



## 2014-2015 Budget Summary Narrative (Draft 2-13-14)

### Income:

Category:	Description:	Assumptions and Strategy:
<b>40: Education Income</b>	Classroom and online education revenue, including the SR/WA study session; IRWA Sponsored courses; certification and designation programs; book sales and Instructor Clinic.	Classroom education income will increase next fiscal year, as chapters schedule more classes and the participant average per class increases as well. Course pricing will remain at 2008-2009 levels and emphasis will continue to be placed on increased course marketing and promoting available classes, both inside and outside the association. Online education income will remain constant, as members participate in more classroom courses. We are entering year two of a five-year curriculum design project, with new industry centric programs for the Pipeline, Transportation and Utilities industries, creating new courses, enhancement of existing courses and new video production of core (beginning) courses, designed to enable full online migration and mobile access to learning.
<b>41: Advertising Income</b>	Income from <i>Right of Way Magazine</i> and website advertising.	Income will increase over last year's budget, as current advertisers renew and new advertisers come on board. <i>Right of Way Magazine</i> is an important member benefit and advertisers are loyal and consistent in their support. We also receive income from job postings to our website.
<b>43: Investment Income</b>	Interest and dividend from certificates of deposit, money market, and index funds.	Income will decrease as future interest rates are expected to be lower compared to prior years CDs.
<b>44: Membership Income</b>	Revenue from new and renewing members, agencies and affiliates, plus application fees.	Income will increase, as new members continue to join the association at a rate exceeding 100 members per month. Membership renewal will increase, as retention programs grow in our chapters. The IGC will seek a \$10 dues increase at this year's Board of Directors meeting.
<b>45: Merchandise Sales</b>	Income from the sale of IRWA branded merchandise.	Income will slightly decrease, with most sales managed directly through the online store with Lands End. We will continue to offer preferred vendors for pins, plaques and other IRWA logo material.
<b>47: Seminars &amp; Conferences</b>	Revenue from International Conference and our Federal Agency Update.	The San Diego, California International Conference should be well attended, with increased participation due to the location. The Federal Agency Update continues as a one day meeting hosted for our federal partners.

Expense:		
Category:	Description:	Assumptions and Strategy:
<b>50: Cost of Goods Sold</b>	Cost of merchandise.	Expense will decrease as less merchandise is sold.
<b>55: Education Expenses</b>	Expenses related to producing and shipping all material for classroom courses and the expenses related to Appraisal Quality Board filings for appraisal and valuation courses; course development and revision costs that exceed foundation funding or are not reimbursed by our foundations; instructor clinic expenses; course instructor material; IRWA designation and certification program expense; education marketing expense and online education licenses from the Business Library and Blue Sky Broadcast.	Expense will increase with the centralization of state accreditation of IRWA courses.
<b>597: Building Operation</b>	Bank interest, depreciation and the IRWA headquarters building.	Expense will remain constant from last year.
<b>60: Payroll &amp; Benefits</b>	Payroll, benefits and pension expenses for 23 full-time staff.	Expense will increase, reflecting the addition of up to two additional staff, for increased engagement of members, along with more visibility and support for IRWA programs, products and services.
<b>67: Seminars and Conferences</b>	All expenses related to the production and execution of the Annual Education Conference, and the Federal Agency Update.	Expense will increase in the areas of speakers, meals and breaks. General expenses are also increasing as a reflection of increased Conference attendance.
<b>74: Travel- Regions</b>	Travel expense related to the business activities of 11 regions and Region Governance.	Expense will increase with the proposed addition of Region 11 in Africa.
<b>75: Travel- Education Committees</b>	Travel expense related to business activities of Industry Committees, Discipline Communities of Practice and special committee projects.	Expense will increase with expansion of Discipline Communities of Practice (CoP) to include up to three vice chairs for each CoP. Special committee projects include participation in a five country IKT infrastructure conference in Germany.
<b>76: Travel- Service Committees</b>	Travel expense for service committees.	Expense will increase as the Ethics Committee expands its efforts and the Nominations and Elections Committee provides oversight and implementation for IRWA's leadership program.
<b>77: Travel- Other</b>	Travel expense for representatives to meetings of allied organizations and chapter celebrations as well as expenses related to two committee chair and vice chair meetings with the IGC.	Expense will remain constant with last year.

Expense:		
Category:	Description:	Assumptions and Strategy:
<b>79: Travel- Staff</b>	Travel expense for IEC meetings, EVP or assigned staff attendance at spring region forums as needed, committees to which staff are assigned, chapter visits and other expense not specifically noted above.	Expense will increase with additional chapter support provided by field operations staff.
<b>80: Administrative Expenses</b>	All costs related to providing facilities, infrastructure and support services for our volunteer/staff network, as it conducts the business of the association.	Expense will remain constant with last year.