

2009 Interim Budget Narrative

To date, we have acquired \$75,458, expended \$43,443, and placed \$60,000 in investments.

Income to date has reached 75% of projections, with sufficient income anticipated to reach 95% of budgeted amounts. There were variances within some specific income categories, including increased donations for major symposia that we are holding, reduced income for councilor travel due to Councilors partially or completely covering their travel. ACS allocations to ENVR from meeting activities have declined, but may rebound with the centrally located Fall meeting.

Our royalties continue at a minimal level as demand for hard bound books remains low. Some royalties have accrued at publishers but are too low to reach the threshold to trigger release of a check to the Division. Preprint revenue has remained stable although low for back copies of these documents.

Expenditures remain low during 2009.

Business office expenses represent less than half of budgeted funds. The major expense (\$4,328) for the office involved Membership Activities. Even with the contract for a business office transition, personnel costs have been minimized (\$2,800) relative to our budget (\$10,500). This is partially due to the actual start date and a lower than anticipated monthly expenditure thus far. It is not anticipated that these cost minimizations will last past this calendar year as Ruth Hathaway reduces her role in the daily operations of the Business Office.

Conference expenses have been less than expected. ENVR supported the Great Lakes and Southeast Regional Conferences. These were the only two regions that requested conference support. Funds Support for SERMACS specifically supported an invited speaker to address Environmental Chemistry issues. Following discussion among members of the newly formed committee to determine whether to support conferences, the Green Chemistry Conference received support, whereby the Division sponsored a Session addressing the Fate and Effects of Toxic Chemicals. Councilor travel expenses are far under budget as mentioned above. We have expended less than 33% of budgeted and amounts.

Expenses for international activities are ~55% of budgeted amounts. It is anticipated that these expenditures will exceed the budgeted amount (see below)

Executive Committee expenses have been minimal. Notably, travel and training expenses have not reached 30% of budgeted totals.

Graduate student awards were less than budgeted. The Hancock Award was presented as anticipated. Gonter Awards totaled \$6000 of \$7000 budgeted. ENVR expended no funds to date for CEU awards, even though \$15,000 was budgeted. It is likely that these awards need to be much more aggressively advertised to obtain more applicants.

Our national meeting expenses remain largely in line with budgeted amounts. Organizers and for the SLC National Meeting helped minimize budgeted amounts. Program Chairs' expenses have remained in line with budgeted amounts, but a request has been submitted to increase this allocation.

Division dinner cancellation in SLC also saved ~\$3,000.

Expenses for preprints continue to release resources for other activities.

Projection and path forward

Although we anticipate another \$15,000 for international expenses, \$1,000 in student exchanges, \$8,000 in business office expenses, \$2,000 in auditing costs, and \$8000 in meeting expenses (total= \$34,000), this will take ENVR expenses this year to ~\$77,500. In order to balance our projected income (\$101,800), expenditures for the remainder of the year would have to exceed these projections by over 70%. Thus, are quite likely to have a budget surplus this year.

In an effort to mitigate any potential downturn in investment growth, it appears the Division has been conservative in budgeting while revenue has remained strong. ENVR should develop more realistic expenditures in budget categories. This is a significant procedural issue for the Division given the laws governing non-profit (tax exempt) organizations. We should all be aware that the internal revenue service defines for profit as follows: *"An activity is presumed carried on for profit if it produced a profit in at least 3 of the last 5 tax years, including the current year."* (<http://www.irs.gov/publications/p535/ch01.html>)

The accountants slated to conduct the review of our financial documents will provide an assessment of this situation which will be relayed as soon as it is available.

Respectfully submitted,

George P Cobb