

CHAPTER THREE

FINANCES

I. BUDGETS

A. AUTHORITY

1. The Executive Director has the authority to overrun the budget within any major category by five percent (5%), as long as the total budget is not exceeded. Any overruns exceeding the total budget require the approval of the Board of Directors. (78-5)

B. BUDGET AND FINANCIAL STATEMENT PREPARATION

1. The budget will show the separation of direct and indirect costs. (78-5)
2. Preparation of the Annual Meeting budget will be a joint project between the Program Chair, the Local Arrangements Coordinator and the Home Office with the advice and approval of the Board of Directors. (75-9)
3. The annual budget review meeting of the Executive Committee will be scheduled in March, and the annual budget review meeting of the Board of Directors will be scheduled in April. (81-5)
4. The annual audit report shall be addressed and sent directly to the Executive Committee, as well as to the Home Office. (87-11)
5. The financial statement will include a footnote with regard to the status of the salaries account at Georgia State University. (85-4)
6. Travel expenses for staff to work at the Annual Meeting shall be evaluated each year at the time that the annual budget is reviewed. (86-4)
7. Travel expenses paid by the Institute for Annual Meeting Job Placement staff will be reflected as an expense item in the Placement budget. (86-4)
8. The previous year's advertising page counts, number of exhibit booths, etc., will be included in the budget documents to help assess trends in these revenue categories. (87-4)
9. Accounts receivable amounts which will be deferred into the next fiscal year's revenue because of the accrual method will be footnoted in all financial statements. (93-4)

10. Each year, the Treasurer will write an article to precede the audit report, published in Decision Line, which explains significant deviations from the prior year's audit report. (93-11)
11. The interest earned on the imprest account will be included in operating income in the standstill budget in an amount equal to annual bank service charges (94-3). Any interest earned over and above the amount of bank service charges will be, along with interest earned on certificates of deposit, checking accounts and Money Market accounts, and dividends and capital gains on equity investments, reinvested. (00-1)
12. Depreciation is included within the Institute's allocated expenses. The capital expenditures are included in the budget each year. [Executive Committee (95-3)]
13. In financial statements and/or balance sheets prepared by the Home Office, the ending fund balance for the current fiscal year will be the beginning fund balance as of June 30th for the next fiscal year. (Previously, the beginning fund balances were reported for the current and previous fiscal years. Ending fund balances shall be reported for the two fiscal years to make the financial report more easily understood.) [Executive Committee (96-11)]
14. The purchase of a new high end computer should take place every two years and the upgrade of major peripherals every four years. Major software platforms (operating systems, database software, and publications software) should be upgraded every two years. A permanent budget line item of at least \$4,500 per year should be approved by the Board for Information Technology (IT) activities. (97-1)

This budget will be managed by the Executive Director in coordination with the Information Technology Committee/Coordinator. (97-1)

II. CASH MANAGEMENT

A. AUTHORITY/INVESTMENTS

1. The Executive Director shall have the power and authority to invest the excess cash and other assets of the Institute in such investments as considered appropriate without prior approval by the Board of Directors. Without limiting the generality of the foregoing, the Executive Director is hereby expressly authorized and empowered to invest the Institute's funds in such interest bearing money market funds, Certificates of Deposit, Mutual Funds, Treasury Bills and similar investment vehicles as considered appropriate without prior approval by the Board of Directors. (82-1)

The Executive Director may designate one full-time employee of the Institute to make wire transfers of funds for these purposes. (87-4)

An Investment Advisory Committee was established, consisting of the Executive Director, the current Treasurer, and [one or more persons with expertise in the area of financial investments (02-1)], to be recommended by the Executive Director, approved by the Board, and who would serve a two-year term, renewable without limit. (93-4)

General guidelines for the Institute's investment practices are the following:

- Maintain adequate liquidity of funds for ongoing operations. At minimum maintain an amount in the Institute's bank account to cover upcoming annual anticipated expenses given the condition of a 50% annual revenue shortfall.
- Invest with the criteria of maximizing return, given preservation of principal and minimization of risk.
- Invest in fully insured Certificates of Deposits, bond or bond funds that are backed as obligations of the federal government and/or agencies.
- Invest in such a way as to not exceed limits of insurability.
- Conduct a review of the Institute's investment practices on a bi-annual basis, or as economic circumstances mandate. (91-1)
- Maintain a conservative stance in regard to the Institute's investment policy until the amount invested reaches the equivalent of approximately one year's operating budget. (91-11)

Specific procedures are the following:

- The current practice of placing the interest earned annually on the Institute's investments into the operating budget was changed to a practice of allowing interest earned to become part of the investment principal. Regions are encouraged to follow the same practice. (93-1)
- Starting with the CD at United Savings Association, Houston, TX, which matured on 7/6/93, the Executive Director, in consultation with an Investment Advisory Committee, reinvested \$45,000 into a CD, or equivalent instrument, and took 10% (\$5,000) of the original \$50,000 and used it as an initial investment into equity funds. For the subsequent CD's which matured in 1993 (8/18/93 and 10/14/93), the policy was to invest 10% into equity and reinvest 90% into the money market (e.g. CD's or the equivalent). These funds, totaling approximately \$20,000, were used to start the Institute's equity fund. This was a one year program (1993) only. Until further action by the Board of Directors, the remaining funds in CD's (approximately \$248,000) will remain in such funds. The exact timing of the purchase of equities is left to the Executive Director and Investment Advisory Committee, but it is expected that such investment will occur within two weeks of the time that the CD comes due. (93-4)
- The equity instrument to be used was no-load mutual funds. Where the mutual funds offer various options, investment should be in the standard (market index) funds. The choice of funds was the decision of the Executive Director. (93-4)
- Starting immediately, all new funds available for investment (interest earned as well as any yearly budget surpluses) will be invested in equities. However, following the movement of the initial \$20,000 in 1993, none of the existing investments of the Institute or its cash balances were to be moved into equities. (93-4)
- The existing fixed investments should be maintained in CD's, with the consideration of slightly longer maturities as a means of increasing returns. (93-4)

(See Investment Advisory Committee, Section II, Chapter Five.)

- In April of 1997, the Certificate of Deposit maturing on May 9, 1997, in the amount of \$100,000.00, was reinvested as follows: \$50,000 into an index fund. This \$50,000 was invested into mutual funds/stocks by the

Investment Advisory Committee over a period of the next four to twelve months. The Committee was instructed to make a progress report at the November 1997 Board meeting. The remaining funds from the Certificate of Deposit were rolled over into a new certificate. (97-4)

Specific procedures are the following:

- On December 1, 1997, surplus funds of the Institute were invested in \$10,000 increments in the U.S. equity market on a bi-monthly basis. The redistribution of funds from fixed-interest accounts into equity fund accounts was accomplished by making \$10,000 investments into equity fund accounts on a bi-monthly basis. (97-11)
- In January of 2000, the Certificate of Deposit maturing on 5/17/00, in the amount of \$100,000, was reinvested in the Vanguard GNMA (Ginnie Mae) fixed income or non-equity Fund because of contingency expenses (new Home Office information systems database and possible Home Office employee retirement compensation) and the need for immediate capital accessibility. (00-1)

Of the approximately \$20,000 held in the Vanguard Money Market Fund, a total of \$17,000 of this amount was transferred into the Vanguard Index 500 Fund, beginning with \$10,000 on January 31, 2000 and \$7,000 on March 31, 2000. (00-1)

In January of 2001, the Certificate of Deposit maturing on 5/17/01, in the amount of \$83,257.49, was reinvested in the Vanguard GNMA Fund. (01-1)

- The Certificate of Deposit maturing on 8/13/02, in the amount of \$62,000, was transferred to the Vanguard GNMA Fund. (02-1)

The Vanguard GNMA Fund was diversified by investing 50% in the Vanguard GNMA Fund, 25% in the Vanguard Intermediate Term Fund and 25% in the Vanguard Inflation Protected Securities Fund. (04-1)

- Shares in the Franklin Templeton Mutual Shares Fund were sold and transferred to a new account in the Vanguard Extended Market Index Fund. (05-1) The allocation of the Institute's stock funds was adjusted to more closely match the allocation of the U.S. stock market by transferring \$40,000 from the Vanguard 500 Index Fund to the Extended Market Index Fund in increments of \$10,000 per month for four months. (06-1)
- The allocation of the Institute's stock funds was adjusted to more closely match the allocation of the U.S. stock market by transferring \$40,000 from the Vanguard 500 Index Fund to the Vanguard Extended Index Fund in increments of \$10,000 per month for four months. (06-01)

- The Institute will have at least 35% of its total surplus fund balance invested in equity fund accounts with the remaining 65% invested in fixed-interest accounts (Certificates of Deposit). (99-1) The Executive Director will rebalance the allocation of total surplus funds between equity funds and Certificates of Deposit as soon as practical after the end of each fiscal year. (97-11)

(See Authority/Investments, Section II, Chapter Three.)

2. The Investment Advisory Committee shall annually provide a report to the Executive Committee in March which (1) summarizes prior calendar year performances of the investments of the Institute and (2) advises to or assesses the appropriateness of current investment practices. (94-4)
3. All operating financial decisions that are within the framework of the approved budget, including cash management, are to be handled by the Executive Director and Treasurer. These decisions will be reviewed at the time of each submission of the financial statements to the Board of Directors. (76-1)
4. The Executive Director (or designate), in conjunction with the President and the Treasurer, shall have the authority to expend the Institute's funds in accordance with the policies and objectives of the Institute and the fiduciary responsibility for the management of the Institute's funds. (79-5)

B. ACCOUNTS

1. In addition to its investments, the Institute maintains a checking account with SunTrust Bank in Atlanta, Georgia.

C. ENDOWMENTS

1. The provision for the establishment of a "Decision Sciences Endowment" Fund, general or restricted, was approved. (03-1)
2. A "Decision Sciences Institute/Alpha Iota Delta" endowment was created (03-1) and dissolved/cancelled in November of 2004. (04-11)

III. FEES

Payments by credit card (Visa or Master Card only) will be allowed for all financial transactions. (98-4) The provision for payments by American Express and Discover were added in 2003.

A. PUBLICATIONS

1. The Decision Sciences Journal (Published by Blackwell Publishing, Inc.)

a) Advertising

January 2007 - December 2007

Publication Schedule for Volume #37

(four times annually)

February, May, August, November

<u>Rates</u>	<u>Single Issue</u>
Full page	\$500
Half page	\$400
Back Cover (Inside)	\$600
Back Cover (Outside)	\$750

(06-4)

b) Submission fees

Journal submission fees of \$50 for non-members and \$25 for Members were eliminated effective January of 2005. (04-4)

c) Other policies

2. The Decision Sciences Journal of Innovative Education (Published by Blackwell Publishing, Inc.)

a) Advertising

January 2007–December 2007

Publications Schedule for Volume #4
(twice annually)
January and July

<u>Rates</u>	<u>Single Issue</u>
Full page	\$500
Half page	\$400
Back Cover (Inside)	\$600
Back Cover (Outside)	\$700

b) Submission fees

Journal submission fees were eliminated, effective January 2005. (04-4)

c) Other policies

3. The Decision Line News Publication

a) Advertising

July 2006- June 2007

Publication Schedule for Volume #37
January, March, May, July, October

<u>Rates</u>	<u>Dimensions (Width X Height)</u>	<u>Single Issue</u>	<u>2006-07 Contract (10% discount)</u>
Full Page	9 1/2" X 7 3/8"	\$704	\$634/issue
Half Page or	4 3/4" X 7 3/8" 9 1/2" X 3 1/2"	\$407	\$366/issue

Quarter Page	4 3/4 " X 3 1/2"	\$308	\$277/issue
Sixth Page	2 1/2" X 3 1/2"	\$165	\$148/issue (89-4)
Market Place (Job Placement Ads)		\$60 per 50 words	n/a (86-4)

- (1) The 10% discount applies only if the same size ad is run in all five issues (July through May).
- (2) Annual contracts will be billed after publication of each issue.
- (3) There is a 15% agency commission. (78-5)

b) Subscription fees

The annual subscription fee for the news publication was increased in 2003 from \$6.00 to:

	U.S./Canada	It'l.
Individuals	\$20	\$30
Institutions	\$30	\$40 (03-4)

c) Other policies

The editor of Decision Line, in conjunction with the Executive Director, shall recommend advertising rate changes for the news publication to the Board each year. (86-4)

4. Job Placement Display Advertising

- a) Advertising (on the 2006 Job Placement Website of the Decision Sciences Institute)

Rates:

Display Ad.....\$310

Ads may be submitted via email in Microsoft Word, html, or pdf format. Display ads will be accepted (and remain on the Job Placement Home Page) from September 1, 2006, until December 1, 2006.

Contact Information:

Hal Jacobs
Decision Sciences Institute
hjacobs@gsu.edu
(404) 286-0170

b) Other policies

- (1) The job placement position listing fee was increased from \$50 to \$100 per job listing. (92-4) The job placement position listing fee was further increased from \$100 to \$200 per job listing (00-4), and from \$200 to \$250 in 2003. (03-4) Regular job placement listings will appear in the online placement database until May. (03-4)
- (2) Market Place Classified Ads appear in an issue of Decision Line and on the Job Placement Website through a link on the Institute's Home Page. (03-4)
- (3) A 10% discount on Market Place Classified Ads and Job Placement Display Ads will be given if the position already has a regular job placement listing. (03-4)
- (4) The job placement fee for non-student job applicant listings is \$25. (92-4) There is no charge for applicant listings for student members. (92-4)
- (5) The hard copy version of the job placement directory was eliminated, effective in 2001. (01-4)

B. THE ANNUAL MEETING

1. The Annual Meeting Program

a) Advertising

Advertising Schedule

		<u>Width</u>	<u>X</u>	<u>Height</u>	
Full Page	\$750	7"	X	10"	
Half Page	\$575	7"	X	5"	
Inside Front or Back Cover	\$900	7"	X	10"	
Back Cover	\$1,300	7"	X	10"	(02-4)

b) Other policies

2. Registration fees

a) Fee structure

- (1) Member Registration (Fee includes Sunday's Fellows Appreciation Lunch, Tuesday's awards Luncheon, Monday's Reception, and the CD ROM Proceedings.) \$250 (04-4)
- (2) Non-member Registration (Fee includes Sunday's Fellows Appreciation Lunch, Tuesday's awards Luncheon, Monday's Reception, and the CD ROM Proceedings, and entitles registrant to one year membership, if desired.) \$375 (06-4)
- (3) Student member Registration (Fee includes Sunday's Fellows Appreciation Lunch and Monday's Reception, and the CD ROM Proceedings.) \$ 60 (04-4)
- (4) Student non-member Registration (Fee includes Sunday's Fellows Appreciation Lunch and Monday's Reception, and the CD ROM Proceedings.) \$ 85 (04-4)
- (5) Emeritus member Registration (Fee covers attendance at Monday's Reception and sessions only.) \$ 25 (92-4)
- (6) Emeritus non-member Registration (Fee covers attendance at Monday's Reception and sessions only.) \$ 60 (92-4)

For students, emeritus and others requesting additional meal tickets and/or Proceedings:

Extra Sunday's Fellows Appreciation Lunch(es) @	\$32.98
Extra Tuesday's awards Luncheon(s) @	\$32.98
Extra <u>Proceedings</u> (CD ROM only) @	\$25.00
Late Fee (after October 20, 2006) @	\$50.00 (06-4)

b) Other policies

- (1) Workshops are considered an integral part of the Annual Meeting and no reduced or separate fees will be charged. (75-4)
- (2) Partial registration fees will not be established. (76-1)
- (3) Registration fees will not be waived for Program or Track Chairs, and Coordinators. (97-1)
- (4) The registration fees for regular members and non-members will include two meals, the President's Reception, and the Proceedings. (75-4)
- (5) The statement of obligation for a nonmember to become a Member was removed from the Annual Meeting registration form and all preliminary meeting announcements. (79-1)
- (6) All paper presenters must register for the Annual Meeting. [Executive Committee. (79-1)]
- (7) The registration form will include a statement for registrants who are members of Alpha Iota Delta to indicate if they would like to be recognized as Alpha Iota Delta members at the Annual Meeting. Ribbons will be provided to those who indicate such. (91-1)
- (8) The registration form will include a check-off box for registrants to indicate if they would like to receive subscription information about the Journal of Business and Management, sponsored by the Western Decision Sciences Institute (WDSI). (03-4)
- (9) Conference registrations received for the Annual Meeting will be verified by sending confirmation postcards or duplicate receipts to all pre-registrants. (93-1)
- (10) Beginning in 2001, the hard copy print version of the Annual Meeting Proceedings was eliminated; only the CD ROM version is available. (01-4)
- (11) The Program Chair shall not receive funds in the name of the Decision Sciences Institute nor commit the Institute for expenditures/receipts. (03-4)

- (12) The Program Chair has the authority to spend up to \$3,000 on program-related expenses, and an additional \$1,000 for unusual items with the Executive Director's approval. (06-1)
- (13) Payments by credit card (American Express, Discover, Visa or Master Card only) will be allowed for all financial transactions. (98-4)
- (14) No discount or deduction for cash payments at the Annual Meeting will be offered. (98-4)
- (15) Beginning in 2000, the hard copy print version of the Preliminary Program was eliminated. (00-4)
- (16) The Annual Meeting hotel room rebate was eliminated in 2000 with the proviso that additional funding to replace rebate revenues would be made through an increase to annual membership dues, and that, in order to balance the annual budget conference registration fees would possibly be increased. (99-11)
- (17) The Program Chair can spend up to \$6,000 for a social event to be held during the Annual Meeting. (02-1)

3. Exhibit fees

a) Fee structure

Single	8' X 10' booth	\$ 690	
Double	8' X 20' booth	\$1,200	(96-4)

b) Other policies

Non-refundable deposits of \$350 for single booths and \$550 for double booths are required. (93-4)

C. MEMBERSHIP DUES

1. Fee structure

Annual Dues (and Subscription Fees*)

	<u>Regular</u>	<u>Student</u>	<u>Emeritus</u>	<u>Library*</u>	<u>Institutional</u>
U.S./Canada	\$125 (06-4)	\$25 (04-4)	\$35 (06-4)	\$317 (07-1)	\$125 (06-4)
International	\$125 (06-4)	\$25 (04-4)	\$37 (98-4)	€237 (07-1)	\$125 (06-4)

2. Other policies

a) Dues for Members joining in mid-year

- (1) Each regular member will pay full membership fee when he/she joins; if member renews the second year, a pro rata adjustment will be made at that time if he/she had paid for a full year but was a member for only part of the year. (75-4)
- (2) The first issue of Decision Sciences, or Decision Sciences Journal of Innovative Education that new members receive will be the next issue after joining. (75-4)

b) Dues renewal notices

- (1) Dues renewal notices will be sent by May 1st to regular, student, emeritus and institutional members. (76-4)
- (2) The dues renewal form was redesigned to eliminate the following requests for information:
 - Regions from which a member would like to receive mailings, and
 - The region in which a member would like to register as a voter. [Executive Committee. (80-4)]
- (3) The dues renewal notice was redesigned to include the statement "Please remit by June 30." [Executive Committee (80-2)] The fall dues renewal reminder will include the amount due as well as the statement "This is the final notice. Your membership will terminate on December 31 unless payment is received." [Executive Committee. (80-4)]
- (4) The dues renewal form will include a check-off box for members to indicate if they would like to receive subscription information about the Journal of Business and Management, sponsored by the Western Decision Sciences Institute (WDSI). (03-4)
- (5) A member solicitation form will be included with the dues renewal notices as a means of generating new members. The Home Office will send a follow up letter to each prospective Member inviting him or her to join the Institute along with promotional material such as the membership brochure. (81-5)

- (6) If a member pays membership dues twice, the second payment will not be refunded; however, the member will be notified that he/she has paid twice and that the excess dues will be applied to their next year's membership unless they specifically request otherwise. (88-1)
- (7) A second dues renewal notice (with possibly a letter from the Institute's President, urging lapsed members to renew their membership and participate in the Institute's activities) will be sent each year in August or September to all members who have not renewed by July 1st. (95-1)
- (8) The dues renewal notice will include the "proactive" question "I want to be included in the membership directory", and should not be customized to include only certain information. The renewal form should also be explicit in that the directory will be searchable (and not downloadable). (98-1)

IV. FINANCIAL REPORTING

A. YEAR END

The Institute's fiscal year is July 1 through June 30*.

B. OTHER POLICIES

1. Each year the Board of Directors, upon recommendation by the Executive Director, shall appoint a certified public accountant to audit the Institute's books and accounts.*
2. The annual audit report shall be addressed and sent directly to the Executive Committee, as well as to the Home Office. (87-11)
3. Contributions to the Institute (for example, office space at Georgia State University) should not be reflected in the financial statements. (75-9)
4. Allocated expenses for regional services will be identified and indicated as allocated in all financial statements. [Executive Committee. (79-1)]
5. Fixed assets acquired by the Institute with a purchase price in excess of \$200 shall be capitalized using approved depreciation procedures. Fixed assets acquired by the Institute with a purchase price of less than \$200 shall be expensed during the fiscal year. This procedure shall be initiated as of July 1, 1982. (83-1)
6. The Institute will file an IRS Form 1099-NEC when payments in excess of \$600 are made for nonemployee compensation for services rendered in the course of the Institute's business. The payments for services which are subject to this filing include casual labor, and guest speaker honoraria.

Since a Form 1099 must be filed for payments in excess of \$600, it will be the policy of the Institute that the Home Office will file such a form, and supporting materials necessary to complete the form will be supplied to the Home Office by the regions. (83-1)
7. Depreciation is included within the Institute's allocated expenses. These capital expenditures are included in the budget each year. [Executive Committee (95-3)]

*Constitution and Bylaws

V. REGIONS

A. BACKGROUND

A number of years ago, the Internal Revenue Service informed the Institute's Board of Directors that the Institute was violating IRS regulations for non-profit organizations because the Regional subdivisions were not fiscally tied in to the organization. KPMG Peat Marwick, in two audits, pointed out this problem again and urged immediate resolution so that the non-profit status of the Institute is not jeopardized. In order to satisfy the requirements of the Internal Revenue Service, the Board of Directors decided in January 1978 that a process should be implemented to funnel all fiscal affairs of the regions through the Home Office.

The regional accounting system, developed during 1978 and 1979 by the Regional Activities Committee, and updated in the Guidelines for Regional Financial Management (02-1) was reviewed and approved by the Regional subdivisions and the Board of Directors. The accounting system is described in two separate documents: the Framework, which presents an overview of the regional accounting system, and the Procedures, which describe the specific steps for implementing the regional accounting system.

B. REGIONAL ACCOUNTING FRAMEWORK

1. At the beginning of the region's fiscal year, it will submit to the Institute's treasurer a proposed budget in accordance with the Guidelines for Regional Financial Management. (02-1) The regional budgets will be reviewed by the Institute's Board of Directors. If the Board has any recommendations regarding specific line items in a region's proposed budget, the recommendations will be forwarded to the regional officers for their consideration.

Regional budgets, once accepted, should be shared with all other regions for information purposes. (93-1)

2. Any balance at the end of the fiscal year will be added to the region's fund balance and be available to the region for activities in future fiscal years. (98-1)

Each region will be credited for an amount equivalent to interest earned from any balance on deposit at the Home Office. The regional interest calculation methods are as follows: (98-1)

#1. Step A: beginning fund balance
 +/- net income (loss)
 ending fund balance

Step B: Get average fund balance by adding beginning fund balance with ending fund balance. Divide this number by 2.

Step C: Multiply the average fund balance by the estimated interest rate.

#2. Step A: Regional fund balance/total fund balance =
 % of regional fund balance making up total fund
 balance.

Step B: Multiply the percentage by the total amount of interest earned for the period.

Method #1 is done at year-end. For the interim reports, #2 is done.

Year-end allocation of annual return on investments to regions includes interest earned on Certificates of Deposits, checking accounts and Money Market accounts, and dividends and capital gains on equity investments. (00-1)

The Treasurer and the Home Office will monitor the regional interest on a regular basis to assure that the regions do not suffer any loss of interest.

3. Each region may establish a local imprest bank account.

At the beginning of each regional financial officer's term, (s)he will be sent the Guidelines for Regional Financial Management. (02-1) The procedures stated within the "Guidelines" will be followed in opening, managing, and closing the local imprest checking account. (98-1)

C. REGIONAL ACCOUNTING PROCEDURES

To satisfy Internal Revenue Service Requirements, all regional financial transactions are required to be processed in accordance with the Guidelines for Regional Financial Management. (02-1)

D. OTHER POLICIES

1. Dues/Fees

The Bylaws of a Regional subdivision may provide for dues. Funds so obtained may be used for any purpose consistent with the Institute's Constitution and Bylaws and with the Constitution and Bylaws of the Regional subdivision.*

A 50% reduced initial year membership fee was offered to all new national members of the Asia-Pacific region. (96-4) The discounted first-time membership fee was extended to members of the Asia-Pacific region joining the Institute as of June 30, 1999. (97-11)

A proposal from the Asia-Pacific region for an APDSI membership management fee was accepted on a trial basis for one year, effective through FY 2003-04. (02-11)

A \$40 membership fee is offered in conjunction with regional conference registrations to provide Institute first-time members who attend regional meetings the opportunity to become Institute members at a discounted cost for one year. The \$40 fee is optional and regions do not have to publicize it. (05-4)

2. Disbursements

The Home Office shall make disbursements from accounts held for each Regional subdivision upon request (and written approval) from a duly authorized officer of the subdivision.*

3. Solicitations

No funds shall be solicited or raised by any Regional subdivision without the written consent of the Institute's President.*

4. Budgets

Each Regional subdivision's budgetary actions shall be reviewed by the Institute's Board of Directors each year. Regional budgets, once accepted, should be shared with all other regions for information purposes. (93-1)

The current practice of placing the interest earned annually on the Institute's investments into the operating budget was changed to a practice of allowing interest earned to become part of the investment principal. Regions are encouraged to follow the same practice. (93-1)

5. Financial Reporting

Each Regional subdivision shall submit an annual report of its financial status and of the preceding year's activities to the Institute's Board of Directors within two months after completion of its fiscal year.*

A footnote should be added to all regional financial statements indicating the number of attendees at each annual regional meeting. [Executive Committee. (80-11)]

(See Financial Reporting, Other Policies, Section IV., B, Chapter Four.)

6. Audit

Each Regional subdivision is subject to audit as a part of the Institute's regular auditing procedures. Upon recommendation of the Institute's public accounting firm, each Regional subdivision shall make available the information required for the audit.*

7. Insurance and Desktop Publishing

Each Regional subdivision will be charged the direct costs for various types of regional insurance coverages currently paid by the Institute, and for desktop publishing services performed by the Home Office, effective July 1, 1986. (85-4)

Effective in FY 1998-99, 50% of the cost for Association Professional Liability Insurance (APLI), General Property Liability and Crime/Employee Dishonesty Insurance coverages will be paid by the Home Office, and the remaining 50% will be divided equally among the regions. (98-4)

VI. DESKTOP PUBLISHING SERVICES

A. BACKGROUND

The Home Office provides desktop publishing services for the Institute. Services include the technical production of the Decision Line news publication, the Job Placement application forms, the Annual Meeting program and related materials, including the Annual Meeting Proceedings. Upon request, desktop publishing services are also provided to the Regional subdivisions.

B. OTHER POLICIES

1. The Board of Directors was informed that, to be in compliance with IRS regulations, the Institute can not solicit outside desktop publishing, but can accept the work, if asked. (76-1)
2. All desktop publishing contracts (between the Institute and outside parties) will contain a clause stating that an increase in supply costs will be reflected in the charges. (80-5)
3. The Regional subdivisions will be charged for desktop publishing services performed by the Home Office, effective July 1, 1986. The Regional subdivisions will have the option of whether or not to utilize these services of the Home Office. (85-4)
4. The Institute shall not undertake outside desktop publishing, except on an ad hoc, time permissible basis. (85-11)
5. Scheduling for the production of regional mailings will be confirmed in writing. (90-1)

C. MISCELLANEOUS

VII. OTHER

A. INSURANCE

1. The Institute and seven of its Regional subdivisions hold association professional liability insurance coverage (APLI) of \$1,000,000, as well as employee/volunteer dishonesty insurance with a limit of \$100,000, and general property insurance coverage. The Home Office will pay 50% of the cost and the remaining 50% will be divided equally among the regions. (98-4) The Institute holds convention cancellation insurance coverage. This coverage is optional for the regions; (84-11) however, the regions are strongly encouraged to obtain convention cancellation insurance. (05-11)

The regions will be charged the costs which are currently paid by the Institute for regional insurance coverages, effective July 1, 1986. (85-4)

B. MAILING LISTS

1. The charge to non-Members for the Institute's mailing labels is \$100.00 per one thousand labels for electronic, or cheshire labels and \$120.00 per one thousand labels for peel-off, adhesive labels, with a minimum charge of \$25.00. (02-4)
2. Fair Use Policy for the DSI Marketing E-Mail Address Database

The Decision Sciences Institute will compile and maintain e-mail address databases to be used for marketing purposes. The marketing e-mail list consists of a *member* database and a *prospective member* database. The member database is made up of e-mail addresses of current and lapsed DSI members. The prospective member database consists of all DSI non-members, including regional DSI members who are not current DSI members.

The prospective member e-mail list will be compiled from various directories and membership lists of professional associations and business professors. The DSI member e-mail list may be rented, sold, or otherwise shared with others according to DSI policy. The prospective member e-mail list may not be rented, sold or otherwise shared with other individuals or organizations for any purpose. All messages sent through the marketing e-mail lists must have prior approval of the DSI Home Office. (04-4)

C. CREDIT CARD PAYMENTS

1. Payments by credit card (Visa or Master Card) will be allowed for all financial transactions. (98-4) No discount or deduction for cash payments at the Annual Meeting will be offered. (98-4) Payments by American Express and Discover credit cards were offered in May of 2003.

D. CONTRACTS

1. CONTRACT CLAUSE (to be included in all contracts or agreements, i.e., hotel, printing, equipment, and desktop publishing agreements as well as requests for proposals).

It is understood and agreed that: (1) the Institute is a professional association consisting of individual members who have primary professional appointments in universities and/or other organizations; (2) Commitments made on behalf of the Institute have been made with the appropriate authorizations as required by the Institute's charter and bylaws; and (3) No commitments made on behalf of the Institute by such individual members may be considered as assuming personal or primary employer responsibility, financial or otherwise, for such commitments.

2. The Executive Director shall have the power and authority to enter into leases, contracts and other agreements on behalf of the Institute which are within the budget previously approved by its Board of Directors and which are necessary or useful in connection with the authorized activities and operations of the Institute. Without limiting the generality of the foregoing, the Executive Director shall have the power and authority to enter into the following types of agreements on behalf and in the name of the Institute without prior approval by its Board of Directors:
 - a) leases, contracts, and other agreements for desktop publishing equipment, hardware, software and services to be provided by third parties to the Institute which are within the budget approved by the Board of Directors;
 - b) leases, contracts, and other agreements whereby the Institute will render desktop publishing services to third parties which are within the budget approved by the Board of Directors; and
 - c) leases, contracts, and other agreements whereby the Institute will provide or receive any other type or kind of goods or services in connection with its authorized activities and operations which are within the budget approved by the Board of Directors.

All such leases, contracts, and agreements may be entered into for terms in excess of one year; provided, however, that all such leases, contracts and other agreements having a term in excess of one year shall grant the Institute the right to unilaterally terminate said contract without penalty upon one year's written notice thereof to the other party. (82-1)