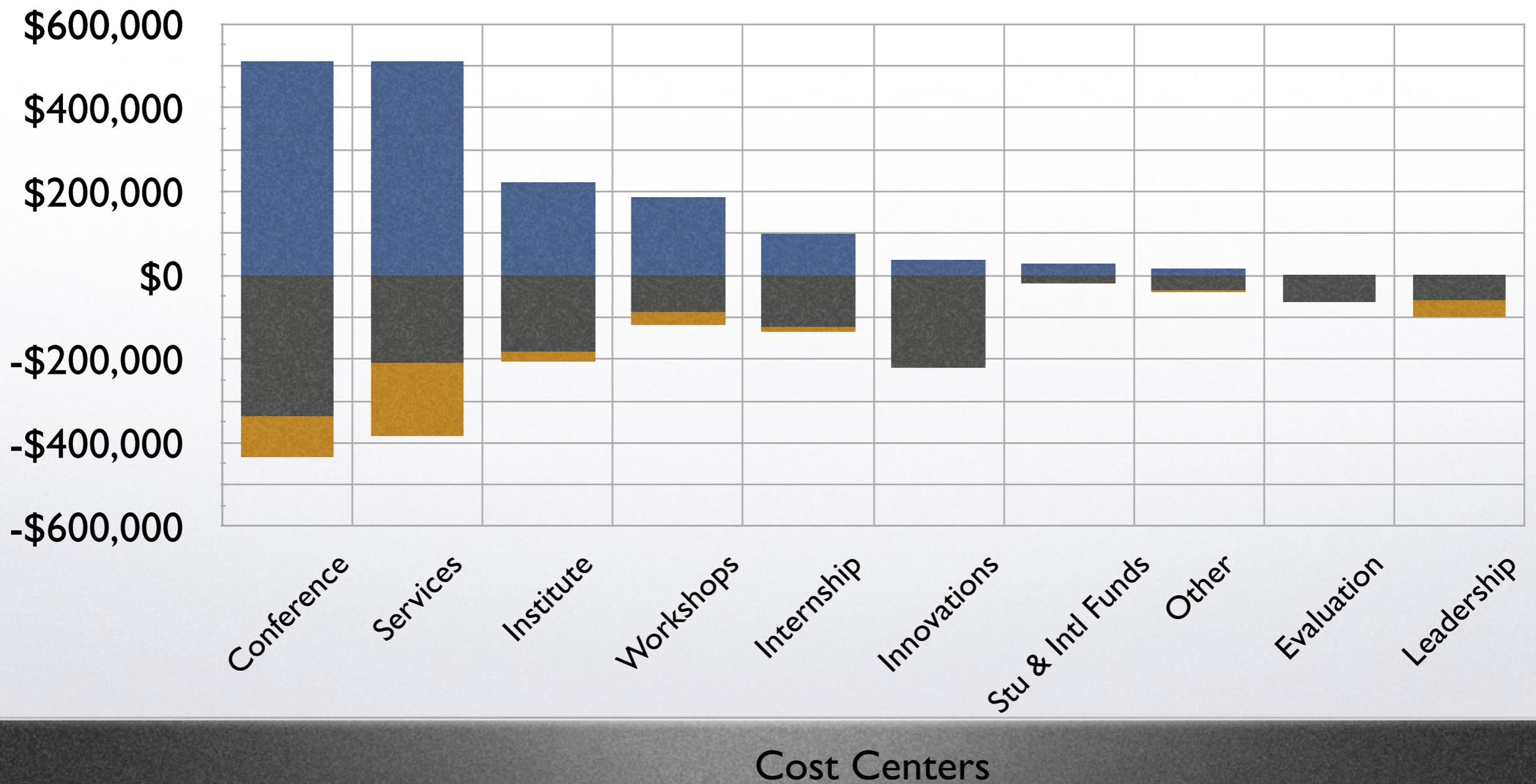
● AEA Total Funds   ● Schedule I Expenditures   ● Schedule II Expenditures

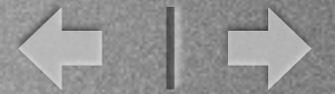




# Fiscal Year 2011 Revenues and Expenses (July 1, 2010 – June 30, 2011)

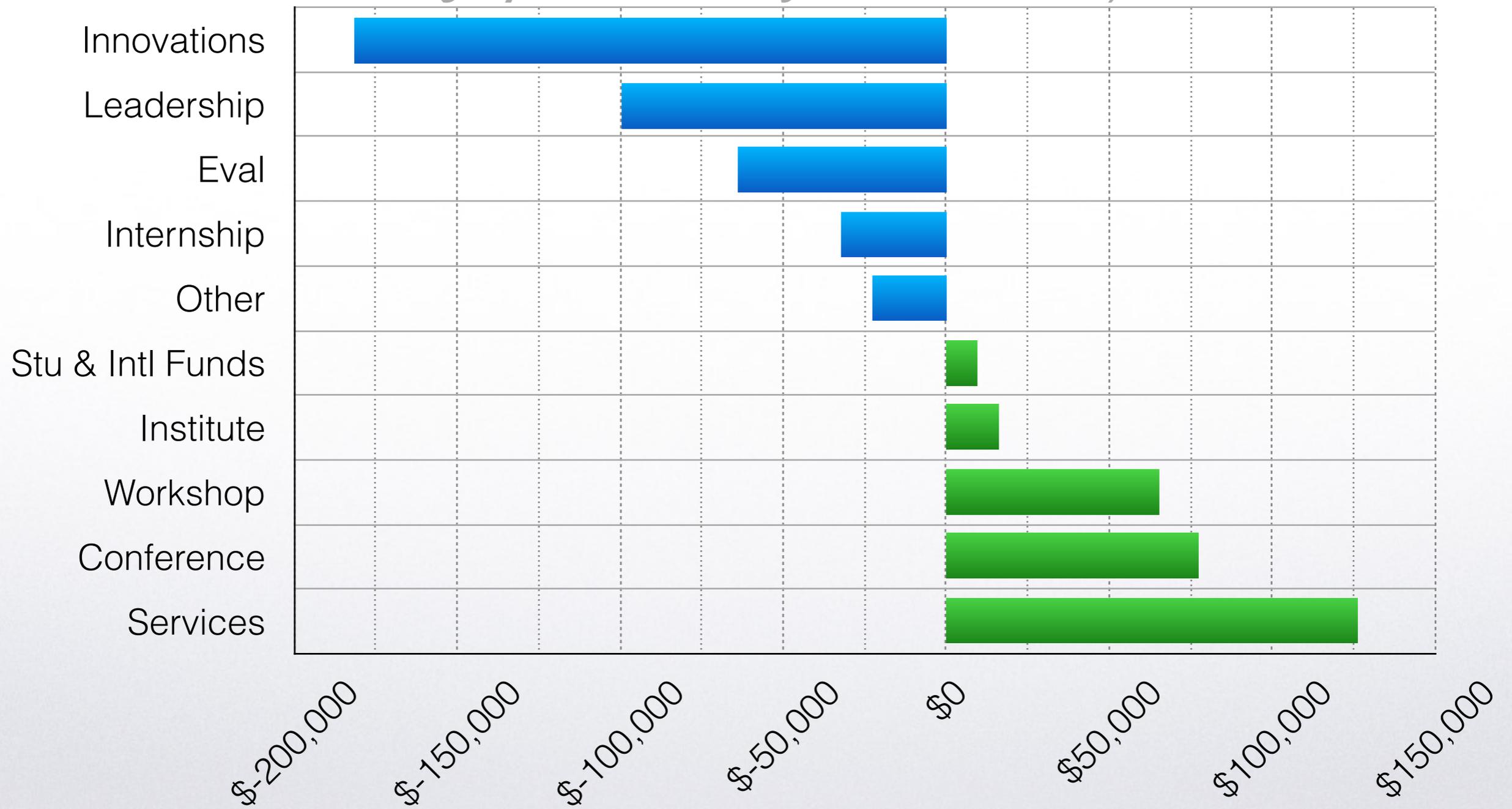
■ Revenues ■ Expenses (NonMgmt) ■ Expenses (Management)

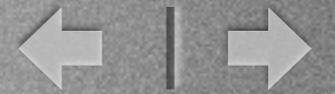




# Fiscal Year 2011 Revenues and Expenses

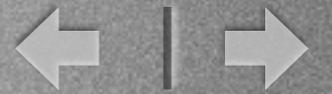
(July 1, 2010 – June 30, 2011)





# 2nd AUDIT OF AEA

- Voluntary and initiated by the Us!
- audit period: July 2010 through June 2011
- Findings reported
  - to Board in October 2011
  - to Membership right now
- Firm selection process:
  - audit firm selected by Finance Priority Area Team in consultation with Board, same as last year:
    - DeLeon and Stang, Certified Public Accountants

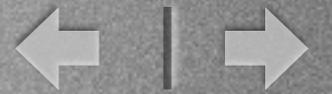


# VOLUNTARY AUDIT OF AEA, II

DeLeon and Stang, CPAs

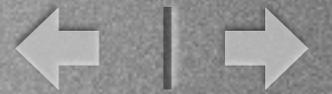
- Gaithersburg, MD
- founded in 1984
- staff of 20
- over 25 years of experience auditing nonprofits
- 50% of audit clients now are not-for-profit associations
- 4-person audit team





# VOLUNTARY AUDIT OF AEA, III

- Audit cost \$10,600
  - *about \$2,500 less than last year*
  - \$7,000 for audit (including auditor incidentals)
  - \$3,500 for AMC management time and expenses
  - \$100 for copying



# VOLUNTARY AUDIT OF AEA, IV

Findings: no major problems ("material weaknesses") at all, two minor, accounting deficiencies noted:

- Bank Reconciliations: last monthly reconciliation in fiscal year should include end-of-year adjustments such as voiding uncashed checks.
- Monthly adjustment of temporarily restricted net assets, e.g., gifts and donations from Silent Auction, gifts to travel grant recipients.



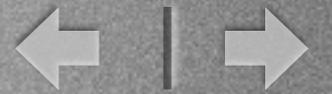
# Financial Policy Changes

- This year the Board added the requirement that candidates for positions with signatory privileges pass credit checks prior to nomination by the Board.
- current Treasurer & Executive Director and incoming President all volunteered to undergo credit checks



# Financial Policy Changes II

- This year the Board changed the financial policy to allow more spending of the Operating Reserve to meet increased Schedule II expenditures for Board initiatives.
  - this resulting in us having only 65% of our Schedule I budget in reserve in Fiscal Year 2011 (July 2010 through June 2011).



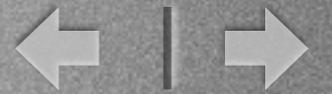
# Financial Policy Changes III

- Over Fiscal Years 2012 and 2013, the Board is returning to the more fiscally conservative policy regarding funds saved in the Operating Reserve, to avoid depleting funds for new initiatives in the coming 5 years.
- moving to 85% and then 100% of a year's Schedule I budget being held in reserve



# Treasurer & Board Member

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- Professor, American University, Washington, DC
- [brian.yates@mac.com](mailto:brian.yates@mac.com)
- 301-775-1892



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