

Presentation to the Society for the Study of Social Problems (SSSP) Board of Directors (Board) Budget, Finance, and Audit (BFA) Committee Report August 7, 2022

On May 25, 2022 and July 28, 2022, the BFA Committee met virtually to discuss the proposed budget for the Society for the 2023 calendar year. The Society has seen the negative financial impact of the COVID-19 pandemic largely through the cancellation of two in-person annual meetings and a corresponding decline in membership and membership dues revenue resulting in a projected budgeted net loss of \$214,942 for 2023. Nonetheless, continued strong performance of *Social Problems* and related earnings, as well as a well-balanced financial portfolio and significant cash reserves have enabled the Society to remain financially solvent.

In discussing the 2023 budget, the BFA Committee noted the consistency in expenses in recent years and identified limited avenues to further reduce spending. We discussed a number of issues during our meetings that we'd like the Board to consider as it reviews the 2023 budget and plans for the future. These considerations are based on the fiduciary responsibility of the Board to utilize SSSP resources in alignment with the priorities and purpose of the Society. The recommendations are as follows:

- We would like to acknowledge the valuable contributions of the Executive Officer, the Administrative Officer and Meeting Manager and Administrative Office staff, and the *Social Problems* Editorial team.
  - The Executive Officer is stepping down after a long and successful tenure and we thank him for his many valuable contributions to the Society.
  - The Administrative Officer and Meeting Manager and her staff have worked tirelessly throughout the pandemic, successfully navigating shifts in meeting format while continuing to provide a high level of service to the membership and we thank them for their excellent work and valuable contributions to the Society.
  - The *Social Problems* Editorial team have continued to publish high quality and impactful scholarship and we thank them for their stewardship of the journal and their valuable contributions to the Society.
- As the Board plans future meetings, we would like to encourage the careful consideration of the financial implications of different meeting formats. The Administrative Office is already stretched thin and would require additional staffing to support alternatives to in-person meetings.
- We would like to encourage the Board to continue to explore ideas for new revenue streams to ensure the long-term financial sustainability of the Society.

The BFA Committee shares the Board of Directors' concerns about the financial future of the Society and there was some collective discomfort in submitting a proposed budget with a loss this substantial to the Board. However, given the continued strong financial position of the Society due to longstanding stewardship, the unprecedented circumstances of the global pandemic, and the fact this proposed budget is quite lean as a result of the BFA Committee's diligent efforts to reduce costs, we submit this budget to the Board. We appreciate the Society's work to reduce costs in the last few years, and anticipate that additional reductions in expenses will become increasingly painful as our largest remaining expenses are related to the salaries and fringe benefits of the SSSP Executive Officer and administrative staff. Accordingly, we strongly recommend focusing efforts on increasing revenues. While the significant cash reserves exist to allow us to weather financial storms like the one we are currently in, we caution that continued losses of this magnitude cannot be sustained. The BFA

Committee supports the idea that the budget should reflect the priorities of the Society, and difficult decisions will be required of the Board if these substantial deficits continue.

Respectfully submitted,

A handwritten signature in cursive script that reads "Becky Pettit". The signature is written in black ink and includes a horizontal line extending to the right from the end of the name.

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