

**Treasurer's Report**  
**Paul W. Zitzewitz, Treasurer**  
**December, 2012**

Your Association continues to make considerable progress in balancing income and expenditures. We had a net profit last year and expect to do the same this year.

As a reminder, here is what the AAPT does:

- 1) Communications. The AAPT publishes *The Physics Teacher*, the *American Journal of Physics*, the *eNNOUNCER*, the *Physics Educator*, and maintains a website, facebook, and twitter presence.
- 2) Meetings. It organizes two major meetings each year.
- 3) Grants. It provides financial and administrative services to members for grants. Twelve grants are now being served, ranging from ComPADRE to the 4<sup>th</sup> International Conference on Women in Physics, to the ALPhA Immersions and Beyond the First Year Laboratory workshops, as well as separate workshops for new four-year college/university faculty members, for new two-year college faculty members, and for faculty experiences in STEM disciplines.
- 4) Programs. It sponsors the US Physics Team, Physics Bowl, Rocketry Challenge, Photo Contest, eMentoring, and the Apparatus Competition.

What is the source of the money to support these activities?

The two major sources are membership dues and journal subscriptions. Your membership dues pay the salaries of the professionals at the Executive Office in the American Center for Physics who so ably make the organization run. Journals are supported by memberships dues and subscriptions from libraries and consortia.

The structure of membership dues changed in 2011 and now all are at the new rates. All members pay dues for membership and fees for receiving *Physics Today* and online subscriptions for both *The Physics Teacher* and the *American Journal of Physics*. Those who wish print copies of either or both journals pay additional amounts. The membership dues are different for pre-college teachers from those in college, university, or industrial institutions. Retired and emeritus members receive discounts for membership dues but not for journal subscriptions. These changes better matched income and expenditures in 2012.

While much of the cost of the annual meetings is covered by registration fees and fees paid by exhibitors, the costs of these meetings exceeded income for many years, but during the past two years the meetings have come close to breaking even.

The Association charges overhead costs to grants in order to pay for the time spent by office members who perform services for the grants.

Some programs such as the Physics Bowl, Olympiad, and Photo Contest, receive support from other organizations and grants, but the Association pays most of the costs of the programs.

The Board and Executive Office have worked hard to increase membership. Several programs have been tried to recruit new members, to retain present members, and to recover those who have dropped membership. We are continuing those that have been successful, but membership, especially of high-school teachers continues to drop. Because of financial conditions, many libraries have canceled their subscriptions or joined consortia, reducing this revenue stream, but we have seen growth in the past year.

Through the year 2010 the Association's operating budget was in the red. Membership dues and library subscriptions were not sufficient to pay for the costs of the activities the Association provides for its members. For several years income and capital gains from its reserve funds had been sufficient to cover the deficits, but in recent years the decline in the market meant that we could not continue to withdraw funds from the reserves without endangering our future. In 2009 we withdrew \$700,000 to cover the cash-flow needs and deficits in the operations budget. In 2010 we withdrew \$550,000. In 2011 we withdrew

\$300,000 for cash-flow needs but in January 2012 we returned the \$300,000 to the reserves. We hope to transfer \$100,000 to short-term reserves next year.

The Board adopted a balanced 2013 budget. It includes minimal raises for members of the Executive Office. The spring and fall Board meetings continue to use WebEx. The Associate Executive Officer is making contributions in a variety of areas. We are working with the American Center for Physics and other organizations in the Center to further reduce technology costs.

The three awards for excellence in teaching: pre-college, undergraduate, and graduate are partially funded from endowments. A transfer from the Dodge Fund has partially endowed the Millikan, Klopsteg, Richtmeyer, and Oersted awards. As a result, the about half the costs of these awards are no longer be charged to the operations budget.

The Executive Board and Office are grateful for the support in time and contributions that our loyal members provide the Association.

Abbreviated draft financial statements for the operations budget for the year-to date as of November 30, 2012:

<b>Balance Sheet</b>		<b>Income Statement</b>	
Assets	\$5,105,055	Total Income	\$5,104,808
Liabilities	\$2,199,358	Total Expenses	\$4,320,787
Net Assets	\$2,905,697	Net Income	\$784,021

Excluding awards and restricted contributions reduces the net income to \$596,341. The budget had anticipated a balance of \$368k. Expenses came \$416k over budget, while income was \$784k over budget.

Summary of long-term and short-term reserves as of November 30, 2012. Note that these reserves are included in the assets listed above.

Designated Funds	}	Long-term reserves	\$1,575,793
		Short-term reserves	\$542,745
Undesignated Funds		Long-term reserves	\$1,752,999

Details of investments in TIAA-CREF accounts

<b>Fund Name</b>	<b>Value</b>	<b>Percent</b>
TIAA-CREF S&P 500 Index	\$1,012,499	30.44%
TIAA-CREF International Equity	\$229,639	6.90%
Cohen & Steers Realty Income	\$134,059	4.03%
TIAA-CREF Small-Cap Equity	\$192,474	5.79%
DFA Emerging Markets Portfolio	\$96,592	2.90%
Harbor International	\$211,873	6.37%
Vanguard Mid-Cap Growth	\$155,169	4.67%
TIAA-CREF Mid-Cap Value	\$266,943	8.02%
<b>Total Equity Funds</b>	<b>\$2,299,247</b>	<b>69.11%</b>
TIAA-CREF Bond Fund	\$422,237	12.69%
TIAA-CREF Inflation-Linked	\$172,188	5.18%
Vanguard Short Term Index	\$219,126	6.59%
TIAA-CREF High-Yield	\$160,963	4.84%
<b>Total Fixed-Income Funds</b>	<b>\$974,514</b>	<b>29.29%</b>
Goldman Sachs Cash	\$53,024	1.59%
<b>Total Long-Term Reserves</b>	<b>\$3,326,859</b>	<b>100.00%</b>
Goldman Sachs Cash	\$158,569	29.25%
TIAA-CREF Short-term Bond TISIX	\$373,634	70.76%
<b>Total Short-term Reserves</b>	<b>\$542,203</b>	<b>100.00%</b>
<b>Grand Total</b>	<b>\$3,869,062</b>	

Committee reports:

Venture: The ALPhA third round program that provides \$75,000 to purchase sets of single-photon detectors is almost complete with only one set reserved but not paid for.

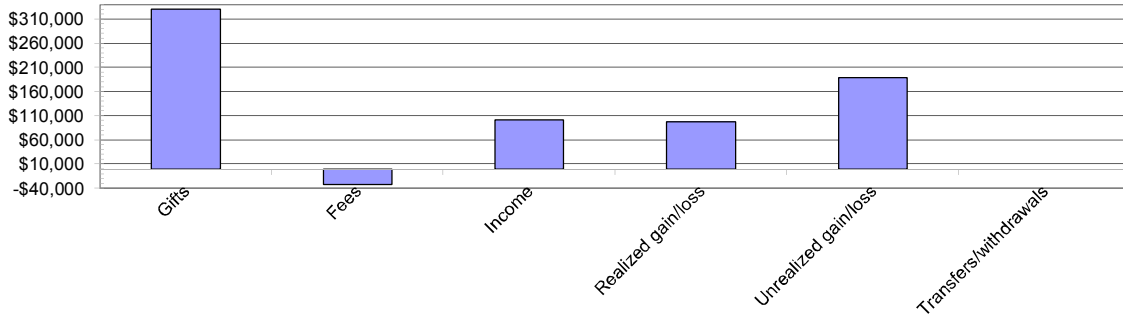
Bauder Fund: Requests at this meeting exceed budget available for the first time in several years. Information on the fund was enclosed in each registration packet and one poster summarizes results of projects whose directors could not attend the meeting.

Finance Committee: Has not met since October.

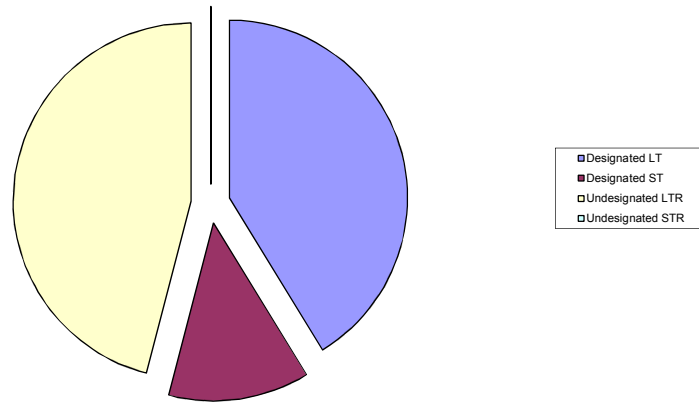
**Total Value: LT+ST Investment Funds**



**Changes in 2011-12**



**30 November 2012**



**Undesignated Long-term and Short-term Reserves**

	2008	2009	2010	2011	2012
31-Dec	\$4,670,360	\$2,369,046	\$2,150,041	\$1,463,802	\$1,281,572
31-Jan	\$4,482,315	\$2,060,586	\$2,147,566	\$1,484,393	\$1,643,841
28-Feb	\$4,406,397	\$2,099,795	\$2,145,231	\$1,521,748	\$1,689,874
31-Mar	\$4,097,693	\$2,190,919	\$2,259,210	\$1,556,739	\$1,715,767
30-Apr	\$4,018,208	\$2,393,087	\$1,909,805	\$1,609,084	\$1,712,422
31-May	\$4,054,624	\$2,393,669	\$1,796,817	\$1,596,112	\$1,627,181
30-Jun	\$3,810,820	\$2,391,369	\$1,745,251	\$1,571,347	\$1,673,932
31-Jul	\$3,680,061	\$2,237,269	\$1,841,128	\$1,558,304	\$1,691,161
31-Aug	\$3,710,582	\$2,319,569	\$1,454,433	\$1,478,373	\$1,717,342
30-Sep	\$3,229,664	\$2,414,059	\$1,556,140	\$1,377,123	\$1,748,753
31-Oct	\$2,752,320	\$2,013,309	\$1,406,681	\$1,590,507	\$1,737,489
30-Nov	\$2,470,289	\$2,098,517	\$1,405,732	\$1,274,451	\$1,752,999
31-Dec	\$2,369,046	\$2,150,041	\$1,463,802	\$1,281,572	

Totals		11/30/2012	10/31/2012	9/30/2012	8/31/2012	7/31/2012	6/30/12	05/31/12	04/30/12	3/31/2012	2/29/2012	1/31/2012	12/31/2011	11/30/2011	10/31/11	09/30/11	8/31/2011	7/31/2011	6/30/2011	5/31/2011	4/30/2011	3/31/2011	2/28/2011	1/31/2011			
Annual Award	S-T																										
Bauder	L-T	\$332,423	\$329,224	\$331,095	\$324,895	\$319,694	\$316,190	\$307,124	\$322,945	\$330,635	\$325,146	\$316,289	\$304,102	\$302,152	\$305,667	\$284,362	\$305,004	\$321,224	\$323,653	\$328,489	\$330,893	\$319,885	\$321,220	\$313,094			
CompPADRE Continuation	L-T	\$225,214	\$224,932	\$224,642	\$224,245	\$223,840	\$222,829	\$222,533	\$222,505																		
Corporate Sponsorship	L-T	\$4,937	\$4,890	\$4,918	\$4,826	\$4,748	\$4,696	\$4,797		\$404	\$397	\$386	\$371	\$369	\$373	\$344	\$369	\$388	\$391	\$397	\$400	\$387	\$9,744	\$9,498			
Dodge	L-T	\$92,399	\$81,806	\$92,070	\$80,593	\$79,244	\$78,376	\$76,128	\$80,050	\$80,544	\$79,207	\$77,049	\$74,081	\$73,806	\$74,462	\$69,618	\$73,689	\$77,513	\$78,099	\$79,266	\$79,847	\$77,190	\$329,231	\$320,902			
Exc. Pre-College Award	L-T	\$95,181	\$94,265	\$94,801	\$93,026	\$91,636	\$90,533	\$87,937	\$92,467	\$92,956	\$91,413	\$88,923	\$85,496	\$84,948	\$85,936	\$82,107	\$88,067	\$92,751	\$93,452	\$94,848	\$95,543	\$92,364	\$95,743	\$93,321			
Exc. Undergrad Award	L-T	\$67,080	\$66,434	\$66,812	\$65,561	\$64,511	\$63,804	\$61,974	\$65,167	\$61,909	\$60,882	\$59,223	\$56,941	\$56,576	\$57,234	\$55,478	\$59,505	\$62,669	\$63,143	\$64,086	\$64,556	\$62,408	\$58,706	\$7,220			
Fuller	L-T	\$39,667	\$38,691	\$38,911	\$38,183	\$37,572	\$37,160	\$36,094	\$37,954	\$37,423	\$36,802	\$35,799	\$34,420	\$34,199	\$34,597	\$31,672	\$33,971	\$35,778	\$36,048	\$36,587	\$36,854	\$35,628	\$34,837	\$33,956			
J.D. Jackson Award	L-T	\$49,311	\$48,836	\$49,114	\$48,194	\$47,423	\$46,903	\$45,558	\$47,905	\$46,407	\$45,637	\$44,394	\$42,683	\$42,409	\$42,903	\$38,125	\$40,892	\$43,067	\$43,392	\$44,041	\$44,363	\$42,887	\$37,252	\$36,309			
Josem Memorial Fund	L-T	\$17,000	\$16,836	\$16,932	\$16,615	\$16,349	\$16,169	\$15,706	\$16,515	\$8,329	\$8,190	\$7,967	\$7,660	\$7,611	\$7,700	\$6,182	\$6,631	\$6,984	\$7,037	\$7,142	\$7,194	\$6,955					
Kloppsteg	L-T	\$56,906	\$56,359	\$56,679	\$55,618	\$54,727	\$54,127	\$52,575	\$55,284	\$59,008	\$58,028	\$56,448	\$54,273	\$53,925	\$54,552	\$54,062	\$57,986	\$61,070	\$61,532	\$62,451	\$62,908	\$60,815	\$636	\$620			
Lotze	L-T	\$396,799	\$392,981	\$395,214	\$387,814	\$381,605	\$377,423	\$366,601	\$385,486	\$385,936	\$379,530	\$369,191	\$354,966	\$352,689	\$356,792	\$328,842	\$352,713	\$371,470	\$374,279	\$379,871	\$382,652	\$369,922	\$372,833	\$363,401			
Melba Phillips Award	L-T	\$10,759	\$10,655	\$10,716	\$10,515	\$10,347	\$10,233	\$9,940	\$10,452	\$10,364	\$10,192	\$9,914	\$9,532	\$9,471	\$9,581	\$9,140	\$9,803	\$10,324	\$10,402	\$10,558	\$10,635	\$10,281	\$10,251	\$9,992			
Member Sponsorship	L-T	\$4,299	\$4,258	\$4,282	\$4,202	\$4,134	\$4,089	\$3,972	\$4,176	\$3,858	\$3,794	\$3,690	\$3,548	\$3,525	\$3,566	\$3,293	\$3,532	\$3,719	\$3,748	\$3,804	\$3,831	\$3,704	\$5,294	\$5,160			
Memorial Fund	L-T	\$7,633	\$7,560	\$7,603	\$7,460	\$7,341	\$7,260	\$7,052	\$7,416	\$6,397	\$6,291	\$6,120	\$5,884	\$5,846	\$5,914	\$5,400	\$5,792	\$6,100	\$6,146	\$6,238	\$6,284	\$6,075	\$4,932	\$4,807			
Millikan Award	L-T	\$60,943	\$60,356	\$60,699	\$59,563	\$58,609	\$57,967	\$56,305	\$59,205	\$59,260	\$58,276	\$56,689	\$54,505	\$54,155	\$54,785	\$54,062	\$57,986	\$61,070	\$61,532	\$62,451	\$62,908	\$60,815	\$636	\$620			
New Teacher Fund	L-T	\$14,370	\$14,232	\$14,312	\$14,044	\$13,820	\$13,668	\$13,276	\$13,960	\$6,907	\$6,792	\$6,607	\$6,353	\$6,312	\$6,385	\$4,993	\$5,366	\$5,641	\$5,683	\$5,768	\$5,810	\$5,617	\$1,769	\$1,724			
Oersted Award	L-T	\$60,252	\$59,672	\$60,011	\$58,888	\$57,945	\$57,310	\$55,667	\$58,534	\$61,377	\$60,359	\$58,714	\$56,452	\$56,090	\$56,743	\$58,475	\$62,719	\$66,055	\$66,554	\$67,548	\$68,043	\$65,779	\$5,247	\$5,114			
PER	S-T	\$113,481	\$113,339	\$113,193	\$112,993	\$112,789	\$112,280	\$112,130	\$112,116	\$107,123	\$107,016	\$106,833	\$106,088	\$105,806	\$106,084	\$101,422	\$101,770	\$101,759	\$101,242	\$101,369	\$100,912	\$100,322	\$89,774	\$89,823			
Phys Undergrad Ed Fund	L-T	\$6,807	\$6,741	\$6,780	\$6,653	\$6,546	\$6,475	\$6,289	\$6,213	\$6,893	\$6,745	\$6,507	\$6,279	\$6,127	\$6,221	\$7,096	\$7,611	\$8,016	\$8,076	\$8,197	\$8,257	\$7,982	\$9,391	\$9,153			
Betty Preece Sees Memorial Fund	L-T	\$4,200	\$4,239	\$4,263	\$4,193	\$4,116	\$4,071	\$3,954	\$4,158	\$3,478	\$3,420	\$3,327	\$3,199	\$3,178	\$3,215	\$2,002	\$2,147	\$2,261	\$2,278	\$2,312	\$2,329	\$2,252	\$945	\$921			
PTRA Continuation	S-T	\$200,215	\$199,964	\$199,706	\$199,354	\$198,994	\$198,095	\$197,832	\$197,807	\$219,552	\$219,334	\$218,957	\$217,431	\$216,853	\$217,423	\$293,425	\$294,433	\$294,400	\$292,905	\$293,273	\$291,950	\$290,244	\$321,757	\$321,934			
Richtmyer Mem Awarc	L-T	\$64,259	\$63,641	\$64,003	\$62,804	\$61,799	\$61,121	\$59,369	\$62,427	\$62,250	\$61,216	\$59,549	\$57,254	\$56,887	\$57,549	\$53,359	\$57,233	\$60,277	\$60,732	\$61,640	\$62,091	\$60,025	\$636	\$620			
Rossing Fund	L-T	\$37,771	\$37,408	\$37,620	\$36,916	\$36,325	\$35,927	\$34,897	\$36,694	\$36,737	\$36,127	\$35,143	\$33,789	\$33,573	\$33,963	\$31,298	\$33,570	\$35,355	\$35,622	\$36,154	\$36,419	\$35,207	\$35,104	\$34,216			
Special Projects	S-T	\$3,835	\$3,830	\$3,825	\$3,819	\$3,812	\$3,794	\$3,789	\$3,789	\$3,421	\$3,418	\$3,412	\$3,388	\$3,379	\$3,388	\$3,332	\$3,343	\$3,343	\$3,343	\$3,326	\$3,330	\$3,315	\$3,296	\$2,508	\$2,509		
Student Fund	L-T	\$5,814	\$5,759	\$5,791	\$5,683	\$5,592	\$5,531	\$5,372	\$5,649	\$4,89	\$4,81	\$4,68	\$4,50	\$4,47	\$4,52	\$2,798	\$3,001	\$3,160	\$3,184	\$3,232	\$3,256	\$3,147	\$2,692	\$2,624			
TPT Publications Fund	L-T	\$10,447	\$10,347	\$10,406	\$10,211	\$10,047	\$9,937	\$9,652	\$10,149	\$10,161	\$9,993	\$9,720	\$9,346	\$9,286	\$9,394	\$8,657	\$9,285	\$9,779	\$9,853								
Venture	L-T	\$96,367	\$95,440	\$95,982	\$94,185	\$92,677	\$91,661	\$89,033	\$93,619	\$88,768	\$87,295	\$84,917	\$81,645	\$81,121	\$82,065	\$73,006	\$78,305	\$82,470	\$83,093	\$84,335	\$84,952	\$82,126	\$81,884	\$79,813			
Yamani Fund	L-T	\$50,689	\$50,201	\$50,486	\$49,541	\$48,748	\$48,213	\$46,831	\$49,243	\$49,301	\$48,483	\$47,162	\$45,345	\$45,054	\$45,578	\$42,001	\$45,050										
Designated LT	L-T	\$1,575,793	\$1,560,629	\$1,569,498	\$1,540,112	\$1,515,454	\$1,498,846	\$1,455,868	\$1,530,464	\$1,511,789	\$1,486,696	\$1,446,197	\$1,390,574	\$1,381,556	\$1,397,629	\$1,305,370	\$1,400,136	\$1,395,129	\$1,437,930	\$1,449,414	\$1,460,026	\$1,411,453	\$1,418,984	\$1,333,086			
Designated ST	S-T	\$542,745	\$542,065	\$541,366	\$540,411	\$539,435	\$536,999	\$536,284	\$536,216	\$330,096	\$329,768	\$329,202	\$326,907	\$326,037	\$326,895	\$398,179	\$399,547	\$399,501	\$397,473	\$397,972	\$396,177	\$393,862	\$414,039	\$414,266			
Undesignated LTR	L-T	\$1,752,999	\$1,737,489	\$1,748,753	\$1,717,342	\$1,691,161	\$1,673,932	\$1,627,181	\$1,712,422	\$1,715,767	\$1,689,874	\$1,643,841	\$1,281,572	\$1,274,451	\$1,590,507	\$1,377,123	\$1,478,373	\$1,558,304	\$1,571,347	\$1,596,112	\$1,609,084	\$1,556,739	\$1,521,748	\$1,484,393			
Undesignated STR	S-T	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Short-term Reserve	S-T	\$542,745	\$542,065	\$541,366	\$540,411	\$539,435	\$536,999	\$536,284	\$536,216	\$330,096	\$329,768	\$329,202	\$326,907	\$326,037	\$326,895	\$398,179	\$399,547	\$399,501	\$397,473	\$397,972	\$396,177	\$393,862	\$414,039	\$414,266			
Long-Term Reserve	L-T	\$3,328,792	\$3,298,118	\$3,318,251	\$3,257,453	\$3,206,615	\$3,172,778	\$3,083,409	\$3,242,886	\$3,227,556	\$3,176,570	\$3,090,038	\$2,672,146	\$2,656,007	\$2,988,136	\$2,682,493	\$2,878,510	\$2,953,434	\$3,009,277	\$3,045,526	\$3,069,110	\$2,968,192	\$2,940,732	\$2,817,479			
<b>Total</b>		<b>\$3,871,538</b>	<b>\$3,840,183</b>	<b>\$3,859,617</b>	<b>\$3,797,865</b>	<b>\$3,746,050</b>	<b>\$3,709,776</b>	<b>\$3,619,333</b>	<b>\$3,779,102</b>	<b>\$3,557,652</b>	<b>\$3,506,337</b>	<b>\$3,419,239</b>	<b>\$2,999,053</b>	<b>\$2,982,044</b>	<b>\$3,315,031</b>	<b>\$3,080,671</b>	<b>\$3,278,056</b>	<b>\$3,352,935</b>	<b>\$3,406,750</b>	<b>\$3,443,499</b>	<b>\$3,465,287</b>	<b>\$3,362,055</b>	<b>\$3,354,770</b>	<b>\$3,231,745</b>			
<b>Changes in month</b>																											
<b>Total since Dec 31, 2010</b>																											
Gifts		\$331,081	\$0	\$0	\$0	\$0	\$0	\$0	\$228,031	\$0	\$0	\$0	\$0	\$0	\$0	\$45,050	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000				
Fees		(\$31,478)	(\$1,599)	(\$1,607)	(\$1,581)	(\$1,560)	(\$1,543)	(\$1,284)	(\$1,481)	(\$1,460)	(\$1,424)	(\$1,249)	(\$1,242)	(\$1,380)	(\$1,282)	(\$1,365)	(\$1,409)	(\$1,418)	(\$1,434)	(\$1,443)	(\$1,400)	(\$1,397)	(\$1,346)				
Income		\$102,486	\$2,476	\$2,459	\$3,635	\$2,422	\$2,435	\$6,046	\$2,632	\$3,575	\$2,406	\$2,297	\$32,915	\$2,439	\$2,482	\$5,569	\$2,509	\$9,295	\$2,517	\$2,474	\$6,606	\$2,445	(\$1,328)				