

**Canadian Society of Zoologists**  
**Policy on Disposition of Surpluses from Annual Conferences**  
*Approved by CSZ Council December 3, 2006*

**PURPOSE**

To promote operation of the Canadian Society of Zoologists (CSZ) as a non-profit organization by stipulating timely spending of any surpluses that accrue to the Society as a result of the Annual Conference of the Society towards achieving the objectives of the Society as stated in the Constitution.

**POLICY**

This Policy is guided by the following Principles, which shall be used to resolve situations not covered explicitly by other aspects of this Policy.

- A. The top priority for any spending decision shall be to ensure that the Society maintains minimally sufficient financial reserves to conduct its operations.
- B. The Society shall plan for the timely spending of any reserves that exceed the minimum in policy A, towards both achieving, and maintaining the appearance of, operation as a non-profit organization.
- C. A secondary priority shall be to spend surpluses generated from annual conferences to enhance future annual conferences.
- D. It is desirable to minimize year-to-year fluctuations in financial support provided by the Society towards the operation of the annual conferences.
- E. The refunding of any surpluses to conference delegates is to be of low priority.
- F. The Council shall have the ultimate decision on the spending of any conference surplus.

**PROCEDURES**

1. A local organizing committee, in compliance with the policy *Financial Arrangements for Annual Conferences*, shall submit a final report or an interim report to the Treasurer prior to the December meeting of the Council.
2. The Treasurer shall use the final or interim report of the local organizing committee to determine the amount of any conference surplus that has occurred or is likely to occur. If a surplus has occurred, the Treasurer shall proceed to procedure 3.
3. The Treasurer shall submit to the to the December Meeting of the Council a report indicating existing conference surplus commitments, and recommendations for spending the additional surplus based on the following spending plan.

A- total amount of surplus.

B- amount retained by Society to meet minimum asset requirements.

C- amount allocated as support for future conferences, to a maximum of \$20,000.  $C=A-B$ .

D- remainder amount to be spent according to Council decision.  $D=A-B-C$ .

E1- amount added to student travel grants at the annual conference one year after the conference that generated the surplus.  $E1=C/3$ .

E2- amount added to student travel grants at the annual conference two years after the conference that generated the surplus.  $E2=C/6$ .

F1- amount given as a general grant to the annual conference one year after the conference that generated the surplus.  $F1=C/3$ .

F2- amount given as a general grant to the annual conference two years after the conference that generated the surplus.  $F2=C/6$ .

4. The Council shall accept or amend the Treasurer's recommendation. Where the surplus has already been remitted to the Society, the Council may specify dollar amounts to be disbursed by the Treasurer. Where the surplus is anticipated but not yet received by the Society (and therefore may differ in actual amount), the Council may specify a percentage amount to be disbursed by the Treasurer on receipt of the funds.

5. The Treasurer shall maintain records which indicate the amounts, purposes, and any other conditions imposed by the Council on the spending of conference surpluses, and shall communicate these to the appropriate local organizing committees.

6. The Treasurer will disburse these surplus funds to the appropriate local organizing committees no more than 10 months prior to the start of their conference.

7. The Council may reconsider any decision to award surplus funds before they are disbursed by the Treasurer. Once disbursed by the Treasurer, these funds are considered under the control and responsibility of the local organizing committee.

## **BACKGROUND**

A motion was passed at the May 14, 2005 Council meeting: *That the President appoint an ad hoc committee to develop a policy by which annual meetings pose a minimal financial liability to the Society, while at the same time not become a source of profit for the Society, and to present their recommendations to the December 2005 meeting of Council.* The Committee comprised Al Shostak (Chair), Greg Goss and John Chang (CSZ06), Bruce Tufts (CSZ05) and Lucy Lee (CSZ03). The committee met several times by e-mail and has produced this draft policy for referral to CSZ Council.

Over the long term, the goal of the Society is to operate in a non-profit manner, and one criterion of non-profit operation is to maintain only the minimal assets necessary to conduct the business of the Society. Consequently, the Society considers it a priority that planning for the annual conference should minimize the likelihood of a substantial conference deficit because of the strain it would place on Society operations. Fixed expenses are typically a large portion of an

overall conference budget, and registration fees must make an assumption on attendance to distribute these fixed costs. Given the risk to the Society resulting from a large conference deficit, it is preferable to plan the budget of the annual conference using conservative attendance estimates, which guards against a large deficit. However, that action increases the likelihood of a surplus, and therefore it is necessary to have in place a plan to maintain non-profit operation by spending any surplus that should accrue.

Surpluses can arise from many sources and these may vary from conference to conference. There are three major sources of surpluses. First and foremost, unexpectedly-high attendance results in more delegates than necessary to cover the fixed costs (facilities, student travel grants, symposium costs) of hosting the conference. Second, symposia may run at lower cost than the amount budgeted and contributes to a surplus. The symposia are a large component of conference expenses, and their costs cannot be determined until after a conference and it is prudent financial planning to set registration fees on the assumption that the budgeted amount will be spent. Third, unexpected grants to the conference may be received after registration fees are set.