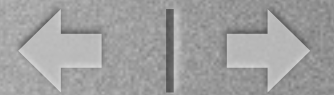




Treasurer's report

October 2013 meeting
of the American Evaluation Association



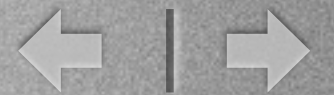
Treasurer & Board Member

Brian T. Yates, Ph.D.

Department of Psychology, American University,
Washington, DC

brian.yates@mac.com

301-775-1892



Finances



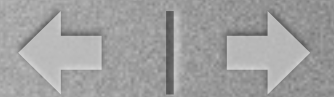
Finance Advisors to the Board: ◀ | ▶

FAB!

- Rakesh Mohan (outgoing)
- Felicia Bohanon (Chair)
- Nadini Persaud
- liaison with Board: Treasurer (me; incoming Susan Tucker)



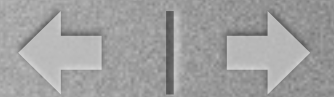
Treasurer transition



- regular meetings, Q&A
- file sharing
- archive transfer
- shadowing on FAB, Executive Committee meetings
- replace as a signatory for all AEA accounts on January 1, 2014
- outgoing Treasurer available to help 3+ months into term of new Treasurer

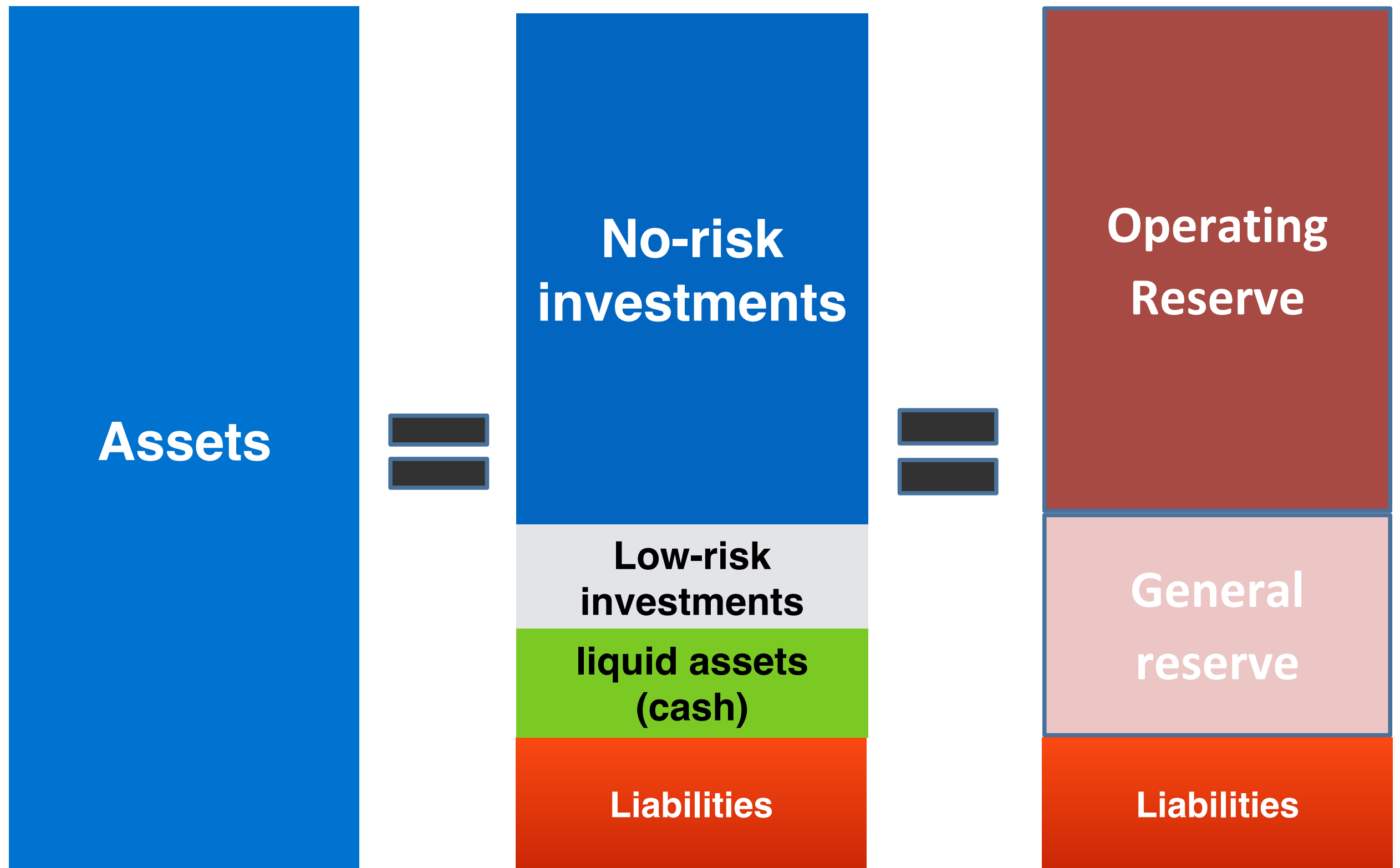


definitions (AEA policy)



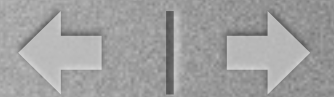
- Schedule I, II
- assets (financial, physical)
- liabilities (accounts payable, debts)
- net assets: assets minus liabilities
- operating reserve: self-insurance
 - largest of Schedule I budget for coming fiscal year or Schedule I expenditures for past 2 years
- general reserve: net assets minus operating reserve

Composition of AEA Assets





Financial Policy

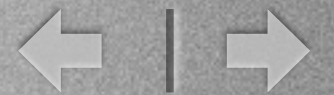


1. 100% self-insurance for next year's budget
2. no risk assets $>$ 80% General Reserve
3. low-risk assets \leq 20% of General Reserve
4. Board task force revising financial policy

| Financial category | \$US 6/30/2013 |
|---|---------------------|
| 2013 no-risk investments (US-insured CDs) | \$ 2,029,097 |
| 2013 low-risk investments (mutual fund: Parnassus Equity PRBLX) | \$ 151,798 |
| accounts receivable, prepaid expenses | \$ 10,142 |
| 2013 liquid assets (cash) | \$ 687,618 |
| liabilities (deferred conference and workshop revenue, accounts payable: no loans, no judgments) | - \$ 346,063 |
| Net AEA Assets | \$ 2,532,592 |
| 2013 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 2013 | \$ 1,874,125 |
| general reserve (Net AEA Assets - operating reserve) | \$ 658,467 |

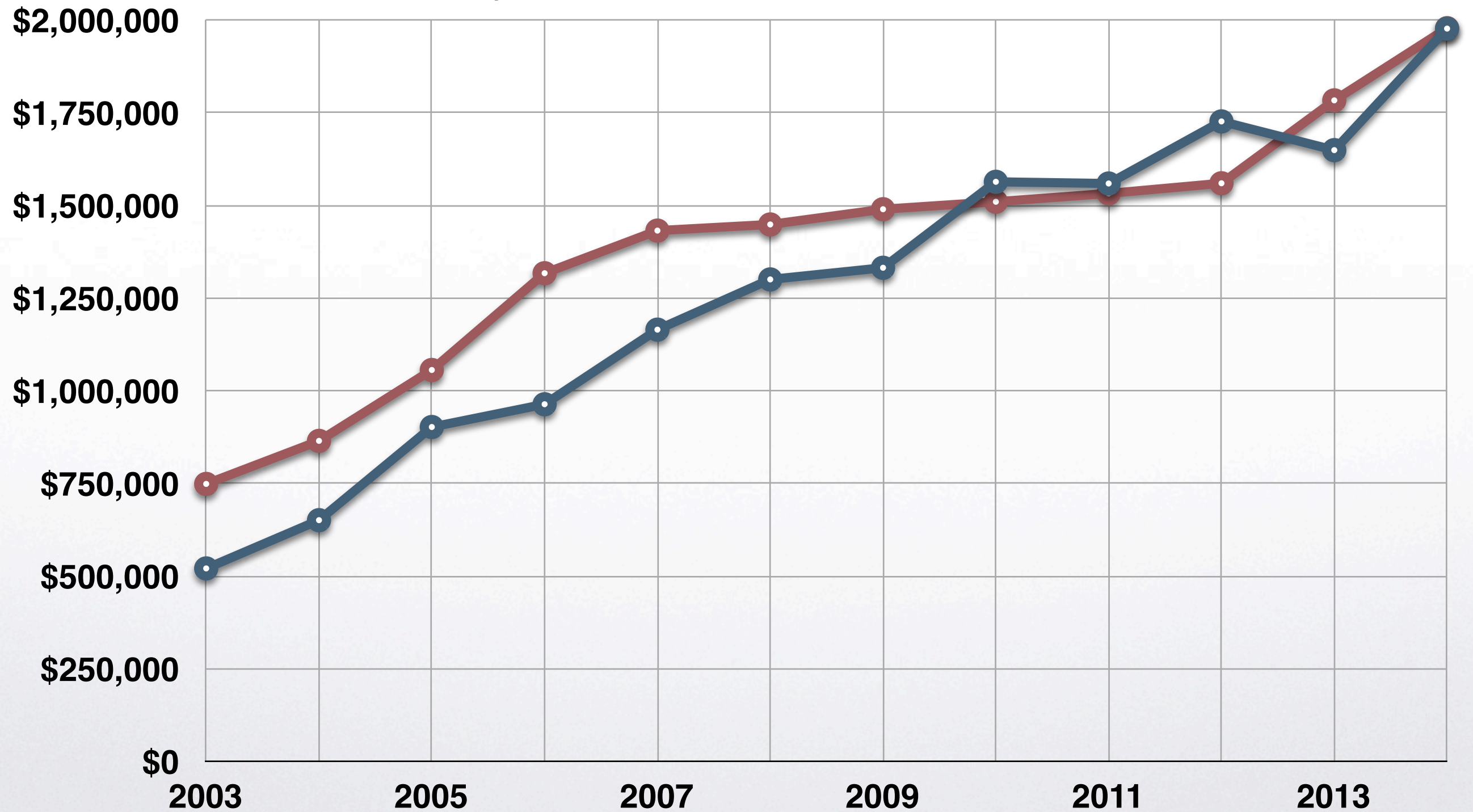


AEA's Finances



○ Expenses

○ Revenues



Fiscal Year: July 1, YEAR through June 30, YEAR +1

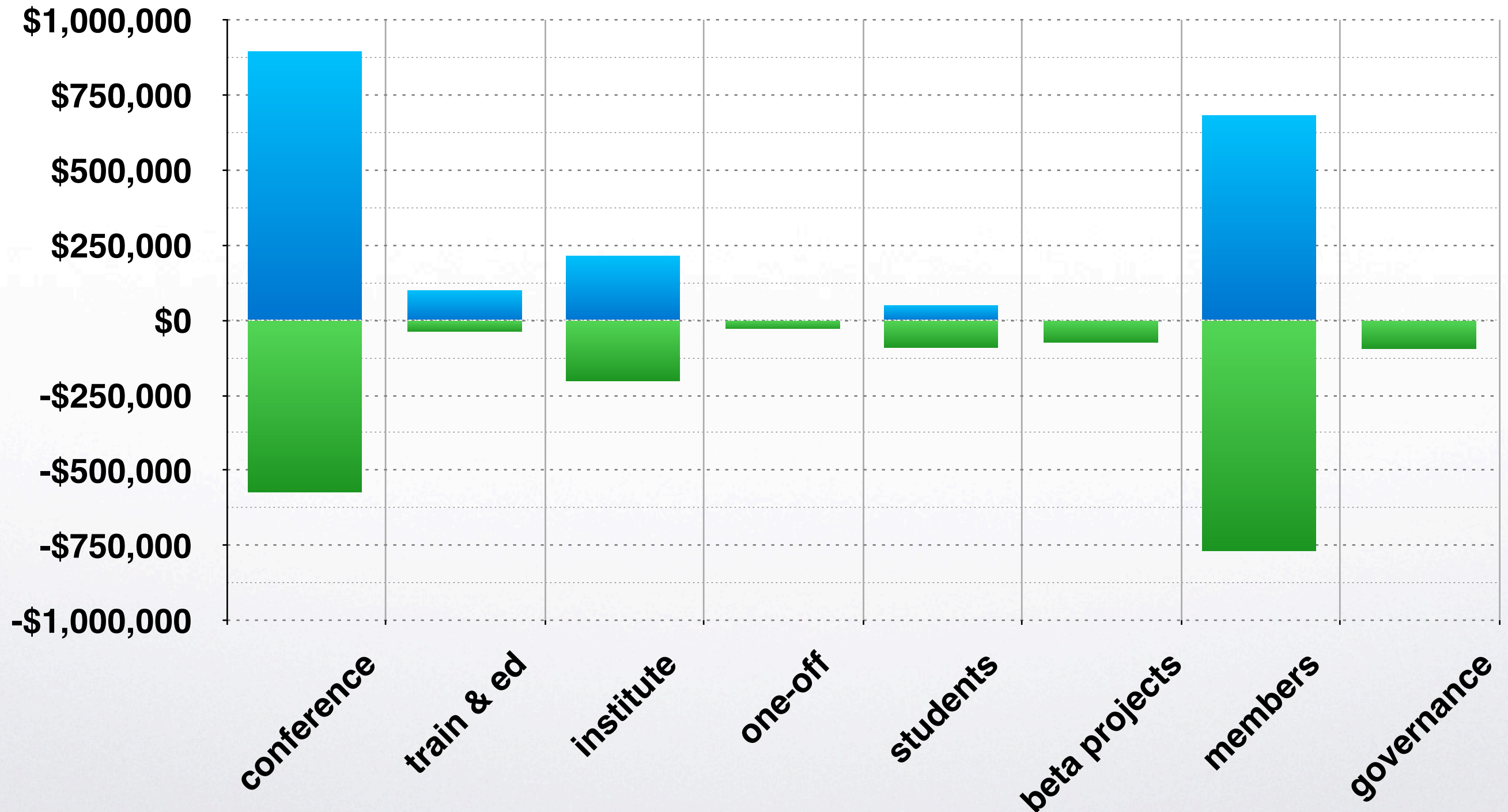


revenues and expenses

(July 1, 2013 – June 30, 2014 budget)



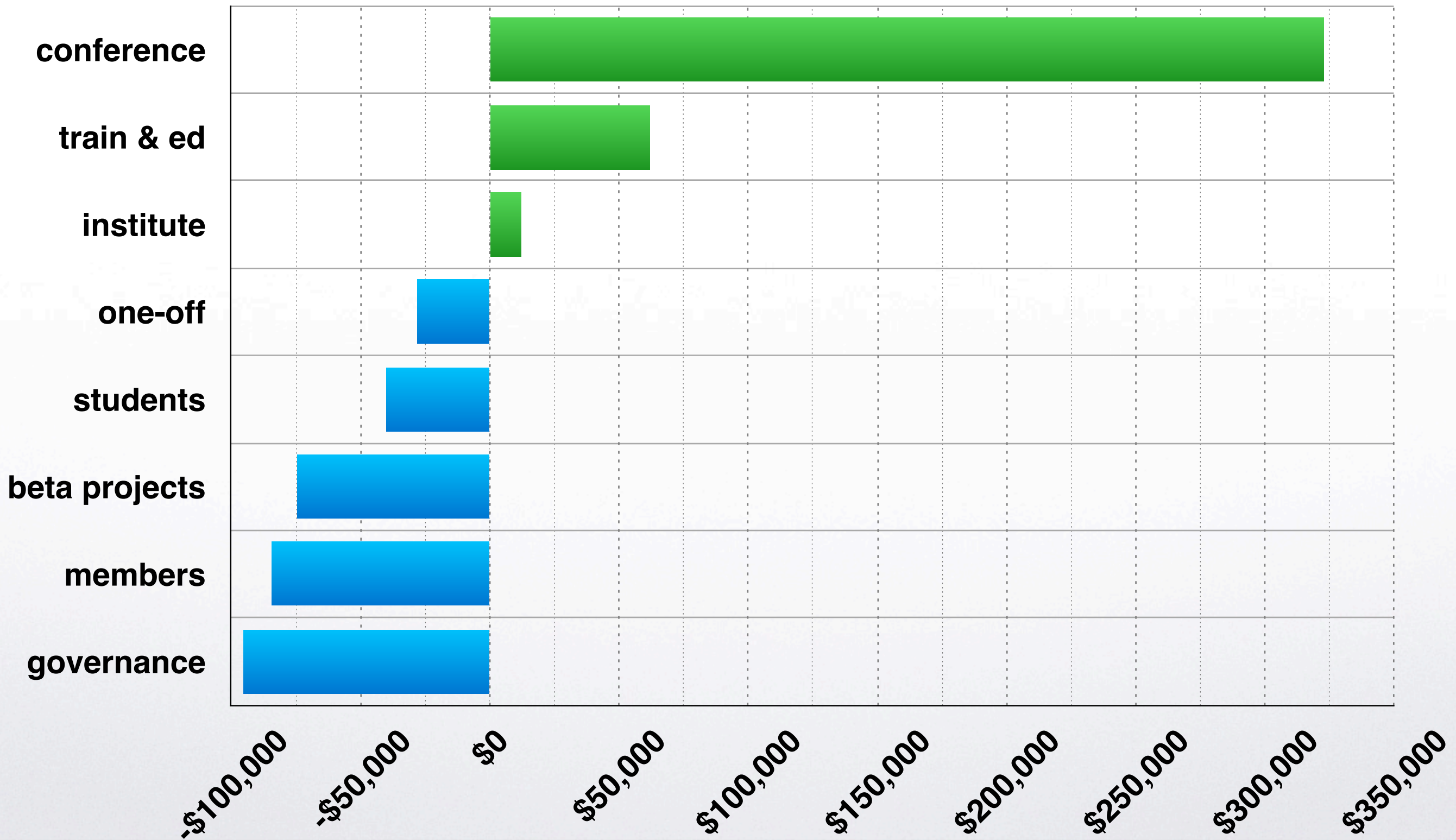
Revenues Expenses



Cost Centers

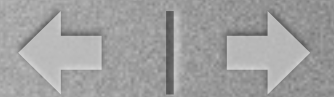


revenues *minus* expenses (July 1, 2013 – June 30, 2014 budget)





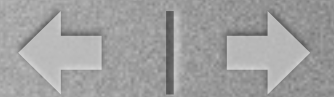
costs of transition



- This year: transition to new Executive Director and new Association Management Company
- how much did 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)



costs of transition



from the perspective of AEA

- \$ 25,000 transition bonus to SmithBucklin

from the perspective of our past AMC

- \$ 28,000

from the perspective of our new AMC

- \$85,045 (\$80,000 is staff time) for 3 months

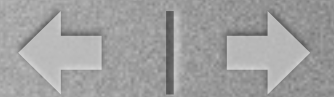
Total cost of transition:

- \$138,045, under the estimated \$144,000

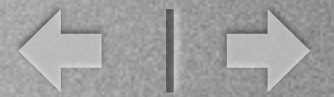
1. funds available in our General Reserve
(we retain our full self-insurance in Operating Reserve)
2. unspent items in current budget
3. better-than-expected conference revenues covered the unexpected \$144,000



4th AUDIT OF AEA



- required by AEA policy
- our fiscal year (July 2012 through June 2013)
- findings reported
 - to Board in October 2013
 - to Membership: now!
- firm selection process:
 - same as preceding 3 years

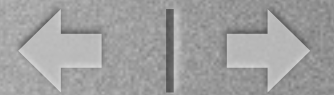


VOLUNTARY AUDIT OF AEA

DeLeon and Stang, CPAs

- Gaithersburg, MD
- founded in 1984
- staff of 20
- over 26 years of experience auditing nonprofits
- about 50% of audit clients are not-for-profit associations





VOLUNTARY AUDIT OF AEA, III

- audit of 2012-2013 fiscal year cost us: \$ 11,400
 - \$7,900 to auditing firm
 - \$3,500 for AMC management time and expenses
- prior audit, of 2011-2012 FY, cost us \$ 11,211



VOLUNTARY AUDIT OF AEA

- “In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Evaluation Association as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.”



download Treasurer's report:

- in the AEA Public eLibrary
- tags: "Treasurer Report" and "business meeting"
- file: "2013 Treasurer's Report"