

## Annual Report of the IMS Treasurer

### INTRODUCTION

This report details membership and subscription data for calendar year end 2005. In addition, it reviews the FY2005 (July 1, 2004 – June 30, 2005) financial statements. I am proud to announce, for the sixth year in a row the IMS experienced another increase in total membership. We have many members taking advantage of the new membership options that have been introduced over the last five years. For 2006, we have added a new joint IMS/ISI/Bernoulli Society membership which allows members to receive 25% off membership when they join each society.

Several years ago, the IMS Executive Committee and Council decided to invest more funds back into our membership. Several programs reflect this new philosophy including:

- open access ArXiv placement of all IMS articles;
- free student membership and print journal;
- reduced dues for new graduates;
- gratis electronic access to all journals past and present for all members;
- discounts for on-time renewal;
- child care for those attending the IMS Annual Meeting; and
- travel awards for students and new graduates.

The financial status of the Institute continues to be strong and stable. Details of the events of the past year, membership and subscription data, sales data and a detailed analysis of the financial statement for FY 2005 are given below.

#### Dues and Subscriptions Office.

The IMS continues our agreement with the Federation for Societies in Experimental Biology (FASEB) to continue handling all dues and subscription processing. The IMS relationship with FASEB has been in place since 2000. We have found increased efficiencies and economies of scale that allow us to invest more funds toward membership benefits rather than administration.

#### Societal Office.

Elyse Gustafson is in her ninth year as our Executive Director. She continues to handle all societal issues from her office in Cleveland, Ohio. Elyse will provide a full report on activities from her office in an upcoming IMS Bulletin. Please be sure to read it.

#### Publications and Web.

*Journals.* IMS journals are the core of our mission. The annals continue to be top tier in the field. In 2004, the IMS began placing all IMS articles on the open access ArXiv (see <http://www.imstat.org/publications/arxiv.html> for more information).

*IMS Journal Editors.* Welcome to Ed Waymire, Editor, *Annals of Applied Probability* and Greg Lawler, *Annals of Probability*. We owe special thanks to Robert Adler and Steve Lalley who have completed their terms and have served the IMS with great dedication.

*Electronic Access.* All IMS members receive electronic access to all IMS journals (1996 to date) through Project Euclid. In addition, members whose organizations do not subscribe to JSTOR can receive individual access to all IMS journals (1930-2001) via JSTOR. For more information see <http://www.imstat.org/publications/eaccess.htm>. Journals on Project Euclid older than 3 years are fully open to the public.

*IMS Electronic Journals.* The IMS currently sponsors three open access electronic journals, Electronic Journal of Probability, Electronic Communications in Probability and Probability Surveys. All three journals can be accessed via the IMS web page <http://www.imstat.org>. We welcome the new editors for EJP and ECP, Andreas Greven and David Nualart (respectively).

*IMS Lecture Notes - Monograph Series and NSF-CBMS Regional Conference Series.* Since my last report there have not been any new volumes in either of these series. We expect at least one LNMS volume in 2006.

#### IMS Meetings and Awards.

During FY 2005, the IMS granted a total of \$25,470 to support students and new graduates and those in developing countries. \$21,041 was granted to 2005 Laha Travel Award Recipients and \$4,429 was granted to support lecturers for the IMS Visiting Lecturer in Statistics Program.

### MEMBERSHIP DATA

Total membership in the Institute as of December 31, 2005 was up 6.7% from December 31, 2004. Table 1 presents the distribution of memberships by category for the last several years. Individual membership decreased as life membership increased accounting for 72 members opting to upgrade to life membership.

*Breakdown of Member Categories.* Among the individual members for 2005, a total of 50 are Gift members (31 last year), 41 are joint members (40 last year), 219 are retired (225 last year) and 166 are reduced rates (175 last year) and the remaining 2,206 are regular members (2,275 last year). Within the Life membership category, 50 are retired life members (31 last year) and 155 are regular life members (102 last year).

*Geographic Distribution of Members.* The IMS membership is currently distributed as such, 64% USA, 17% Europe, 6% East Asia, 5% Canada, 2% West and Central Asia, 2% Australia and New Zealand, 1% South America, 1% Middle East, 1% Central America and the Caribbean, and 1% Africa.

**TABLE 1**  
Distribution of Memberships by Category  
Calendar Year Data (Jan-Dec)

	1998	1999	2000	2001	2002	2003	2004	2005	% change
Individual	3097	2898	2777	2820	2758	2744	2746	2682	-2.33%
Life	11	11	10	8	51	115	133	205	54.14%
New Graduate	na	na	na	93	131	122	165	187	13.33%
Student	182	228	478	395	496	707	971	1224	26.06%
Organizational	98	100	96	94	98	102	107	100	-6.54%
Total	3388	3237	3361	3410	3534	3790	4122	4398	6.70%

*Selection of Journals by Members.* Print subscriptions by members were up in 2005; this can be attributed to the program instituted in 2004 providing one free print journal to all students. The increases are attributed to students, whereas individual members are opting to decrease print subscriptions while enjoying free electronic access to all journals.

Revenue from all Institute member dues and journal subscriptions amounted to \$355,253 for the fiscal year ending June 30, 2005, down slightly from \$357,657 in FY 2004. This is attributed to decreased print subscriptions.

**TABLE 2**  
Distribution of Journal Selections by Members  
Calendar Year Data (Jan-Dec)

<b>PRINT</b>									
Members	1998	1999	2000	2001	2002	2003	2004	2005	% change
AAP	1,048	911	911	902	865	844	800	870	8.75%
AOP	1,139	1,007	918	952	918	910	907	877	-3.31%
AOS	2,107	1,950	1,904	1,992	1,949	1,917	1,987	2,053	3.32%
STS	2,691	2,672	2,661	2,707	2,778	2,846	2,750	2,765	0.55%
Total Member Print	6,985	6,540	6,394	6,553	6,510	6,517	6,444	6,565	1.88%
<b>ELECTRONIC</b>									
Members	1998	1999	2000	2001	2002	2003	2004	2005	% change
AAP	na	na	na	na	363	715	820	889	8.41%
AOP	na	na	na	na	411	693	791	902	14.03%
AOS	na	na	na	na	482	943	1,112	1,262	13.49%
STS	na	na	na	na	295	877	1,023	1,168	14.17%
Total Member Electronic	na	na	na	na	1,551	3,228	3,746	4,221	12.68%

#### **NON-MEMBER SUBSCRIPTION DATA**

Table 3 presents comparative subscription data for non-members to each of our scientific journals for 2005 and previous years. All journals experienced decreases in print subscriptions in 2005, while electronic subscriptions continue up. Revenue from all non-member subscriptions was \$713,767 for the fiscal year ending June 30, 2005, up from \$655,159 for the FY 2004. The increase is due to increased subscription rates for 2005. Approximately 60% of the non-member subscribers to IMS journals are in USA and Canada, with the remaining subscribers distributed throughout the world.

**TABLE 3**  
Distribution of Journal Selections by Non-Member Subscribers  
Calendar Year Data (Jan-Dec)

**PRINT**

Non-Member Institutions	1998	1999	2000	2001	2002	2003	2004	2005	% change
AAP	777	799	779	680	690	716	675	659	-2.37%
AOP	1,148	1,127	1,121	983	1,001	1,034	1,001	974	-2.70%
AOS	1,512	1,481	1,454	1,305	1,320	1,342	1,268	1,233	-2.76%
STS	1,180	1,156	1,258	1,068	1,041	1,064	976	949	-2.77%
Bull	249	284	320	259	267	229	222	207	-6.76%
Total Non-Mem Inst Print	4,866	4,847	4,932	4,295	4,319	4,385	4,142	4,022	-2.90%

**ELECTRONIC**

Non-Member Institutions	1998	1999	2000	2001	2002	2003	2004	2005	% change
AAP	na	na	na	na	na	363	480	514	7.08%
AOP	na	na	na	na	na	520	684	713	4.24%
AOS	na	na	na	na	na	593	800	857	7.13%
STS	na	na	na	na	na	459	635	677	6.61%
Total Non-Mem Inst Electronic	na	na	na	na	na	1,935	2,599	2,761	6.23%

**SALES DATA**

There was one new volume in the *NSF-CBMS Regional Conference Series in Probability and Statistics* in FY 2005. In FY 2005, total revenue from this Series was \$7,527, stable compared to \$7,599 in FY 2004. Table 4 shows summary data on sales from the NSF-CBMS Regional Conference Series.

Three new volumes in the *Lecture Notes - Monograph Series* were published in FY 2005. Table 5 presents sales data for Volumes 1-47 of this Series. Total revenue from the Series decreased to \$24,303 in FY 2005 from \$30,540 in FY 2004.

**TABLE 4**  
Sales from the NSF-CBMS Regional Conference Series  
Fiscal Year Data (July 1-June 30)

Vol	Short Title	Year Published	to 2000	2001	2002	2003	2004	2005	TOTAL
1	Group Invariance	1989	854	11	11	7	19	6	908
2	Empirical Pro	1990	1,033	34	41	32	64	21	1,225
3	Stochastic Curve	1991	620	8	19	10	10	7	674
4	Higher Order	1994	412	17	15	24	26	11	505
5	Mixture Models	1995	713	108	40	53	76	30	1,020
6	Genetic Data	2000		306	194	136	75	28	739
7	Linear Mixed Models	2003				45	124	70	239
8	Longitudinal	2004						155	155
Total			3,632	484	320	307	394	328	5,465

**TABLE 5**  
LNMS Sales  
Fiscal Year Data (July 1-June 30)

<b>Vol</b>	<b>Short Title</b>	<b>Date</b>	<b>to 2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Total Sales</b>
1	Essays	1981	967	4	6	4	8	4	993
2	Survival	1983	1,260	7	7	5	9	6	1,294
3	Empirical	1983	1,059	11	9	8	13	11	1,111
4	Zonal	1984	695	11	10	6	11	7	740
5	Inequalities	1984	1,267	11	13	5	12	12	1,320
6	Likelihood	1984	2,104	37	31	50	34	30	2,286
7	Approximate	1987	1,119	17	11	12	17	21	1,197
8	Adaptive	1987	560	5	7	3	3	10	588
9	Fundamentals	1987	1,374	23	25	48	22	17	1,509
10	Differential	1988	1,434	23	29	27	19	20	1,552
11	Group	1988	1,941	45	44	33	52	36	2,151
12	Continuity	1990	746	11	16	18	20	8	819
13	Small	1990	1,031	17	17	13	10	16	1,104
14	Invariant	1991	280	9	10	7	14	10	330
15	Analytic	1991	429	7	6	4	7	5	458
16	Topics	1991	427	7	5	5	6	5	455
17	Current	1992	387	7	4	6	3	7	414
18	Selected	1992	306	5	3	2	1	3	320
19	Stochastic	1992	289	9	6	6	6	2	318
20	Spatial	1992	501	5	8	8	7	4	533
21	Weighted	1992	428	8	11	8	2	5	462
22	Stochastic	1993	305	8	6	5	9	7	340
23	Change-point	1994	311	16	10	10	10	7	364
24	Multivariate	1994	301	13	9	9	10	11	353
25	Adaptive Des	1995	225	13	10	10	4	1	263
26	Stoch Diff Equ	1996	269	14	12	11	12	8	326
27	Anal Cens Data	1996	265	12	11	6	11	8	313
28	Fixed Marginals	1997	250	20	15	13	14	6	318
29	Bayes Robust	1997	285	17	14	12	9	9	346
30	Game Theory	1996	305	12	11	8	4	3	343
31	L1 Statistical	1997	243	10	7	4	3	3	270
32	Selected Pro	1998	249	16	10	7	7	4	293
33	Mol Biology	1999	192	117	57	11	9	6	392
34	Exp Design	1998	160	51	20	8	8	7	254
35	Ferguson	2000		79	75	22	14	6	196
36	State of the Art	2000		2	105	21	10	5	143
37	Inference	2001			61	38	12	5	116
38	Model Selection	2001			121	153	61	38	373
39	Bahadur	2002				211	61	45	317
40	Speed	2003				47	60	12	119
41	Bhattacharya	2003				26	66	13	105
42	van Eeden	2003					80	14	94
43	Hall	2003					79	16	95
44	1st Lehmann	2004					58	34	92
45	Rubin	2004						27	27
46	Stein's Method	2004						39	39
47	Multiple Comp	2004						30	30
<b>TOTAL</b>			21,964	679	832	910	887	603	25,875

## FINANCIAL OVERVIEW

This is a detailed analysis of the Financial Statement for FY 2005, which is presented in this issue of the *IMS Bulletin*, following this Treasurer's Report. Comparisons are always with FY 2004. The overall picture of the financial status of the Institute is strong and stable. Per the auditor's report, in FY 2005 we experienced an increase in total assets of \$66,954. The increase is due to the increase in life members and increase in value of joint ventures. The IMS experienced a decrease in unrestricted net assets of \$115,611. The following will explain the reasons for the decrease. The IMS has strong reserves and it has been the goal of the Council to put our revenues back into services to the membership and the community. This was done on such programs as travel grants, free electronic access, pre-print posting of articles, early renewal discounts, free student members, free journals for students, reduced dues for new researchers and more. The Statement of Activities shows an increase in total revenue and in total expenses compared with FY 2004. Total revenues are lower than expenses showing a net loss.

### Revenue.

Membership dues and subscription revenues were adjusted, as in the past to prorate calendar-year revenues to fit with the Institute's fiscal year reporting. Revenues from membership dues and subscriptions are stable as compared to FY 2004. Revenues from non-member subscribers are up due to increases in subscription rates. The contributions listed in FY 2004 and FY 2005 represent donations made to the Tweedie Memorial Fund. Sales of back issues are down from FY 2004 as we now only sell three years back to decrease storage expenses. Page charges are up. Due to the voluntary nature of the contributions, the levels received tend to fluctuate. Revenue from sales of *Lecture-Notes Monograph Series* was down as only three volumes were released in the fiscal year and general sales are down. Revenue from sales of *NSF-CBMS Series* were stable. Meeting income increased as we did not handle funds for any meetings. Advertising revenues were up due to the Bulletin switching from six issues annually to ten. Offprints, royalty and other category is up as royalties from IMS's interest in JSTOR increased and IMS received income from CIS in FY05. Net earnings of joint publication ventures show a slight increase in FY 2005. The publications' (*Current Index to Statistics* and the *Journal of Computational and Graphical Statistic*) management committees have been working to address the issues facing the publications. The unrealized loss on investments is merely a line item, which shows prepaid interest and is not an *actual* loss or gain on investments. That amount should be totaled with the Investment Income line item to get a complete understanding of our gain on investments in FY 2005. Investment income is up in FY 2005 as interest rates are once again on the rise.

### Expenses.

The IMS makes a distinction between Program and General Administrative expenses in its audited reports. This is appropriate reporting for a non-profit organization and gives members a better idea of how much is being spent on actual programming (journals, meetings, etc) versus what is spent purely on administration of the Institute. I am happy to report that 95.5% (up from 95.0% last year) of your dues dollars goes directly into the program functions of the IMS.

*Discussion of Note G.* Here you will see the allocation for expenses for Program and General Administrative. Production and Editorial expenses will be discussed below in the "Discussion of Note G."

The management fee shows the expenses paid to FASEB for their dues, subscriptions and web services and is up for FY 2005 as we begin using more services from FASEB, including mailings, web hosting, email hosting and web services. Salaries are up in FY 2005 reflecting wage increases and the use of a temporary staff as needed. Mailing and shipping at the press is up from FY 2004, as postage rates increased, total pages and issues of journals increased. Scientific meeting expenses are up from FY 2004 as more travel grants were provided in FY2005. Business meeting expenses were up due to the need for travel by executive committee members to Europe and Singapore. Rent and utilities are steady. Contributions to other societies is up slightly. Postage and printing are down from FY 2004, as fewer renewals had to be sent out as people renewed on time due to discounts and agent subscription orders were batched for shipment. Computer equipment and software was up as new equipment was needed. Professional fees were up as more legal input was needed. Insurance fees are stabilizing after a few years of increases. Storage fees were up as we had more journals in storage. This number should decrease next year as fewer back issues are being kept on hand. Supplies are steady. Telephone is up. Membership drives and publicity is down as one marketing item expected for FY05 did not go out until FY06. Office expense includes bank fees and other miscellaneous expenses.

*Discussion of Note H.* Production expenses for *Annals of Statistics*, *Annals of Applied Probability* and *Statistical Science* were all up due to increases in pages or issues during FY 2005. *Annals of Probability* is stable. *LNMS* expense is stable. The *NSF-CBMS Series* had reprint expenses in FY 2005. Electronic operations for all expenses include fees for placement of our hosting of our journals on Project Euclid and metadata generation, there is an increase as one new journal, *Probability Surveys*, was added in FY 2005. Editorial expenses for *The Annals of Applied Probability* and *Annals of Probability* are stable. *Statistical Science* is down as it has been moved to a Central Editorial System, as the other journals will be as editors change. *The Annals of Statistics* is up as both a bill from previous editors came in FY 2005 although the editors had completed work more than one year prior. All editors are within their budgets for the length of their term. The *IMS Bulletin* editor is up due to moving from six issues to ten annually. Managing and production editorial expenses are up due to inflation and increased services due to increased total pages. The Web editor expenses are down as fewer services were utilized in FY 2005.

### Recommendation.

This year we recommended an institutional subscription rate increase of ~10% for 2006. Dues and journal rates for members remain the same for 2006. Members were given a 20% discount off dues if they renewed by December 31. The 2005-2006 Council approved these recommendations at the Annual Meeting in August 2005 in Minneapolis, MB, USA.