

**Society of American Archivists
Council Meeting
November 2-3, 2023
Chicago, Illinois (Hybrid Meeting)**

**FY24 Proposed Budget Narrative
(Prepared by Astoria Edwards, Cherie Newell, and Jacqueline Price Osafo)**

Foundation funds are presented using two categories: Funds without Donor Restrictions and Funds with Donor Restrictions.

Following are some highlights of the FY24 Foundation budget:

- For the first time since its incorporation in 2011, the SAA Foundation hired a full-time Foundations & Development Manager as of January 9, 2023. In addition, other administrative expenses applied to the Foundation are those related to legal, investment management, consulting, marketing and branding, Board travel, and Annual Meeting event expenses.
- Investment income is estimated to be slightly lower than FY 2022 by \$2,374 (27%) and better than 2023 budget estimates by \$2,099 (51.59%). The variance between the 2022 budget estimate and projected actuals is the result of conservative assumptions about future stock market performance during the FY '23 budget process.

Estimates for investment income are based on current data and portfolio makeup as provided in the Merrill Lynch statements and the assumption that overall market performance will be similar to FY 2022 actual performance. This estimate assumes that there will be large market corrections and volatility and that overall performance will mirror recent trends. (Please note that we do not budget for Realized and Unrealized Gains/(Losses) in the SAA Foundation Operational Budget).

- SAA staff effort and associated expenses have been allocated to the Foundation since July 1, 2011. These expenses are offset via an in-kind donation from SAA (see Activity 4). As of January 2023, the Foundation hire a staff member, and the staff allocation of in-kind expenses will include personnel for this FTE. It is budgeted to increase to \$140,000 (42%).
- FY24 budget for hosting a reception at the Annual Meeting in Washington, DC, and an in-person Board of Directors meeting.
- For FY24, increase the budget for the Grant Award Program by 40% to increase the number of proposals awarded and funded at \$50,000.

- The FY24 budget assumes that the very successful Annual Meeting Travel Award Program will continue to be funded at \$14,000 out of the Strategic Growth Fund.
- The FY24 budget assumes that the very successful Award Program will continue to be funded at \$5,000 out of the Strategic Growth Fund.
- The NDRFA expense estimate (always hard to anticipate) of \$6,232 represents the average for the last six years.
- The FY24 budget assumes that the Mosaic Scholarship will award two scholarships totaling \$10,000.
- Funding of \$15,000 for the 1st year of a task force focused on the future of archivists, “Foresight, Future of Archivists”. Funding would cover expenses for one in-person meeting at the Annual Meeting.

For -Discussion and Vote:

1. The SAA Foundation Payout Rate. The SAA Foundation is a public charity, which means that, unlike private foundations, it is not required to pay out any more than its Board of Directors deems appropriate. That said, it has been the prevailing opinion of the Board since its founding that the Foundation should seek to support the archives profession to the greatest extent possible while ensuring the preservation and *growth* of SAAF’s funding capacity for the long term.

As the Board has discussed payout rate over the years, its two major considerations have been: 1) growth of the funds and 2) acknowledgment that we must make awards to enhance our fund-raising efforts. For this reason, in 2018, the Board established a payout rate formula that strikes a balance between these competing interests and acknowledges the restricted uses of several of the funds.

According to the payout rate formula, the FY24 payout rate is as follows:

For the current period, the net asset value of the Foundation is \$2,239,500

Less the net asset value of the endowed Ham Scholarship Fund of \$138,204;

Less the net asset value of the restricted NDRFA of \$92,948;

Less the net asset value of the Hamer-Kegan endowment of \$7,682;

Less the cash liability to SAA (due to/due from) of \$492,509;

Less the net asset value of the restricted Mellow Fund of \$96,000;

Yields adjusted total net assets available for a payout of \$1,412,157.

2. Based on an expense budget of \$477,627 and net Unrestricted assets (minus liabilities) of \$829,243, the payout rate for FY24 is 7%, higher than FY23.

Society of American Archivist Foundation
Income Statement
Proposed FY24 Budget

Income & Donations	Actual Projections			FY '24 Budget v. FY '23 Budget		FY '24 Budget v. FY '23 Actual Projection	
	<u>Fiscal '24</u>	<u>Fiscal '23</u>	<u>Fiscal '23</u>	<u>\$ Difference</u>	<u>% Difference</u>	<u>\$ Difference</u>	<u>% Difference</u>
<u>Unrestricted Funds</u>							
Margaret Cross Norton	11,232	11,232	6,458	-	0.00%	4,773.83	73.92%
Linda J. Henry Estate	23,904	23,904	18,344	-	0.00%	5,560.00	30.31%
Strategic Growth (Includes Awards Fund)	55,640	43,488	30,898	12,152.00	27.94%	24,742.00	80.08%
<u>Funds with Donor Restrictions</u>					N/A		
Mosaic Scholarship	16,492	16,492	29,920	0.29	0.00%	(13,427.71)	(44.88%)
Pinkett	7,760	7,764	11,550	(3.75)	(0.05%)	(3,789.75)	(32.81%)
Peterson	2,604	2,604	1,686	-	0.00%	918.00	54.45%
National Disaster Recovery	8,124	8,124	16,634	-	0.00%	(8,510.00)	(51.16%)
Hamer Kegan	444	444	1,130	-	0.00%	(686.00)	(60.71%)
Ham	18,312	896	1,068	17,415.96	1943.66%	17,244.00	1614.61%
Mellon	96,780	4,325	325	92,455.00	2137.69%	96,455.00	29678.46%
<u>In-Kind Contributions</u>							
SAA	140,000	48,000	60,680	92,000.00	191.67%	79,320.48	130.72%
Total Revenues	\$ 381,293	\$ 167,273	\$ 178,693	\$ 214,019.50	113.38%	\$ 202,599.86	127.95%
Expenses			Actual Projections	FY '24 Budget v. FY '23 Budget		FY '24 Budget v. FY '23 Actual Projection	
	<u>Fiscal '24</u>	<u>Fiscal '23</u>		<u>\$ Difference</u>	<u>% Difference</u>	<u>\$ Difference</u>	<u>% Difference</u>
<u>Unrestricted Funds</u>							
Strategic Growth (Includes Awards Fund)	84,000	46,000	46,599	38,000.00	82.61%	37,401.00	80.26%
<u>Funds with Donor Restrictions</u>							
Mosaic Scholarship	10,000	5,200	5,300	4,800.00	92.31%	4,700.00	88.68%
Pinkett	4,000	4,000	4,000	-	0.00%	-	0.00%
Peterson	1,500	1,500	2,100	-	0.00%	(600.00)	(28.57%)
National Disaster Recovery	6,232	6,438	6,946	(205.73)	(3.20%)	(714.16)	(10.28%)
Hamer Kegan	500	500	500	-	0.00%	-	0.00%
Ham	11,270	9,230	10,741	2,040.00	22.10%	529.00	4.93%
Mellon	97,130	4,000	3,996	93,130.00	2328.25%	93,134.00	2330.68%
<u>Administration</u>							
Foundation Administration	132,504	117,975	75,682	14,529.00	12.32%	56,822.17	75.08%
Foundation Development	67,211	53,020	53,020	14,190.91	26.77%	14,190.91	26.77%
Total Expenses	\$ 414,347	\$ 247,863	\$ 208,884	\$ 166,484.18	98.36%	\$ 166,484.18	98.36%
Gain / (Loss) from Operations	\$ (33,055)	\$ (80,590)	\$ (30,192)	\$ 47,535.32	(58.98%)	(2,863.06)	9.48%
Transferred to Funds	-	-	-				
Net Gain / (Loss)	<u>\$ (33,055)</u>	<u>\$ (80,590)</u>	<u>\$ (30,192)</u>				

Society of American Archivist Foundation
Budget Planner
FY24

FY24
Budget

Activity No.	Fund No.	Narrative	Account No.	Account Description	Line Amount	Activity Total
1	Revenues					\$49,631
	Investment Income					
	Unrestricted Funds					
	31	Margaret Cross Norton	4700	Interest & Dividends - Managed Fund	6,852	
	36	Linda J. Henry Estate	4700	Interest & Dividends - Managed Fund	21,852	
	37	Strategic Growth (Includes Awards Fund)	4700	Interest & Dividends - Managed Fund	7,956	
	Funds with Donor Restrictions					
	35	Mosaic Scholarship	4700	Interest & Dividends - Managed Fund	1,775	
	55	Pinkett	4700	Interest & Dividends - Managed Fund	3,576	
	58	Peterson	4700	Interest & Dividends - Managed Fund	1,596	
	59	National Disaster Recovery	4700	Interest & Dividends - Managed Fund	2,172	
	92	Hamer Kegan	4700	Interest & Dividends - Managed Fund	240	
	93	Ham	4700	Interest & Dividends - Managed Fund	2,832	
	97	Mellon	4700	Interest & Dividends - Managed Fund	780	
2	Contributions					95,662
	Unrestricted Funds					
	31	Margaret Cross Norton	4630	Unrestricted Gift	4,380	
	36	Linda J. Henry Estate	4630	Unrestricted Gift	2,052	
	37	Strategic Growth (Includes Awards Fund)	4630	Unrestricted Gift	47,684	
	Funds with Donor Restrictions					
	35	Mosaic Scholarship	4650	Temp. Restricted Gift	14,717	
	55	Pinkett	4650	Temp. Restricted Gift	4,184	
	58	Peterson	4650	Temp. Restricted Gift	1,008	
	59	National Disaster Recovery	4650	Temp. Restricted Gift	5,952	
	92	Hamer Kegan	4690	Endowment - Permanently restricted	204	
	93	Ham	4690	Endowment - Permanently restricted	15,480	
	97	Mellon	4650	Temp. Restricted Gift	96,000	
3	Expenses					117,502
	Unrestricted Funds					
	37	Strategic Growth	5385	Awards: Grants Program	65,000	

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Activity	Fund	Narrative		Account	Account Description	Line	Activity	
No.	No.			No.		Amount	Total	
4	37	Strategic Growth		5381	SAA Annual Meeting Awards Program	14,000	132,504	
	37	Strategic Growth		5382	SAA Awards Program	5,000		
	Funds with Donor Restrictions							
	35	Mosaic Scholarship		5385	Awards: Scholarship awards	10,000		
	55	Pinkett		5385	Awards:	4,000		
	58	Peterson		5385	Awards:	1,500		
	59	National Disaster Recovery		5385	Awards:	6,232		
	92	Hamer Kegan		5385	Awards:	500		
	93	Ham		5230	Investment Fee: Management Fee	1,020		
	93	Ham		5385	Awards: Scholarship	10,250		
	97	Mellon		5610	Non-Staff Travel	46,650		
	97	Mellon		5350	Honorarium	19,200		
	97	Mellon		5570	Miscellaneous Supplies	5,060		
	97	Mellon		5200	Consultant	8,400		
	97	Mellon		5820	Membership	5,000		
	97	Mellon		5700	Lease & Rental	8,220		
	97	Mellon		5290	Food and Beverage	4,600		
	Foundation Administration							
	a.	Investment Management				29,004		
	15	Legal		5280	Legal	3,500		
	15	Postage		5300	Postage & Freight	500		
	15	Printing and Duplication		5400	Printing & Duplicating	1,500		
	e.	Personnel		5000	Personnel	98,000		
	d.	Allocated Effort and Shared Expenses					140,000	
			5xxx	SAA Staff Effort/Expenses	140,000			
			4600	In-kind Donation from SAA	140,000			
5	Foundation Development					67,211		
	a	Board Meeting Hotel Accomodations		5700	Leases and Rental	14,200		
	a	Board Meeting Travel		5610	Member Travel	14,400		

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Budget Planner
FY24

FY24
Budget

Activity	Fund	Narrative		Account	Account Description	Line	Activity
No.	No.			No.		Amount	Total
	a	Board Meeting Meals		5290	Food and Beverage	3,800	
	a	Board Member Meeting Room Rental		5700	Leases and Rental	1,700	
	b	Annual Meeting Reception		5290	Food and Beverage	6,227	
	b	Annual Meeting Technology		5360	Audiovisual	7,184	
	b	Annual Meeting Swag		5550	Promotional Items	2,500	
	b	Annual Meeting Jam Session		5360	Equipment Rental	1,500	
	c	Consultant fo Foundation Compliance		5200	Consultants	7,000	
	d.	Marketing Branding		5350	Graphic Design	4,000	
	e	Professional Development		5640	Registration	4,000	
	e	Staff Travel		5600	Staff Travel	5,000	
	f	ASAE CEO Symposium		5640	Registration	4,800	
	f	ASAE CEO Symposium		5610	Member Travel	2,550	
	f	ASAE CEO Symposium		5600	Staff Travel	2,550	
		a. Expenses for one in-person Foundation Board Mtg					
		b. Annual Meeting Foundation Expenses					
		c. Consultant for Foundation Compliance					
		d. Foundation Branding					
		e. Increase expenses related to professional development & staff travel			Total Income		\$ 285,293
		f. ASAE CEO Symposium (President, VP, ED, and Foundation Mgr)			Total Expense		568,547
					Net Gain / (Loss)		\$ (283,255)