

Treasurer's Report

Timothy E. Cook, Williams College

For the fiscal year ended June 30, 1999, the Association again earned excellent returns on its investments, finishing the year with assets totaling over \$24.4 million. This represents an increase of over \$2.7 million from the previous year (see Table 1). The Trust and Development Fund (which includes endowed award funds and the Centennial Campaign funds) earned 13.4% for the year and finished with a market value over \$7.9 million. The Congressional Fellowship Fund earned a total return of 18.8% for the year and was valued at just under \$13.2 million on June 30 (see Table 2). These rates of return were strong but fell considerably below our standard benchmark, the S&P 500, which earned 22.8% returns (before fees, of course) for the same period. In part, this lower rate of return reflects the costs of implementing the decision of the Trust and Development Board to invest some of the association's assets directly into equities; in part, it indicates a downturn in mutual funds we have long held and which have performed so well that they have taken up a disproportionate part of our portfolio. Nonetheless, as I reported to you last year, the downturns in the stock market did provide numerous buying opportunities for individual equities for our financial advisor, Loren Ross of Cedarpoint Capital Management, and our more active investment strategy is very well underway.

Total operating revenue for FY99 was \$3.15 million, which represented a 2.7% increase over the previous year. Overall expenses for the year were approximately \$3.08 million, a 3.5% increase over the previous year. APSA ended the year with a surplus of \$63,455 from operations. This surplus was lower than for most recent years; however, we did not have to draw from the Trust and Development Fund, as we had anticipated we might at our April Council meeting, in large part due to a

**TABLE 1
APSA Balance Sheet**

	Total All Funds June 30			
	1999	1998	1997	1996
Assets:				
Current	23,922,745	21,194,593	16,650,615	14,320,695
Property & Equipment	514,710	524,030	579,216	480,750
Liabilities and Net Assets:				
Current	1,370,733	1,324,856	1,208,441	1,208,790
Net Assets	23,066,722	20,393,767	16,021,390	13,592,655
Total	24,437,455	21,718,623	17,299,831	14,801,445

**TABLE 2
Investment Portfolio Summary—APSA and Endowed Funds,
June 30, 1999**

FUND	Cost Value	Market Value	Current Yield	Estimated Annual Income
General Operating Fund	1,764,613	1,890,946	3.7	68,910
Trust & Development Fund, Centennial Fund, and Award Funds	5,371,702	7,951,896	1.1	87,601
Congressional Fellowship Fund	9,262,946	13,199,787	0.9	117,055
TOTAL	16,399,261	23,042,629		
SECURITY TYPE	Cost Value	Market Value	Percent of Assets	
Equities	6,131,174	7,274,194	31.57%	
Cash & Cash Equivalents	402,504	402,504	1.75%	
Government Obligations	1,573	1,573	0.01%	
Mutual Funds	9,864,010	15,364,358	66.68%	
TOTAL	16,399,261	23,042,629	100%	

close watch by APSA staff on our expenditures and a successful redoubled effort on advertising sales.

Although APSA did register a surplus, our next budget is extremely tight, reflecting trends in revenue and expenditures that have continued from previous years (see Tables 3, 4, and 5 for details). Table 6 outlines the FY99 budget adopted by the Council and Table 7 shows the APSA salary scale with the equiva-

lent for federal employees. Our budget is essentially break-even, and we will have to draw from the Trust and Development Fund up to the allowed percentage of 4.5% to keep it balanced. Expenses will have to continue to be tightly monitored to avoid our running a deficit for the first time in recent memory.

Revenue from individual memberships increased over the previous year, but this growth hides a decline

TABLE 3
APSA Operating Budget: A Multi-Year Perspective

Year	Income	Expenditures	Surplus + Deficit -	Annual Expenditure Change (%)
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
1997-98	3,068,237	2,981,914	+ 86,323	+6.7
1998-99	3,150,001	3,086,546	+ 63,455	+3.5

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

in the overall number of members, particularly among those who pay the lower dues (students, unemployed members, lower-paid faculty, etc.). Revenue from institutional membership is essentially flat, despite a 5% increase in dues. As I reported in some detail in last year's Treasurer's Report, income from membership dues may not be able to keep pace with the cost of providing services. Moreover, revenue streams on which we have depended in the past may dry up as we make more of our publications and services available through our web site. Fortunately, these issues will be addressed in considerable detail by the strategic planning committee established by the Council at its September meeting on the initiative of President-Elect Robert Keohane.

TABLE 4
Revenue Trends, 1993-99

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Individual Membership	\$ 744,160	\$ 805,786	\$ 732,439	\$ 910,001	\$ 858,384	912,704
Institutional Membership	410,566	434,649	448,803	495,671	541,787	540,371
Administrative	59,143	58,095	61,263	41,761	34,904	28,841
Annual Meeting Registration	224,330	266,370	266,990	286,921	364,672	387,113
Advertising & Exhibits	285,843	304,821	338,244	349,769	357,121	376,771
Dividends/Interest	211,895	97,024	199,514	111,590	111,534	129,862
Sales/Publications	231,889	212,042	227,129	224,895	203,991	219,343
Department Services	223,219	184,918	183,239	212,380	224,275	206,445
Other	313,110	334,670	364,533	346,947	371,569	348,551
Total	\$2,704,155	\$2,734,375	\$2,822,154	\$2,979,845	\$3,068,237	\$3,150,001

TABLE 5
Expenditure Trends, 1993-99

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Publications	\$ 541,746	\$ 532,219	\$ 561,584	\$ 567,472	\$ 593,934	677,586
Annual Meeting	226,188	272,622	286,651	361,358	391,897	418,514
Special Programs	688,587	725,885	738,856	770,386	950,724	934,854
Governing the Association	130,992	127,964	138,768	152,280	164,957	170,504
Membership, Business Office and Sales	348,293	379,345	363,398	380,851	349,864	378,771
General Operating	488,041	486,629	500,970	560,889	530,538	506,317
Total	\$2,423,847	\$2,524,664	\$2,590,227	\$2,793,237	\$2,981,914	\$3,086,546

TABLE 6**Operating Budget**

Summary of Actual Revenue Line Items for Fiscal Year 1998–99
and Projected Revenues for Fiscal Year 1999–2000

CATEGORY	1998–99 Actual Revenue	1999–2000 Projected Revenue	Percentage of Projected Revenue
Membership			
Individual	912,704	958,000	28%
Other Memberships	673,236	686,000	20%
Annual Meeting	667,255	643,000	19%
Sales & Advertising	318,101	319,000	9%
Department Programs	206,445	224,100	7%
Interest & Dividends	129,862	274,000	8%
Employment Services	141,097	108,500	3%
Rent	65,735	129,500	4%
Administrative	28,841	81,500	2%
Miscellaneous	6,725	1,000	0%
TOTAL REVENUE	3,150,001	3,424,600	100%

Summary of Actual Expense Line Items for Fiscal Year 1998–99
and Proposed Expenses for Fiscal Year 1999–2000

CATEGORY	1998–99 Actual Expenses	1999–2000 Projected Expenses	Percentage of Projected Expenses
Publications & Sales	725,516	784,200	23%
Annual Meeting	418,514	442,100	13%
Departmental Programs	159,831	205,500	6%
Committee Programs	335,898	405,500	12%
Employment Services	100,906	92,000	3%
Organized Sections	107,039	120,000	4%
Education & Prof. Development	106,293	112,400	3%
Endowed Awards	21,344	27,000	1%
Governance	170,504	185,500	5%
APSA Representation	103,543	105,240	3%
General Administration	205,290	273,000	8%
Building and Equipment	203,335	218,000	6%
Depreciation	97,692	108,000	3%
Membership Office	174,886	179,000	5%
Business Office	155,956	165,500	5%
TOTAL EXPENSES	3,086,546	3,422,940	100%

The committee will report back to the Council at APSA's 2000 Annual Meeting in Washington, DC.

At the end of my term as treasurer, I would like to take the opportunity to once again thank the outstanding staff of APSA for their excellent management again this

year and extend additional thanks to Laura Tyson for assembling the budget and preparing the tables for this report. I also wish to note the outstanding advice of my fellow members on the Council and on the Trust and Development Board and thank John F. Bibby and Susan

Bourque who finished their terms on the T&D Board this year. Thanks to all of these individuals, the Association's financial condition continues to be strong, with an endowment and range of services that would be the envy of many professional societies.

TABLE 7
APSA National Salary Scale, 1999–2000

APSA POSITION	Equivalent Government Grade	1999 Federal Salary Scale	1999–2000 APSA Grade	1999–2000 APSA Salary Scale	Number of Employees	
					FT	PT
Political Scientists						
Executive Director	SES	110,351–125,900	8	98,000–126,000	1	
Deputy Director	15	80,658–104,851	7	81,000–106,000	1	
Program Directors	13, 14, 15	58,027–104,851	6	50,000–104,000	3	1
Non-Political Scientists						
Program Managers	11, 12	40,714–63,436	5	40,000–58,000	2	1
Senior Staff Assistants	9, 10	33,650–48,173	4	33,500–48,000	4	
Staff Assistants; Building Mgr.	7, 8	27,508–39,600	3	26,000–40,000	6	
Administrative Assistants	4, 5, 6	19,849–32,181	2	21,000–31,000	5	

CALL FOR NOMINATIONS

ROWMAN & LITTLEFIELD

Award for Innovative Teaching in Political Science

Rowman & Littlefield Publishers proudly announces the fourth year of the Rowman & Littlefield Award for Innovative Teaching in Political Science. The award, which carries a \$500 cash stipend, will be presented at the 2000 Honors Reception at the American Political Science Association Annual Meeting in Washington, DC.

The Innovative Teaching Award recognizes political scientists who have developed effective new approaches to teaching in the discipline. The award seeks to honor a wide range of new directions in teaching, not a particular new and direction. Thus, in one year a professor might be chosen because of an innovative course syllabus; in another year a multimedia approach to reaching students might be chosen; in yet another the creator of a simulation or an educational data set might be recognized; and in yet another, the author of a text or monograph that changes the way in which a subject is taught might be tapped. The only limits on what will be recognized are the imagination and creativity of those teaching political science.

The recipients of the award will be chosen by a five-person committee, chaired by L. Sandy Maisel, the William R. Kenan, Jr., Professor and Chair of the Department of Government at Colby College, appointed by APSA. Additional committee members will include the APSA Director of Education and Professional Development and three members of the academy selected by APSA representatives.

Nominations for the fourth annual award, together with supporting documentation (*including five copies*), should be sent to L. Sandy Maisel, Department of Government, Colby College, Waterville, ME 04901. The nomination deadline is March 1, 2000.