

SASE Financial Report 2023-2024

This report covers the period September 1, 2023 through August 31, 2024.

Introduction

This report covers the period after the Rio de Janeiro conference of 2023, leading up to the Limerick conference of 2024. This period saw record high submissions for the 2024 conference.

Overall, the 2024 conference was a success from a financial perspective, with the conference generating enough revenue to further bolster SASE's reserves, and to be able to cover the higher costs associated with the upcoming conference in Montreal in 2025.

It shall be noted that SASE's finances will be audited for the calendar year 2024, as per the decision by the Executive Council in December 2023.

Finances 2023-2024

Income, Expenses and Participants

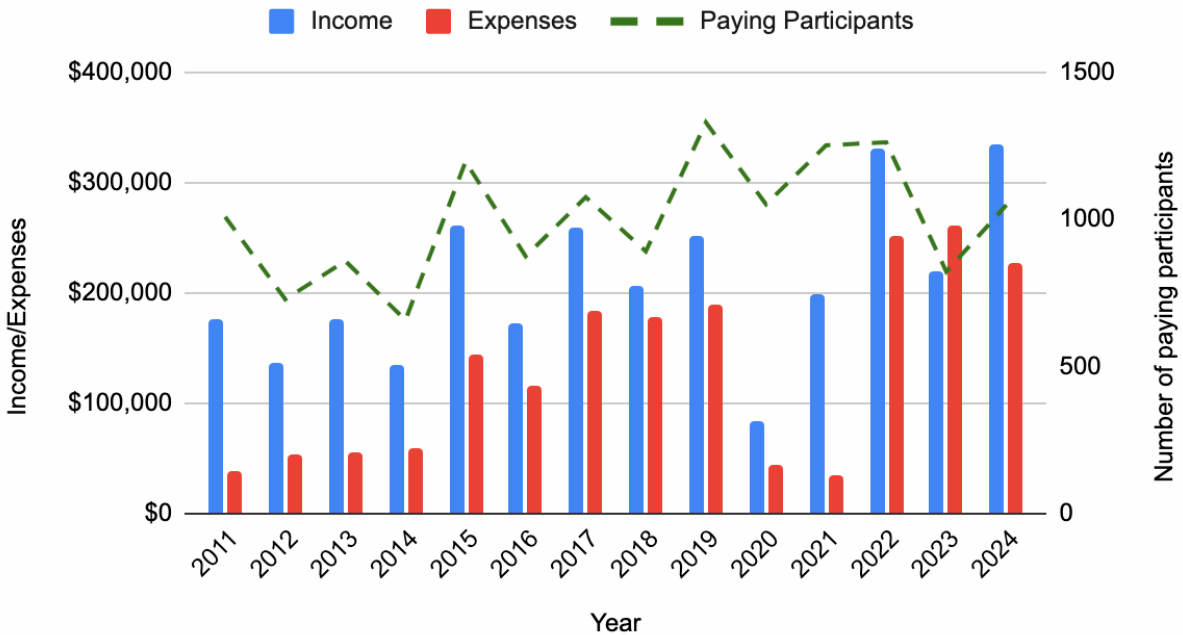


Figure 1: Conferences 2011-2024 - Revenues, expenses, number of paying participants



Figure 1 allows us to see that finances were on track for the 2024 conference, allowing us to meet our reserve provisioning target, and generate a small surplus over reserves - and this despite the fact that participant numbers were down from what we had forecast. This puts us on more solid financial footing, a significant improvement over past years. The decision to raise fees for the 2024 conference thus proved to be a good one. Our reserves after the 2024 conference will be approximately \$204,000 (including the \$100,000 donation from Amitai Etzioni, but excluding the funds in the checking account for expenses). As a reminder, the reserves target approved by the Executive Council in 2021 is approximately 2 years of overhead + 20% of conference expenses, or an overall sum of \$320,000. This means that, although our finances are improved, SASE does still need to prudently set aside more reserves over time. The Executive Council is currently working on a plan for investing SASE's reserves in safe and liquid investment opportunities.

It should additionally be noted that membership dues are expected to cover SASE's overhead. For 2023-2024, this was the case, but this was not the case in the past - *Figure 2* illustrates this. As a result, the additional income from conferences was previously used to cover overhead. The goal going forward is to adjust conference fees to cover conference expenses, and membership dues should cover overhead. SASE conferences need to have a minimum of 1,000 paying participants in order to cover SASE's overhead at current levels.

membership dues and overhead

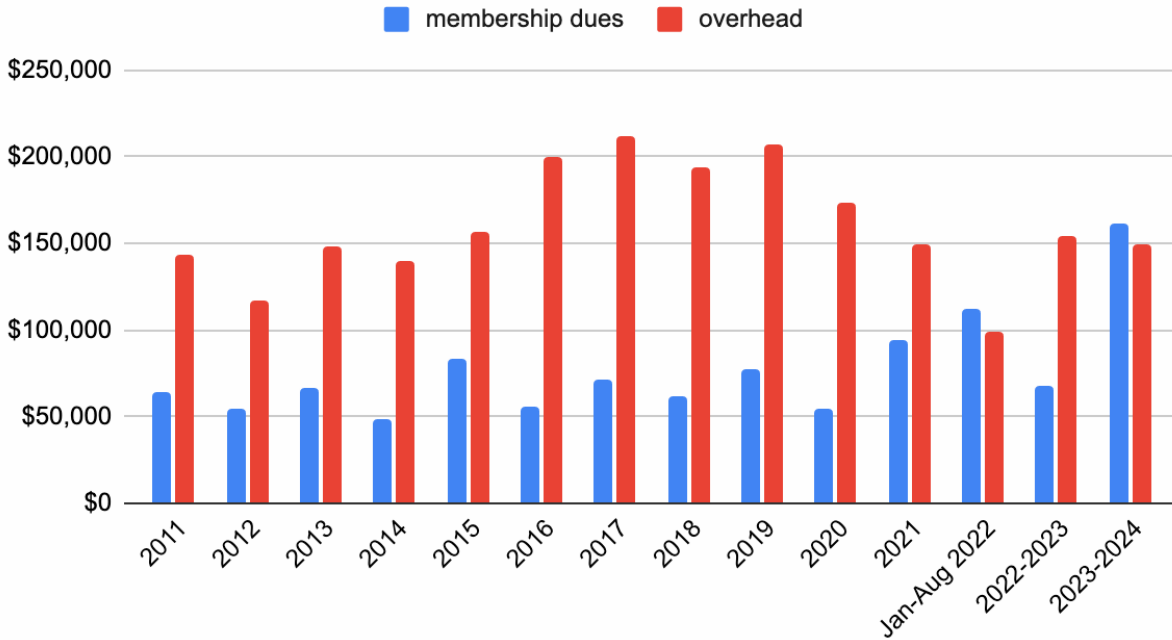


Fig. 2: Overhead expenses compared to income from membership dues.

From a financial perspective, it is also important to understand that the fee structure is not necessarily the only or the most suitable tool to pursue strategic objectives and/or to be inclusive. External sources of funding should be sought for these objectives. The fee structure is fundamentally to keep our organization alive and resilient over time and circumstances.

2024 Limerick Conference

The work to organize the Limerick conference took the SASE team by surprise - the sheer numbers of submissions and the very high rate of last-minute withdrawals brought the workload to a peak. *Figure 3* below illustrates this.

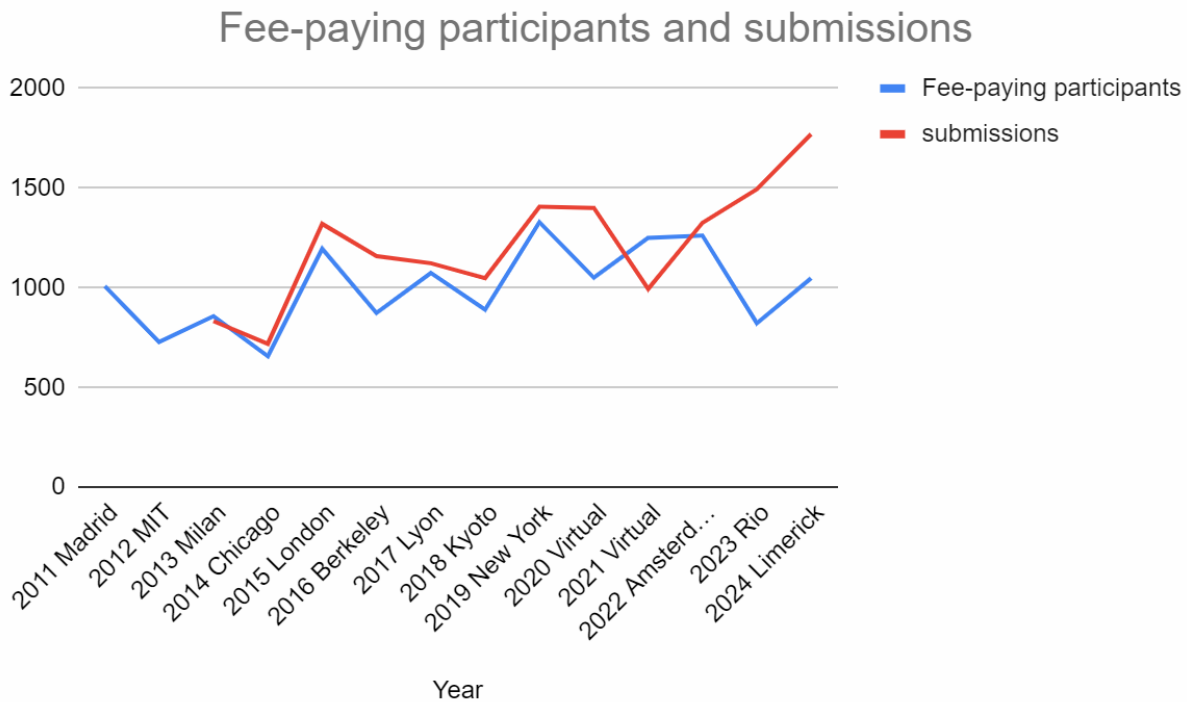


Figure 3: Number of paid participants vs. number of submissions, SASE Annual conferences, 2011-2024 (no data on submissions 2011-2012, this does not include session submissions).

Figure 3 shows an absolute record number of submissions for the 2024 conference by a significant margin, yet the conference itself was by no means one of the bigger SASE conferences. This was due to the fact that many presentations on the program (approximately 325 papers) had to be removed at a late stage, as for most of these, we did not receive confirmation that they were not attending until the registration deadline of May 31st. Withdrawal after acceptance appears to be a tendency in recent years. This was a tremendous amount of work for SASE staff and theme track organizers, and led to the Executive Council decision to move the registration deadline back by a month for the 2025 conference.

Of note: session submissions are not included in Figure 3, for two reasons. First, sessions are accepted at a rate of 100% with very few exceptions. Second, attrition from pre-organized sessions is minimal, and of little consequence (sessions typically do not need to be re-organized when attrition happens).

Concerning conference cost, we shall remember that a larger conference implies higher costs, and at the size that SASE is, this means a higher cost per

participant, thus higher fees. A conference of 1100-1200 participants means that we need the equipment associated with bigger groups - whether that be professional organizing help, different facility needs, etc. - and the additional burden has to be borne by this number of participants. This implies that the cost per participant goes up, not down, compared to a smaller conference of 800. If we get to a conference of 2,000+ participants, the cost per participant will likely start to go down again. The cost of the conference is also highly dependent on the conference location.

Concerning conference revenue, *Figures 4 and 5* below illustrate the composition of the conference fee revenues, broken down by fee category, and the number of participants per fee category:

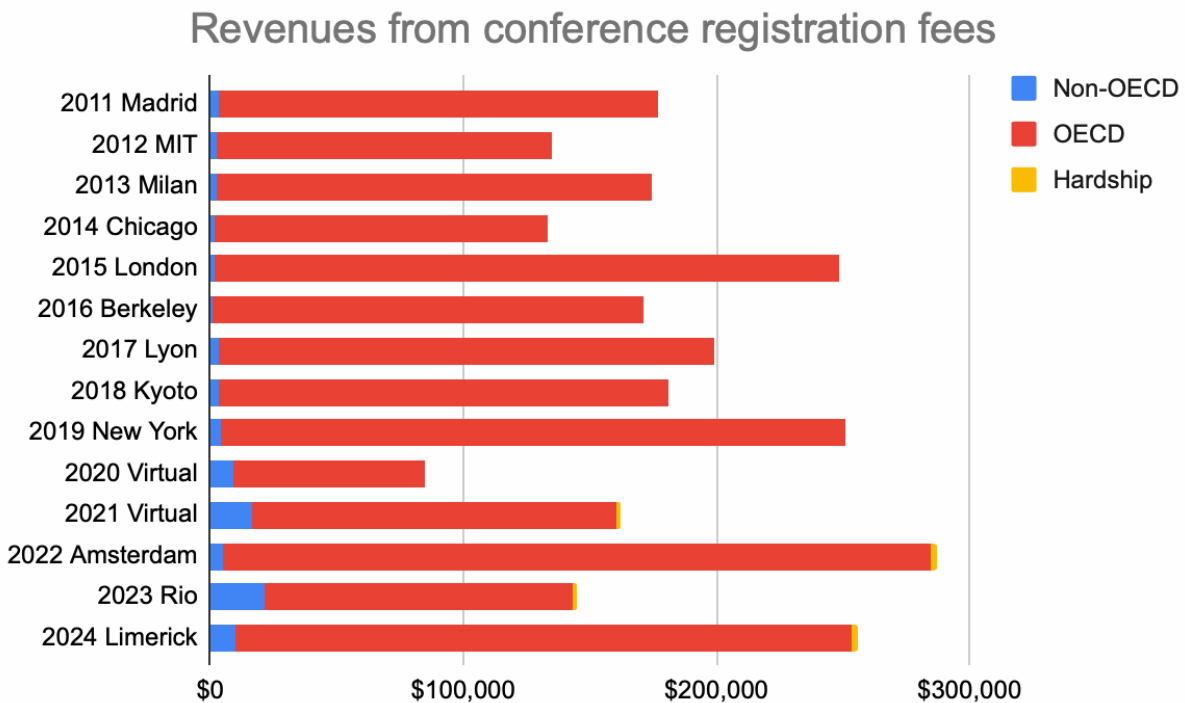


Figure 4: Income by participant type - Non-OECD, OECD, Hardship fee, 2011-2024

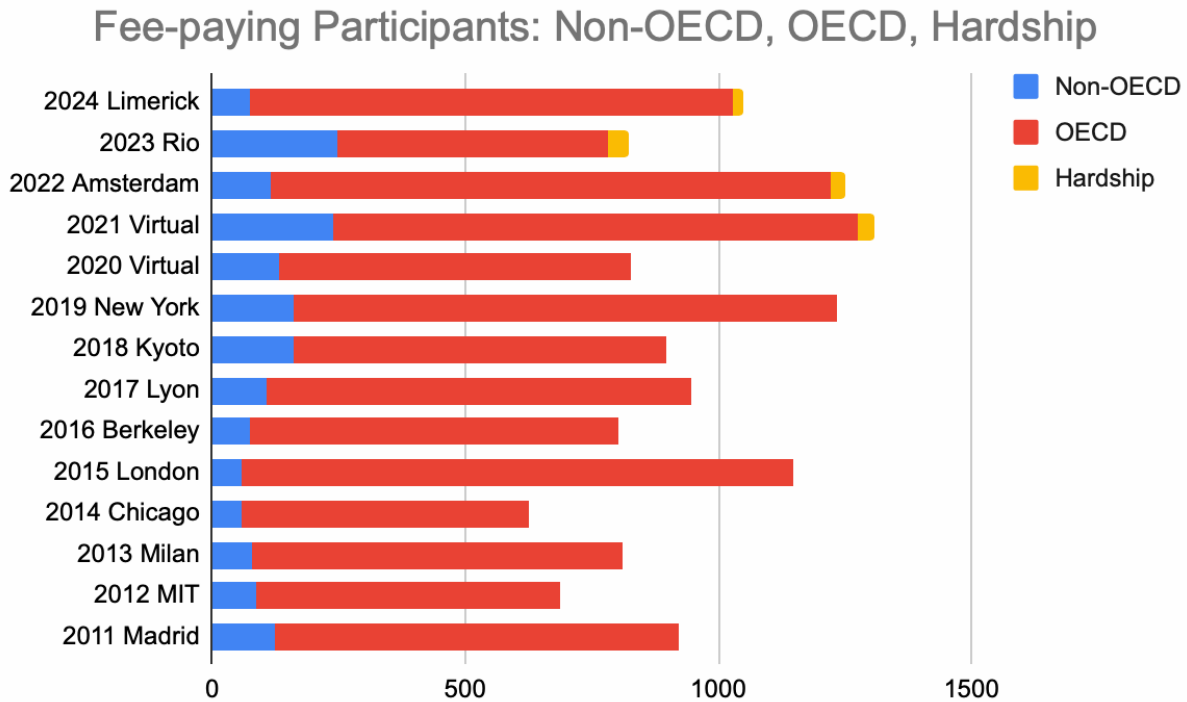


Figure 5: Number of participants per fee category, 2011-2024

Update on Socio-Economic Review contract

The Socio-Economic Review is co-owned by SASE and Oxford University Press (OUP). The current contract with OUP expires at the end of 2024, and the Executive Committee, with the current SER chief editors, worked extensively on negotiating a new contract, to take effect 1 January 2025. This contract was approved by the SASE Executive Council.

This is a very positive outcome for SASE, notably in the elimination of the expense of subscriptions for SASE members (a savings of approximately \$30,000 USD). Additionally, the royalties paid to SASE by OUP will also likely go up by around 7,000 £ (from \$31,000 to \$40,000 USD).

SASE Financials

General Summary from 1 September 2023 to 31 August 2024

A	Operating Expenses	\$ 402,509.19
1	SASE Overhead	

	Staff salaries (including german social charges)	\$ 103,339.52
	Professional services	\$ 9,214.25
	Website	\$ 3,208.85
	Office Expenses	\$ 34,039.40
	Total overhead	\$ 149,802.02
2	Conference Organization	
	Conference expenses by event (annual conference - Limerick)	\$ 226,127.17
3	SER related Expenses	
	SER Subscription Fees paid to OUP	\$ 26,580.00
B	Operating Revenues	\$ 543,996.95
1	Membership Fees Income	\$ 161,045.00
	Set aside from membership fees for SER Subscription Fees to OUP	\$ 33,450.00
2	Conference revenue by event	
	Annual Conference - Limerick	\$ 334,140.51
3	Revenues related to SER	
	OUP Profit Sharing Agreement - 30% for SASE	\$ 15,361.44
C = B-A	Operating balance	\$ 141,487.76
G	Other flows including capital and extraordinary/occasional flows	
E	Other inflows (bank interest, donations)	
1	Bank Interest	\$ 18.90
2	Advertising	
3	Donations	
F	Other outflows (if any)	
1	acquisition of capital goods	\$ -
2	exceptional expenditures	\$ 34,761.75
G = E - F	Other Flows Balance	\$ (34,742.85)
H = C + G	Annual Surplus/Deficit	\$ 106,744.91
	If positive, \$46,750.00 allocated to:	

	reserves (target: two times the administration overhead A1)	\$ 46,750.00
	If negative, coverage by:	
	reserves	
I	Residual Surplus/Deficit	\$ 59,994.91
	Reserves	
	cumulated reserves (own reserves + Amitai Etzioni's endowment)	\$ 204,197.84

Treasury	
Checking (liquidity for current operations)	\$ 125,352.03
Donation from Amitai Etzioni (set aside, use to be determined)	\$ 100,000.00
Savings (own prudential reserves)	\$ 104,197.84
Total:	\$ 329,549.87