



2014-2015 SCRA Budget Narrative

This document is intended to be a brief explanation of the SCRA 2015 budget posted on the SCRA website. If you have any questions about any budget items, please email the SCRA Treasurer, Jim Emshoff at: jemshoff@gsu.edu.

The Budgeting Process

SCRA yearly budgets are determined at the Executive Committee's Midwinter Meeting. Prior to each Midwinter Meeting, all EC members, councils, committees, and interest groups are asked to prepare a report for the SCRA Briefing Book, which forms the basis for the discussion at the Midwinter Meeting. Those reports contain a description of the activities of the group/individual over the past year, plans for the coming year, and any budget requests. Budget requests are discussed at the Midwinter Meeting and at the end of that meeting a final budget for the coming year is approved. Prior to the meeting, each Executive Committee member is asked to rate each budget request using four criteria. These four criteria include 1) the extent to which the activity is essential to the function of SCRA as an organization 2) the extent to which the activity is expected to provide positive value to the organization and field of community psychology 3) the degree to which the activity aligns with the mission, vision, and values of community psychology and 4) the reasonableness of the budget and feasibility of completing the proposed activities. These ratings are used to calculate a weighted averaged across committee members and used to help inform the budget decision process, though discussion during the meetings can help to clarify or modify these ratings. While there are no specific categories of requests that we refuse to fund, the Executive Committee examines more closely any requests for food, travel, and honoraria. SCRA does have specific funds set aside for student and international initiatives and these can include travel.

The total number and amount of the requests funded depends upon the overall anticipated revenue and expenses for the year. We have never been in a position of being able to fund all requests. Out-of-budget requests (i.e. those that are not included in the budget requests considered at the Midwinter Meeting) are generally not funded, unless the president, president-elect, past-president and treasurer agree that the request is necessary and could not have been foreseen when the yearly budget requests were submitted.

The 2015 budget was the first one to explicitly make use of a spending policy adopted in 2014. This spending policy allows for the use of up to 5% of our invested assets to be allocated for expenditures. The intention is to maintain or grow the principle of our invested assets while still using these assets to support the mission and vision of the organization.



The Executive Committee aimed to create a neutral budget with approximately equal amounts of revenue and expenses. At the time of the budget creation process, the projected profit from the Biennial was unknown, and therefore not factored into this process. Furthermore, projections of both revenue and expenses for Biennial are estimates and are often found to be inaccurate after final conference accounting has been completed. For this reason, the Executive Committee decided not to award allocations based on an assumed Biennial profit. If, however, the Biennial does produce the projected profit, the Executive Committee may make additional budget allocations for the second half of 2015.

Overview of the 2015 Budget

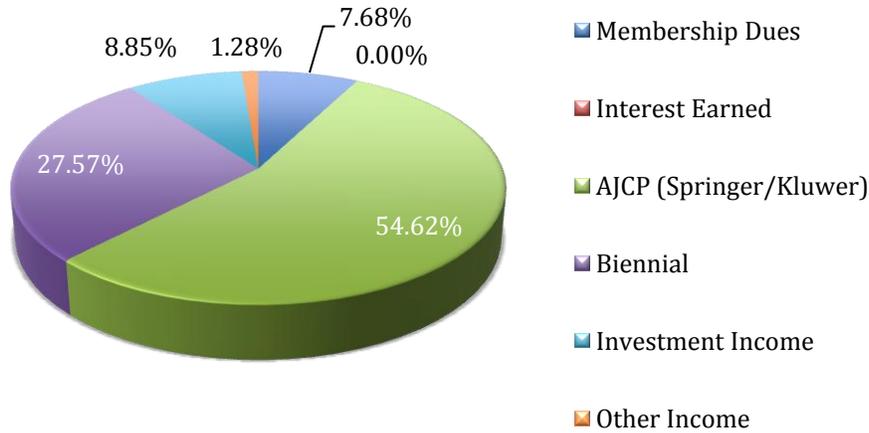
Projected Revenue

In 2015, SCRA's largest source of revenue is expected to be based on royalties from our journal, the *American Journal of Community Psychology (AJCP)*. The AJCP category comprises 54.62% of the 2015 projected revenue. Biennial registration fees and other Biennial income (e.g., sponsorships) represent the next largest source of funds, comprising 27.57% of SCRA's income. However, this is somewhat misleading: after subtracting Biennial expenses, Biennial profit is reduced to 3.16% of all of SCRA's revenues. SCRA's investment income¹ and membership dues are projected to be the next largest revenue contributors, comprising 8.85% and 7.68% of the budget, respectively. SCRA receives revenue from a variety of other sources, including special fund donations, grants, and royalties outside of AJCP. In 2015, the "other income" category is expected to contribute to <1% of the projected revenue. Because the true contribution of the Biennial to overall revenue (after subtracting expenses) is relatively minimal, the relative value of the other revenue budget items might be considered to be proportionally higher.

See figure directly below for a breakdown of the revenue projected for this year.

¹ Starting in 2014, SCRA investments will be used as a source of income. The SCRA Finance Committee has developed a policy for this use. See *SCRA Policy and Procedures Manual* for additional details.

Projected 2015 Revenue



Approved Expenses

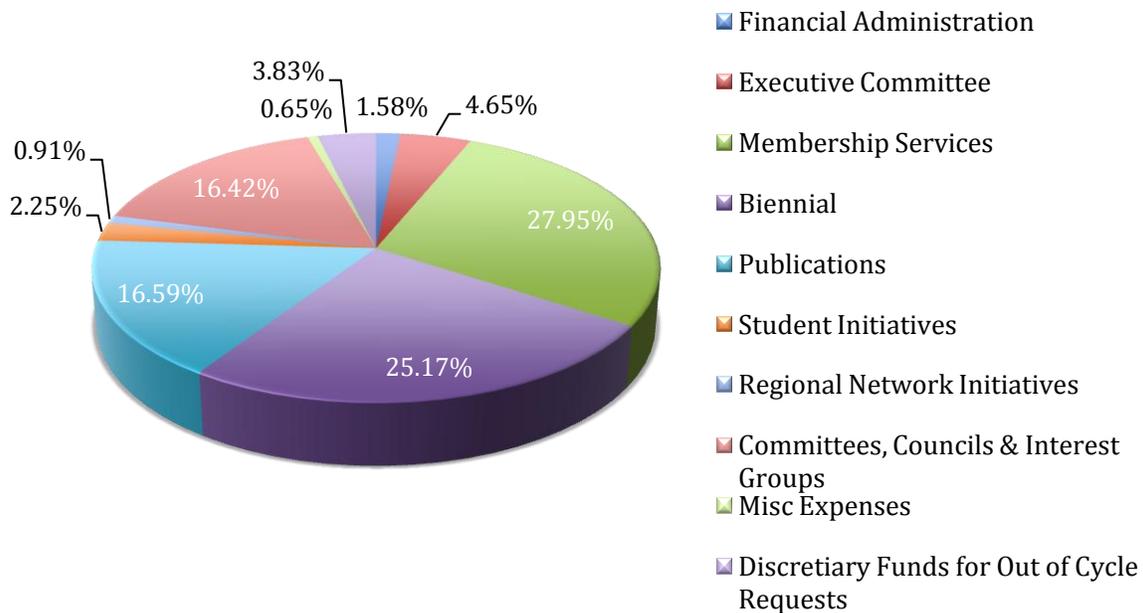
"Membership services" comprise the largest category (27.95%) of approved expenses. Membership services include personnel support costs (i.e., AMC Source², our Administrative Director, social media consultation, and press release consultation), membership resources costs (i.e., updating and maintaining the website, online survey platform, project management and collaboration tool, and audio and video conferencing services), and other operational costs (i.e., membership database, SCRA office). Expenses associated with the Biennial conference (e.g., room rental, catering) comprise the second largest category of expected expenses (25.17%). About one-sixth (16.59%) of our expenses relate to the production our publications, primarily *AJCP* and *The Community Psychologist*. Over half of those expenses (costs related to editing the journal) are directly paid by our contract with Springer, and are included in the AJCP category in the revenue figure above. The "publications" category also includes costs associated with other SCRA publication activities (i.e., book series support, international article initiative).

The "committees, councils and interest groups" (C/C/IG), "regional network initiatives", and "student initiatives" categories include funding for conference programming and travel, awards, grants, and other initiatives. Together, the C/C/IG, regional network initiatives, and student initiatives categories make up 19.58% of the total 2015 approved expenses. Included in this category are two new expenses. \$20,000 was allocated to hire a part-time communications coordinator that would work to expand and disseminate the work of SCRA. This person's work would be highly coordinated with existing initiatives (e.g., the Practice and Policy Councils, online learning and webinars). Also, \$10,000 was allocated as a contingency to cover any losses

² AMC Source is the association management group that assists SCRA with various membership services

associated with SCRA’s first Summer Institute. Expenses for the "executive committee" category are projected to be 4.65%, and include the cost of the Midwinter meeting, costs incurred by the Member(s)-at-Large and APA Council Representative for APA activities, awards given by SCRA, and costs associated with activities of the Presidential Stream. A new expense, The "financial administrative" category (1.58%) includes checking account and credit card fees, and various costs associated with management of SCRA's finances (e.g., payments to an assistant for the Treasurer, tax preparation expertise, financial review, financial management software). Finally, at the advice of our Finance Committee and in keeping with standard organizational processes, 3.83% our budget is left in a contingency fund to cover unanticipated out-of-cycle allocations. If it appears that these funds will not be fully needed, additional budget allocations may be made later in the year. The figure below shows a breakdown of the 2015 approved expenses.

2015 Projected Expenses



Overview of 2014-2015 Trends

Total revenue and expenses are more in 2015 than in 2014, as would be expected in a Biennial year. After accounting for the fact that Biennial revenues and expenses will largely balance out, it is clear that the "AJCP" category continues to be the largest revenue generator, and the "membership services" continues to be the largest expense category for SCRA. This year, more funds have also been allocated to the "C/C/IG" and "miscellaneous expense" categories as SCRA seeks to increase its support of membership activities and other community



initiatives. Specifically, the addition of a part-time Communications Coordinator and funds to support the Summer Institute are new expenses, while spending in other categories, such as webinars, has also increased. In addition, the EC has established a “discretionary/contingency funds” expense category to better budget for out-of-cycle requests and cover unanticipated expenses or lowered revenues. The future financial health and well-being of SCRA will be highly dependent on our success in negotiating a new contract with Springer or another publisher. These negotiations are nearing an end as this document is being created. Although the Executive Committee is optimistic about these negotiations, it is important to continue to be particularly careful with our budget until we enter into our next long-term agreement.

2014-2015 Trends

