

ORIGINAL**FOR FUNCTION COMMITTEE ACTION****Petition to Amend the Use of Dues**
(AMENDMENTS TO THE STANDING RULES)**Standing Rule II, Sec. 7, c, e, f****Petition**

We, the voting members of the American Chemical Society Committee on Budget and Finance, hereby petition the Council Policy Committee to amend the SOCIETY Standing Rules as follows (additions **underlined**; deletions ~~struck through~~):

STANDING RULE II**Council Executive Function**

...

Dues

...

Sec. 7

...

c. An allocation from ~~dues~~ **general SOCIETY revenues** shall cover the printing and distribution cost of copies for all MEMBERS and Society Affiliates of the editorial portion of the official organ of the SOCIETY. The allocation shall be fixed by the Board of Directors, on recommendation of the Society Committee on Budget and Finance. ~~The Board shall report the amount of the allocation through the Society Committee on Budget and Finance at the next Council meeting.~~

...

e. An annual allocation from SOCIETY funds ~~equivalent to 20 percent of SOCIETY dues revenue applicable to the second preceding year~~ shall be made to provide for financial support of Local Sections and Divisions. **The allocation will be made from a quasi-endowment established by the Board of Directors expressly for this purpose. The amount available for financial support of Local Sections and Divisions will be based upon the SOCIETY's endowment payout policy as established by the Board of Directors.** This allocation shall be divided between Local Sections and Divisions with 55 percent of the allocation for Local Section support and 45 percent of the allocation for Division support.

f. ~~All funds collected as SOCIETY dues revenue are obligated for Local Section and Division support use up to the amount of the allocation.~~ The SOCIETY must distribute allocations to each Local Section and Division, unless a Local Section or Division is not in compliance with reporting requirements. Unclaimed allocations will stay in either the Local Section or Division fund pool for redistribution in the current year. The formula for such redistribution shall be at the discretion of the Committee on Local Section Activities or the Committee on Divisional Activities, respectively.

Explanation

The American Chemical Society's Committee on Budget and Finance (B&F) seeks to amend certain specific uses of dues revenues to reflect the strength of the Society's overall financial position.

There are two issues being addressed with these proposed changes.

1. Historically, a portion of dues revenue has been allocated to support some production and distribution costs to provide C&EN to Society members. The proposed change would reference general society revenues as opposed to specifically earmarking dues. Resources allocated to C&EN now significantly exceed this legacy allocation, and the value of this process is diminished.
2. A change is sought in the determination of the level of annual funding available for allocation/allotment to Local Sections and technical Divisions. Because of the trend of falling dues revenue over the past several years, the amount available for Sections and Divisions has fallen proportionally as well. And while dues revenues have decreased, overall Society revenues and assets have seen healthy growth during this period. The proposed change would earmark a portion of the Society's long term investment pool to this activity and also provide a more stable and growing basis for this funding in the future.