Segment Leader Webinar

July 27, 2020

Agenda

- Welcome and review the agenda (Audrey Gramling)

- Introduction (Elaine Mauldin)

- Financial update – preliminary Q4 results (Mark Taylor)

- Annual meeting update (Tracey Sutherland + Julie Smith David)
  - How it's going to work
  - How many are participating
  - What it takes to do it

- Looking forward (Elaine Mauldin)

- Segment Leader Workshop (Audrey Gramling)

Welcome

- ## On this call
  - Segment Executive Committee Leaders
  - Midyear Meeting Program Committee Co-chairs
  - Annual Meeting Liaisons
  - Board Management Team
  - Professional Staff

- ## Questions:
  - Please put questions into chat during the presentation
  - We will try to answer all here, and will follow up on any not addressed

Planning Updates in Uncertain Times

- Preliminary year-end financial review

- Annual Meeting

- Midyear Meeting planning

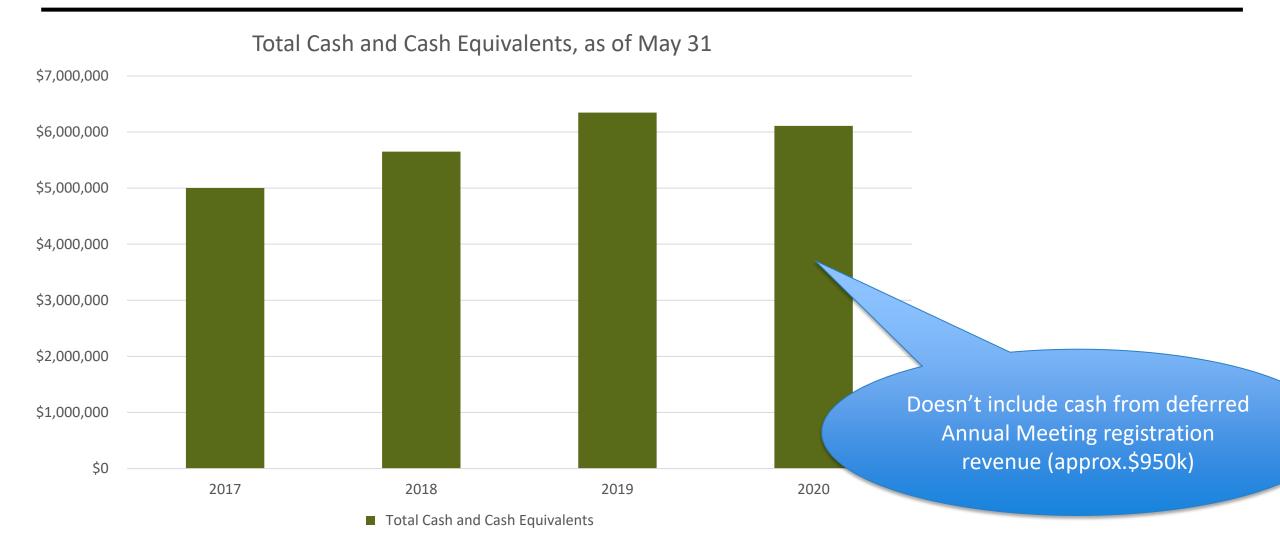# Q4 FY 2019-20 Preliminary Financial Results
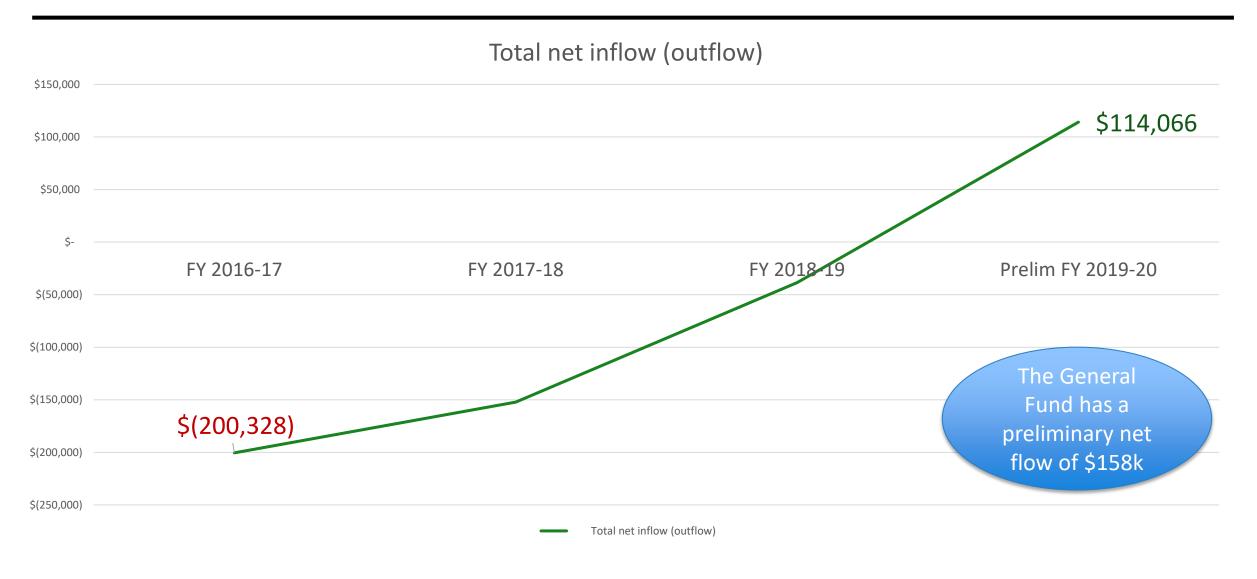
Cash and Cash Equivalents

Total Cash and Cash Equivalents, as of May 31

Doesn't include cash from deferred Annual Meeting registration revenue (approx.$950k)

Consolidated Section Q4 Preliminary Results

Total net inflow (outflow)

$114,066

$(200,328)

The General Fund has a preliminary net flow of $158k

FY 2016-17	FY 2017-18	FY 2018-19	Prelim FY 2019-20

Total net inflow (outflow)

	FY 2016-17	FY 2017-18	FY 2018-19	Prelim FY 2019-20
Dues				
Dues, net inflow	$248,113	$276,715	$288,902	$305,166

Several sections increased dues rates;
Membership counts decreased 10%

	FY 2016-17	FY 2017-18	FY 2018-19	Prelim FY 2019-20
Dues				
Dues, net inflow	$248,113	$276,715	$288,902	$305,166
Journal				
Total journal revenue	134,549	152,321	154,766	144,003
Total journal expense	292,162	305,338	282,996	365,823
Journal, net inflow (outflow)	(157,613)	(153,017)	(128,231)	(221,820)

8 Section journal issues from Spring 2019 were published in June, so those sections had 1 additional issue in FY 2019-20. Additionally, page counts are increasing – increasing the value of the collection.
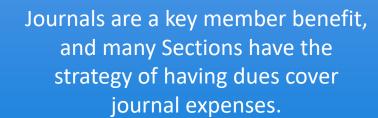
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Timing impact: 8 issues of Section journals from Spring 2019 were published in June 2019. For those sections, costs for those issues were incurred in FY 2019-20, rather than FY 2018-19 (May year end!). Additionally, page counts are increasing – increasing the value of the collection.

Journals are a key member benefit, and many Sections have the strategy of having dues cover journal expenses.

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Annual meeting				
Total annual meeting revenues	91,726	104,934	106,854	117,700
Total annual meeting expenses	158,790	174,836	161,887	185,570
Annual meeting, net inflow (outflow)	(67,064)	(69,902)	(55,033)	(67,871)
Midyear meeting				
Total midyear meeting revenues	952,738	973,747	1,034,036	1,088,205
Total midyear meeting expenses	1,062,640	1,150,617	1,168,135	1,008.781
Midyear meeting, net inflow (outflow)	(109,902)	(176,870)	(134,099)	79,425
Other event/initiative #1 -Teaching Case Conference				
Total teaching case conference revenues	20,315	55,224	50,630	33,925
Total teaching case conference expenses	36,608	40,168	43,952	24,767
Case conference, net inflow (outflow)	(16,293)	15,056	6,678	9,158

Meetings

This year, with efforts across Sections, the midyear meetings had a positive net flow

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Other revenues and expenses				
Total revenues	38,458	4,613	37,457	33,313
Total expenses	136,027	48,756	54,241	23,307
Other, net inflow (outflow)	(97,570)	(44,143)	(16,784)	10,007
Total net inflow (outflow)	($200,328)	($152,160)	($38,567)	$114,066

Distribution to Sections – later this week

- Preliminary Q4 reports (May year end)
  - Management Discussion & Analysis
  - Statement of Operations
  - Balance Sheet
  - Scorecard
  - Treasurer's Guidebook

- Things to keep in mind
  - Midyear meeting activity happened earlier in the year
  - Spring journal issue production is all on schedule, so costs are reported in Q4
  - Cash balances won't include Deferred Revenues for Dues and Annual Meeting events because registration opened in July

Annual Meeting Update

Questions we've been asked

- Why can't this be cheaper?
- How did the registration fee get set?
- It is a lot of work to create an infographic and video – do we have to do it?
- Could midyear meetings use a simpler, less-expensive option with Zoom?
- We won't be able to interact, so it won't be valuable.
- Why can't we cancel our meeting in… the fall? January? February?

Learning from our pilot virtual meeting: Spark

- Best practice is similar to a "flipped classroom:" Focus on one-way presentation in the Presentation Gallery, enabling more interaction in the "live" meeting
- Feedback from Spark (100 papers, 300 attendees)
  - High satisfaction
  - Improvements
    - Discussants necessary!
    - Have authors provide an overview of their paper for those who haven't reviewed it in the past
- Format agreed upon – which would allow 75% of accepted papers to be presented
  - 4 papers per traditional paper session
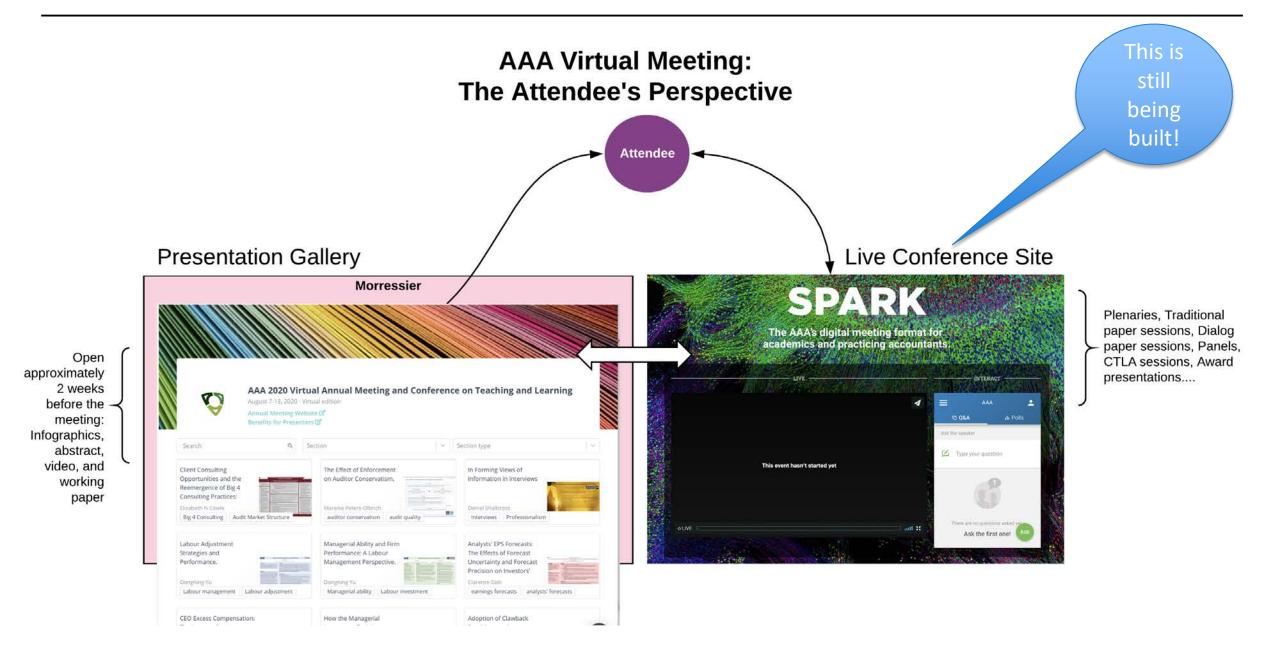 - 5 papers per dialog session

Spark Meeting

- 100 papers presented
- 300 attendees
  - 227 paid
  - All segments were able to send 1 member to attend
  - Meetings Model Task Force members attended
- Cost to have a professional conference experience
  - Presentation Gallery
  - Live Conference Site
  - Communication/marketing
- Registration fee set to cover direct out-of-pocket costs: $225
- Net flow ($9k)
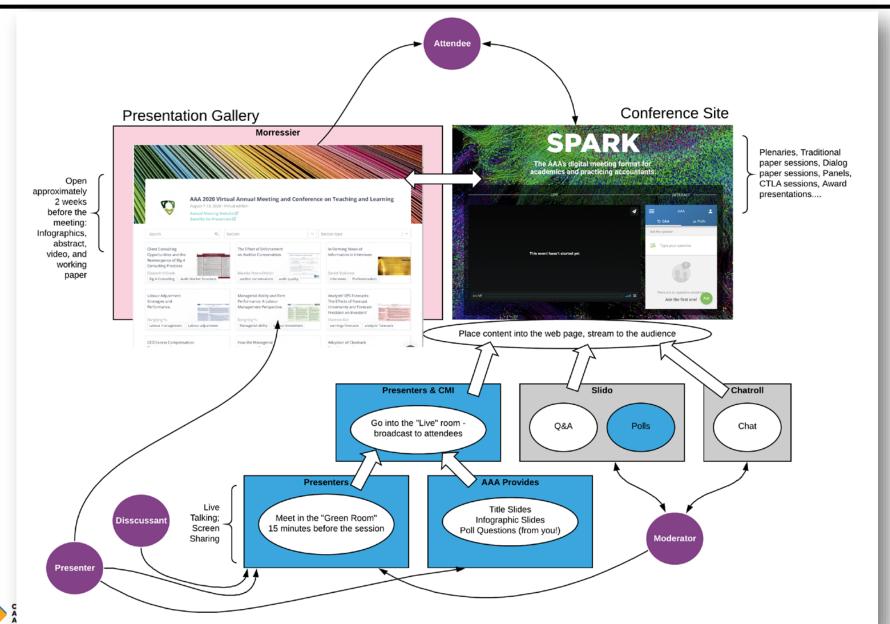
Annual Meeting planning – transition in 47 days

- June 11-12: Hold Spark, what became a pilot for the Annual Meeting
- June 25: With just 47 days to plan for the Annual Mtg
  - AAA successfully negotiated release from the hotel contracts, so we could move on transitioning to virtual
- June 25: Reached out to Authors and Liaisons with the timeline
- June 30: Authors recommitted to present – **_560_** confirmed!
- July 1 – July 8: Liaisons asked to restructure sessions
  - Extended to July 13
- July 23: Program finalized; participants notified

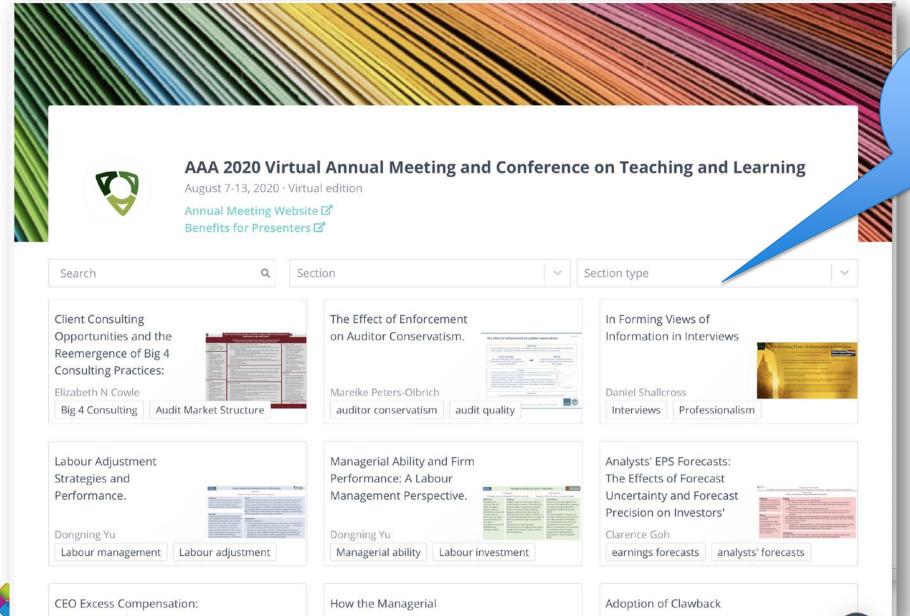# How will the Annual Meeting work – virtually?

And Presenters, Discussants, and Moderators will see "behind the scenes"

The Presentation Gallery: Opening July 28

601 submissions to the Gallery – papers, panels, CTLA!

Program Layout for Paper Sessions – 4 days

Time Slot/Room	CTLA 1	CTLA 2	Rm 1	Rm 2	Rm 3	Rm 4	Rm 5	Rm 6	Rm 7	Rm 8	Rm 9	Rm 10	Rm 11	Rm 12
			DAY 1											
11-12	Plenary 1													
12-12:30														
12:30-1:30	C1	C5	1	2	3	4	5	6	7	8	9	10	11	12
1:30-2														
2-3	C2	C6	13	14	15	16	17	18	19	20	21	22	23	24
3-3:30														
3:30-4:30	C3	C7	25	26	27	28	29	30	31	32	33	34	35	36
4:30-5														
5-6	C4	C8	37	38	39	40	41	42	43	44	45	46	47	48

Legend

Concurrent regular, dialogue and panel sessions

CTLA sessions

What will happen in each session? We have "scripts"

Session Template: Concurrent Paper Session (60 minutes)
Session Title:
Date:
Time slot (eastern): 10 am
Room Setup
Zoom default mode: Active Speaker View
Poll, Chat, Q&A

NOTE: Yellow highlight is showing what each author will provide (when this goes to them, they'll see their responsibilities)

Start Time	End Time	Poll?	Activity	People	URL	Files	Share Screen or CMI Projects?	Poll Question
-15			Make title screen active for attendees			Title Screen	CMI projects	
- 15	-5		Meet in the Green Room	All 4 presenters, 4 discussants, the moderator	Zoom URL			
-5			Tech moves all presenters to live room: All Speakers muted Sound to audience is off					
-2	+3	Q1	Activate – keep active until + 3				Chime + CMI Activates	Are you planning on attending all of this session? Yes/No
			Countdown from Staff When live, sound to audience is on				CMI Gives	
-2	Start		Housekeeping	Video		Housekeeping video	CMI Runs	
Start	+2		Welcome	Moderator		Title slide – Papers and authors	CMI Runs	

1

23

Start Time	End Time	Poll?	Activity	People	URL	Files	Share Screen or CMI Projects?	Poll Question
+ 2	+15		Paper 1 Presentation: *Title, Presenter*					
+ 2	+ 5		Elevator Pitch	Author 1		Infographic #1	CMI Runs	
+5	+10		Discussant Comments	Discussant 1		Discussant Slides	Discussant Shares screen	
+10	+15		Interactive discussion	Moderator, Author, Discussant		Infographic #1	CMI Runs	
+10	+12	Q2					Chime + CMI Activates	Question re Paper 1
+ 15	+28		Paper 2 Presentation: *Title, Presenter*					
+ 15	+ 18		Elevator Pitch	Author 2		Infographic #2	CMI Runs	
+18	+23		Discussant Comments	Discussant 2		Discussant Slides	Discussant Shares screen	
+23	+ 28		Interactive discussion	Moderator, Author, Discussant		Infographic #2	CMI Runs	
+22	+25	Q3					Chime + CMI Activates	Question re Paper 2
+ 28	+41		Paper 3 Presentation: *Title, Presenter*					
+ 28	+ 31		Elevator Pitch	Author 3		Infographic #3	CMI Runs	
+31	+36		Discussant Comments	Discussant 3		Discussant Slides	Discussant Shares screen	
+36	+ 41		Interactive discussion	Moderator, Author, Discussant		Infographic #3	CMI Runs	

24

Annual Meeting Registration Update – as of this morning

	Counts
Full Members	491
Student Members	236
Comped Registration	3
Total	730
International	169
Domestic	561
Total	730

How did the price get set?

Input from:
- Finance Committee
- Meetings Model Task Force
- Management Team of the Board

Input into the Board Decision

- Financial modeling and benchmarking

- Finance Committee Recommendation

- Meetings Model Task Force Recommendation

- Board Management Team and Council Chair review
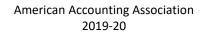
- Board discussion

Meeting size

- Assuming 75% of presenters participate
- Number of papers/session based upon feedback from the management team and meetings model task force
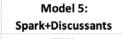
- We need
  - 13 "rooms"
  - 5 time slots/day
  - 4 days

Estimated cost for the meeting platform to meet this need: $140,000

	Model 5: Spark+Discussants 75%	
	Papers/ Session	Confirmed Sessions
SESSION PAPERS	4	107
DIALOGUE SESSION PAPERS	5	16
FORUM PAPERS (award com?)	5	0
PANEL SESSIONS	1	33
Plenaries		4
Total Sessions		160
Time Slots/Day		5
Rooms/Day		10
Days		3.9
CTLA Summary		
Rooms/Day		2
Days		4
Other Pre-Meeting rooms n		
Complete estimates!		
Rooms		1
Days		4
Summary		
Number of Room-Days need		51

Financial Analysis - Outflows

These costs total $199k
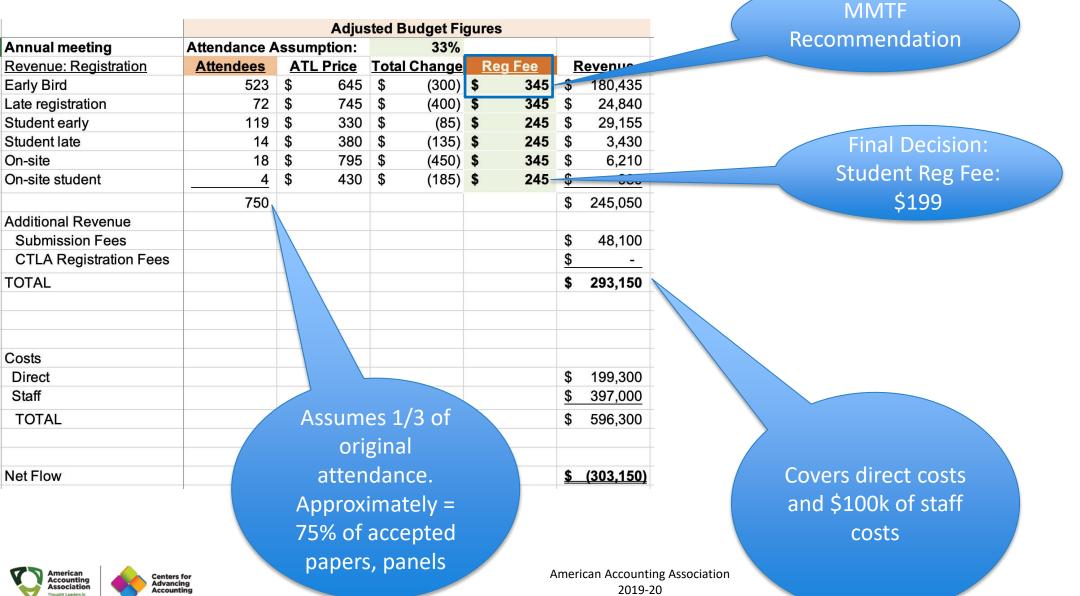
	Phase 1 Budget	Projected Digital Model
Hotel Rooms/Food/Bev/Entertainment/Décor	$650,240	$0
Audio Visuals: New Platform creation and execution	450,000	155,000
AAA Staff % of job assignment	397,000	397,000
Membership Booth	0	0
Meeting Coordinator Fees/Meeting Planning	0	0
Meeting Coordinator Expenses	60,800	0
Meeting Site Search	0	0
Printing/Copying	45,000	0
Exhibit Hall & ELS Poster Session	50,000	
Annual Meeting Credit Card Fees (4%)	56,924	15,000
Staff Travel	30,000	10,000
Mailing & Postage	20,000	
Supplies	25,000	
Registration Expense	20,000	
Awards	14,000	
Other Expenses: NASBA Fees (Photographer)	12,000	
APP Programing	5,000	
Speaker Fee & Speaker Expenses	40,000	15,000
Service Project Exhibit/Booth Expense/AV	500	0
Service Project Contribution Expense	6,900	0
Service Project Shipping & Printing	50	0
Service Project Credit Card Fees	250	0
Service Project Supplies	300	0
ADA requirements	15,000	0
Liability Insurance	4,000	4,000
Telephone & Webex	300	300
Total Outflows Annual Meeting	$1,903,264	$596,300

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29

Registration Recommendation: $345 Full Member/$245 Student

Adjusted Budget Figures					
Annual meeting	**Attendance Assumption:**		33%		
Revenue: Registration	**Attendees**	**ATL Price**	**Total Change**	**Reg Fee**	**Revenue**
Early Bird	523	$ 645	$ (300)	$ 345	$ 180,435
Late registration	72	$ 745	$ (400)	$ 345	$ 24,840
Student early	119	$ 330	$ (85)	$ 245	$ 29,155
Student late	14	$ 380	$ (135)	$ 245	$ 3,430
On-site	18	$ 795	$ (450)	$ 345	$ 6,210
On-site student	4	$ 430	$ (185)	$ 245	$
	750				$ 245,050
Additional Revenue					
Submission Fees					$ 48,100
CTLA Registration Fees					$ -
TOTAL					$ 293,150
Costs					
Direct					$ 199,300
Staff					$ 397,000
TOTAL					$ 596,300
Net Flow					$ (303,150)

MMTF Recommendation

Final Decision: Student Reg Fee: $199

Assumes 1/3 of original attendance. Approximately = 75% of accepted papers, panels

Covers direct costs and $100k of staff costs

Benchmarking example: AOM Annual Meeting

THE 80TH ANNUAL MEETING OF THE
ACADEMY OF MANAGEMENT
20/20: BROADENING OUR SIGHT
A VIRTUAL EXPERIENCE

- Member leaders identify top 10% of the papers accepted
- These are presented in the synchronous mode (approximately 250 sessions)
- All papers go into an online repository until October

- Registration: $200/member - $100/student
- Projected 4,000 attendees

Looking toward the fall – and beyond

Can we cancel our in-person Midyear Meetings now?

- There's a lot that will go into the decision
- The contracts have requirements for both parties
- If either party fails to satisfy their requirements, they have to pay cancellation fees – which are significant
- We have to fulfil our requirements until the time is right for the meeting to be cancelled
- Even if we can "push the contract forward to the next year," there would still be negotiations necessary to address changes in the market and control for risk

KEY POINTS

- The health of our members is the #1 priority

- The AAA Executive Director is only one authorized to sign and/or cancel contracts

- Cancellation fees are significant (January-February meetings range from $50,000 to $190,000) – and if we do things that put the contracts at risk, we may have to pay them

- These slides are examples of the Annual Meeting decision-making

Annual Meeting: Possible Scenarios

- It matters *who* cancels: the AAA or the Hotels

- It matters *when* the cancellation occurs: Now through Aug

- If we hold the meeting, how many attend?

Annual Meeting: Possible Scenarios

- It matter *who* cancels: Us or the Hotels

- It matters *when* the cancellation occurs: Now through Aug

- If we hold the meeting, how many attend?

1. Best Case	2. Worst Case	3. Somewhere in between	4. Somewhere in between

Annual Meeting: Possible Scenarios

- It matter *who* cancels: Us or the Hotels

- It matters *when* the cancellation occurs: Now through Aug

- If we hold the meeting, how many attend?

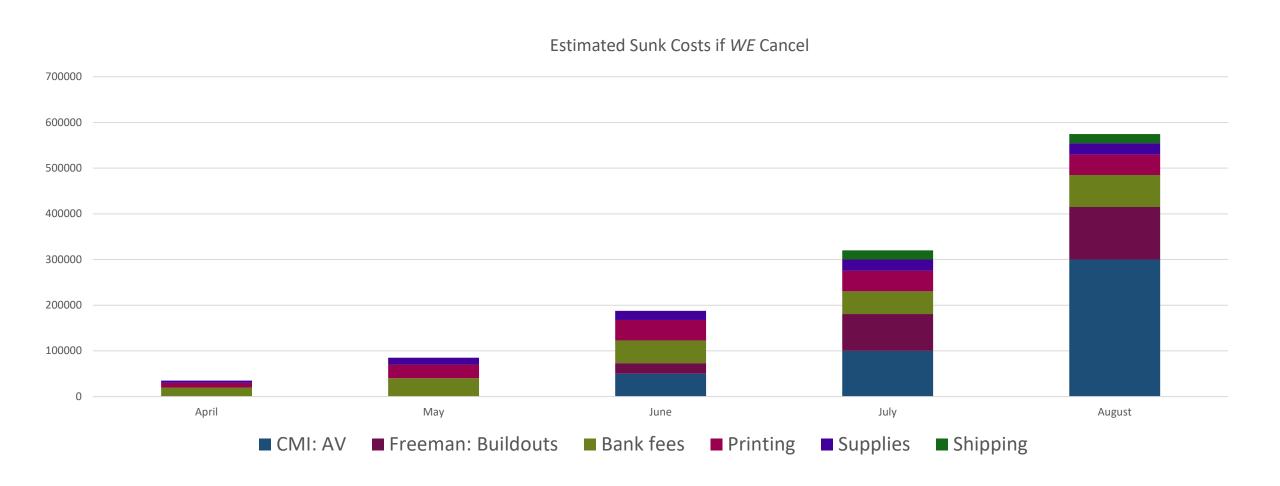| We hold the meeting	*We* cancel the meeting	We hold the meeting, and it's much smaller	*The hotel* cancels the meeting

Annual Meeting: Forecast sunk costs if *we* cancel

Estimated Sunk Costs if *WE* Cancel

Legend: CMI: AV, Freeman: Buildouts, Bank fees, Printing, Supplies, Shipping

Annual Meeting: Combined Costs, over time, if *we* cancel

Cost Estimates if *WE* cancel

Cancellation fees are nearly $1.5MM

Legend:
- Hotel (Marriott + Hilton)
- AV: (CMI)
- Build outs (Freeman)
- Speakers
- Photographer
- CMI: AV
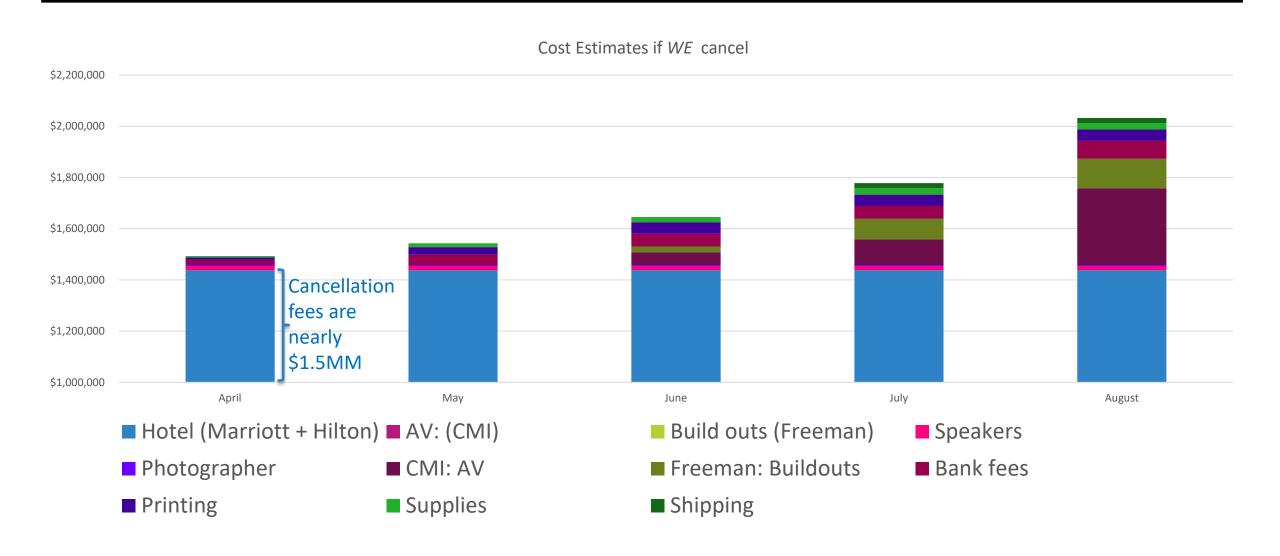- Freeman: Buildouts
- Bank fees
- Printing
- Supplies
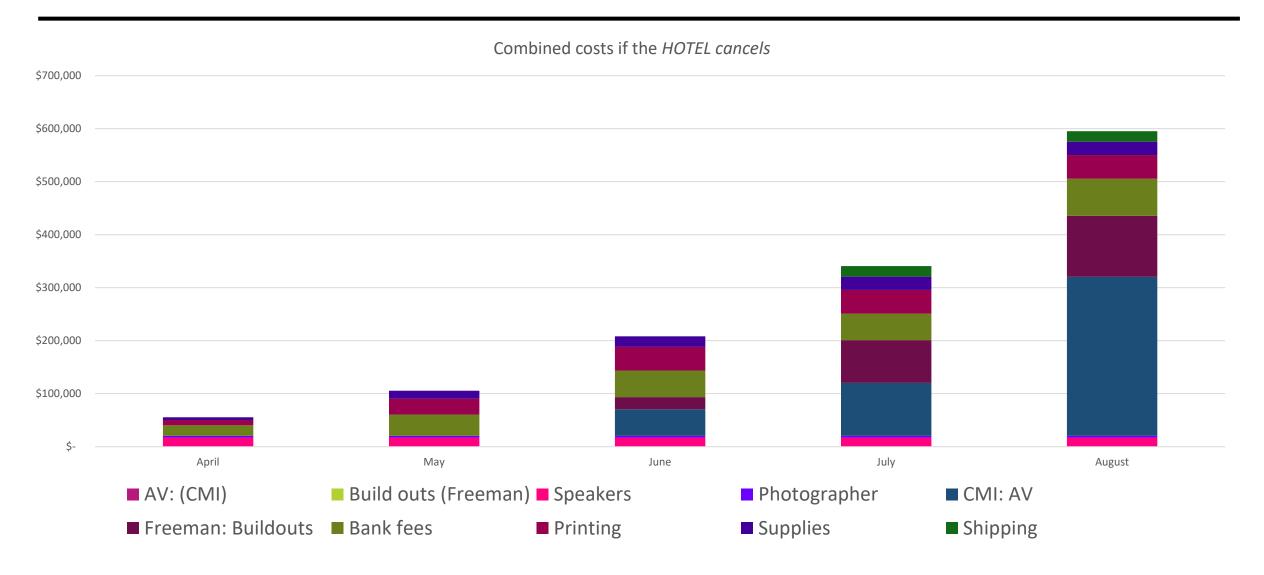- Shipping

Annual Meeting: Combined Costs if the *HOTEL* cancels

Combined costs if the *HOTEL cancels*

The Board recognized that, although we wanted to cancel - and thought it would be cancelled –

Until cancellation at the lowest cost was accomplished, we had to go forward as if we would hold the meeting.

What you *can* say…

- We hope we can meet in person, and at the same time we are planning for contingencies in case that isn't possible.

- In any case, you will have the opportunity to make your presentation, even if you aren't able to attend in person.

- Calls for submissions can go out with these statements
  - We can circulate language

- What will that look like?
  - We will have a virtual component
    - We will learn a lot with the Annual Meeting about the Annual Meeting platform
    - After that, we will be able to further benchmark and explore alternatives

Segment Leader Workshop Update

Wrap Up