

## Memorandum

To: SSSP Board of Directors

From: Kimberly J. Cook, Chair of the Budget, Finance, and Audit Committee

Re: Report on the Society's Budget

August 10, 2004

At the annual meeting of the BFA in May, we discussed many issues relating to the Budget for the Society for the Study of Social Problems.

First, regarding the journal, we reviewed materials from the University of California Press, and the current editor of the journal. We recommend that an increased level of advertising of our journal at annual meetings of other professional associations. We also recommend that SSSP membership brochures be made available at the same time. We reviewed subscription information from UC Press, who requested a rate increase to \$144 annually. We approve this request and recommend that the Board also approve it. We also discussed the evolving electronic availability of the journal. This is an inevitable shift in availability of the journal with complex implications for our financial health. The BFA recommends that an *ad hoc* committee be established to study this situation and make recommendations to the Board. And, because we are transitioning to a new editor of *Social Problems* the operating budget will be slightly higher than usual.

Second, we reviewed our investments, which continue to perform well. Bruce Johnson has expressed his interest in monitoring investments for the Society. The BFA would like to thank Bruce for volunteering his time to this task. We recommend that Bruce Johnson be approved.

Third, we reviewed the report of the Permanent Organization and Strategic Planning Committee regarding personnel matters. In the future, it may become necessary to solicit applications for and hire a new Executive Officer and Administrative Officer. The operations manual currently does not specify a role for the BFA in this process. Given the financial ramifications of these decisions, we recommend that the BFA chair and/or Treasurer of the Society are to be formally involved. Our proposed language changes are included in bold type from the operations manual (Section I. D. 3 & 4):

3. The Permanent Organization and Strategic Planning Committee (POSPC), working in consultation with the Board **and the Treasurer**, will develop a screening procedure for evaluating the

applications. The procedure will be sure to take into consideration the protection/promotion of affirmative action and cultural diversity interests.

4. Once the screening process has been approved by the POSPC and the Board, the POSPC will implement that process to identify the three most promising applications. Those applications will then be submitted to the Board for review and approval ***in consultation with the Budget, Finance, and Audit Committee and the Treasurer***. If the Board does not approve the three applicants the POSPC will repeat the process until three applicants have been approved by the Board. The process up to this point must be completed no later than one month prior to the next SSSP annual meeting.

Also, in reviewing the POSPC documents, the BFA recommends adopting their suggestion that the Society fund a 12 month one-half time graduate assistantship through the institution hosting the Executive Office at the level of \$18,000.

Fourth, we received the auditor's report which indicated that the audit was clean. Our net assets have increased to \$436,917.00. We are financially sound, thanks largely to the success of the journal and the expert management provided by Michele Koontz and Tom Hood.

Fifth, we discussed the process of choosing a hotel for our annual meetings. The BFA firmly recommends that the site selection should be made by the Executive Officer and the Administrative Officer. Once a clear recommendation is made by these officers, then the Board may question the details. The BFA also expressed the view that our clear preference for a union hotel was important, but that labor practices of the hotels being considered should be the focus of the decision. The financial considerations of our hotel contracts are complicated and the Administrative Officer and Executive Officer are in the best position to assess the relative merits of each hotel's bid.

Finally, we discussed the idea of separating our meeting date and place from the ASA. The consensus of the committee is that no existing financial information supports taking such a course of action. In fact, the BFA members were concerned that separating from ASA would impose heavier cost burdens on those traveling to the conferences in the present climate of university travel budget-cuts. Therefore, the committee strongly and unanimously recommend AGAINST holding our annual meeting apart from the ASA.