

Society of Systematic Biologists, January 2017 Council Meeting
Treasurer's Report, submitted by Casey Dunn

As discussed last summer, the Treasurer Report for the winter meetings will be provisional and slightly abbreviated. It is not possible for the CPA to prepare a complete picture of our finances of the previous year so soon after it ends, as he doesn't receive key documents until February or March.

State of SSB finances

Item	2016	2015
Income - Membership Dues	\$36,523.00	\$36,236.00
Income - Royalties	\$130,275.00	\$138,214.51
Income - Other	\$342.70	\$1,395.00
Income - Total Ordinary	\$167,140.70	\$175,845.51
Expenses - Total	\$103,140.60	\$84,762.35
Net Ordinary Income	\$64,000.10	\$91,083.54
Income - Investment	\$64,585.41	\$12.87
Net Income	\$128,585.51	\$91,096.41

Table 1. Comparison of 2015 and provisional 2016 financial summaries. Net Ordinary Income is the sum of ordinary (non investment) income minus expenses.

Ordinary Income

Our ordinary Income for 2016 is estimated to be \$167k, a bit less than our 2015 income of \$176k. Our ordinary income is largely driven by two numbers - membership dues and royalty income. Our membership dues are up slightly, breaking the trend of year on year declines we've seen recently. Our royalty income, however, is projected to be down by about \$8k.

Expenses

Our expenses are up by about \$19k. This is mostly due to \$3900 spent on membership and dues in 2016 relative to \$0 in 2015, and an increase of about \$10k in reimbursements. Award expenses were flat at \$39k.

Investment Income

Investment income for both 2015 and 2016 were deposited in 2016, leading to a large discrepancy between years for clerical reasons.

Balances

Our checking account balance on Dec 31, 2016 was \$190,187.85, compared to \$63,627.46 a year before. These numbers do not reflect encumbrances. Differences in the time that charges and deposits hit the account mean that comparisons on the same date across years are not necessarily equivalent.

General operation

Rob Clayton is continuing as SSB's contracted CPA; we pay him \$9,000 per year.

Topics to discuss as a group

1. One of my primary current concerns is security. We were subject to a spear phishing attack, where someone impersonated Anne in attempt for me to wire money to an account. We caught it because the reply-to address was different than the sent-by address, the request was atypical, and we have procedures in place for making payments that this request did not conform to. I anticipate that cyber attacks like this will become more common. This raises several issues:

- We all need to be vigilant, especially when it comes to finance related correspondences. Always check that the reply-to email address is a known address. If it is not, contact the correspondent through a known channel (eg, phone, a previously used address) to verify the authenticity of the note. Keep in mind that people may be poking around for seemingly innocuous information that would help them impersonate someone else in the organization.
- We all need to follow established protocol, even for transactions that seem routine (everyone has been great in this regard).
- We may want to make it easier to quickly verify the authenticity of correspondences. It is very easy to spoof @gmail.com addresses by making minor variants to the local part

(the portion before @) that look familiar at first glance. It would be harder to spoof domain names that are consistent across the group. We may want to register a domain with <https://gsuite.google.com/> , for example, to create officer accounts under a single domain name.

- We should consider whether we want to publicly post the full treasurer reports, as some of the information could be used to facilitate an attack.

2. Over the past year, my main goal has been to develop routine procedures for routine transactions. The goals are to simplify transactions, save time, and make it easier to spot fraud. Are the procedures working well? Are there suggested changes or additions?