

**SOCIETY FOR RANGE MANAGEMENT
FINANCE COMMITTEE**

HANDBOOK

Revised February 2017

I. Introduction

The Society for Range Management (hereafter 'SRM') needs to manage its financial affairs in a systematic, professional, and business-like manner. The funds of the SRM belong to the membership of the SRM and need to be managed and expended in a manner that maximizes benefit for the SRM. The Finance Committee should represent the SRM's best interests when it makes recommendations for the management, expenditure, and generation of SRM funds.

II. Purpose of the Finance Committee.

Provide advice and recommendations to the President, Executive Vice President, and the Board of Directors on all financial matters of the SRM, or any other matter referred to the committee by the Board of Directors or Officers.

III. Structure of the Committee.

A. Chair

After serving as Chair-Elect for 2 years, this committee member transitions to a 2-year term as Chair of the Finance Committee following the SRM annual meeting. The Chair of the Finance Committee will also serve on the Budget Committee, the Investment Committee, and as an ex officio member of the Endowment Fund Development Committee.

B. Chair-elect

The SRM President, or his/her designee, during even-numbered years shall appoint a Chair-elect to serve a 2-year term. The Chair-elect will also serve on the Budget Committee and the Investment Committee.

C. Membership

The committee will consist of up to 9 regular members, including the Chair and Chair-elect. Appointments to the committee will consist of 3 persons each year for a 3-year term, resulting in 3, staggered 3-year terms. Appointment to the committee will be made by the SRM President, or his/her designee. Committee members may be reappointed.

The Executive Vice-President will serve as the permanent Board of Directors representative on the Finance Committee. In addition, another Director may be assigned oversight responsibility of the Finance Committee.

Ex-officio members to the Finance committee will include 1) the Chairman of the Endowment Fund Development Committee and 2) 4 rotating members including the

Annual Meeting Chair(s) or their delegates representing the immediate past, current and the next two annual meetings.

D. Subcommittees

To expedite its work, the Committee may organize into subcommittees to deal with specific subjects or issues. These subcommittees will be disbanded once the particular subject or issue has been resolved.

IV. Function of the Committee

A. Duties and Responsibilities

1. Keep up to date and be alert to all financial issues concerning the SRM.
2. Provide advice and recommendations to the President, Executive Vice-President, and the Board of Directors on financial issues.

This includes matters such as:

- a. Any fundraising proposal.
 - b. Budget requests by other SRM committees.
 - c. Proposals for new or changes in any financial policy.
 - d. Management of SRM's investments.
 - e. Any other proposed activity that would commit or affect the SRM financially.
3. All actions by the committee will be guided by existing finance policies as appropriate. (See Appendix A, for existing policies)
 4. Maintain a record of finance policies in force as well as a brief list of recommendations that were not accepted and reasons for rejection.

B. Meetings

1. The official committee meeting of the Finance Committee will be at the Annual Meeting of SRM, or at the discretion of the Chair, with prior approval from the President, Executive Vice President and Board of Directors, prior to the Annual Meeting via a teleconference, web conference or other meeting arrangement. The Chair and Chair-elect, or their delegates, will attend the joint meeting of the Board of Directors and Committee Chairs/chair-elects when it is held.

2. If critical items require attention by the committee other than at the official committee meeting (see #1 above), they will be handled by teleconference, web conference or other meeting arrangement.
3. Other special meetings may be called by the Chair or the President when unusual circumstances require immediate committee or subcommittee action which cannot be accomplished by teleconference, web conference or other meeting arrangement.

C. Responsibilities of the Chair, Chair-elect and Members

1. The duties of the Chair of this committee are:
 - a. Prepare an annual plan of work for the committee with input and approval of the President.
 - b. Act as a liaison between the President and committee members and between the Chairs of other SRM committees on financial matters.
 - c. Appoint subcommittees when appropriate.
 - d. Submit an annual report of activities to the President after the Annual Meeting. The annual report will include committee recommendations for consideration by the Board of Directors.
 - e. Represent the committee before the Board of Directors as needed.
 - f. Call meetings of the committee. Prepare agendas and chair all meetings.
 - g. Delegate responsibilities when temporarily unable to perform duties.
 - h. Serve on the Budget Committee.
 - i. Serve on the Investment Committee.
 - j. Serve as an ex-officio member of the Endowment Fund Development Committee.
2. The duties of the Chair-elect are to:
 - a. Assist the Chair with his/her duties as requested.
 - b. Assume Chair responsibilities when current Chair is temporarily unable to perform duties.
 - c. Serve on the Budget Committee.

- d. Serve on the Investment Committee.
- 3. The duties of the committee members are to:
 - a. Attend and participate in committee meetings.
 - b. Respond to committee assignments within the time period set by the Chair.
 - c. Seek to determine the wishes of SRM members in matters concerning the finances of the SRM and report suggestions, concerns, and questions to the Chair.

V. Relationships

A. To other SRM Committees and Officers.

If matters come to the attention of this committee on subjects that concern other committees of the SRM, the Chair will refer them to the appropriate Chair with a copy of the communication to the President and Executive Vice President.

HISTORICAL FINANCE POLICIES FOR THE SOCIETY FOR RANGE MANAGEMENT

The Finance Committee has made many recommendations that have been passed by the Board of Directors over the years. Many of these recommendations have one time or short-term application. Only those recommendations that were accepted and established as long-term policy as approved by the Board of Directors are included in the attached list. (The lone exception is the section on Membership Dues where a running list is kept from 1991 on.) In some cases, the notes indicate that the recommendation was made to the Board and the Board accepted the report, but there is no indication when the Board acted on the recommendation even though it is in place. This list should be updated each time a new policy is approved. Footnotes have been added (2000) where clarification or follow-up may be needed.

Duties/Responsibilities of Finance Committee.

1. The Finance Committee was established. Duties are to:
 - a. Keep thoroughly familiar with all financial aspects of Society business.
 - b. Advise Editor and Executive Secretary (now Executive Vice President) on financial matters.
 - c. Authorize on behalf of the Board transfer of items within budget; when necessary authorize extra items of expense in excess of budget.
 - d. Review Society budget for following year and make independent recommendations to the Board. (1954)
2. Planning and Finance Committees to be combined, ad hoc groups created as necessary. (1968)
3. Role of Finance Committee. All funds, donations, and/or requests for money should be screened by the Finance Committee. (1978)
4. Endowment Fund Board of Governors and Finance Committee. The Chairs of the Endowment Fund Board of Governors and the Finance Committee will be ex-officio members of each other's committee. (1989)
5. The Chair serves on the Budget Committee along with the First Vice President as Chair, the Executive Vice President, the Second Vice President, and Chair of the Advisory Council as

ex officio. The Budget Committee will develop the proposed annual budget by the 11th month of the current budget period and will submit same to the Finance Committee one week prior to the Annual Meeting for review. (1993)

6. The Budget Committee is comprised of the First Vice President (chair), Second Vice President, Executive Vice President, Finance Committee Chair, Finance Committee Chair-Elect, and Advisory Council Chair (ex-officio). First draft of the budget will be available by Jan 15 (for discussions at Annual Meeting). Second draft of the budget will be prepared by the Budget Committee and circulated to Board of Directors and Finance Committee prior to June 1. Final draft of the budget will be prepared and circulated prior to July 1. Board of Directors approves budget prior to the start of the new fiscal year. (2007)
7. Revised the timeline for preparing the annual budget. The Budget Committee will make the draft budget available to the Finance Committee for input no later than June 1. Finance Committee will provide comments in a timely manner and the Budget Committee will make the draft budget available to the Board of Directors by July 1. The Board of Directors approves the budget prior to the start of the new fiscal year (August 1). (2016)

Membership

1. Family Membership. Family membership class dues will be established at one-half of the regular membership dues, rounded to the next highest dollar, for each additional member in the family unit. Section dues will be at the full Section rate for each member regardless of membership class. (1979)
2. Life Membership Fund. Income generated from the Life Membership Fund should be put into the general SRM fund for disposition as required to service the membership and as developed by the Endowment Budget Committee. (1985)

Dues – This is meant as a recent history of the actions and recommendations regarding membership dues.

1. Recommended that Finance work with the Executive Committee of the Board and the Membership Committee to consider the necessity and impact of raising dues, as well as potential alternatives to the current dues structure. Board thanked Committee and referred it back to the Finance Committee to do further work. (1991)
2. Consensus of Board that Finance Committee should pursue the implications of raising the membership dues and make a preliminary report at the 1993 Summer Meeting. (1993)
3. Following an analysis of the dues, the Board voted to increase dues for 1997. (1995)
4. Recommended that the dues for Regular and First Family be increased in a 3-tier structure: \$5 for members with less than \$40,000 income, \$10 for members with income between

\$40,000 and \$60,000, and \$20 for members with income over \$60,000. Charge an additional \$15 for members wishing to receive the Journal of Range Management and uniform Section dues of \$5 for all membership categories. (1996)

5. Recommended the Board to shift future dues increases from making “one-time” increases to one of smaller annual increases designed to keep up with inflation “or meeting specific Society objectives.” (1996)
6. Board made decision to revert back to pre-3-tier dues. (1999)
7. Dues increase for Regular and First Family members of \$20 beginning in 2003, with an annual increase of \$10 per year, if determined necessary after Board review. BOD review for dues increase must be completed by August 1 each year. (2002)
8. Increase Life/Life Family memberships to \$1,500 and \$1,750, respectfully, effective April 1, 2002. (2002)
9. A \$10 increase to Regular and First Family member dues will be implemented beginning January 1, 2004. (2003)
10. EVP is directed to implement the cafeteria-style dues structure (approved by BOD in July 2009) when changeover occurs with new membership data processing. Selections need to be presented so as to clearly indicate that subscriptions to *Rangelands* and/or *Rangeland Ecology and Management* are only available to dues-paying members (i.e., there are no subscription-only options). Also, dues structure needs to clearly indicate that the \$5 section rebate fee is included in the \$70. The \$5 section rebate is a self-tax imposed by all sections on their membership. (2010)
11. Effective October 1, 2013, SRM dues will be: Life Membership (\$4,000); Regular Member (increased from \$75 to \$100/year); Student Member (increased from \$30 to \$45/year); Apprentice Member (increased from \$55 to \$70/year) and International Member (increased from \$25 to \$35/year). All membership dues will include Rangelands online subscription. (2013)
12. An optional online subscription to Rangeland Ecology and Management will be included as a membership benefit. (2016)

Payroll Deduction

1. Recommended support to the payroll deduction proposal from the Membership Committee unless unreasonable expenses are associated with the administration of such programs.
NOTE: There is no indication in the record when the Board approved this option. (1992)

Endowment Funds

1. Endowment Fund. The endowment fund was established. (All subsequent actions on the endowment fund was handled by the Endowment Fund Board of Governors). (1981)
2. Kendall-Hunt Fund. The funds remaining in the Kendall-Hunt Account are to be incorporated into the Endowment Fund. (1985)
3. Endowment Fund. The Board of Governors for the Endowment Fund was established. The Endowment Fund Board of Governors is to advise and recommend to the Board of Directors on all matters pertaining to the Endowment Fund. (1986)
4. Procedure for Handling new and existing small gifts.
 - a. The minimum amount of money required to establish an individual endowment for a designated purpose is \$5,000. Upon receipt of at least \$5,000, SRM will establish an endowment account in the name of the designated endowment and proceeds of the endowment used for purpose designated. The SRM will accept lesser amounts for establishment of an endowment if the donor pledges to add to this amount so that it reaches \$5,000 within a five-year period. Gifts of less than \$5,000 intended for the establishment of an endowment will be placed in an "Endowment Holding Account" until such time as interest plus additional contributions reaches \$5,000, at which time a designated endowment will be established for the intended purpose. If for some reason the donor fails to make adequate contributions to raise it to the \$5,000 minimum within five years, then this fund plus interest earned will be transferred into the Endowment Fund.
 - b. Gifts intended for endowment purposes which do not meet criteria for establishing designated endowments as set forth above, will be deposited into the Endowment Fund and proceeds used as established by the SRM Board.
 - c. The SRM will not charge a management fee for management of endowments. (1988)
5. Endowment Fund Board of Governors. The Endowment Fund Board of Governors is recognized as an individual entity responsible directly to the Board of Directors; coordinates closely with the Finance Committee, but is not a subcommittee of the Finance Committee. Clarification of this is needed so that the membership understands that it is the Board of Governors that is responsible for the general endowment fund continuity, fund raising, and management. The Board of Governors fund raising activities are, however, subject to SRM fund raising policy and procedures. (1988)
6. Seventy-five percent of interest from Endowment Fund should be used as an income source for operating expenses of SRM. (2001)

7. The amount available for transfer from the Endowment Fund to the annual operating budget will no longer be 75% of the previous year's Endowment Fund earnings. Instead, the amount available will be 3% of the prior 3-year average combined balance from the Endowment Fund and Special Purpose accounts. The Special Purpose account includes Masonic Scholarship Fund, Life Membership Fund, and Program Funds (i.e., Renner, Chapline, Redd, and Range Science Education Council). (2012)
8. Memorial contributions will be deposited into the Endowment Fund. (2015)
9. The annual Endowment Fund transfer to the SRM Operating Account will be 3% of the most recent 3-year average balance on December 31, rather than the most recent 3-year average balance on July 31. This change enables the amount of each year's transfer to be known (rather than estimated) while the Budget Committee prepares the draft budget for the BOD during the first half of the calendar year. The actual transfer will occur August 1 of each year. (2015)

Investments

1. Investment Policy.
 - a. All funds available for investment purposes should be deposited with one financial institution.
 - b. The investment of Society funds should be done with the primary concern of security, with return on investment secondary. (1976)
2. Begin looking into investing some funds in higher risk investments. Board consensus was that SRM should consult a professional advisor. (1996)
3. Invest \$125,000 in high-grade equities. Funds to come from Life Membership Fund, the Endowment Fund, and the Working Capital Fund. (1997)
4. Estabrook Capital Management would be retained to manage the funds. (1997)
5. Invest an additional \$125,000 from Working Capital Fund in high grade equities. (1998)
6. The equity from the sale of the headquarters building (1839 York Street, Denver) is dedicated to an office account with excess income remaining with the fund. (1999)
7. The EVP will separate investments into three accounts entitled Endowment, Operating and Special Projects. (2004)
8. The following Investment Accounts are designated "Emergency Fund Accounts" (rainy-day funds) that can be drawn upon to meet annual operating expenses when annual revenue is

insufficient: Life Membership, Building Trust, Working Capital, Annual Meeting Reserve, and Program Funds “other”. (2010)

9. Anderson, Hedge, Wagner and Associates of Merrill Lynch will be retained to manage SRM investments. (2012)
10. The investment returns objective for the four Special Purpose investment accounts (Masonic Scholarship Fund, Life Membership Fund, and Program Funds (i.e., Renner, Chapline, Redd, and Range Science Education Council) is 4.5%. (2013)
11. The Life Member Fund will be gradually dissolved over the next 15 years (FY 2013 is year one), with 15 equal transfers from the Life Membership Fund to the SRM annual operating budget. (2013)
12. At the beginning of each fiscal year, 4% of the Building Reserve account balance will be transferred to the SRM operating account. (2013)
13. Board accepted new investment policy recommendations made jointly by the Investment Committee, Finance Committee, and Endowment Fund Development Committee, and directed the Board representative to Finance Committee to incorporate the recommendations into a revised Investment Policy document. (2016)

Working Capital Fund (Cash Reserves)

1. Establish a capital reserve equal to the amount of a 3-year average of its annual operating expenses and that if funds are borrowed from this reserve to meet current needs, these funds must be replaced. (1994)
2. Total administrative and general expenses plus salaries, benefits, payroll taxes, and insurance will be used to determine SRM’s annual operating expenses. (1994)
3. The Finance Committee recommended the establishment of a Reserve Annual Meeting (RAM) account, in the amount of \$150K, so that the Society could occasionally hold the annual meeting in less profitable locations. The account is a sub-account of the Working Capital Fund. The BOD voted to establish the RAM account at \$75K. (2007-2008)

Publications

1. Subscription Rate for Bound JRMs. Establish the long-term subscription rate of \$1,000 for 10 years of bound JRMs is to be used for foreign subscriptions and that Subscriptions and the Subscription Funds be incorporated into the Endowment Funds with the annual interest accrued being used to service the foreign subscriptions. (1985)

2. Account for Rangelands and the Trail Boss News under the Membership Services cost center in the SRM operating budget. (1999)
3. Charge \$50 for each electronic file posted for JRM, or author that paid either page charges or purchased reprints may have free of charge. (2001)
4. The \$50,000 signing bonus from Elsevier will be apportioned as follows: \$10,000 each to the annual operating account during FY 2015 or FY 2016 to complete transition from Allen Press; and \$30,000 into the Operating Reserves savings account. (2015)

Budget Request Procedures

1. Notification of Committee Chairs of Budget Request Procedures. Incoming Chairs of committees, that may obligate funds, should be notified of budgeting policies and procedures by a letter from the Headquarters Office. (1990)
2. Budgeted expenses that are unspent in one fiscal year do not automatically roll over from one budget year to the next. All budgeted expenses must be approved in each year's annual budget. (2012)

Fund Raising Projects

1. Combined Federal Campaign¹. The SRM should not participate in the Combined Federal Campaign, as it is designed for Health and Welfare organizations. (1986)
2. Fund Raising Projects Policy. The policy for fund raising projects was established as follows:
 - a. Scope. These guidelines pertain to projects that provide funds to SRM. Guidelines would also apply to Section activities if the activity involves other Sections or commits SRM.
 - b. Proposal Procedure. All applicable projects are to be presented to the Executive VP, using the approved format, for approval at least 120 days before project action or commitment is projected.
 - c. Approval. Submitted proposals are to be reviewed and approved by the Executive VP before binding commitments are made by proposing individual, group, section or other entity.
 - d. Accountability. Approved projects will follow record keeping, reporting procedures prescribed by the Denver Office.

¹ When was this rescinded? The record does not show.

- e. A record of active projects² and a brief report on status will be sent by the Executive Vice President to the Finance Committee before the Winter meeting each year for evaluation for decision on continuation. (1988)
3. Lapel Pin Sales. The sale of lapel pins to the membership was authorized.
 - a. The lapel pins will be sold in the categories of 10, 20, 30, and 40 years of membership in the Society.
 - b. The cost to members will be \$1 for each year of membership in the Society.
 - c. Proceeds from the sale of these pins will be placed in the Endowment Fund.
 - d. There is no termination date for the project. (1990)
 4. All fund raising activities held at SRM sponsored meetings will be done in support of the parent society with funds aggregated into the meeting profits, with the following exceptions: 1) student/youth activities will be exempt; 2) BOD approved exemptions; and 3) fund raising for the SRM Endowment Fund. (2001)
 5. All request for fund raising activities conducted for and at SRM functions should include a budget for income and expenses with incidental costs being deducted from the gross receipts for the activity. (2003)

Trail Boss Cowboy Cookbook and Other Publications

1. Funds received from the sales of the Trail Boss cookbook and donated to the Society should be placed in the Endowment Fund. (1985)
2. Current profits and proceeds of the Trail Boss Cowboy Cookbook sales will not be placed in the Endowment Fund, but that past and future proceeds and profits from sales will be used to sponsor and support future printing of the cookbook. (Note: This supersedes item number 1 above) (1987)
3. After being approached by Falcon Press to purchase the rights to the cookbook, consensus not to sell such rights. (1991)
4. All “other” publications, with the exception of the Trail Boss Cowboy Cookbook are “written-off” the inventory of publications. (2008)

² Is this ever done?
APPROVED
January 28, 2017
Curtis Talbot

Travel Reimbursement

1. Travel reimbursement for Directors to attend SRM Meetings is provided for only special meetings. This policy should be maintained until there is a 50% contingency fund to carry SRM into the next fiscal year. (1985)
2. Approved funding, at the President's discretion, for any member of the Board requiring travel assistance to Board meetings. (2003)

Annual Meeting

1. Annual Meeting Revolving Fund. The following policy was established for start up funds for Host Sections for the Annual Meeting:
 - a. Approximately 15 months prior to the Annual meeting the Host Section can have access for up to \$2500 start up funds, upon application to the Denver Office.
 - b. Approximately 7 months prior to the Annual Meeting the Host Section can have access for up to \$5000 additional start up funds upon application to the Denver Office.
 - c. This means a total of \$7500 can be requested by the Host Section.
 - d. These funds are for Annual Meeting activities only. SRM staff may vary timing of access when special situations occur. (1989, revised after SRM Office took over financial responsibilities of the annual meetings.)
2. Recommends that the parent Society should not be responsible for the Summer Meeting or share in the profits. (1992)
3. Earmarked \$1 from each SRM Annual Meeting registration to go to the Student Conclave. (1999)
4. Retention of policy to return 10 percent of the net annual meeting profit to the Section hosting the annual meeting. (2002)
5. Approved reimbursement of travel expenses for HSYF Winner and President out of the Annual Meeting Budget in cases where the students' home Sections cannot fully fund. (2003)
6. Annual Meeting budgets for the 2010-2014 Annual Meetings will be developed to generate \$75,000 to the parent society in addition to \$15,000 to the sponsoring section and \$60,000 for parent society overhead, for a total of \$150,000. These amounts will be reviewed annually, beginning in 2011, and any future adjustments in these required amounts will be made with at least two years advance notice to annual meeting planning committees. (2010)

7. A 10% overhead fee payable to SRM will be added to any additional food or beverage contracts with host hotels/convention centers signed by affiliated groups holding meetings or socials in conjunction with SRM Annual Meetings. (2015)

Credit Cards

1. Acceptance of Credit Cards. SRM should accept credit cards for payment of membership dues and purchases on a permanent basis. (1989)
2. The SRM will not sponsor its own Credit Card. (1989)
3. The Society should make an SRM MBNA credit card available to its members. (1994)

Refund Policy

1. Annual Meeting Refund Policy. Refunds of annual meeting pre-registration payments after the cutoff date will be made according to the following guidelines:
 - a. 100% refund of registration and special events payments will be made upon request, if cause of non-attendance was due to death or hospitalization.
 - b. No refund after the cut off date for any other reason. (1990)
2. Single Item Purchases Refund Policy. No refunds will be made for single item purchases (e.g. publications, jewelry, reprints, etc.) (1990)
3. Refund Policy on Returned books and publications. No refunds will be made for returned books and publications. This notice should be placed on publications lists, order forms, and invoices. (1991)

SRM Headquarters

1. SRM Headquarters office will remain in the Denver area for the foreseeable future. (2002)

Certification

1. Certified Professional in Rangeland Management fees set as:
First Year: \$50/member; \$125/nonmember, with an annual renewal fee of \$25.
Second Year: \$100/member; \$200/nonmember. (1999)

Accounts for Other Organizations

1. Cash held for others, such as GLCI account, should be maintained in a separate general ledger and documentation for receipts and disbursements should be maintained on file and all

control procedures applied to SRM cash accounts continue to be applied to these accounts. (2003)

2. The Memorandum of Agreement between SRM and the International Rangeland Congress (IRC) will stipulate a 10% administrative cost fee for SRM in return for SRM handling IRC funds. (2012)

Audits

1. General membership voted on a change in the by-laws to no longer conduct an annual audit of SRM finances. Instead, audits are to be conducted at the discretion of the BOD. (2009)

Contracts

1. All SRM contracts will be reviewed by legal counsel before contracts are finalized. (2011)

University Accreditation

1. For university range programs requesting accreditation or reaccreditation after August 1, 2016, the fee for initial and subsequent university accreditation is \$3,000, with an additional annual accreditation administrative fee of \$300. (2015)