

APSA Treasurer's Report

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Careful management by the APSA staff, the booming stock market, and strong membership growth during the past fiscal year have left the Association in excellent financial shape. Table 1 shows that from July 1, 1996, through June 30, 1997, the Association's total assets grew from \$14,801,445 to \$17,229,831, an increase of 16% over the previous year. Table 2 summarizes the content of the Association's investment portfolio. The Trust and Development Fund earned a total return of 24.9%, while the Congressional Fellowship and Other Endowed Programs Fund earned a total return of 18.2% (both after fees). While gratifying, these returns fall short of the overall equity market's growth for the period, and the Trust and Development board is currently considering strategies for improving the performance of the Association's investments. At the close of fiscal 1996-97, the T&D and Centennial Funds stood at \$4,283,425, the Congressional Fellowship and other Endowed Programs at \$10,612,967, and the General Operating Fund at \$1,137,082.

APSA rules allow 4.5% of the market value of the Trust and Development Fund, plus all the earnings of the General Operating Fund, to be spent each year on APSA programs: Total retained earnings from all APSA funds, including award funds, contributed \$111,590 to the Association's work for 1996-97. This is less than the total permitted 4.5% because other revenue sources were more than adequate to support the Association's operating expenses. The Congressional Fellowship endowment provided funds for 10 Congressional Fellowships this year.

Table 3 shows that the Association again finished the fiscal year well in the black. Income totaled \$2,979,845, and expenditures totaled \$2,793,237, leaving a surplus of \$186,608. The Council voted at its August meeting to use the surplus as a contingency fund to cover potential lost income as the Association seeks a new ten-

ant for space in its building, to help fund the Association's Task Force on Civic Education, and to support work toward putting the Annual Meeting's proceedings on-line. Any funds remaining from the surplus were earmarked for the Centennial Campaign. The surplus resulted from the excellent return on invest-

ments, an unexpectedly large increase (of 503) in the number of individual APSA memberships, and savings from temporarily unfilled staff positions. Expenses were up 7.2% over the previous fiscal year. Table 4 breaks down revenues by source. Table 5 summarizes expenditures by major categories.

TABLE 1
APSA Balance Sheet

	Total All Funds, June 30			
	1997	1996	1995	1994
Assets				
Current	16,650,615	14,320,695	9,726,471	9,496,055
Property & Equipment	579,216	480,750	484,328	480,152
Liabilities and Net Assets				
Current	1,208,441	1,208,790	1,057,642	1,334,913
Net Assets	16,021,390	13,592,655	9,153,157	8,641,294
Total	17,229,831	14,801,445	10,210,799	9,976,207

Note: Effective with figures for 1996 (which have been restated), accounting rules require that investments be recorded at market value. Prior to 1996, investments were recorded at the lower of cost or market value. Therefore, a direct comparison cannot be made between the 1995 figures and the 1996 figures.

TABLE 2
Portfolio Summary—General Operating, Trust & Development, and Endowed Funds, June 30, 1997

FUND	Cost Value	Market Value	Current Yield	Estimated Annual Income
General Operating Fund	1,093,698	1,137,082	3.3%	37,005
Trust & Development Fund and Centennial Fund	3,127,537	4,283,425	1.5	65,800
Congressional Fellowship and Other Endowed Programs	8,363,809	10,612,967	1.5	124,611

SECURITY TYPE	Cost Value	Market Value	Percent of Assets
Stocks	0	0	0.00%
Government Obligations	4,484	4,484	0.03%
Mutual Funds	12,580,560	16,028,990	99.97%
Total	12,585,044	16,033,474	100%

TABLE 3
APSA Budget: A Multi-Year Perspective

Year	Income	Expenditures	Surplus + Deficit -	Annual Expenditure Change (%)
1984-85	1,413,078	1,353,330	+ 59,739	+8.5%
1985-86	1,505,224	1,453,248	+ 51,976	+6.9
1986-87	1,584,945	1,449,638	+ 85,307	+3.1
1987-88	1,637,637	1,563,252	+ 74,385	+4.2
1988-89	1,847,152	1,731,251	+115,901	+10.7
1989-90	1,891,773	1,871,305	+ 20,464	+8.1
1990-91	2,153,800	2,133,524	+ 24,594	+14.0
1991-92	2,254,844	2,180,544	+ 74,300	+2.2
1992-93	2,405,023	2,321,830	+ 83,193	—*
1993-94	2,704,155	2,423,847	+280,308	+4.4
1994-95	2,734,375	2,524,664	+209,711	+4.2
1995-96	2,822,154	2,590,227	+231,927	+2.6
1996-97	2,979,845	2,793,237	+186,608	+7.2

*In FY 1992-93, APSA moved to a new budgeting system, making the figures in this year not comparable with previous years.

TABLE 4
Revenue Trends, 1991-97

	1991-92	1992-93*	1993-94	1994-95	1995-96	1996-97
Individual Membership	\$ 667,320	\$ 679,663	\$ 744,160	\$ 805,786	\$ 732,439	\$ 910,001
Institutional Membership	395,972	399,081	410,566	434,649	448,803	495,671
Administrative	73,772	73,421	59,143	58,095	61,263	41,671
Annual Meeting Registration	201,720	182,715	224,330	266,370	266,990	286,921
Advertising	296,648	307,626	285,843	340,821	338,244	349,769
Dividends/Interest	103,709	151,848	211,895	97,024	199,514	111,590
Sales/Publications	130,697	166,064	231,889	212,042	227,129	224,895
Department Services	153,405	179,648	223,219	184,918	183,239	212,380
Other	231,601	264,957	313,110	334,670	364,533	346,947
Total	\$2,254,844	\$2,405,023	\$2,704,155	\$2,734,375	\$2,822,154	\$2,979,845

*Because of APSA's new budgeting procedures begun in FY 1992-93, these figures are not directly comparable to previous years.

TABLE 5
Expenditure Trends, 1991-97

	1991-92	1992-93*	1993-94	1994-95	1995-96	1996-97
Publications	\$ 438,286	\$ 487,799	\$ 541,746	\$ 532,219	\$ 561,584	\$ 567,472
Annual Meeting	189,970	238,478	226,188	272,622	286,651	361,358
Special Programs	319,993	665,640	688,587	725,885	738,856	770,386
Governing the Association	68,443	123,132	130,992	127,964	138,768	152,280
Membership, Business Office and Sales	294,566	334,748	348,293	379,345	363,398	380,851
General Operating	869,286	472,032	488,041	486,629	500,970	560,889
Total	\$2,180,544	\$2,321,830	\$2,423,847	\$2,524,664	\$2,590,227	\$2,793,237

*Because of APSA's new budgeting procedures begun in FY 1992-93, these figures are not directly comparable to previous years.

TABLE 6
Program Budget

Summary of Actual Revenue Line Items for Fiscal Year 1996–97 and Projected Revenues for Fiscal Year 1997–98

CATEGORY	1996–97 Actual Revenue	1997–98 Projected Revenue	Percentage of Projected Revenue
Membership			
Individual	910,001	897,500	28%
Other Memberships	609,117	653,000	21
Annual Meeting	543,626	596,500	19
Sales & Advertising	320,485	319,000	10
Departmental Programs	212,380	204,000	6
Interest & Dividends	111,590	204,250	6
Employment Services	120,987	130,000	4
Rent	108,578	114,500	4
Administrative	41,671	37,000	1
Miscellaneous	1,410	1,500	0
Total Revenue	2,979,845	3,157,250	100%

Summary of Actual Expense Line Items for Fiscal Year 1996–97 and Proposed Expenses for Fiscal Year 1997–98

CATEGORY	1996–97 Actual Expenses	1997–98 Projected Expenses	Percentage of Projected Expenses
Publications & Sales	643,060	706,940	22%
Annual Meeting	361,358	392,125	12
Departmental Programs	161,982	178,155	6
Committee Programs	274,918	334,595	11
Employment Services	86,480	95,340	3
Organized Sections	93,851	120,372	4
Education & Prof. Development	53,820	109,875	3
Endowed Awards	18,452	18,250	1
Governance	152,280	170,500	5
APSA Representation	80,883	91,840	3
General Administration	276,095	315,650	10
Building and Equipment	210,856	213,000	7
Depreciation	63,145	72,000	2
Membership Office	156,511	171,600	5
Business Office	148,752	153,900	5
Total Expenses before adjustments:	2,782,444	3,144,142	100%
Adjustments for pending obligations:			
Annual Leave	10,093	6,000	0%
Lifetime Memberships	700	4,500	0
Total Expenses	2,793,237	3,154,642	100%

Table 6 outlines the 1997–98 budget adopted by the APSA Council at its August 27 meeting. It projects revenues of \$3,157,250 and expenditures of \$3,154,642, leaving a small surplus of \$2,608. Significant increases will occur on Committee

Programs (expansion of the Centennial Campaign, additional funding for international exchanges and journal donations), Education and Professional Development (expenses were unusually low for fiscal 1996–97 because several external

grants covered some of the costs), and Publication and Sales (increased printing and paper costs). Table 7 shows the APSA's salary scale in comparison with the federal government's salary scale equivalents.

The APSA's excellent financial condition is the result of sound management by APSA Director Cathy Rudder and Business Manager Laura Tyson with the assistance of the APSA's fine staff. It has been a pleasure working with them in my capacity as Treasurer, and I thank them for their generous assistance. I would also like to thank Barbara Bardes, John Bibby, Susan Borque, Lawrence Dodd, Anne Hopkins, Allen Schick, and James Stimson for their dedicated service on the Trust and Development Board during this past year.

Minority ID Project Contributors

The American Political Science Association's Minority Identification Project has received a great deal of support from a number of colleges and universities interested in increasing the interest of traditionally under-represented students in studying political science at the post-graduate level. The Minority ID Project has had a great deal of success in diversifying the field by identifying talented students, interesting them in masters of Ph.D. study, ensuring their progress is monitored and facilitated by professors at their undergraduate institutions, and making sure they are placed on the mailing lists of eminent graduate schools. The core graduate institutions who have continued to support the Project are the following:

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