

Once Again: The Financial Situation of the EPS

Executive Committee proposes increase in unit fee

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We have already reported in Europhysics News on the development of the EPS with respect to its financial resources (see for example No. 8, March 1970). The situation has been, and remains, unsatisfactory. For 1969 about forty per cent of the budget remained uncovered. A detailed account of the 1969 development and the outlook for 1970 follows below.

The reasons for the present deficit are well known :

(a) The growth of Individual Ordinary Membership has remained far below expectation ; (b) the EPS does not possess working capital to bridge the gap between income and expenditure during the initial build-up of activities, yet these activities must be sustained if there is to be a development at all.

We recall that the guidelines for reaching a solvent situation have always been that one third of the budget should be covered by membership fees from National Societies and Academies, one third by membership fees from Individual Ordinary Members and one third by donations, gifts and Associate Membership fees. At present, this implies an income of the order of 100 000 Sw. frs per year from each of the three categories. We are still far from this goal as regards Individual Ordinary Membership. The actual number of Individual Ordinary Members is about 840, which number must increase by a factor of six if we are to secure sufficient income from this category.

By the time of the Paris meeting of Council (February 1970) it had become clear that it would be unrealistic to rely on a very steep increase in the number of Individual Ordinary Members for the near future (though it is gratifying to observe that there has been a considerable increase in membership since February, thanks in particular to direct appeals by some of our National Societies to their members, urging them to become Individual Ordinary Members of the EPS). The development of Individual Ordinary Membership is presented graphically in the figure below.

Associate Membership is in steady development and we expect an income close to what has been projected for

this category by the end of this year. In Paris, Council recommended that the National Societies take an active part in promoting Associate Membership of the EPS.

Also, following a recommendation adopted by Council in Paris, a number of National Societies have contributed to this year's funds through a prepayment of membership fees. This has helped to alleviate the pressure somewhat.

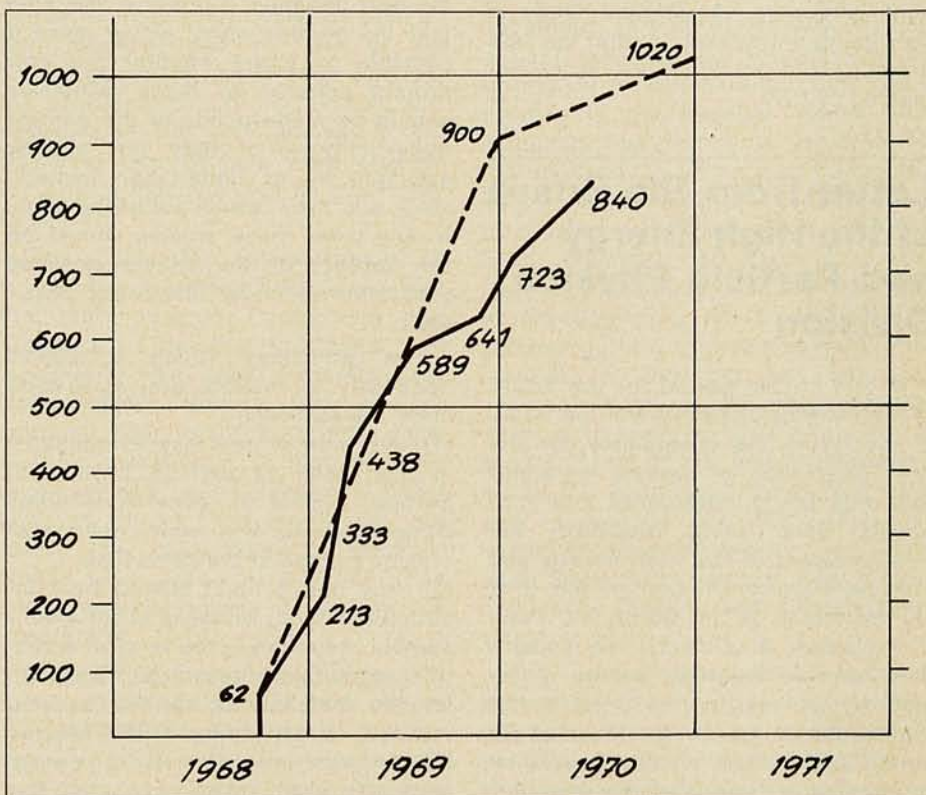
Yet, in spite of strenuous efforts by the Executive Committee and the Main Secretariat to reduce expenses to an absolute minimum, there is still a gap between income and expenditure. At the Paris meeting, the Executive Committee was charged with the task of preparing further steps to achieve a healthier financial situation. The Executive Committee analysed the problem again at its meeting in Geneva on 19 May.

On the one hand, the Executive Com-

mittee is well aware of the necessity not to engage in any new ventures involving financial risks at present, however desirable they might be to promote the cause of the EPS. This awareness laid the ground for the conclusion reached on 20 May in a joint session of the EPS Bulletin Committee with members of the Executive Committee, that the Society is not in a position to envisage the launching of a major periodical replacing Europhysics News.

On the other hand, it has become clear to the Executive Committee that the only way to secure additional income urgently lies in an increase in the value of the unit fee of membership. The present unit fee is set at 4.50 Sw. frs per year (By-laws Rule 33 Footnote). Individual Ordinary Members category 4a of the Constitution pay sixteen units per year, those of category 4c four units per year, whereas membership fees of National Societies, Academies, Groups and Labo-

Development of Individual Ordinary Membership
— Individual Ordinary Members categories 4a and 4c
- - - Budget estimates for 1969 and 1970



BALANCE 1969; BUDGET AND OUTLOOK 1970

(all amounts are given in Swiss francs)

	Balance 1969		Budget and Outlook 1970	
	Budget	Profit and Loss	Budget	Expected
INCOME				
Indiv. Ord. Members { cat. 4a)	7 200	3 340	8 640	6 100
{ cat. 4c)	12 960	10 466	16 200	14 400
Members cat. 4b) (Nat. Soc., etc.)	74 900	87 964	95 000	89 000
Sub-total Fees from Ordinary Members	95 060	101 770	119 840	109 500
Associate Members	—	20 000	55 000	30 000
Fundraising	—	—	30 000	—
Gifts/Donations	30 000	21 214	28 000	40 000
Bank Interest	340	260	—	—
Total Income	125 400	143 244	232 840	179 500
EXPENDITURE *				
Meetings Executive Committee & Council	50 000	50 000	54 000	54 000
Advisory Committees	65 000	60 000	78 000	78 000
Divisions	10 000	5 000	20 000	20 000
General Correspondence, Accounting, Administration of all Membership Categories, EPS Booklets	95 410	79 097	106 100	106 100
Fundraising	—	—	12 000	—
Contingencies	2 425	—	3 000	—
	222 835	194 097	273 100	258 100
Europhysics News	20 565	16 983	31 000	31 000
Travel/Living Expenses Committees	9 000	3 932	9 000	9 000
Florence Inaugural Conference	—	34 119	—	—
Total Expenditure	252 400	249 131	313 100	298 100
DEFICIT	127 000	105 887	80 260	118 600

* The EPS Secretariat staff at present consists of 6 persons. The above amounts comprise 65 to 75 % of salaries including social charges, 35 to 25 % of expenses for telephone-postage-stationery-duplication-office equipment-charges-staff travel. Office space is offered free of charge by the Institut Battelle, Geneva.

ratories category 4b are determined according to a sliding-scale law (By-laws Rule 35). These rules were formulated some time ago: they were drafted by the Steering Committee during its meeting in London in May 1967 when a realistic appraisal of the funds required for the development of the future European Physical Society was not possible. Nevertheless, the rules provided a basis from which further planning could depart with the collaboration of a large number of National Societies and Academies.

In January 1968, at the meeting of the Steering Committee in Geneva, it became clear that the solvency of the Society, on the basis of the existing membership rules, could only be attained if the number of Individual Ordinary Members exceeded 5000. Now, three years after the London meeting, the Executive Committee judges that it must propose to the Council a doubling of the unit fee as of 1 January 1971. This will mean, if the Council accepts the proposal, that membership fees for all categories for 1971 will be based on a value of 9 Sw. frs as the unit fee. The number of unit fees due from the different categories of member is proposed to remain unchanged, with one exception: Individual Ordinary Members category 4a would pay 8 units at 9 Sw. frs instead of 16 units at 4.50 Sw. frs. In other words, membership fees for this category would remain unchanged at 72 Sw. frs per year.

The proposed new annual fees (as of 1 January 1971) are thus:
 Individual Ordinary Members category 4a: 72 Sw. frs;
 Ordinary Members category 4b: same number of units as before (sliding scale, Rules 35b of By-laws) but now at 9 Sw. frs per unit;
 Individual Ordinary Members category 4c: 36 Sw. frs.

In accordance with Rule 34 of the By-laws, a letter has been sent by the President to all Ordinary Members on 1 June, announcing the proposed changes. Since the Members must have a period of at least six months to consider such proposals, a decision cannot be taken by Council before December 1970. The

1970 membership fees due from Members following Article 4b) of the Constitution

		Number of Society Members on 1.1.1970	Number of Units payable	Amount of fee to EPS (Sw. frs)
Ampère Group	Switzerland	375	375	1 687.50
Austrian Physical Society	Austria	419	419	1 885.50
Belgian Physical Society	Belgium	230	230	1 035.—
Bulgarian Academy of Sciences	Bulgaria	102	102	459.—
Department of General Physics and Astronomy of the USSR Academy of Sciences	USSR	2 000	1 450	6 525.—
Eötvös Lorand Physical Society	Hungary	525	517.50	2 328.75
Finnish Physical Society	Finland	604	572.80	2 577.60
French Physical Society	France	2 400	1 648.50	7 418.25
German Physical Society	Federal Rep. Germany	6 400	3 510	15 795.—
The Institute of Physics and The Physical Society	UK	14 000	4 950	22 275.—
Institute "Ruder Boskovic"	Yugoslavia	60	60	270.—
Israel Physical Society	Israel	197	197	886.50
Italian Physical Society	Italy	1 173	953.80	4 292.10
The Netherlands' Physical Society	Netherlands	2 157	1 528.50	6 878.25
Norwegian Physical Society	Norway	507	504.90	2 272.05
Physical Section, Union of Czechoslovak Mathematicians and Physicists	Czechoslovakia	380	380	1 710.—
Physical Section of the Yugoslav Association of Mathematicians, Physicists and Astronomers	Yugoslavia	200*	200*	900.—*
Portuguese Physics and Chemistry Society	Portugal	200	200	900.—
Rumanian National Committee for Pure and Applied Physics	Rumania	300	300	1 350.—
Royal Irish Academy	Ireland	64	64	288.—
Spanish Royal Society of Physics and Chemistry	Spain	200*	200*	900.—*
Swedish Physical Society	Sweden	500*	500*	2 250.—*
Swiss Physical Society	Switzerland	860	752	3 384.—
Turkish Physical Society	Turkey	160	160	720.—
1970 Total				88 987.50

* Figures not yet confirmed.