

**Report of the Treasurer  
Supplemental 2007  
Jiayang Sun**

**MEMBERSHIP AND SUBSCRIPTION DATA**

Table 1 shows the census data for 2007 memberships through 6/30/2007. Chart 1 and 2 show data for members in line and pie format. Table 1 and 2 show subscription data for members and non-members. Chart 3 shows trends for non-member (institutional) subscriptions.

Membership has shown a slight decrease. A large percentage in the decrease goes to the reclassification of the Organizational membership. Prior to 2007, we had many libraries classified into this membership, but in order to better serve them and departments, we changed the organizational membership to focus on departments and other non—library entities. Libraries now receive their subscriptions directly as institutional subscribers, not counted as organizational members any longer. Therefore, you will see growth in the institutional subscriptions that reflects the movement of these former organizational members (see “non-member and institutions” in Table 2). Additional membership decreases have occurred in the student and new graduate membership categories. These categories both peaked in 2006 and now appear to be leveling off. The core of our membership, regular, life, reduced country, and retired categories, remains strong and stable with some slight increase in total members in these categories.

271 IMS members are also members of the Bernoulli Society and/or the International Statistical Institute via the discounted membership program offered by our societies. In addition, 60 IMS members have opted to join APS-INFORMS via our discounted membership offer.

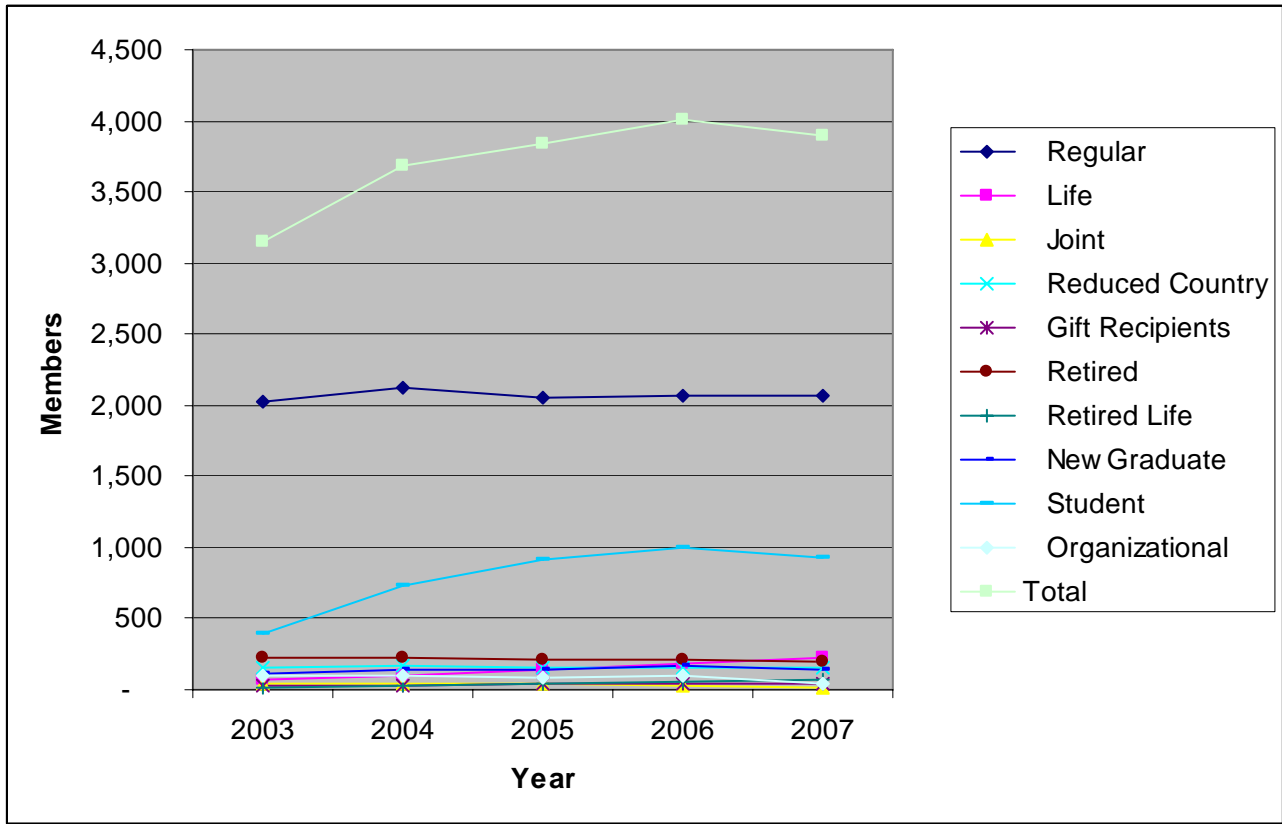
Subscription to print journals is decreasing for two reasons. First, the change in the organizational membership category increases income to the IMS by charging all libraries and institutions the same rate. Secondly, the trend of members opting to use the gratis electronic access rather than ordering print journals does not affect the bottom line since journals are priced at cost rates for individual members.

Not surprisingly, electronic subscriptions for members and institutions continue to rise.

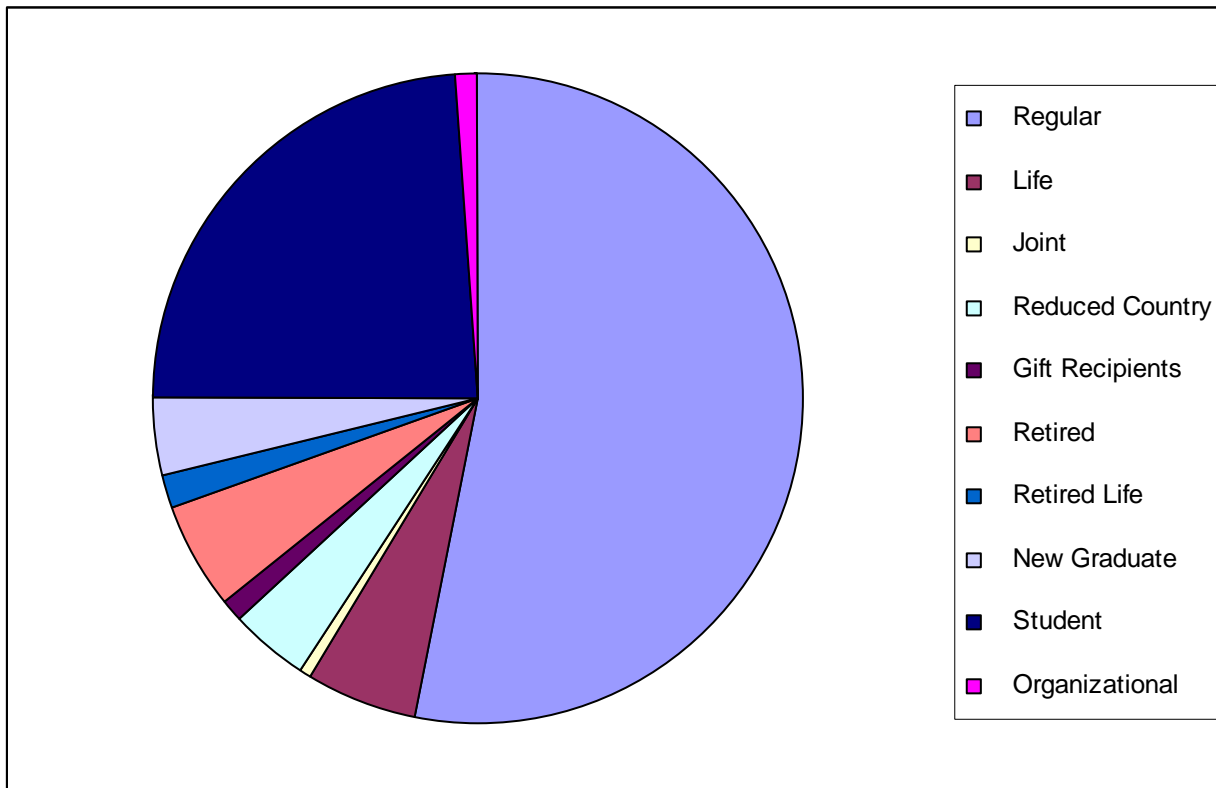
**Table 1. 2007 Member Data (6/30/2007)**

<b>MEMBERS</b>	<b>6/30/2003</b>	<b>6/30/2004</b>	<b>6/30/2005</b>	<b>6/30/2006</b>	<b>6/30/2007</b>
Regular	2,028	2,130	2,058	2,063	2,065
Life	69	97	139	183	221
Joint	36	41	39	22	17
Reduced Country	152	162	154	156	157
Gift Recipients	22	25	38	45	46
Retired	218	222	214	206	197
Retired Life	18	31	46	58	72
New Graduate	118	145	145	165	144
Student	395	731	910	1,005	935
Organizational	92	101	91	102	44
<b>Total</b>	<b>3,148</b>	<b>3,685</b>	<b>3,834</b>	<b>4,005</b>	<b>3,898</b>

**Chart 1. Individual Membership Trends**



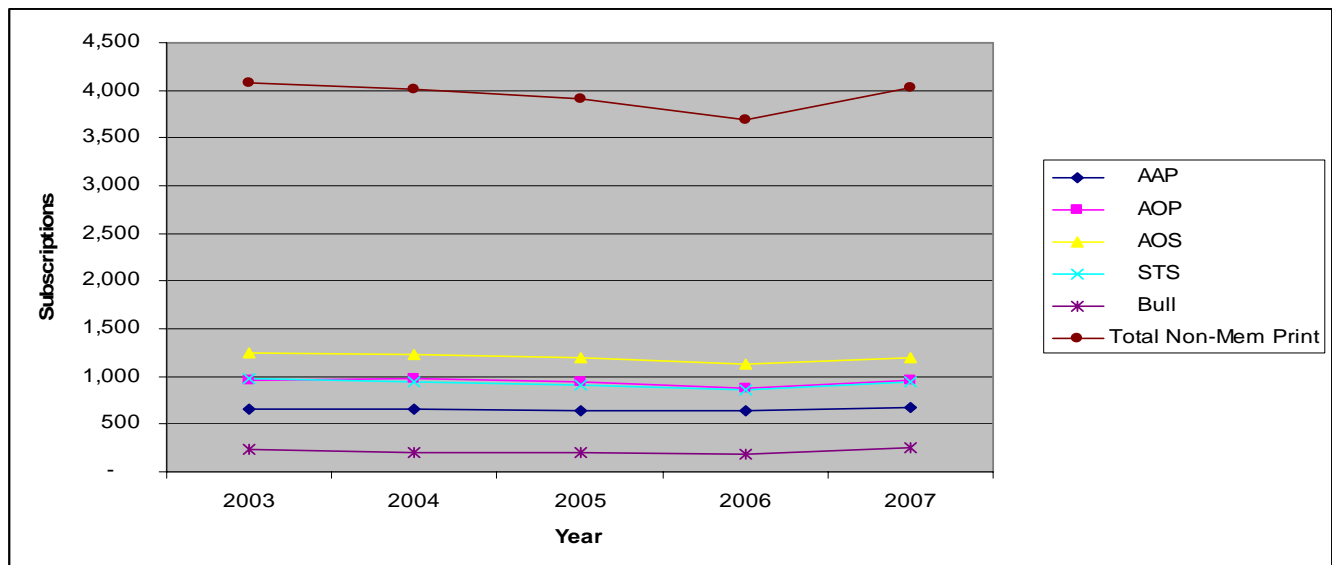
**Chart 2. Membership distribution.**



**Table 2. Member and Non-Member Subscription Data (6/30/2007)**

<b>PRINT SUBSCRIPTIONS</b>		<b>6/30/2003</b>	<b>6/30/2004</b>	<b>6/30/2005</b>	<b>6/30/2006</b>	<b>6/30/2007</b>
Members						
AAP		757	807	768	745	443
AOP		817	858	798	763	486
AOS		1,698	1,828	1,769	1,667	1,414
STS		2,412	2,567	2,455	2,325	1,968
Total Member Print		5,684	6,060	5,790	5,500	4,311
Non-Member & Institutions		<b>6/30/2003</b>	<b>6/30/2004</b>	<b>6/30/2005</b>	<b>6/30/2006</b>	<b>6/30/2007</b>
AAP		665	658	645	634	681
AOP		961	975	946	873	957
AOS		1,240	1,233	1,204	1,123	1,197
STS		974	943	912	862	942
Bull		231	210	199	192	258
Total Non-Mem Print		4,071	4,019	3,906	3,684	4,035
Total Print Subs						
AAP		1,383	1,465	1,413	1,379	1,124
AOP		1,725	1,833	1,744	1,636	1,443
AOS		2,864	3,061	2,973	2,790	2,611
STS		3,294	3,510	3,367	3,187	2,910
Bull		3,331	3,996	4,124	4,299	4,200
Total Print Subs		12,597	13,865	13,621	13,291	12,288
<b>ELECTRONIC SUBSCRIPTIONS</b>						
Members						
AAP		415	686	827	934	
AOP		453	711	852	950	
AOS		541	941	1,166	1,333	
STS		330	877	1,076	1,243	
Total Member Electronic		1,739	3,215	3,921	4,460	
Non-Member Institutions						
AAP		na	486	496	572	
AOP		na	694	700	790	
AOS		na	816	817	932	
STS		na	633	643	728	
Total Inst Electronic		na	2,629	2,656	3,022	

**Chart 3. Non-Member (Institutions) Print Subscriptions Trends**



## **FINANCIALS**

The IMS is taking actions to increase income and decrease expenses as appropriate. We continue to adjust institutional rates to accommodate the consolidation of subscriptions by universities. Because fully paid memberships continue to increase slightly, we are gaining income in this area. Last year, we adjusted member subscription rates to cost in order to properly cover our expenses.

The IMS has been expanding its journal offerings by partnering with Bernoulli Society and Institut Henri Poincaré. Both partnerships will increase exposure for all journals and give us some much needed bundling offers to offer libraries.

On the expense side, we have instituted the central editorial office to help decrease editorial expenses. There will be one editorial office serving all 6 journals. Most actions are automated electronically. The system implementation has been completed.

For FY2007, I expect we will hit our target budgets. Expect to see a full Treasurer's report in the March 2008 IMS Bulletin. The report will include final 2007 membership and subscription data as well as the FY07 audit and financial reports.

**Institute of Mathematical Statistics  
Budget 2007  
Revenue & Expense Statement**

	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Estimated 2007	Budget 2007	Difference (1)	% Diff (2)
Revenue								
Membership dues and journal subs	\$ 312,793	\$ 357,657	\$ 355,253	\$ 329,646	\$ 312,655	\$ 345,000	\$ 32,345	9.38%
Institutional subscriptions	\$ 626,278	\$ 655,159	\$ 713,767	\$ 771,545	\$ 850,396	\$ 760,000	\$ (90,396)	-11.89%
Contributions	\$ 2,500	\$ 11,056	\$ -	\$ -	\$ 2,969	\$ -	\$ (2,969)	
Sales of back issues - Journals	\$ 5,418	\$ 8,789	\$ 6,548	\$ 5,314	\$ 5,156	\$ 3,000	\$ (2,156)	-71.87%
Page charges	\$ 23,249	\$ 19,500	\$ 39,422	\$ 34,412	\$ 19,100	\$ 32,000	\$ 12,900	40.31%
Sales of LNMS	\$ 28,012	\$ 30,540	\$ 24,303	\$ 21,951	\$ 21,459	\$ 30,000	\$ 8,541	28.47%
Sales - NSF-CBMS series	\$ 6,905	\$ 7,599	\$ 7,527	\$ 7,039	\$ 2,618	\$ 7,000	\$ 4,382	62.60%
Scientific Meetings	\$ 41,621	\$ 84,443	\$ 65,192	\$ 25,744	\$ 63,704	\$ 85,000	\$ 21,296	25.05%
Advertising	\$ 29,977	\$ 27,197	\$ 31,543	\$ 36,215	\$ 42,826	\$ 40,000	\$ (2,826)	-7.07%
Royalties & other	\$ 44,433	\$ 48,458	\$ 55,665	\$ 63,288	\$ 63,725	\$ 67,500	\$ 3,775	5.59%
Net profit of joint ventures	\$ (9,746)	\$ 20,656	\$ 42,599	\$ 26,097	\$ 10,000	\$ -	\$ (10,000)	
Investment Income	\$ 60,613	\$ 42,239	\$ 49,417	\$ 79,517	\$ 115,976	\$ 85,000	\$ (30,976)	-36.44%
Total revenue	\$ 1,172,053	\$ 1,313,293	\$ 1,391,236	\$ 1,400,768	\$ 1,510,584	\$ 1,454,500	\$ (56,084)	-3.86%
Expenses								
Production (schedule 1)	\$ 410,791	\$ 511,785	\$ 615,775	\$ 559,689	\$ 678,607	\$ 638,000	\$ (40,607)	-5.98%
Editorial (schedule 1)	\$ 208,852	\$ 208,341	\$ 241,333	\$ 256,687	\$ 250,140	\$ 260,500	\$ 10,360	4.14%
Functional Expenses (schedule 2)	\$ 552,024	\$ 601,433	\$ 649,839	\$ 684,998	\$ 712,895	\$ 705,400	\$ (7,495)	-1.05%
Total Expenses	\$ 1,171,666	\$ 1,321,559	\$ 1,506,947	\$ 1,501,374	\$ 1,641,642	\$ 1,603,900	\$ (37,742)	-2.30%
Revenues over expenses	\$ 387	\$ (8,266)	\$ (115,711)	\$ (100,606)	\$ (131,058)	\$ (149,400)	\$ 18,342	-14.00%

**Institute of Mathematical Statistics  
Budget 2007  
Revenue & Expense Statement**

**Schedule 1: Production & Editorial**

	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Estimated 2007	Budget 2007	Difference (1)	% Diff (2)
Production expenses:								
Annals of Applied Probability	\$ 83,410	\$ 90,979	\$ 134,058	\$ 103,567	\$ 114,197	\$ 130,000	\$ 15,803	12.16%
Annals of Applied Statistics	\$ -	\$ -	\$ -	\$ -	\$ 23,000	\$ 40,000	\$ 17,000	42.50%
Annals of Probability	\$ 103,670	\$ 145,981	\$ 144,051	\$ 124,356	\$ 130,157	\$ 135,000	\$ 4,843	3.59%
Annals of Statistics	\$ 110,929	\$ 129,058	\$ 166,307	\$ 177,655	\$ 175,807	\$ 150,000	\$ (25,807)	-17.20%
Statistical Science	\$ 56,622	\$ 59,058	\$ 63,990	\$ 51,323	\$ 55,916	\$ 58,000	\$ 2,084	3.59%
IMS Bulletin	\$ 25,782	\$ 36,636	\$ 43,286	\$ 50,208	\$ 51,437	\$ 51,000	\$ (437)	-0.86%
Lecture Notes-Monograph Series	\$ 25,152	\$ 20,002	\$ 19,580	\$ -	\$ 40,673	\$ 20,000	\$ (20,673)	-103.37%
NSF-CBMS Series	\$ 5,225	\$ -	\$ 4,062	\$ 2,215	\$ -	\$ 5,000	\$ 5,000	100.00%
Electronic Journal of Statistics	\$ -	\$ -	\$ -	\$ -	\$ 2,607	\$ -	\$ (2,607)	
Probability Surveys	\$ -	\$ -	\$ 4,788	\$ 7,210	\$ 491	\$ 3,000	\$ 2,509	83.63%
Statistics Surveys				\$ -	\$ -	\$ 5,000	\$ 5,000	100.00%
Bernoulli	\$ -	\$ -	\$ -	\$ -	\$ 31,265	\$ -	\$ (31,265)	
Bernoulli News	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ (2,000)	
Electronic operations for all journals	\$ -	\$ 30,071	\$ 35,653	\$ 43,155	\$ 51,057	\$ 41,000	\$ (10,057)	-24.53%
Total production expenses	\$ 410,791	\$ 511,785	\$ 615,775	\$ 559,689	\$ 678,607	\$ 638,000	\$ (40,607)	-6.36%
Editorial expenses								
Annals of Applied Probability	\$ 19,964	\$ 7,315	\$ 6,000	\$ 2,926	\$ 847	\$ 2,000	\$ 1,153	57.65%
Annals of Applied Statistics	\$ -	\$ -	\$ -	\$ -	\$ 4,384	\$ 20,000	\$ 15,616	78.08%
Annals of Probability	\$ 10,176	\$ 6,284	\$ 5,464	\$ 3,588	\$ -	\$ 2,000	\$ 2,000	100.00%
Annals of Statistics	\$ 39,705	\$ 61,660	\$ 65,357	\$ 60,000	\$ 33,624	\$ 35,000	\$ 1,376	3.93%
Statistical Science	\$ 3,658	\$ 11,748	\$ 3,228	\$ -	\$ 2,128	\$ 2,000	\$ (128)	-6.40%
IMS Bulletin	\$ 29,043	\$ 32,595	\$ 49,801	\$ 66,620	\$ 72,690	\$ 68,000	\$ (4,690)	-6.90%
Central Editorial Office	\$ -	\$ -	\$ 10,000	\$ 6,600	\$ 11,000	\$ 7,500	\$ (3,500)	-46.67%
Web Editor	\$ 32,712	\$ 11,976	\$ 16,111	\$ 25,451	\$ 33,270	\$ 40,000	\$ 6,730	16.83%
Managing & production editors	\$ 73,594	\$ 76,763	\$ 85,372	\$ 91,502	\$ 92,197	\$ 84,000	\$ (8,197)	-9.76%
Total Editorial Expenses	\$ 208,852	\$ 208,341	\$ 241,333	\$ 256,687	\$ 250,140	\$ 260,500	\$ 10,360	3.98%

**Institute of Mathematical Statistics  
Budget 2007  
Revenue & Expense Statement**

**Schedule 2: Functional Expenses**

<b>Expenses</b>	<b>Actual 2003</b>	<b>Actual 2004</b>	<b>Actual 2005</b>	<b>Actual 2006</b>	<b>Estimated 2007</b>	<b>Budget 2007</b>	<b>Difference (1)</b>	<b>% Diff (2)</b>
Management Fee	\$ 131,776	\$ 131,885	\$ 141,362	\$ 137,008	\$ 134,351	\$ 138,000	\$ 3,649	2.64%
Salaries, payroll taxes & benefits	\$ 102,444	\$ 98,232	\$ 103,010	\$ 107,378	\$ 112,045	\$ 112,000	\$ (45)	-0.04%
Contracted services	\$ -	\$ -	\$ -	\$ -	\$ 16,115	\$ 36,000	\$ 19,885	55.24%
Mailing & shipping at Press	\$ 102,280	\$ 109,659	\$ 144,639	\$ 156,061	\$ 159,775	\$ 165,000	\$ 5,225	3.17%
Scientific Meetings	\$ 91,500	\$ 114,465	\$ 117,202	\$ 83,178	\$ 108,675	\$ 75,000	\$ (33,675)	-44.90%
Business Meetings	\$ 6,682	\$ 5,379	\$ 15,090	\$ 6,406	\$ 9,355	\$ 5,000	\$ (4,355)	-87.10%
Storage	\$ 10,093	\$ 11,684	\$ 12,152	\$ 6,209	\$ 8,605	\$ 6,000	\$ (2,605)	-43.42%
Postage & shipping at offices	\$ 27,426	\$ 29,896	\$ 26,986	\$ 27,887	\$ 25,282	\$ 28,000	\$ 2,718	9.71%
Rent & utilities	\$ 3,008	\$ 3,464	\$ 3,309	\$ 3,300	\$ 3,300	\$ 3,400	\$ 100	2.94%
Professional fees	\$ 17,920	\$ 17,010	\$ 18,460	\$ 19,008	\$ 18,300	\$ 19,000	\$ 700	3.68%
Electronic Development Projects	\$ -	\$ -	\$ -	\$ 35,349	\$ 34,387	\$ 21,000	\$ (13,387)	-63.75%
Computer equipment & software	\$ 2,020	\$ 4,792	\$ 5,126	\$ 1,862	\$ 2,973	\$ 9,000	\$ 6,027	66.97%
Insurance	\$ 17,026	\$ 21,780	\$ 21,579	\$ 21,629	\$ 21,834	\$ 22,500	\$ 666	2.96%
Supplies	\$ 2,101	\$ 3,109	\$ 2,422	\$ 868	\$ 656	\$ 3,000	\$ 2,344	78.13%
Printing	\$ 10,370	\$ 13,633	\$ 7,917	\$ 8,476	\$ 6,650	\$ 10,000	\$ 3,350	33.50%
Credit card fees	\$ 11,218	\$ 12,099	\$ 12,935	\$ 15,060	\$ 18,110	\$ 16,000	\$ (2,110)	-13.19%
Contributions to other organizations	\$ 6,163	\$ 6,362	\$ 7,057	\$ 8,601	\$ 8,082	\$ 8,500	\$ 418	4.92%
Telephone	\$ 2,132	\$ 1,384	\$ 1,976	\$ 1,936	\$ 1,135	\$ 2,000	\$ 865	43.25%
Office Expense	\$ 1,969	\$ 2,328	\$ 870	\$ 28,842	\$ 1,425	\$ 3,000	\$ 1,575	52.50%
Marketing, publicity, membership drives	\$ 5,896	\$ 14,272	\$ 7,747	\$ 15,940	\$ 21,840	\$ 23,000	\$ 1,160	5.04%
<b>Total Functional Expenses</b>	<b>\$ 552,024</b>	<b>\$ 601,433</b>	<b>\$ 649,839</b>	<b>\$ 684,998</b>	<b>\$ 712,895</b>	<b>\$ 705,400</b>	<b>\$ (7,495)</b>	<b>-1.06%</b>

(1) Difference = budget-estimate

(2) % Difference = (budget-estimate)/budget

## *Explanation of differences exceeding 10%*

### REVENUE

- **Institutional subscriptions:** are up due in part to an additional income from previous institutional members (see item above) which are now allocated in this line item. In addition, income from increased rates and Bernoulli subscribers for ½ year (IMS began providing sales to Bernoulli in CY2007, therefore ½ year of sales in this fiscal year. Overall total institutional subscriptions have remained stable this year.
- **Contributions:** This line item was not budgeted in FY2007. This includes donations to: Gift, LeCam, Open Access and Tweedie Funds.
- **Sales of back issues – Journals:** Higher sales than expected.
- **Page charges:** Lower page charge income in FY2007. This line item is difficult to predict and can vary considerably from year to year.
- **Sales of LNMS:** Lower sales than expected, due to late release of new issues in 2007. Income expected to increase for this item in FY2008.
- **Sales - NSF-CBMS series:** Lowest sales in many years due to no new volumes since 2005.
- **Scientific Meetings:** IMS handles income and expenses for several meetings. Typically it is unknown how many meetings will be handled when this line item is budgeted. IMS predicted handling two meeting in FY2007, however only handled one. Regardless, expenses are covered by income for individual meetings.
- **Net profit of joint ventures:** No funds were budgeted for this item.
- **Investment Income:** is up in FY2007 as increased interest rates on CDs and interest on investments in mutual funds and bonds.

### EXPENSES

#### Production

- **Annals of Applied Probability:** Movement to 6 issues in 2007, not as costly as expected.
- **Annals of Applied Statistics:** Two issues initially expected in FY2007, only one occurred.
- **Annals of Statistics:** Budgeted amount took into account decrease in page count which did not occur. Expenses in line with past page counts as expected.
- **Lecture Notes-Monograph Series:** Three issues to press in FY2007, only two budgeted. Also two issues were reprinted.

- **NSF-CBMS Series:** One issue budgeted for in FY2007, none printed.
- **Electronic Journal of Statistics:** Not budgeted in FY2007
- **Probability Surveys:** Expenses down in FY2007 due to our partner (BS) providing payment for 2 years of their PS share in FY2007. Expenses are also lower than expected.
- **Statistics Surveys:** No expenses for this journal yet.
- **Bernoulli and Bernoulli News:** When FY2007 budget was completed, we did not know that the BS would agree to have IMS publish these two items, so no funds were budgeted.
- **Electronic operations for all journals:** Higher than expected as Bernoulli and Bernoulli News added to this line item.

### **Editorial**

- **AAP, AOP, AOAS:** All using central editorial office. All expenses lower than budgeted to do minimal/no need for additional services.
- **Central Editorial Office:** Fees for CEO higher to accommodate Bernoulli.
- **Web Editor:** Less services used in FY2007 than expected. Some of these funds shifted into FY2008 as web update is completed.
- **Functional**
- **Contracted services:** For IT Project Manager and Administrative Contractor for ½ year. FY2007 budget was for full year but these positions were not filled until January 2007.
- **Scientific Meetings:** Expenses for travel for some special lectures, executive committee higher in FY2007 due to higher cost to travel to Rio. The Rio meeting itself came out even with income/expenses.
- **Business Meetings:** Expenses for travel to SFO for Exec Committee meeting, and one additional meeting for Executive Director higher than expected.
- **Storage:** Increase storage costs as we add Bernoulli and Bernoulli News, plus increased issues of AAP (6 issues per year, rather than previous 4) in storage.
- **Postage & shipping at offices:** Down slightly as we delayed the sending of paper dues invoices until after a large number of online dues had been paid.

- **Electronic Development Projects:** Higher than expected as presidential development funds used specifically for this item. Original budget is accurate. President has opportunity to allocate \$25K as they wish on development throughout their year. Dr. Pitman allocated much of his funds to this line item after the budget was approved.
- **Computer equipment & software:** Expected need to purchase 3 computers in FY2007, none were purchased. Funds will be reallocated to FY2008 for purchase of 2 computers.
- **Supplies:** Minimal supplies needed in FY2007.
- **Printing:** Down as we delayed the sending of paper dues invoices until after a large number of online dues had been paid.
- **Credit card fees:** Higher as a greater % of members opt to renew online. Savings experienced in printing/postage is essentially reallocated here.
- **Telephone:** Expenses down in FY2007.
- **Office Expense:** Lower than expected as credit card points were used to purchase holiday gifts for FASEB and contractors rather than funds.

(1) Difference = budget-estimate

(2) % Difference = (budget-estimate)/budget