

Treasurer's Budget Report 29 April 2017

SUMMARY:

Attached please find the year-to-date budget report as of 31 March 2017 as well as End-of-the-Year budget report (produced by American Councils Finance Office) for the fiscal year ending 30 June 2016. Given that we are three-quarters of the way through our budget year, the 31 March 2017 Report provides some sense of our current financial position. Generally things look to be in good shape. Note that some categories might have deficits; these will disappear by the end of the FY when all contest revenue has been recorded. As always, I will base the FY 17-18 Working Budget on the Final Budget Report for FY 16-17 to attempt to predict as accurately as possible our revenue and expenditures.

In addition, I worked with John Henderson and Karen Chen to revise how I submit our budgets so that the format coincides with that used for AC's other accounts/entities. One main virtue of this format is that it includes all the donation funds as part of the budget sheet so that we can, I hope, consistently see the balances in each of those accounts. With each year John, his staff, and I are refining our budget process to bring us in line with AC accounting practices and to keep our budget both transparent and balanced.

KEY POINTS:

1. Our policies of room sharing, paying for the extra night for a single room, and using FF miles for all flights to reduce travel costs have paid off. We have cut our travel costs by around 50%, a healthy reduction. This suggests that our travel policy is both rational and effective in keeping those costs as low as possible. Thus we will continue to follow this policy to insure our cost savings continue. Remember that according to the travel policy we cannot cover air travel on non-FF mile airlines.
2. There has been frequent turnover in the AC Finance Office during the last year. Three people with whom we were working have left. Currently our contact people are Solomon Workneh and Yuliya Socolova who are doing their best to efficiently and accurately process payments and cut checks for honoraria. There have been delays in processing in part because they are learning our system and in part because they are swamped with work. All contest/program directors have been notified of this change and generally have exercised patience and restraint in contacting Solomon about delayed payments/checks. Thank you for that, and please continue to do so.
3. Related to this is the policy that all checks for contests and programs must be made payable to AMERICAN COUNCILS or ACIE. Checks cannot be made payable to ACTR. Contest/program directors were informed of this change and worked tirelessly to enforce this new policy. There have been a few bumps

along the way in implementing this change, but we hope that during the next round of contests/programs all participants who submit checks will automatically comply with this policy. To insure this program/contest directors will continue to remind participants that checks must be made payable to American Councils/ACIE.

4. Wild Apricot continues to be a very wise investment for handling membership dues. Evgeny has fine-tuned the options so that we provide members with more flexibility in choosing whether they want recurring or one-time membership payments.
5. We have been using PayPal successfully for dues and fees. Irina now has a "portable" gadget with which she can process membership dues on the spot and handle other payments. While some folks do not use PayPal, many do and while we pay a small fee for this service, it nonetheless pays for itself in terms of providing access to track payments, research payment processing, and verify membership.

ACTION ITEMS:

- A. PUSHKIN SCHOLARSHIP FUND: I conferred with John Henderson in regard to how long this fund would last if we began to pay out scholarships. According to John, if we were to grant a \$500 scholarship each year, the PSF would run out in approximately 70 years. This means that if we decide to grant a yearly \$1000 the life of the PSF would probably be 35-40 years based on the modest, safe return we currently receive and no significant additions to the fund. Hence our task is two-fold:
 1. Decide how much we want to grant each year.
 2. Devise a procedure to disburse the scholarships.

I have attached to this report a ROUGH DRAFT for a procedure to grant scholarships. I welcome your comments, suggestions, and edits so that we can formulate a policy that is both fair and consistent, while providing for scholarships for the various constituencies we serve.

- B. FUND-RAISING FOR OUR VARIOUS FUNDS: As the PSF illustrates, without sustained support for various funds there will not be any resources that can be used by the various programs. With that in mind, might we want to advertise targeted fund-raising for each of the programs to which folks can donate? Each year we could focus on one fund. For example, 2018 could be the AP fund year, 2019 the Pushkin Fund year, etc. Descriptions about these donation opportunities could appear in the President's Letter in the *ACTR Newsletter*, as well as on our web site. This might be one strategy (and certainly there could be

others) through which we insure that these funds remain revenue sources for the programs they support.

- C. WEBINAR FUNDS (Discussion with Evgeny per our Agenda): The webinars have been quite popular and a growing source of income from which we hope to eventually pay speaker honoraria. Evgeny will keep track of the income from the webinars in order to determine how much income they generate. Related to this is the issue of a "group rate" for webinars. We have discussed this idea with an eye toward establishing a rate that will be both affordable for attendees and profitable for ACTR.

- D. INSTITUTIONAL MEMBERSHIPS Discussion with Irina per our Agenda): It has come to our attention that some members have asked what the fee would be for an annual Institutional Membership. The issue here is the same as for the Webinars: What is a reasonable figure for such a category that will not undercut income for ACTR?

SUGGESTIONS & INITIATIVES FROM THE BOARD

Respectfully submitted by Cindy Ruder, 29 April 2017

PUSHKIN SCHOLARSHIP FUND (DRAFT) THIS IS A DRAFT, ONLY A DRAFT

The Pushkin Scholarship Fund was established to support the study of Russian in Russia for worthy participants who demonstrate financial need, academic excellence, professional acumen or any combination thereof. One scholarship in the amount of \$\$\$ will be awarded each year. So as to provide a diverse group of award recipients, scholarships will be granted on a rotating basis among the following groups: High School International Olympiada participants, undergraduate students participating in ACTR/American Councils Russian Language programs, graduate students undertaking language study and research through ACTR/American Councils, and teachers participating in the ACTR/American Councils summer teacher's program at MGU. Recipients need not be members of ACTR, but all recipients must be studying Russian on an American Councils/ACTR program.

The ACTR Scholarship Committee, comprised of 3 ACTR Board members, will work in cooperation with AC program officers to determine the top candidates for this award each year. (If an ACTR Board member knows any of the candidates, s/he will recuse him/herself from the deliberations. The Committee will examine financial need, academic and/or professional achievement, and other funding opportunities as the procedure through which the most deserving recipient can be identified. The PS will be applied directly to a program fee, and the recipient will receive an award letter that accompanies their acceptance into a given American Councils/ACTR program.

Because of the varying deadlines for the programs included, decisions on scholarship awards will be made in conjunction with said deadlines.

ISSUES:

- Amount of award: \$500? \$750? \$1000?
- Groups eligible for award
- Selection process including members of the PS selection committee
- Undergraduate award: For full-year, semester, summer?

American Councils of Teachers of Russian
Statement of Financial Position
As of March 31, 2017 and 2016

	<u>3/31/2017</u>	<u>3/31/2016</u>	<u>Net Change</u>
ASSETS			
Cash - Operating	\$ 58,843	\$ 46,401	\$ 12,442
Cash - Restricted	3,442	-	3,442
Total Cash	<u>\$ 62,285</u>	<u>\$ 46,401</u>	22,636
Investments - ACTR Pushkin Fund	\$ 42,502	40,554	1,948
Total Investments	<u>\$ 42,502</u>	<u>40,554</u>	1,788
TOTAL ASSETS	<u><u>\$ 104,787</u></u>	<u><u>\$ 86,955</u></u>	<u><u>\$ 17,832</u></u>
LIABILITIES AND NET ASSETS			
Accounts Payable	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
NET ASSETS			
Unrestricted funds	\$ 101,345	86,955	14,390
Restricted Funds	3,442	-	3,442
TOTAL NET ASSETS	<u><u>\$ 104,787</u></u>	<u><u>\$ 86,955</u></u>	<u><u>\$ 17,832</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 104,787</u></u>	<u><u>\$ 86,955</u></u>	<u><u>\$ 17,832</u></u>

**American Councils of Teachers of Russian
Statement of Revenue and Expenses
For Nine Months Ending March 31, 2017**

	<u>3/31/2017</u>	<u>3/30/2016</u>	<u>Net Change</u>
REVENUE			
Olympiada Contest Fees	\$ 1,962	\$ -	\$ 1,962
NPSREC Contest Fees	3,244	343	2,901
NREC Contest Fees	5,154	5,925	(771)
Textbook/Handbook Sales	1,050	4,990	(3,940)
Dues, Memberships, Subscriptions	14,763	8,524	6,239
Newsletter Advertising Fee	100	-	100
Donations - AP Test Development	-	-	0
Donations - Claire Walker Olympiada Fund	185	-	185
Donations - Russian Scholar Laureate	-	-	0
Donations - Pushkin Endowment	-	-	0
Donations - Unrestricted	595	635	(40)
Interest Income	0	3	(3)
S.L.A.V.A	4,225	-	4,225
Webinars	-	-	-
Total Revenue and Support	\$ <u>31,279</u>	\$ <u>20,420</u>	\$ <u>10,859</u>
EXPENSES			
Travel and Lodging	\$ 1,304	\$ 2,281	\$ (977)
ACTR Newsletter	-	-	-
Conference Expenses	409	-	409
Email/Internet	1,001	1,477	(475)
Postage	573	1,282	(709)
Supplies	2,851	937	1,914
Printing	2,035	1,533	502
Bank Charges	96	18	79
Consultants	2,225	1,925	300
Indirect Costs	1,402	1,263	139
Total Expenses	\$ <u>11,897</u>	\$ <u>10,715</u>	\$ <u>1,182</u>
NET SURPLUS (DEFICIT)	\$ <u>19,382</u>	\$ <u>9,706</u>	\$ <u>9,677</u>

**American Councils of Teachers of Russian
Budget vs. Actual for Revenue and Expenses
For Nine Months Ending March 31, 2017**

	<u>Budget Current FY</u>	<u>Actual as of 3/31/2017</u>	<u>Variance</u>
REVENUES			
Olympiadia Contest Fees	\$ 7,000	\$ 1,962	\$ (5,038)
NPSREC Contest Fees	6,000	3,244	(2,756)
NREC Contest Fees	5,600	5,154	(446)
Textbook/Handbook Sales	4,000	1,050	(2,950)
Dues, Memberships, Subscriptions	8,000	14,763	6,763
Newsletter Advertising Fee	100	100	-
Donations - AP Test Development	-	-	-
Donations - Claire Walker Olympiada Fund	-	185	185
Donations - Russian Scholar Laureate	-	-	-
Donations - Pushkin Endowment	-	-	-
Donations - Unrestricted	500	595	95
Interest Income	10	-	(10)
S.L.A.V.A	-	4,225	4,225
Webinars	506	-	(506)
Total Revenues	\$ <u>31,716</u>	\$ <u>31,279</u>	\$ <u>(437)</u>
EXPENSES			
Travel and Lodging	\$ 5,000	\$ 1,304	\$ 3,696
ACTR Newsletter	5,045	-	5,045
Conference Expenses	-	409	(409)
Email/Internet	2,100	1,001	1,099
Postage	1,900	573	1,327
Supplies	6,680	2,851	3,829
Printing	-	2,035	(2,035)
Dues & Memberships	100	-	100
Bank Charges	606	96	510
Consultants	6,425	2,225	4,200
Indirect Costs	3,752	1,402	2,350
Total Expenses	\$ <u>31,608</u>	\$ <u>11,897</u>	\$ <u>19,711</u>
Total	\$ <u>108</u>	\$ <u>19,382</u>	\$ <u>19,274</u>

**American Councils of Teachers of Russian
Statement of Restricted Funds
March 31, 2017**

Restricted Funds	Task code	Income	Expenses	Net
AP Development Fund	1903	300		300
Pushkin Scholarship Fund	1904	42,502		42,502
S.L.A.V.A. Fund	1909	4,225	1,083	3,142
TOTAL		<u>\$ 47,027</u>	<u>\$ 1,083</u>	<u>\$ 45,944</u>

S.L.A.V.A. Fund Recap

Revenue / Donations	\$ 4,225
 Total Revenues	 <u>\$ 4,225</u>
 Expenses	
 Dec'16 Exp Reimb Mark Trotter	 674
Nov'16 Meeting Exp Reimb Shannon Johnson	409
 Total Expenses	 <u>\$ 1,083</u>
 Net Fund	 <u>\$ 3,142</u>