

## NM Section SRM Fiscal Policy

- 1. Fiscal Strategy:** The NM Section of the Society for Range Management (NMSRM) will budget annual expenses so as to achieve a positive net annual income.
- 2. Fiscal Year:** NMSRM will adopt the Jan 1- Dec 31 period as its fiscal year.
- 3. Financial Resource Management:** Incomes are defined as those monies that come into the NM Section during the fiscal year; they may be from dues, meetings, fund raising events, sponsoring an SRM annual meeting, or from various other sources (see *5.Revenue Streams* below).

Financial resources will be classified into four initial accounts:

- a. Annual Operating Account:** will include annual incomes and expenditures
  - b. Scholarship Account:** earned interest from this account will be used to pay annual scholarships. Currently, \$ 14,500 has been designated to this account, but the Board of Directors can set higher target fund levels at any time. A concerted fund-raising effort to augment the funds in this account will be carried out by an existing or ad-hoc committee designated by the Board of Directors. Such efforts will include soliciting donations from individuals, businesses, and estates.
  - c. Investment Account:** Large one-time incomes such as revenues from hosting the SRM Annual Meeting will be placed in this account or in the Scholarship Account. Best use of earned interest from this account will be decided by the Board of Directors on an annual basis.
  - d. Contingency Account (or Working Capital):** Will be a reserve for the Annual Operating Account and will be set at an amount determined by the Board of Directors to act as a reserve when annual incomes do not exceed the annual expenditures, possibly equal to an annual year's budget. In years when there is an excess of incomes over expenditures, this surplus could be used to reimburse the Contingency Account or to add to the Investment Account. In such years, the earnings from the Investment Account might not be needed for the Annual Operating Account but could be used to add to the corpus.
- 4. Annual Operating Budget:** Committee chairs will submit budget needs for the coming year to the President elect in the fall. The Annual Operating Budget will be sent to the Board of Directors (BOD) prior to the Annual Meeting and then voted on at the Annual Meeting. The BOD will determine a minimum budget for typical annual expenses and will prioritize activities and expenditures so as to maintain a balanced budget. Unexpected expenses will be covered by drawing on the Contingency Account; however, reimbursements to this account will take precedent over other annual budget requests to ensure that the equivalent to an annual year's budget is maintained in this account at all times.
  - 5. Revenue Streams:** NMSRM will seek to increase its revenues by:
    - a. Making a profit on annual meetings and summer tours without discouraging participation with excessively high registration prices. To achieve this objective, a handbook of best budgeting and meeting organization practices will be developed and updated periodically.
    - b. Proposing a voluntary increase in section membership fees
    - c. Increasing efficiency of investments. To accomplish this, the section will develop a long term investment strategy which will be reviewed periodically.
    - d. Organizing fundraisers (raffles, silent auctions)
    - e. Selling advertisements and sponsorships (seed companies, herbicide companies)
    - f. Sponsoring education/training events in addition to the annual meeting and summer tour
  - 6. Annual Financial Report to Section Membership:** The outgoing President will report annually on the finances of the Section for the previous year at the Section's annual winter meeting. The report will include the Operating Budget for the year just past with all incomes and expenditures, and the status of all accounts (Scholarship, Investments, Contingency, and Operating Account). Expenditures associated with each committee will be discriminated on the Annual Financial Report. The outgoing president will provide a handout which could be sent to the membership electronically.