Finances of the Institute

As many of you know, AIP was founded by five of the now ten Member Societies for "the advancement and diffusion of the knowledge of the science of physics and its applications to human welfare" (see history of AIP). AIP delivers a variety of services and programs to its Member Societies, the scientific community and the public. These activities require and depend on adequate financial resources. Each fall we present the budget for the next year to our Executive Committee and Governing Board for their review and approval.

Last Friday, November 2, the Board approved the Institute's budget for 2008. I am also pleased to report that the financial health of the Institute is sound. Two basic directives from our Governing Board guide much of AIP's financial model. Firstly, AIP management is tasked with presenting an annual operating budget that is near breakeven with respect to balancing revenues vs. expenditures (within plus or minus $1M on a base budget of approximately $70M). Secondly, in support of the operating budget, AIP can withdraw between 3% and 5% of its endowment (the "segregated reserves") on an annual basis. The two guidelines have served the Institute well over the last decade: the services and programs of AIP have grown at prudent rates above inflation, as have the reserves.

Why does a non-profit organization need a significant reserve fund? Primary reasons are to provide financial stability against unforeseen emergencies and to provide resources for major upgrades of infrastructure. Again, we have relied on guidance from the Board and professional investment advisors for establishing the size of the reserves and to maintain a solid growth rate of our reserves above inflation. The Board has dictated that the minimum level of the reserves be equal to one year's operating expenses plus long-term liabilities and obligations. Adherence to these guidelines along with prudent management has allowed our reserves to grow to approximately 95% of this target. The Board also directed that, once this minimum objective is reached, the reserves be allowed to continue to grow so that the annual withdrawal of 3 - 5% becomes a significant source of income, allowing AIP to expand its services and programs.

Given the positive track record of the above financial model and Board guidelines, I intend to maintain these budgeting tenets so AIP remains fiscally sound and continues to grow services to our Member Societies and other customers. Maintaining this course is particularly prudent for the foreseeable future because of the volatility of the global economy and the continued rapid evolution of the publishing business.

Sincerely yours,

Fred

PXP users meet in Melville

Editorial staff from both Society and AIP journals attended the second annual Peer X-Press (PXP) Users Group meeting in Melville on October 19. Kicked off by a collegial dinner on the preceding evening, this day-long meeting focused on editorial support staff users, giving them an opportunity to share best practices. The PXP team, led by Manager Stuart Wortzman, presented recommendations for effective management of user accounts and email, and previewed features available in the next version of PXP. During breakout sessions, participants shared experiences and valuable advice. Through the newly developed PXP support website, the PXP team is looking forward to
International researchers in the NBL&A

The Niels Bohr Library & Archives (NBL&A) holds thousands of books, oral history interviews, and archival letters and other personal papers that cannot be found anywhere else. Researchers often spend days or even weeks at a time in the Library. October is usually the beginning of our busy season, and this past month we've had a larger number of researchers from abroad than usual, including historians from China, Germany, Brazil, France, and two from Denmark, as well as from universities around the United States. Materials from our archives are used in countless articles, books and media productions.

Toni Sauncy named SPS Outstanding Chapter Advisor

"I cannot think of any educator I have encountered who has worked harder or spent more time genuinely pursuing her students' success." This is what Andy Russell had to say about his SPS Advisor, Toni Sauncy, Associate Professor of Physics at Angelo State University (ASU), San Angelo, TX. Sauncy (pictured with students) has been honored as the 2007 SPS Outstanding Chapter Advisor, an award consisting of a plaque and a $5,000 prize, with $3,000 going to Sauncy and $1,000 going to the ASU physics department and the ASU SPS chapter. College of Science Dean David Loyd says, "Dr. Sauncy is a truly outstanding faculty member, who through her dedication as mentor, and especially as the SPS advisor, has made a tremendous difference in the lives of physics students at ASU." You may not know that Warren Hein (on leave from AAPT) was the very first recipient of this award when he was SPS Advisor at South Dakota State University.

Milestones

AIP held Milestone Luncheons in College Park and in Melville to recognize employees that have been with us for a long time. This year alone, there are 80 such employees at AIP. And, in recent years, some individuals have received awards for reaching 30, 35 and even 40 years of service. The average tenure for AIP employees is 17 years, a statistic emphasized by Fred Dylla at the luncheons. While these luncheons are an annual expression of thanks to these particular employees for their dedication, the thanks extends to all Institute staff for the hard work they do every day to fulfill AIP's mission.

The Physicists

The University of Maryland's Department of Theatre presents The Physicists, "a murder mystery with bizarre humor and wacky situations questioning whether man can be trusted with destructive knowledge." Shows run through November 11. After yesterday's performance (Nov. 4), AIP's Bert Schwarzchild and Phil Schewe helped lead a panel discussion fielding questions on issues raised by the play. See the UMD Website for more details.

We invite your feedback to this newsletter via email to aipmatters@aip.org.

For past issues of this newsletter, visit the AIP Matters archives.