

Association Affairs

Association Finances

Howard A. Meyerhoff, *Administrative Secretary*

CONDENSED statements of Association finances for the year 1949, prepared by the auditing firm of G. P. Graham & Company, are published herewith, pursuant to a vote of the Executive Committee, in order that the membership may be fully informed regarding the Association's financial condition.

The first two statements summarize operating receipts and expenditures, and it will be noted that 1949 SCIENCE annuity payments to the Cattell estates were drawn from the excess of receipts over expenditures in the operating account. As indicated in the note, the remainder of the excess is available as a reserve against future annuity payments, which included a stipulated amount of \$67,497.07, plus an inflation adjustment that would total \$47,150.75 if computed at the 1950 rate. Efforts to make immediate settlement of the full amount due have not been successful.

The last two statements summarize the situation relative to the Association's investment funds which, except for minor withdrawals from the small Building Fund, remained essentially unchanged during 1949 (*Science*, 110, 637 [1949]). Although \$18,006.50 is available for research grants and other Association-

sponsored activities, this is a small sum for an organization of 46,000 members trying to advance science. The many excellent uses to which additional income from investments can be put are obvious, and it is hoped that members will give thought to ways and means of increasing the endowment.

Washington, D. C.
October 11, 1950

To the Council of the

American Association for the Advancement of Science
Washington, D. C.

We have examined the balance sheet of the Operating Fund of the American Association for the Advancement of Science as at December 31, 1949, and the statement of receipts and expenditures for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements as supplemented by the notes thereto present fairly the financial position of the Operating Fund of the American Association for the Advancement of Science as at December 31, 1949, and the results of its operations for the year then ended.

G. P. GRAHAM & COMPANY
By H. A. O'Neill

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE OPERATING FUND BALANCE SHEET AS AT DECEMBER 31, 1949

| <i>Assets</i> | | | |
|---|--------------|---------------------|---------------------|
| Current assets | | | |
| Cash | \$228,377.25 | | |
| Accounts receivable | 21,035.49 | | |
| U. S. Treasury bills | 249,317.50 | \$498,730.24 | |
| | | <u>\$498,730.24</u> | |
| <i>Liabilities</i> | | | |
| Current liabilities | | | |
| Accounts payable | | | \$ 48,782.76 |
| Deferred income | | | |
| Prepaid dues and fees | \$195,776.69 | | |
| Prepaid journal subscriptions | 45,881.63 | 241,658.32 | |
| | | <u>\$241,658.32</u> | |
| Unallocated funds (net worth) | | | |
| Balance January 1, 1949 | \$ 94,479.16 | | |
| Add: Excess of receipts over expenditures | 141,733.94 | | |
| | | <u>\$236,213.10</u> | |
| Deduct: 1949 SCIENCE annuity | \$16,643.04 | | |
| Inflation allowance on annuity | 11,280.90 | 27,923.94 | |
| | | <u>\$27,923.94</u> | |
| Balance December 31, 1949 | | | <u>208,289.16</u> |
| | | | <u>\$498,730.24</u> |

Note: The journal SCIENCE was acquired in 1944 at a stated cost of \$166,430.69, payable over a period of ten years, together with such additional as may be determined each year under the inflation clause of the contract. Total payments to December 31, 1949, amounted to \$146,223.22. No liability has been shown on the above statement for the balance of \$67,497.07 which is payable on the stated cost price of the journal. (Computed at the 1950 rate, the additional for inflation would amount to \$47,150.75, making a total of \$114,647.82 as a liability against the balance of unallocated funds.)

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE
OPERATING FUND

STATEMENT OF RECEIPTS AND EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 1949

Receipts

| | | | |
|---|-------------|--------------|---------------------|
| Dues and entrance fees | | | \$261,722.85 |
| Journals | | | |
| Subscriptions | | | |
| From Treasurer's accounts (life, 50-year, and emeritus members) | \$ 2,686.50 | | |
| Members special subscriptions | 16,671.10 | | |
| Nonmember subscriptions | 57,236.05 | \$ 76,593.65 | |
| Advertising | | 141,871.67 | |
| Miscellaneous sales | | 3,183.11 | 221,648.43 |
| Publications | | | |
| Binders | | \$ 1,264.24 | |
| Symposium volumes | | 4,798.53 | |
| Proceedings and directory | | 3,423.50 | 9,486.27 |
| New York meeting and exhibit | | | 44,189.44 |
| Rental income | | | 1,499.70 |
| Miscellaneous | | | 705.87 |
| | | | <u>\$539,252.56</u> |

Expenditures

| | | | |
|--|--------------|---------------------|--|
| Administrative and general expense | \$ 53,907.44 | | |
| Building expense | 5,174.88 | | |
| Executive Committee | 3,697.53 | | |
| General Secretary | 1,717.71 | | |
| Allowance to divisions | 5,842.00 | | |
| Section expenses | 2,120.75 | | |
| Circularization—new members | 6,382.59 | | |
| Meetings and exhibits | 29,955.18 | | |
| Journals | 273,426.84 | | |
| Publications | 8,583.98 | | |
| Employees' retirement plan | 6,085.00 | | |
| Miscellaneous | 624.72 | 397,518.62 | |
| | | <u>\$141,733.94</u> | |

Excess of Receipts over Expenditures

\$141,733.94

Washington, D. C.
October 11, 1950

To the Council of the

*American Association for the Advancement of Science
Washington, D. C.*

We have examined the balance sheet of the Treasurer's accounts of the American Association for the Advancement of Science as at December 31, 1949, and the statement of cash receipts and disbursements for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly

included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of the Treasurer's accounts of the American Association for the Advancement of Science as at December 31, 1949, and the cash receipts and disbursements for the year then ended.

G. P. GRAHAM & COMPANY

By H. A. O'Neill

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE
TREASURER'S ACCOUNTS

BALANCE SHEET AS AT DECEMBER 31, 1949

Assets

| | | | |
|--|---------------|--------------|---------------------|
| Endowment and reserve funds | | | |
| Cash awaiting investment (overdraft) | \$ (4,321.37) | | |
| Securities | 253,470.02 | \$249,148.65 | |
| Building fund | | | |
| Cash | \$ 15,545.49 | | |
| Securities | 12.50 | | |
| Real Estate | | | |
| 1515 Massachusetts Avenue | \$59,334.15 | | |
| Other | 93,963.05 | 153,297.20 | 168,855.19 |
| Current funds | | | |
| Cash | | | 21,958.10 |
| | | | <u>\$439,961.94</u> |

Liabilities and Reserves

| | | | |
|--|-------------|--------------|---------------------|
| Endowment and reserve funds | | | |
| For research | | \$119,716.15 | |
| For general purposes | | 103,517.25 | |
| For special purposes | | 9,025.00 | |
| Treasurer's reserve fund | | 16,890.25 | \$249,148.65 |
| Building fund | | | 168,855.19 |
| Current funds | | | |
| Liabilities | | | |
| Thousand dollar prize fund | \$ 1,000.00 | | |
| Academy grants | 1,908.05 | | |
| Special academy grants | 500.00 | | |
| Westinghouse science writers' award fund | 490.05 | | |
| AAAS-UNESCO fellowship fund | 53.50 | \$ 3,951.60 | |
| Unappropriated income | | | |
| For research | \$ 4,205.29 | | |
| For general purposes | 3,712.62 | | |
| Jane M. Smith fund | 985.84 | | |
| Luella A. Owen fund | 17.60 | | |
| A. G. Stillhamer fund | 662.15 | | |
| Unexpended balances of previous years | 8,423.00 | \$ 18,006.50 | 21,958.10 |
| | | | <u>\$439,961.94</u> |

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE
TREASURER'S ACCOUNTS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS YEAR ENDED DECEMBER 31, 1949

| | | | |
|---|-------------|---------------|---------------------|
| Cash balances January 1, 1949 | | | \$ 55,294.45 |
| Receipts | | | |
| Endowment and reserve funds | | | |
| Life membership fees | \$ 1,050.00 | | |
| Income added to reserve fund | 554.26 | | |
| Redemption and sales of securities | 140,698.55 | \$142,302.81 | |
| Building fund | | | |
| Contributions | \$ 103.50 | | |
| Income from securities | 8.42 | | |
| Sales of securities | 303.42 | 415.34 | |
| Current fund | | | |
| Contributions for special academy grants | \$ 400.00 | | |
| Westinghouse science writers' award fund | 6,476.24 | | |
| Income from investments | 8,562.53 | | |
| Deceased emeritus life membership fees | 800.00 | 16,238.77 | 158,956.92 |
| | | | <u>\$214,251.37</u> |
| Disbursements | | | |
| Endowment and reserve funds | | | |
| Fees of deceased emeritus life members transferred to Jane M. Smith fund income | \$ 800.00 | | |
| Securities purchased | 156,699.92 | \$157,499.92 | |
| Building fund expenses | | | |
| Salaries | \$ 7,569.00 | | |
| Rent and miscellaneous | 721.75 | 8,290.75 | |
| Current fund | | | |
| Westinghouse science writers' award fund | \$ 7,139.63 | | |
| Thousand dollar prize fund | 1,000.00 | | |
| Income allocated to Treasurer's reserve | 554.26 | | |
| Special academy grants | 300.00 | | |
| Academy grants | 3,480.70 | | |
| Journal subscriptions (life, 50-year, and emeritus members) | 2,686.50 | | |
| Expenses | 117.39 | 15,278.48 | 181,069.15 |
| Cash balances December 31, 1949 | | | |
| For investment (overdraft) | | \$ (4,321.37) | |
| For building fund | | 15,545.49 | |
| For current purposes | | 21,958.10 | \$ 33,182.22 |