

Treasurer’s Report: 2022 Annual Meeting
To: Board of Directors and the Assembly of Delegates

This Treasurer’s report covers the fiscal year 2022; the period from July 1, 2021– June 30, 2022. The Society’s Treasurer is pleased to present this report on behalf of the Committee on Finances (COF).

The COF exercises prudent and expert-informed financial stewardship and oversight of all Society assets and liabilities to assure asset preservation and growth.

During the year, a quorum of the COF* met following each calendar quarter to review investment portfolio performance with the external investment manager, review the annual budget for Board approval, monitor monthly cash flow and expenditures, including travel, in relation to Board-approved annual budget; review external financial audit report on appropriate internal accounting practices and internal Committee on Audit Review report, and adopt necessary practice corrections.

Assets, Liabilities, and Net Worth

As of June 30, 2022, the value of the Society’s invested assets was \$14.2 million. Net worth as of June 30, 2022, was \$13.8 million. By comparison, net worth on June 30, 2021, was \$17.0 million; based on assets of \$19.7 million and liabilities of \$2.7 million. Thus, the net worth of the Society decreased by \$3.2 million at the end of the fiscal year 2022 than it was at the end of the fiscal year 2021.

The Society’s total investment return for the fiscal year ending June 30, 2022, was (15.29%). The decline was due to unfavorable markets in three out of four quarters in FY2022. The total account fees were \$38,874 during the fiscal 2022.

Society’s Investment Returns	
The assumed rate of return	+5.00%
1-year total investment return (thru June 30, 2022)	(15.29%)
3-year total investment return (July 1, 2019 - June 30, 2022)	15.53%

Fiscal 2022 Operating Budget Summary

The Board of Directors approved an operational budget of \$5.2 million for the fiscal year 2022 with a deficit of (\$1.5 million) at the recommendation of the Committee on Finances.

As of June 30, 2022, the operating revenues were down by (5%) from the budget while expenses decreased by (13%) resulting in a net deficit of (\$0.82 million). Contributions without donor restrictions were included in the operating budget while contributions with donor restrictions were added to restricted investments to meet donor’s instructions.

The Society received an Employee Retention Tax Credit refund of \$153,985 from the Internal Revenue Service for retaining employees during the COVID-19 Pandemic.

Fiscal 2023 Operating Budget

The Committee on Finances recommended an operational budget of \$5.66 million with a deficit of (\$1.8 million) for the fiscal year 2023 to the Board of Directors. The Board of Directors approved the recommended budget at its May 2022 meeting.

The fiscal year 2023 budget is based on conservative projections of anticipated revenues from memberships (\$2.1 million), contributions (\$0.4 million), subscriptions (\$0.20 million), advertisers and underwriters (\$0.15 million), program income and overhead from grants and contracts (\$0.23 million) plus 5% of the average of the previous 3 years (12 quarters) of investment returns (\$0.72 million).

Society's Approved FY 2023 Budget (\$ in millions)	
Science Communications & Publications (<i>American Scientist</i> , etc.)	\$1.28
Programs (GIAR, Awards, etc.)	\$0.82
Annual Conference	\$0.58
Membership & Chapter Services	\$0.53
Governance, Finance & Administration	\$1.48
Headquarters Rent	\$0.15
Fundraising	\$0.82
Total Operating Budget	\$5.66

Respectfully submitted,
David W. Baker, Ph.D.
Treasurer

*COF Membership FY202: D. Baker (Chair), C. Gouin, D. Mason, A. Paterson, M. Peeples, R. Pennock, N. Peppas, G. Siegal, J. Vernon, and J White