ASA-ICCA 2011 Board Meeting

ASA Revenue Sources

- Subscription Revenue, 19.42%
- Sales Revenue, 2.28%
- Publishing Revenue, 6.47%
- Advertising, 3.65%
- Meeting Registrations, 17.13%
- Member Dues, 6.88%
- Online Classes, 1.85%
- Certification Revenue, 36.76%
- Program Support, 3.93%
- Other Revenue, 1.64%
Profit/(Loss) by Cost Center

Publications:
- Agronomy Journal 298,174
- JNRLSE 2,750
- JEQ 135,128
- Books (21,584)
- Misc Journals (9,757)

Total Publications: 404,711

Annual Meeting: 121,946

Member Services:
- Sci.Comm (CSA News) (55,017)
- Sci. Comm. (Public Relations) (46,801)
- Science Policy (226,293)
- Education Prog. 20,026
- Placements 55,199
- Awards (35,632)
- Member Services (61,514)
- List Rentals 3,099
- Member Recruitment (9,143)
- Member Retention (33,829)
- Development (37,772)
- SASES (18,015)
- Northeast Branch (1,271)
- Southern Branch 914

Total Member Services: 446,051

Certification Programs:
- Crops & Soils (125,229)
- ICCA 105,453
- State CCA 17,700
- Total Certification: 2,076

ASA Support Services:
- (34,744)

Governance:
- (71,430)

Net Income/(Loss) (98,158)

---------
**ASA-ICCA 2011 Board Meeting**

### Assets = Liabilities + Equity @ 12/31/2010

#### Assets
- Cash: $987,205
- Certificates of Deposit: 19,000
- Inventory: 48,264
- Land, Building & Equipment (Net): 849,621
- Investment Portfolio: 8,554,606
- Total Assets: $10,458,696

#### Liabilities
- Deferred Dues Revenue: $218,212
- Deferred Subscription Revenue: 367,218
- Deferred Certification Renewals: 679,038
- Deferred Certification Exams: 244,975
- Deferred Online Classes: 11,875
- Other Liabilities: 5,682
- Total Liabilities: $1,527,000

#### Equity
- Net Assets 1/1/2010: 7,897,917
- Current Year Income 2010: 1,033,779
- Total Net Assets 12/31/2010: 8,931,696
- Total Liabilities & Net Assets: $10,458,696

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ASA Permanent Reserve is 25% of Prior year budget- Board Policy
So how much money do we have?
Largest to smallest of State and Provinces – Total of $908,492
Investments
ASA-ICCA 2011 Board Meeting

### How we invest ICCA’s funds

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends and Interest</td>
<td>12,207</td>
<td>14,823</td>
<td>13,339</td>
<td>10,750</td>
<td>11,820</td>
</tr>
<tr>
<td>Realized gains / (losses)</td>
<td>7,184</td>
<td>38,630</td>
<td>(689)</td>
<td>(736)</td>
<td>727</td>
</tr>
<tr>
<td>Unrealized gains / (losses)</td>
<td>9,353</td>
<td>(31,631)</td>
<td>(81,909)</td>
<td>49,266</td>
<td>34,125</td>
</tr>
<tr>
<td>Portfolio expenses</td>
<td>(1,663)</td>
<td>(1,662)</td>
<td>(1,455)</td>
<td>(1,287)</td>
<td>(1,806)</td>
</tr>
<tr>
<td>Investment income (net)</td>
<td>27,080</td>
<td>20,160</td>
<td>(70,714)</td>
<td>57,993</td>
<td>44,867</td>
</tr>
<tr>
<td>Portfolio Balance</td>
<td>364,535</td>
<td>384,695</td>
<td>313,981</td>
<td>371,914</td>
<td>416,781</td>
</tr>
</tbody>
</table>

Net change (increase) of 14.3% over five years or about 2.8% per year for five years on average.

**Investment income (net)**

![Graph showing investment income (net) from 2006 to 2010](image)
ASA-ICCA 2011 Board Meeting

<table>
<thead>
<tr>
<th></th>
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<tr>
<td>Portfolio Balance</td>
<td>364,535</td>
<td>384,695</td>
<td>313,981</td>
<td>371,914</td>
<td>416,781</td>
</tr>
<tr>
<td>Total reserves</td>
<td>580,674</td>
<td>509,221</td>
<td>439,860</td>
<td>632,448</td>
<td>836,441</td>
</tr>
<tr>
<td>Percent invested</td>
<td>62.78%</td>
<td>75.55%</td>
<td>71.38%</td>
<td>58.81%</td>
<td>49.83%</td>
</tr>
</tbody>
</table>

Morgan Stanley
Smith Barney

Reserved Client
Consolidation Summary

Ref: 0000276/ 00004/65

**Year to Date Summary**

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning net value/</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
</tr>
<tr>
<td>Adjusted net value as of 12/31/09</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
<td>$11,002,338.78</td>
</tr>
<tr>
<td>Net security deposits/withdrawals (year to date)</td>
<td>$18,800,78</td>
<td>$18,800,78</td>
<td>$18,800,78</td>
<td>$18,800,78</td>
<td>$18,800,78</td>
</tr>
<tr>
<td>Net cash deposits/withdrawals (year to date)</td>
<td>$75,294.99</td>
<td>$75,294.99</td>
<td>$75,294.99</td>
<td>$75,294.99</td>
<td>$75,294.99</td>
</tr>
<tr>
<td>Beginning net value of deposits/withdrawals</td>
<td>$11,580,228.78</td>
<td>$11,580,228.78</td>
<td>$11,580,228.78</td>
<td>$11,580,228.78</td>
<td>$11,580,228.78</td>
</tr>
<tr>
<td>Ending net value/</td>
<td>$12,702,865.91</td>
<td>$12,702,865.91</td>
<td>$12,702,865.91</td>
<td>$12,702,865.91</td>
<td>$12,702,865.91</td>
</tr>
<tr>
<td>Adjusted net value as of 12/31/10</td>
<td>$13,056,020.78</td>
<td>$13,056,020.78</td>
<td>$13,056,020.78</td>
<td>$13,056,020.78</td>
<td>$13,056,020.78</td>
</tr>
<tr>
<td>Year to date change in value</td>
<td>$1,484,791.81</td>
<td>$1,484,791.81</td>
<td>$1,484,791.81</td>
<td>$1,484,791.81</td>
<td>$1,484,791.81</td>
</tr>
</tbody>
</table>

**Current Total Asset Allocation Summary**

- **Cash**: 57.9% Equities
- **Cash/Bills, Money Markets**: 41.8%
- **Equities**: 1.2%

**Total Value Comparison**

<table>
<thead>
<tr>
<th>Month</th>
<th>12/09</th>
<th>3/10</th>
<th>6/10</th>
<th>9/10</th>
<th>12/10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11.7</td>
<td>12.1</td>
<td>11.5</td>
<td>12.4</td>
<td>12.6</td>
</tr>
</tbody>
</table>

Units in multiples of 1 million.
ASA-ICCA 2011 Board Meeting

• October 7, 2009 ASA Bd conference call
• ACTION: It was moved by Fran Pierce to approve the B&F Committee recommendation that rather than setting the split for fixed income and equities to 50-50, that the split be allowed to vary in a range between 40-60 (fixed income- equities) to 50-50 for 2010 or until the Societies reach a decision regarding acquisition of a headquarters building. Seconded by Steve Petrie. Carried unanimously.
ASA-ICCA 2011 Board Meeting

CCA Investment Policy

Long Term Fund

• **Procedures:** The ICCA Budget and Finance Committee (BFC) manages the Long Term (LT) Fund. The BFC is responsible for determining the appropriate investment medium and seeking approval from the ICCA Board of Directors.

• **Statement of Purpose:** The Long Term Fund was established to provide for the long-term viability of the organization. The LT Fund revenue source is the excess funds from the Operating Fund. Once the goal amount for the Operating Fund is met then excess funds are transferred to the LT Fund. The LT Fund should be with long term, moderate risk instruments. The amount of money to be maintained in the LT Fund is equal to or greater than one times the annual operating budget of the ICCA program.

• **Investment Objectives:** The Long Term Fund should use long-term (greater than one year) investment instruments. The risk factor should be moderate. (moderate = CPI +/- 3.0%)

• **Investment Guidelines:** The Long Term Fund should seek to utilize the best return possible with a moderate risk factor and long term duration. It should feature long-term equities, bonds and mutual funds. Funds should not be allocated to short-term instruments that are low risk (low = CPI +/- 1.0%).

• **Investment Performance Review:** The ICCA BFC Chairperson will evaluate the funds performance quarterly along with the ICCA Executive Director. The ICCA BFC Chairperson and ICCA Executive Director will consult with the BFC as needed and provide at least an annual report on fund activities to the BFC and Board of Directors. The BFC and ICCA Executive Committee will review and approve fund investment changes.

CCA Investment Policy

Operating Fund

• **Procedures:** The ICCA Budget and Finance Committee (BFC) manages the Operating Fund. The BFC is responsible for determining the appropriate investment medium and seeking approval from the ICCA Board of Directors.

• **Statement of Purpose:** The Operating Fund was established to provide an operating reserve in the event of an unforeseen annual budget shortfall. The fund’s source of contribution is the annual budget surplus. This fund should be highly liquid with all interest generated remaining with the fund. The amount of money to be maintained in the Operating Fund is equal to 10% of the projected annual budget total expenses. Funds in excess of the Operating Fund goal amount will be placed in a Long Term Fund.

• **Investment Objectives:** The Operating Fund should use short term (1 year or less), highly liquid investment instruments. The risk factor should be low. (low = CPI +/- 1.0%)

• **Investment Guidelines:** The Operating Fund should seek to utilize the best return possible with a low risk factor, short term and be highly liquid. It should feature bank CD’s and when and where appropriate, low risk bonds and mutual funds. Funds should not be allocated to long-term equities or instruments that are moderate to high risk (moderate = CPI +/- 3.0%, high = CPI +/- 5.0%). Funds should be insured.

• **Investment Performance Review:** The ICCA BFC Chairperson will evaluate the funds performance quarterly along with the ICCA Executive Director. The ICCA BFC Chairperson and ICCA Executive Director will consult with the BFC as needed and provide at least an annual report on fund activities to the BFC and Board of Directors. The BFC and ICCA Executive Committee will review and approve fund investment changes.
The LT Fund should be with long term, moderate risk instruments. The Long Term Fund should seek to utilize the best return possible with a moderate risk factor and long term duration.
ASA-ICCA 2011 Board Meeting

**Board of Directors' Meeting, 14 August 1983**

By consensus the ASA Board agreed that 25% of the Society's current annual operating budget be maintained in a permanent reserve and further, that reserve funds in excess of the permanent reserve be considered program reserves to be extended upon ratification by the ASA Board.

**Revenue & Expenses**

<table>
<thead>
<tr>
<th>Budget Category</th>
<th>2010 YTD Actual</th>
<th>2010 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certification Revenue</td>
<td>860,293</td>
<td>853,750</td>
</tr>
<tr>
<td>Program Support</td>
<td>54,644</td>
<td>0</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>6,810</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>921,747</td>
<td>854,250</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>348,340</td>
<td>384,500</td>
</tr>
<tr>
<td>Consulting</td>
<td>44,163</td>
<td>0</td>
</tr>
<tr>
<td>Travel</td>
<td>30,678</td>
<td>20,000</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>22,140</td>
<td>8,000</td>
</tr>
<tr>
<td>Distribution and Postage</td>
<td>21,460</td>
<td>30,000</td>
</tr>
<tr>
<td>Computer Expense</td>
<td>24,315</td>
<td>15,000</td>
</tr>
<tr>
<td>Marketing and Promotion</td>
<td>25,605</td>
<td>29,000</td>
</tr>
<tr>
<td>Publication Expenses</td>
<td>5,180</td>
<td>6,000</td>
</tr>
<tr>
<td>Professional Services</td>
<td>4,959</td>
<td>2,000</td>
</tr>
<tr>
<td>Certification Program Expense</td>
<td>133,033</td>
<td>108,800</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>173</td>
<td>110,000</td>
</tr>
<tr>
<td><strong>Total Direct Expenses</strong></td>
<td>660,044</td>
<td>713,300</td>
</tr>
<tr>
<td>Indirect Expenses</td>
<td>102,577</td>
<td>110,854</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>762,621</td>
<td>824,154</td>
</tr>
<tr>
<td><strong>Net Income Operations</strong></td>
<td>159,126</td>
<td>30,096</td>
</tr>
</tbody>
</table>

The amount of money to be maintained in the LT Fund - permanent reserve is equal to or greater than one times the annual operating budget of the ICCA program. @ 25% = $206,038
ASA-ICCA 2011 Board Meeting

ICCA

How our money is managed

Cash $419,660
Investments $416,781
Total reserves $836,441 @ 12/31/2010

Management of reserves
(accumulated earnings)

Currently?
Unrestricted $12,287
Permanent Reserve $824,154 = 100% of budget

Intended?
Unrestricted $530,402
International Reserve $100,000
Permanent Reserve 206,039 = 25% of budget
Total reserves $836,441 @ 12/31/2010

The amount of money to be maintained in the LT Fund is equal to or greater than one times the annual operating budget of the ICCA program.

The amount of funds to be maintained in the permanent reserve is equal to or greater than 25% of the annual operating budget of the ICCA program. $824,154 @ 25% = $206,038
ASA-ICCA 2011 Board Meeting

Should some level of the State CCA funds be invested and subject to some level of market risk? The funds invested would be allocated to the various state CCA’s based on average balances during the year.

ICCA
- Cash $419,660
- Investments $416,781

Total reserves $836,441 @ 12/31/2010

State CCA’s
- Cash $908,492

Total reserves $908,492 @ 12/31/2010