



# Report of the Treasurer (2022)

## Introduction

The Report of the Treasurer is presented in the *Notices* annually. Its purpose is to discuss the financial condition of the Society as of the immediately preceding fiscal year-end and the results of its operations for that year. One of the key responsibilities of the treasurer is to lead the Board of Trustees in the oversight of financial activities of the Society. This is done through close contact with the executive staff of the Society, review of internal financial management reports, review of audited financial statements, and twice-yearly meetings with the Society's independent auditors. Through these and other means, the trustees gain an understanding of the operations, finances, and financial reporting of the Society.

Operating results for 2022 were generally positive, with net operating income of \$1.1 million as compared to \$2.2 million in 2021. Careful planning and cost control by AMS staff offset reduced revenues from meetings and publications, while revenues from dues increased modestly, and income from the endowment increased by 17% and provided 22% of total revenues. Our endowment spending policy directs 4% of a four-year rolling average of assets toward operations, and these funds provide extra capacity as well as stability during difficulty times.

Investment results were more challenging, with both equity markets and bond markets experiencing significant losses due to rising interest rates and fears of recession. Our long-term portfolio decreased by 15.4%, from \$235.7 million to \$199.4 million. The Society's current investment policy calls for a fairly conservative 60/40 split between equities and bonds, and as a result the overall portfolio performed better than broad equity indices such as the S&P 500. Moreover, markets have recovered significantly in the first half of 2023, and the four-year averaging policy mentioned above provides some smoothing, so we do not expect a large negative impact of the 2022 decline on the operations of the Society.

Overall net AMS assets decreased from \$238 million in 2021 to \$199.1 million in 2022, a decrease of 16.4%. During the last five years, AMS net assets have increased 22.2%.

Other financial metrics confirm that the AMS is in good financial health: its current ratio (ratio of current assets to liabilities) is 1.07, its ratio of debt-like obligations to assets is a very low 0.14%, and it has 181 days of cash on hand. Most importantly, the AMS spends about 87% of its revenue on programs and just over 13% on administration and fundraising. All of these indicators compare favorably to nonprofit averages.

The rest of this report discusses in more detail the operating revenues and expenses of the Society as well as its assets and long-term investments.

## Operating Revenues and Expenses

Total operating revenues were up 0.7% or \$234K over 2021. This was mostly due to increased revenue from the endowment (up \$1,071K), balanced by losses in short-term holdings (in the miscellaneous category below) caused by increasing interest rates. Membership revenue increased by \$15K, while publication revenue decreased by \$245K, and meetings revenue decreased by \$23K. The publication results were a combination of strong sales of e-books, steady journal revenues, and decreases in print book sales and MathSciNet® subscriptions. Meetings continued to face challenges related to COVID-19 and the resulting cancellation or virtualization of JMM 2022 and sectional meetings. The membership revenue number is notable in that this is the first time in over a decade when individual membership dues increased.

Revenues (in \$1,000) by source	2021	2022	Change from Prior Yr
Publications	21,662	21,417	-1%
Endowment Income	6,167	7,238	17%
Membership	2,390	2,405	1%
Miscellaneous	1,506	920	-39%
Meetings	562	539	-4%
<b>Total Revenues</b>	<b>32,286</b>	<b>32,519</b>	<b>1.0%</b>

Total operating expenses were up 4% or \$1,317K over 2021. The largest increases were in personnel (\$745K, which was lower than budgeted due to difficulty filling positions), professional services (\$684K, for costs related to the 2022 and 2023 JMM meetings), and travel (\$247K, not unexpected in comparison to the low base last year). "Other" expenses, a highly varied category, were down \$519K due to careful cost control by AMS staff. There were notable decreases in equipment rentals and space charges due to canceled or virtualized meetings. There was also an increase in cost of goods sold because we now amortize printing costs over a shorter period because digital printing allows smaller print runs. This increase is expected to dissipate in two years.

Expense (in \$1,000) by type	2021	2022	Variance from Prior Yr
Personnel	21,404	22,149	3.5%
Equipment	1,182	1,125	-5%
Building	838	840	0%
Printing and Mailing	657	872	33%
Professional Services	1,968	2,652	35%
Travel	130	377	190%
All Other Expenses	3,901	3,382	-13%
<b>Total Expenses</b>	<b>30,080</b>	<b>31,397</b>	<b>4%</b>

Net income (revenues less expenses) for 2022 was 1.1 million versus \$2.2 million in 2021. I continue to be impressed with the skill and dedication of AMS staff. The Society operates in the black even during very difficult times. The following table shows that the AMS has had net income of over \$1 million per year in each of the last five years:

Net income (in \$1,000) By year	2022	2021	2020	2019	2018
AMS Revenues	\$32,519	\$32,286	\$32,605	\$35,331	\$33,647
AMS Expenses	\$31,397	\$30,073	\$30,739	\$31,971	\$31,813
<b>AMS Net Income</b>	<b>\$1,122</b>	<b>\$2,213</b>	<b>\$1,866</b>	<b>\$3,360</b>	<b>\$1,834</b>

## Long-Term Investments and Net Assets

As of December 31st, 2022, the American Mathematical Society balance sheets show total assets of \$222.6 million and total liabilities of \$23.5 million for a net asset balance of \$199.1 million. This represents an 16.4% decrease over the prior year and a 28.4% total increase since 2018.

	2022	2021	2020	2019	2018
Total Assets	222,625,287	260,729,239	232,387,981	219,211,612	181,214,563
Total Liabilities	23,492,980	22,483,288	21,388,124	24,994,434	26,152,520
<b>Net Assets</b>	<b>199,132,307</b>	<b>238,245,951</b>	<b>210,999,857</b>	<b>194,217,178</b>	<b>155,062,043</b>

The largest source of net asset growth has been the Society's endowment. The AMS's substantial resources are the result of the sustained generosity of members and donors combined with skillful management of the business activities of the Society. Careful investment management and a conservative spending policy should result in continued growth of the Society's assets and capacity to advance our discipline.

## Summary Financial Information

The following Statement of Financial Position, Statement of Activities, and Statement of Functional Expense are from the audited financial statements of the AMS, and the Statements of Invested Funds are from the internal financial records of the AMS. Any member may contact the AMS to request the full audited statements of the Society. As Treasurer I would be happy to answer any questions members may have regarding the financial affairs of the Society.

*Respectfully submitted,*  
Douglas Ulmer  
Treasurer of the AMS

**AMERICAN MATHEMATICAL SOCIETY  
STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**ASSETS**

Cash	\$ 4,532,317
Certificates of deposit	250,000
Short-term investments	10,012,721
Accounts receivable, net of allowance of \$51,580	625,368
Contributions receivable, net	143,165
Completed books	1,146,189
Deferred prepublication costs	673,889
Prepaid expenses and deposits	835,769
Long-term investments	199,417,880
Land, buildings and equipment, net	2,940,565
Intangible assets, net	715,318
Right of use asset	1,332,106
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<b>TOTAL ASSETS</b>	<b>\$ 222,625,287</b>
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**LIABILITIES AND NET ASSETS**

Accounts payable and accrued expenses	\$ 5,314,184
Deferred revenue	11,766,586
Post retirement benefit obligation	4,901,301
Lease liability	1,510,909
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Total liabilities	23,492,980
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Commitments and contingencies (Notes 6, 10, and 11)	
Net assets:	
Without donor restrictions:	
Undesignated	3,090,620
Designated (Note 7)	166,700,788
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Total without donor restrictions	169,791,408
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With donor restrictions (Note 8)	29,340,899
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Total net assets	199,132,307
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 222,625,287</b>
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**AMERICAN MATHEMATICAL SOCIETY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

Changes in net assets without donor restrictions:	
Operating revenue:	
Mathematical reviews	\$ 13,026,335
Journals	5,015,859
Books	4,346,499
Dues, services, and outreach	3,367,624
Investment returns:	
Appropriated for spending	4,910,000
Short-term investments	(659,447)
Other publications-related revenue	413,108
Grants, prizes and awards	1,599,178
Meetings	660,956
Contributions	232,322
Other	801,577
Total operating revenue	<u>33,714,011</u>
Operating expenses:	
Program	28,287,466
Management and general	3,723,576
Fundraising	633,114
Total operating expenses	<u>32,644,156</u>
Increase in net assets from operations	<u>1,069,855</u>
Nonoperating revenues (expenses):	
Investment return on long-term investments, net	(32,355,324)
Investment return appropriated for current operations	(4,910,000)
Postretirement benefit-related changes other than net periodic cost	951,934
Total nonoperating expense	<u>(36,313,390)</u>
Change in net asset without donor restrictions	<u>(35,243,535)</u>
Changes in net assets with donor restrictions:	
Contributions	\$ 2,470,881
Investment returns	(4,275,011)
Net assets released from restrictions	(2,065,979)
Change in net assets with donor restrictions	<u>(3,870,109)</u>
Change in net assets	(39,113,644)
Net assets - beginning	<u>238,245,951</u>
<b>NET ASSETS - ENDING</b>	<u><u>\$ 199,132,307</u></u>

AMERICAN MATHEMATICAL SOCIETY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services	Supporting Services		Total Expenses
		Management and General	Fundraising	
Grants and awards	\$ 705,124	\$ -	\$ -	\$ 705,124
Salaries and wages	14,355,111	1,883,556	287,442	16,526,109
Employee benefits	3,407,308	661,620	71,800	4,140,728
Payroll taxes	1,038,532	105,928	21,244	1,165,704
Professional fees	58,462	108,835	9,549	176,846
Office expense	364,101	327,226	4,841	696,168
Printing and publications	2,610,670	16,344	27,658	2,654,672
Occupancy	563,430	52,172	-	615,602
Royalties	526,656	-	-	526,656
Travel and conferences	1,177,453	90,765	4,630	1,272,848
Depreciation and amortization	761,062	200,197	-	961,259
Service contracts - computers and equipment	529,862	40,595	-	570,457
Outside services	1,701,967	212,371	87,382	2,001,720
Insurance	148,555	21,407	-	169,962
Promotion and advertising	90,405	2,560	2,191	95,156
Miscellaneous	248,768	-	116,377	365,145
Total expenses	<u>\$ 28,287,466</u>	<u>\$ 3,723,576</u>	<u>\$ 633,114</u>	<u>\$ 32,644,156</u>

Endowment, Board Restricted Funds, and the Activities they Support  
as of December 31st, 2022

AMS ENDOWMENTS	FUND NAME	Original Gift Value	Market Balance	
Research Prize Funds				
	Bergman Prize	611,314	611,314	Transferred from Wells Fargo to AMS in 2022
	Bertrand Russell Prize	100,305	123,717	Award of \$5,000 every three years
	Birkhoff	50,232	125,725	Award of \$5,000 every three years
	Birman Fellowship	1,055,774	1,161,823	Annual award to be determined by the BT
	Bocher	66,557	105,981	Award of \$5,000 every three years
	Chevalley Fund	115,100	153,724	Biannual award of \$8,000
	Ciprian Foias Prize	106,375	103,175	Award of \$5,000 every three years
	Cole Algebra	67,813	111,277	Algebra - award of \$5,000 every three years
	Cole Number Theory	68,163	112,563	Number Theory - award of \$5,000 every 3 years
	Conant	9,477	67,207	Annual award of \$1,000
	Doob Prize	80,000	130,012	Award of \$5,000 every three years
	Eisenbud Prize	60,000	93,898	Award of \$5,000 every three years
	Elias Stein Prize	320,160	320,160	New
	I. Martin Isaacs Prize	201,130	201,130	New
	Ivo & Renata Babuska Thesis Prize	250,000	250,000	Award of \$3,000 annually
	Mikhail Gordin Prize	105,000	105,000	Award of \$5,000 every 4 years
	Robbins Prize	76,250	111,589	Award of \$5,000 every three years, next award in 2022
	Satter	74,720	137,285	Award of \$5,000 every other year
	Steele	145,511	1,008,410	Three annual awards of \$5,000 each
	Ulf Grenander Prize	94,606	112,654	Award of \$5,000 every three years
	Veblen	61,599	114,474	Award of \$5,000 every three years
	Wiener	63,773	104,101	Award of \$5,000 every three years
Subtotal: Research Prize Funds		<u>3,783,859</u>	<u>5,365,217</u>	



**Endowment, Board Restricted Funds, and the Activities they Support  
as of December 31st, 2022**

**Other Prizes and Awards**

Albert Whiteman	95,906	176,247	Award of \$5,000 every three years
Arnold Ross Lectures	112,284	182,274	Partially supports annual Arnold Ross Lecture
BDMS: Bose, Datta, Mukhopadhyay & Sarkar Fund	100,111	100,111	Supports Invited Addresses at the JMM
Centennial	61,183	199,551	Partially supports annual Centennial Fellowships
CV Newsom	100,000	374,109	Supports one AMS book and Invited Addresses at JMM
Einstein Lecture	100,000	186,036	Supports the Einstein Lecture
Epsilon Fund for Young Scholars	2,451,247	4,121,781	Partially supports Young Scholars Program
Exemplary Program	120,000	208,568	Supports the annual \$5,000 Exemplary Program Prize
Green Fund Diversity & Inclusion	26,000	32,483	Annual award of \$1,000
Gross Impact	22,110	37,630	Award for impact on teaching and learning in Mathematics
Ky Fan (China)	366,757	647,648	Supports Ky Fan China Program
Mathematical Art	40,000	59,027	Supports the prizes for mathematical art at the JMM
Menger	118,250	200,931	Supports annual awards at the Int. Science Fair
Morgan	25,000	73,137	Annual award of \$1,200 for undergraduate students
NGF: Early Career Mathematician Fund	2,463,630	2,938,331	Programs to support early career mathematicians
NGF: ATF The AMS Trustee Fund	50,000	50,000	A named fund in the NGF endowment
NGF: BAK Bertram & Ann Kostant	7,500	7,505	A named fund in the NGF endowment
NGF: BSIM Budapest Semesters in Mathematics	50,000	50,000	A named fund in the NGF endowment
NGF: EMS Elias M Stein	39,281	77,100	A named fund in the NGF endowment
NGF: HSIA	37,355	37,355	A named fund in the NGF endowment
NGF: JHE John H. Ewing	100,000	100,000	A named fund in the NGF endowment
NGF: MM Maryam Mirzakhani	74,493	100,648	A named fund in the NGF endowment
NGF: MSJT Mikio Sato & John Tate	30,000	30,000	A named fund in the NGF endowment
NGF: NJ Nathan Jacobson	15,000	35,000	A named fund in the NGF endowment
NGF: SHW Stephen H Wildstrom	20,011	30,011	A named fund in the NGF endowment
NGF: TLBB Tom Leighton & Bonnie Berger	30,000	50,000	A named fund in the NGF endowment
NGF: WHF Wendell H Fleming	25,000	25,000	A named fund in the NGF endowment
NGF: WL William LeVeque	50,000	62,000	A named fund in the NGF endowment
NGF: WTM William Ted Martin	249,740	250,140	A named fund in the NGF endowment
Sigur Fund for Young Scholars	33,833	33,833	Supports the Epsilon Program
Terry A. McKee Fund	91,743	42,871	Supports research in undergraduate mathematics
The 2020 Fund	84,798	76,197	To support and promote the work of Black mathematicians
Trjitzinsky	296,030	923,554	Annual scholarships for undergrads
William Lockwood Forster Fund	65,892	22,710	An undergraduate opportunity award

**Subtotal: Other Prizes & Awards**

**7,553,154      11,541,788**

**Quasi-Endowed Funds**

Backfile Digitization Fund		102,912
Inclusive Excellence in Mathematics		1,108,884
Economic Stabilization Fund (ESF)		22,817,965
Kathleen Baxter Memorial Fund		345,385
Operations Support Fund (OSF)		140,374,391
Publications Support Fund		1,994,547

**Subtotal: Quasi-Endowed Funds**

**166,744,084**

**Temporarily Restricted**

Beal Fund	<b>1,000,000</b>	<b>1,776,105</b>
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**Unrestricted**

Endowment	131,501	1,070,690
Henderson	548,223	5,561,398
Laha	189,309	354,245
Moore	2,575	31,233
Morita	100,000	186,503
Ritt	51,347	331,340
Schoenfeld/Mitchell	573,447	1,054,418
Griess	60,000	60,000

**Subtotal: Unrestricted**

**3,618,450      178,721,333**

**AMS Invested Operating Funds**

**5,340,818**

**199,417,839**

In total, the spendable income from unrestricted true endowment funds is used to support annual activities of the AMS in the operating budget which are approved by the Board of Trustees during the budget approval process

\$1M prize for solving the Beal Conjecture. Only \$1M is restricted