

Report of the AAEA Finance Committee (2015-2016)

The Finance Committee has monitored and evaluated the financial position of the AAEA and finds it to be satisfactory for the reporting period ending December 31, 2015. The firm Ritz Holman LLP has audited the 2015 financials of the Association and of the Trust. The auditor reports that the AAEA financial statements present fairly the financial position of the AAEA and are in conformity with generally accepted accounting principles.

Audited revenues and expenses for the year 2015—along with the budgeted amounts for 2016 and the audited figures for 2014 and 2013, for comparison—are reported in Table 1 (for the Association) and in Table 2 (for the Trust). As established in the AAEA Constitution, the funds of the Association and the funds of the Trust are managed separately. The funds of the Association are obtained from membership dues and other fees collected by the AAEA for its services and products, and are to be used for recurrent activities in support of the Association’s stated purpose. The Trust is a subsidiary of the Association that solicits, collects, and invests funds other than those generated by the Association, and disburses such funds to support initiatives in the pursuit of broad goals specified in the constitution, under guidelines specified in the Trust’s operating policies

Audited data for the year 2015 show a net operating loss for the Association of \$95,477 (table 1) and a net operating loss of \$126,374 for the Trust (table 2). For both the Association and the Trust accounts, for 2015 we find a net investment loss of \$12,544 and \$2,474, respectively. The Balance Sheet reported in Table 3 shows total assets, as of December 31, 2015, in the amounts of \$2,557,434 for the Association and \$2,511,754 for the Trust. The investment portion of these assets consists of a portfolio of stocks and bonds managed by Vanguard.

This report was prepared with the assistance of Brian Mondragón Jones, an employee of the contractual management firm Executive Director Inc. (EDI) who serves as the Executive Director of the AAEA, and it is submitted by the 2015-2016 AAEA Finance Committee: Allen Featherstone (Chair), Paul Ellinger, Jayson Lusk, and Christine Wilson.

July 11, 2016

Table 1. Association Revenues and Expenses

	2016 Budget	2015 Audited	2014 Audited	2013 Audited
Revenues				
Membership dues	\$165,250	\$164,864	\$157,086	\$169,368
AJAE & AEPP	378,610	376,101	527,235	404,529
Employment Services	30,750	35,366	39,646	49,700
Annual Meeting	395,150	491,510	408,019	513,881
Symposia	0	17,500	65,395	20,850
Interest income	1,000	2,364	2,615	2,697
Service fees	2,000	2,773	3,675	4,558
Misc. income	0	1,131	513	225
Section income	45,285	46,217	38,740	51,270
Total Revenue	1,018,045	1,137,826	1,242,924	1,217,078
Expenses				
AJAE & AEPP	81,720	71,179	74,149	84,222
Employment Services	3,750	700	1,480	3,388
Symposia	0	23,108	60,195	22,229
Other meetings	13,450	6,297	11,446	10,877
Annual Meeting*	581,180	567,500	478,447	514,598
EDI Management Fee*	319,705	333,557	273,112	267,644
Membership	12,500	17,931	13,999	16,442
Website	2,900	4,222	3,449	5,040
Board of directors	51,800	47,796	50,137	55,659
Staff travel	4,200	5,748	4,649	3,635
Bank/Credit Card Fees	20,000	18,332	17,369	20,922
Legal and Audit	10,000	9,389	9,389	9,139
Insurance	15,000	14,489	14,610	15,151
Taxes	10,000	5,301	7,311	7,845
Trust	3,000	1,238	1,746	3,023
Government Relations	40,000	21,502	--	--
Misc. expenses	18,100	5,248	8,116	8,923
Section expenses	53,411	67,222	33,381	46,110
Total Expenditures	1,240,716	1,220,759	1,057,985	1,094,847
Operating gain (loss)	(222,671)	(82,933)	184,939	122,231
Investment income (loss)		(12,544)	113,231	269,528
Net gain (loss)		(95,477)	298,170	391,759

*Starting in 2013, the Annual Meeting expenses include the portion of EDI staff time spent organizing this event, and this amount is therefore excluded from the remaining EDI management fee.

Table 2. Trust Revenues and Expenses

	2016 Budget	2015 Audited	2014 Audited	2013 Audited
Revenues				
General Gifts	\$0	\$38,916	\$44,324	\$48,728
Special Purpose Gifts	0	2,796	55,521	13,915
Total Revenue	0	41,712	99,845	62,643
Expenses				
C-FARE	40,000	40,000	47,703	40,000
Outreach	31,090	23,470	30,629	29,505
Galbraith Forum	0	5,497	5,893	5,275
AARES Exchange Program	3,000	3,000	3,000	2,750
Scholarships and Mentorships	24,852	17,096	16,771	19,048
Graduate Student Travel	18,337	13,496	13,805	12,496
COPAFS	2,479	2,479	2,430	2,400
Workshops	33,020	36,072	6,320	6,320
LILMI Travel Grants	0	24,502	22,606	20,510
Investment Fees	10,000			
Total Expenses	162,778	165,612	149,157	138,403
Operating gain (loss)	(162,778)	(123,900)	(49,312)	(75,760)
Investment income (loss)		(2,474)	163,288	427,751
Net gain (loss)		(126,374)	113,976	351,991

Table 3. Balance Sheet

	Association			Trust		
	2015 Audited	2014 Audited	2013 Audited	2015 Audited	2014 Audited	2013 Audited
Assets						
Cash and Cash Equivalents	\$469,920	\$596,112	\$695,475	\$4,235	\$4,243	\$4,243
Accounts and CC Receivable	9,918	87,569	58,736	0	0	0
Prepaid Expenses	81,479	105,215	6,276	0	0	1,250
Due from Trust	145,995	120,751	38,374	0	0	0
Tax Deposits	1,690	967	378	0	0	0
Investments	1,951,110	1,842,903	1,691,298	2,654,123	2,777,348	2,601,677
Total Assets	2,660,112	2,753,517	2,547,714	2,658,358	2,782,166	2,608,420
Liabilities						
Account Payable	4,377	2,135	5,320	0	0	0
Unearned Dues and Subscriptions	64,290	78,700	62,870	--	--	--
Dues Collected	16,626	14,197	19,783	--	--	--
Deferred ERS/LCD Travel Grant	--	--	--	609	23,287	45,894
Due to Association	--	--	--	145,995	120,751	38,374
Total Liabilities	85,398	95,032	87,973	146,604	144,038	84,268
Net Assets						
Unrestricted	2,557,434	2,657,911	2,359,741	2,242,639	2,444,353	2,260,515
Temporarily Restricted	--	--	100,000	269,115	193,775	158,268
Total Net Assets	2,557,434	2,657,911	2,457,741	2,511,754	2,638,128	2,524,152
Total Liabilities and Net Assets	\$2,660,112	\$2,753,517	\$2,547,714	\$2,658,358	\$2,782,166	\$2,608,420