

American Iris Society Treasurer's Report  
Spring 2019 Board Meeting

Reporting

Attached are 3 statements all based on 6 months of financial activity (10/1/18 through 3/31/19):

1. Profit and Loss Statement
2. Balance Sheet as of 3/31/19
3. Budget vs. Actual; Income and Expenses

Well, there is nothing like a \$450K donation to the General Fund to make the reports look good!

Investigating the cost of credit card fees and there has been no let up in the past 6 months. The reason-- entering transactions without the credit card in hand is very expensive. For example, in March we processed membership fees with a credit card in 5 instances. We took in \$325 and had fees of \$91.23. That's 28% of the income! By comparison, we processed \$2,702 in membership through PayPal and had fees of \$82.33. That's 3%, folks! While some fine tuning of the present arrangements could marginally reduce fees, the smart move is to transition members to PayPal. The Treasurer should write a procedure to instruct members on how to set up and use PayPal accounts.

After all the statements were printed, I noticed the \$2,300 amount in the Interfund Receivables (asset) account. This amount needs to be transferred from the AIS Convention Checking account back to the AIS General Fund Check account. At the same time General Journal Entry #180 (from last fiscal year) needs to be reversed in the current fiscal year. This will cause a reduction in expenses in the current fiscal year. The amount represents 2020 Convention bill were paid in the last fiscal year when the 2020 Convention Checking account didn't have the cash.

Board Actions Requested

1. Move the \$17,557 balance of the 100th Anniversary Restricted Fund as of 9/30/18 to the AIS General Fund. This will partially fund the \$48,000 contribution expense in this fiscal year to the 2020 Convention.
2. Pass a budget revision to create the following line items: \$17,550 Transfer from the 2020 Convention Restricted \$48,000 for the transfer expense which has already occurred to the 2020 Convention Checking Account and \$10,000 for anticipated Advertising expenses to promote AIS to a wider audience. Each of these 3 items is in *italics* on the Budget vs. Actual; Income and Expenses statement.
3. Create a Business Manager position to handle the financial and administrative functions of AIS. Establish compensation for the position comparable to the 3 current paid positions; Editor, Registrar and Membership Secretary. Conduct an open recruitment for the position with a goal of filling it by 10/1/19. Modify the job descriptions of the Secretary and Treasurer as needed to reflect the changed responsibilities.
4. Update the compensation of the Registrar and Membership Secretary from \$1,000/month to \$1,200/month to reflect they haven't had a raise in .....well, they never have had a raise in forever.
5. A 3 person Audit Committee be formed with the task of selecting auditors, negotiating the engagement letter to set the purpose and scope of audits, and reporting audit findings to the Board of Directors and the membership, in general. At least 1 member of the Committee is not to be a member of the Board of Directors during the period (s) being audited. The Committee members will initially each serve 2 year terms as the Society gets caught up on audits. After the 2 years, one member will serve a 1 year term, one, 2 years and one, 3 years to keep continuity in the Audit Committee.

6. A 5 person Finance Committee be formed to set and monitor financial policies of the Society. At least 1 member of the Committee is to be a person who isn't a member of the current Board of Directors. The Committee members will initially serve 2 year terms. After the 2 years, two members will serve one year terms, two will serve 2 year terms and one, three years to keep continuity in the Finance Committee. An additional task (because it is important and not being done elsewhere) is to compile a directory of Treasurers serving in affiliates, sections and regions.

7. In order for the Society to reflect the more diverse population in America, we will make a concerted effort in our contracting and purchasing to do business with members of minority populations. A report on such efforts will be made at the Spring and Fall Board Meetings. A person will be selected by the Board of Directors to do the monitoring and reporting. That person will be furnished, by the Treasurer, all vendor payments made in the most recent 12 months.

8. The AIS Bylaws make no provision for a Board of Directors member nor an Officer to be forced to resign before their elected term is complete. A 3 person Committee is to be created by the Board of Directors to address this shortcoming and establish the terms and conditions under which such a resignation is the appropriate action. Additionally, due process procedures are to be written in order that if and when a resignation is requested by the Board of Directors, the person will be afforded the opportunity to address the charges.

9. The irises hybridized and introduced by Gerald Richardson deserve more recognition because his donations to the AIS General Fund are unprecedented. His irises had no problems other than a lack of distribution and AIS should assist even posthumously. This could be done through the Garden Committee/National Collections. A person should be appointed to locate Mr. Richardson's plants and aid in their collection and distribution. If requested, I will take on this task. A budget of \$500 should be sufficient for the balance of the current fiscal year.

Personal

I want to thank Jim Morris for recruiting me in 2012 to serve as AIS Treasurer and I have enjoyed working with him and Gary White as AIS Presidents. Gentlemen, I am sure we'll meet down the road somewhere.

Dwayne Booth  
4/19/2019

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