SCAR FINANCIAL STRATEGY 2008-2012
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SCAR’s ability to effectively carry out its missions of leadership and facilitation of international Antarctic scientific research and of providing independent scientific advice on Antarctic issues, depends critically on its financial capacity. Financial capacity in turn is a balance of income and costs.

1. Income

Income for the past 8 years is summarised in table 1, below, and reflects the cost of running a reorganised programme.

1.1 Annual and Voluntary Contributions:

At XXVIII SCAR, Delegates agreed to raise the level of national contributions, starting in 1 January 2006 by 30%, to implement the restructuring recommendations and to meet the new demands of SCAR science and administration. Prior to 2006, SCAR membership contribution levels had not been raised in 10 years (since 1995).

At XXVIII SCAR the UK and Germany volunteered to double their contributions for a period of 3 years to assist in the transition to the new SCAR structure.

In response to a letter to all Members in October 2006, requesting voluntary contributions to the Fellowship Programme, South Africa provided US$2000 (received in 2007).

1.2 New National Members and Members Changing to a Higher Category

In 2006 SCAR was joined by Denmark and Portugal; and in 2008 there is an application by Romania. Discussions have been held with the Czech Republic, Austria, Greece and Belarus. An expression of interest has been received from Venezuela.

In 2005 Switzerland moved from Associate member to Full Membership, class D. From 2006, Korea moved from class D to C. From 2007, Bulgaria went from Associate to Full Membership, class D; Spain from class D to class B and Ukraine from Associate to Full Membership, class D. Malaysia is requesting an upgrade from Associate to Full Member.

1.3 Arrears

The Secretariat has made a concerted effort to work with Members to eliminate arrears, or to arrange schedules through which the amounts owing can be paid off over time. Arrears are minimal at this time.

1.4 Sloan Management Fee

The grant award by the Sloan Foundation of ~$1.4 million over 4 years to support the Census of Antarctic Marine Life (CAML), brings with it a 15% management fee. 2009 is
the last official year of the Sloan grant to CAML and therefore the last year SCAR will
receive a management fee. However, CAML will be applying for a grant extension to
2010, which may provide a management fee in 2010.

1.5 Miscellaneous Income

Other small amounts are received from time-to-time. A surplus of US$24,000 from the
10th ISAES meeting (2007) has been provided to SCAR in 2008 for safe keeping for the
11th ISAES meeting (2011). COMNAP will no longer provide a contribution of
US$3,300 towards the Global Change Master directory from 2008 onwards (2009 will be
the last payment since this is paid one year in arrears).

Table 1-Yearly Comparison of Income

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>actuals</td>
<td>227,897</td>
<td>229,857</td>
<td>272,145</td>
<td>400,680</td>
<td>418,891</td>
<td>456,500</td>
<td>467,000</td>
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</tr>
<tr>
<td>arrears</td>
<td>96,363</td>
<td>50,634</td>
<td>90,276</td>
<td>90,478</td>
<td>72,481</td>
<td>0</td>
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<td>voluntary</td>
<td>0</td>
<td>0</td>
<td>28,000</td>
<td>36,591</td>
<td>38,449</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sloan fee</td>
<td>-</td>
<td>-</td>
<td>39,130</td>
<td>29,078</td>
<td>35,689</td>
<td>35,911</td>
<td>29,698</td>
<td>0</td>
</tr>
<tr>
<td>misc</td>
<td>5,709</td>
<td>6,953</td>
<td>9,662</td>
<td>10,934</td>
<td>8,548</td>
<td>32,807**</td>
<td>3,300</td>
<td>0</td>
</tr>
<tr>
<td>Totals*</td>
<td>329,969</td>
<td>287,444</td>
<td>439,213</td>
<td>567,761</td>
<td>574,058</td>
<td>534,218</td>
<td>499,998</td>
<td>467,000</td>
</tr>
</tbody>
</table>

* Excludes grant for CAML from Sloan
** Includes refund of $24 from ISAES X earmarked for ISAES XI in 2011.

2. Costs

Table 2 – Yearly Comparison of Publications and Administration costs

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Publications</td>
<td>14,422</td>
<td>10,427</td>
<td>10,898</td>
<td>6,005</td>
<td>0</td>
<td>4,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Admin:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Salaries and staff costs</td>
<td>94,279</td>
<td>177,777</td>
<td>193,538</td>
<td>156,559</td>
<td>224,078</td>
<td>214,000</td>
<td>214,000</td>
<td>214,000</td>
</tr>
<tr>
<td>(ii) Postage and telephone</td>
<td>5,178</td>
<td>3,963</td>
<td>8,624</td>
<td>3,799</td>
<td>3,244</td>
<td>5,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>(iii) Secretariat travel and General Travel*</td>
<td>1,849</td>
<td>801</td>
<td>1,930</td>
<td>12,705</td>
<td>20,439</td>
<td>12,000</td>
<td>15,000</td>
<td>15,000</td>
</tr>
<tr>
<td>(iv)Audit fee</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>(v)General Office</td>
<td>9,782</td>
<td>6,225</td>
<td>23,327</td>
<td>8,672</td>
<td>14,567</td>
<td>7,000</td>
<td>(v)3,000+ (vi)12,000</td>
<td>3,000</td>
</tr>
</tbody>
</table>
Expenses and (vi) Legal Fees**

<table>
<thead>
<tr>
<th>(vii) Office Equipment</th>
<th>11,638</th>
<th>8,566</th>
<th>6,565</th>
<th>2,890</th>
<th>9,900</th>
<th>4,645</th>
<th>3,000</th>
<th>7,000</th>
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</thead>
<tbody>
<tr>
<td>(viii) Bank Charges plus gain/loss on exchange</td>
<td>1,563</td>
<td>2,309</td>
<td>7,320</td>
<td>3,624</td>
<td>3,644</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admin totals</td>
<td>124,289</td>
<td>199,641</td>
<td>241,304</td>
<td>188,249</td>
<td>275,872</td>
<td>244,643</td>
<td>253,000</td>
<td>245,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>138,711</td>
<td>210,068</td>
<td>252,202</td>
<td>194,254</td>
<td>275,872</td>
<td>248,643</td>
<td>255,000</td>
<td>247,000</td>
</tr>
</tbody>
</table>

* As per 2009, 2010 budgets, ‘General Travel’ and ‘Secretariat Travel’ are merged into a single budget line;
** As per 2009, 2010 budgets, 'Office expenses' and 'Stationary and Copying' budget lines are merged into 'General office expenses'. 'Legal fees' are separated out when appropriate (e.g. (vi) in 2009)

Significant savings are being made in Publications since we have moved to electronic publication of reports and bulletins.

Legal fees (vi) have been high because of the work needed to effect the transition to Charity status. These costs should diminish significantly in 2010 and beyond.

The Secretariat travel for 2007 needs to be adjusted down by $2500, which was a transfer of budget to the SOOS workshop and should come out of the SSG-PS budget. Travel was more costly than normal because of attendance at IPY meetings.

The changing profile of staff costs (salaries, national insurance, pension, university overhead for Admin. Assistant prior to 2007) is shown in Table 2 (i) above and in Table 3, below. Staff costs adjusted to constant dollar rates (to 2008) to eliminate inflation effects are also summarised in Table 3.

Table 3-Year Comparison of Inflation Adjusted Total Salary Costs.

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008 est</th>
<th>2009 est</th>
<th>2010 est</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Salaries</td>
<td>94,279</td>
<td>177,777</td>
<td>193,538</td>
<td>156,559</td>
<td>224,078</td>
<td>214,000</td>
<td>214,000</td>
<td>214,000</td>
</tr>
<tr>
<td>Constant $ Salaries</td>
<td>110,470</td>
<td>202,905</td>
<td>213,655</td>
<td>167,431</td>
<td>233,050</td>
<td>214,000</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The changes reflect changes in staffing patterns as follows:
1. 2003 Executive Secretary (ES) + full time Administrative Assistant (AA)
2. 2004 ES + AA + Executive Director (ED) from April 1
3. 2005 ES (retired at end June) + AA (replaced in September 2005) + ED + Executive Officer (EO) from 1 July. The ES was retained after retirement on short term contract to train the EO
4. 2006 ED + EO + AA (half time from February 1)*1
5. 2007 ED + EO (Marzena to mid March, Mike Sparrow from 1 July) + AA (half time). The ES was retained as a consultant for 4 months to act as EO from March to July and to train the new EO in July.

*1 the loss of the full time AA, who was on the University payroll, enabled us to employ SCAR staff rather than university staff, so avoiding university overheads. We also moved from a full time to a part time AA.

Secretariat staff salaries increase annually to keep pace with UK inflation.

The increase in salaries in 2007 reflects (i) the continued fall in the value of the dollar, combined with (ii) hiring the present EO at a higher rate than the previous EO (by $14k), based on analysis of skills and experience, as well as (iii) consultancy fees associated with hiring the ES during the training period (by $22k), and (iv) a UK National Insurance underpayment caused by an error in the payroll office (by $14k), which is being paid back to SCAR over 36 months.

The overall salary trend is upward due to a combination of the fall in the value of the dollar, when salaries are paid in sterling, and annual adjustments for inflation.

For comparative purposes the SCOR Secretariat salaries + benefits amount to $164,000 for 1.75 full time equivalents, compared to $214,000 for 2.5 full time equivalents in SCAR. This gives a ratio of $93.7 SCOR to $85.6 SCAR for one full time equivalent. As another example, the IGBP has recently advertised for an Executive Officer to run its International Project Office for the IMBER programme, which will be located in Brest, France, at a salary of €70,000 ($108,900), which is significantly more than the SCAR E.D.

2.1 Costs of Meetings

Table 4 shows the costs associated with the SCAR routine meetings (plus the major symposia fund and cross SSG meetings) year on year since 2003.

**Table 4-Yearly Comparison of Routine Meeting and Major Symposia/cross SSG Costs**

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008 est</th>
<th>2009 est</th>
<th>2010 est</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATCM</td>
<td>8,473</td>
<td>13,887</td>
<td>16,374</td>
<td>17,279</td>
<td>8,968</td>
<td>9,621</td>
<td>12,000</td>
<td>15,000</td>
</tr>
<tr>
<td>EXCOM</td>
<td>15,122</td>
<td>6,877</td>
<td>9,958</td>
<td>-</td>
<td>17,117</td>
<td>-</td>
<td>12,000</td>
<td>-</td>
</tr>
<tr>
<td>COs</td>
<td>5,564</td>
<td>5,627</td>
<td>0</td>
<td>6,808</td>
<td>2,500</td>
<td>6,000</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Delegates and OSC</td>
<td></td>
<td>37,093</td>
<td>-</td>
<td>16,084</td>
<td>-</td>
<td>10,000</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Joint meeting with IASC</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>SCAR Sponsors</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>5,000</td>
<td>5,000</td>
</tr>
</tbody>
</table>
As expected, meeting costs vary with location. ATCM travel costs rose slightly to cover the attendance of the SCAR Lecturer. In 2008 we cut ATCM costs by ceasing to provide a SCAR Reception following the SCAR Lecture (- $2500).

Costs of EXCOM meetings increased to cover the attendance of Chief Officers at (+$5000 in 2007). Payments for EXCOM attendance during SCAR biennial years ceased after 2004. These two effects balance one another.

From 2007, US$10,000/year was made available for funding particular large and important meetings (Major Symposia Fund).

### 2.2 Trends in OSC Registration Costs

A separate paper (WP 29) will be tabled as background to discussions on how we may keep the registration costs of the Open Science Conference down. These costs have only a marginal effect on the budgets described here (especially the costs listed under Delegates meeting). It is intended that the new OSC model should be self-sustaining and cost neutral.

### 2.3 Science Costs

In 2004 it was accepted that Delegates would block fund the SRPs (to up to US$25,000 per year as seed money), and the SSGs (to $17,000 per year to enable the continuation of key supporting science activities not covered by the SRPs). As in former years, almost none of the science groups (SRPs or SSGs) has spent all of its funds in any given year, which leaves a substantial carry-forward. Delegates at XXIX SCAR agreed that there should be no carry-forward funds to the next biennium, without special justification (for example, EBA plans to spend most of its accumulated funds on the 10th SCAR Biology Symposium in Sapporo in 2009; and ACE plans a major ACE meeting in 2009). It is intended therefore that all accumulated funds will revert to the cash reserve at the end of 2008, except where strong justifications are provided (with preference being given to SRPs). This is a matter for the Finance Committee in Moscow, based on the reports and requests coming from the three SSG meetings in St Petersburg.

SRPs budgets in 2008, including carry-forwards from 2007, amount to:
- ACE - $63,272
- AGCS - $29,330
- EBA - $45,318
- ICESTAR - $37,274
- SALE - $35,038
If none of this was spent in 2008, the total carry forward for these groups alone would be $210,231, which is significantly more than the $50,000 currently allocated for 2009.

Evidence has accumulated over the past 4 years that there is no systematic allocation system for funds within SSGs, which means that subsidiary groups either do not know they have been funded, and/or have no idea how to apply for the money they have been allocated, and/or do not know that their allocation has to be spent by a specific end date or it will be ‘lost’.

**Recommendation 1: Develop a funding system to ensure that all subsidiary groups know about and are encouraged to wisely spend their allocated funds within the defined budget period.**

### 2.4 Salary Scales

Currently SCAR has no designated pay scales for its Secretariat staff, but given the transformation of SCAR to the status of a Company Limited by Guarantee it would seem appropriate for pay scales to be agreed.

**Recommendation 2: Pay scales for Secretariat staff should be on the following scales, revisited at each Delegates meeting in the light of changes in UK pay scales:**

- **Admin Assistant:** £10,500/yr to £13,000/yr (half time) increasing annually by inflation based on the national inflation index (consumer price index);
- **Executive Officer:** £22,000/yr to £35,000/yr full time increasing annually by inflation based on the national inflation index (consumer price index);
- **Executive Director:** £35,000/yr to £50,000/yr full time increasing annually by inflation based on the national inflation index (consumer price index).

There is a contractual arrangement for SCAR’s contribution to individuals’ pension costs to lie between 5-7% per annum.

### 3. Bank Accounts

SCAR currently manages US$ bank accounts in the USA and £ accounts in the UK. Management of the US accounts is both time-consuming and costly. Initial analysis indicates that significant savings in both money and the time of the EO could be made by transferring all finances to the UK £ accounts. This would also mean that uncertainties in the final year statements due to currency fluctuations would be much reduced.

Accordingly it is strongly recommended that the subscriptions be collected in pound sterling, starting in 2009.

**Recommendation 3: Subscriptions to be paid in £ sterling from 1 January 2009.**

Bank interest has improved for endowment fund, which was transferred to a University of Cambridge account at the end of 2006. Interest was previously paid at 2.1% ($2,671
interest paid in 2006) when held in the US and is now paid at 3.7% ($4,814 interest paid in 2007).

When SCAR officially becomes a charity it is likely that bank interest will improve and bank charges will decrease (at least for SCAR money held in the UK).


Figure 1. Devaluation of the US Dollar in the past decade.

The devaluation of the US Dollar has had a significant impact on SCAR’s ability to carry out its business, not least because salaries are paid in £ sterling.

The net effect of the fall in $ value, combined with the practice of keeping salaries in pace with inflation, is an erosion of the cash reserve. Table 5 shows the projected erosion of the cash reserve.

Table 5 – Income versus Expenditure (erosion of the reserve) for 2007 to 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>2006 (actual)</th>
<th>2007 (actual)</th>
<th>2008 (predicted)</th>
<th>2009 (predicted)</th>
<th>2010 (predicted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>science</td>
<td>203,272</td>
<td>209,680</td>
<td>263,357</td>
<td>255,000</td>
<td>257,000</td>
</tr>
<tr>
<td>admin</td>
<td>232,921</td>
<td>308,765</td>
<td>275,764</td>
<td>295,000</td>
<td>287,000</td>
</tr>
<tr>
<td>Income - expenditure</td>
<td>156,072</td>
<td>55,612</td>
<td>-10,604</td>
<td>-50,002</td>
<td>-77,000</td>
</tr>
</tbody>
</table>
This erosive effect was less evident when SCAR was obtaining voluntary double contributions from the UK and Germany (2005-2007 inclusive). It is now becoming plain (see Figure 2).

Figure 2 – Income - Expenditure for 2006-2010

Given that we must strive for a balanced budget we have two options:

(i) further reduce spending.
(ii) increase the subscriptions to compensate for inflation and the dollar decline.

Options for reducing spending:

(i) eliminate the $10k allocation for large meetings in 2009/10 (this will disadvantage the 10th SCAR International Biology Symposium (2009)
(ii) cut the SSG budgets to $14k each (saving $9k/yr in 2009/10)
(iii) halve the cross-linkages workshop (saving $6k in 2008 and 2010)
(iv) cut the SRP funds to $20k each in 2009/10 (saving $5k/yr)
(v) cut proposed support for JCADM management to $5k/yr (saving $5k/yr in 2009/10)
(vi) cut proposed support for SC-ATS to $15k/yr (saving $5k/yr in 2009/10)
(vii) conclude SCAR history activities (saving $3k/yr)

In addition, SSG-PS could be asked to absorb the costs assigned to SCAR’s co-sponsorship of CliC ($3000), and assigned to SCAR’s co-sponsorship of the Southern
Ocean Implementation Panel ($2000), while SSG-LS could be asked to absorb the costs assigned to co-sponsorship of GLOBEC/ICED ($2000), thus saving a further $7,000 in 2009/10.

These amount to further savings of:
(a) $6k in 2008
(b) $42k in 2009 and $48k in 2010.

**Recommendation 4:** The Finance Committee should consider the implications in the suggested changes to the budgets, and recommend appropriate actions to the Delegates.

While these additional cuts eliminate the deficit of US$ -50,000 for 2009, they still leave a deficit of US$ -27,000 in 2010. That may be further reduced by around $5-10,000 by changing from a US$ account to a £ account (as explained on line (i) below), but that would still leave a US$ -17,000 deficit that would grow into the future.

These various considerations ignore the question of how much the Delegates will allow the SRPs to carry forward from 2008 into 2009. The larger the carry-forward, the bigger the deficit of income over expenditure.

What is required to provide a balanced income is not simply a number of cuts. It is an increase in income in 2010 and beyond, which is unlikely to be offset for long by funds from a the management fee from a CAML grant extension, which – if it arrives at all - is likely to be for no more than one year.

Options for increased income:
(i) change the subscription from US$ to £ to avoid bank losses in the USA (thereby saving approximately $5-10k in charges and transfer fees)
(ii) increase the subscription by $77k, or roughly $2.2k per Member, to offset the decline, or
(iii) reposition the subscriptions to the level of the average dollar exchange rate for the last 10 years to offset the decline (the example in Figure 2 shows that repositioning the $ rate at the 10 year average exchange rate from 1998-2008 [$1=£0.60] would bring in an ‘additional’ £46k [$91k at the minimal 2007 average exchange rate]) .

**Recommendation 5:** to avoid incurring significant bank charges in the USA, all subscriptions should be made in £ sterling from 1 Jan 2009;

**Recommendation 6:** to compensate for the negative effect of the decline in the dollar over the past decade, the subscriptions from 1 January 2010 should be made at the average dollar exchange rate of the last 10 years (~$1=£0.6), which is equivalent to an increased subscription of 20% compared to average 2007 rates (~$1 = £0.5) and would generate an equivalent extra income of $91k compared to 2007 rates.
Alternatively,

**Recommendation 7:** The subscription should be increased by an amount necessary to eliminate the proposed deficit in 2010 and the likely growth in the deficit beyond that. The amount is suggested as US$77,000, which amounts to an increase of 16.9% from 1 January 2010, and averages US$2.2k per Member.

Either of these increases would ensure financial stability for a further 5 years.

An alternative to requesting periodic step-like increases in dues is to arrange for an annual increase in dues by the average rate of inflation. However, Delegates rejected a recommendation in the 2006 Finance Plan calling for a regular increase to the subscription to combat inflation. It is worth bearing in mind the possibility that those delegations finding it hardest to justify an increase at the national level might be asked to consider dropping down one subscription level if subscriptions rise, rather than blocking a rise thought necessary for the wellbeing of the organisation as a whole.

The following tables show changes in the subscription fees from January 1 2010, if recommendations 5 and 6 are accepted.

**Table 6a – Subscription rates for 2008 in $s**

<table>
<thead>
<tr>
<th>Category</th>
<th>No. Members</th>
<th>2008 Contribution</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>2</td>
<td>$23,500</td>
<td>$ 47,000</td>
</tr>
<tr>
<td>B</td>
<td>9</td>
<td>$18,000</td>
<td>$162,000</td>
</tr>
<tr>
<td>C</td>
<td>7</td>
<td>$14,500</td>
<td>$101,500</td>
</tr>
<tr>
<td>D</td>
<td>12</td>
<td>$10,500</td>
<td>$126,000</td>
</tr>
<tr>
<td>E</td>
<td>4</td>
<td>$ 5,000</td>
<td>$ 20,000</td>
</tr>
<tr>
<td>Total:</td>
<td>34</td>
<td>$456,500</td>
<td></td>
</tr>
</tbody>
</table>

**Table 6b – Suggested subscription fees for 2010 based on a change to £ sterling based on a 10 year average exchange rate**

<table>
<thead>
<tr>
<th>Category</th>
<th>No. Members</th>
<th>2010 (No change to subscription assuming $/£ rate is average for 2007 i.e. 0.50)</th>
<th>2010 (Assuming we use the average $/£ rate for the past 10 years i.e. 0.6)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Contribution</td>
<td>Total £</td>
</tr>
<tr>
<td>A</td>
<td>2</td>
<td>$23,500/£11.750</td>
<td>£ 47,000</td>
</tr>
<tr>
<td>B</td>
<td>9</td>
<td>$18,000/£9.000</td>
<td>£162,000</td>
</tr>
<tr>
<td>C</td>
<td>7</td>
<td>$14,500/£7.250</td>
<td>£101,500</td>
</tr>
<tr>
<td>D</td>
<td>12</td>
<td>$10,500/£5.250</td>
<td>£126,000</td>
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<tr>
<td>E</td>
<td>4</td>
<td>$ 5,000/£2.500</td>
<td>£ 20,000</td>
</tr>
<tr>
<td>Total:</td>
<td>34</td>
<td>$456,500</td>
<td>£228,250</td>
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</table>
4. Finding New External Income

4.1 Supporting Instruments

As previously discussed, SCAR would be in a better position to attract external income if basic instruments are in place that demonstrate SCAR’s credibility as a ‘professional’ organisation. These instruments include:

(i) Publication of the strategic plan with a glossy cover (done in July 2005);
(ii) Publication of a glossy brochure (done in May 2008);
(iii) Development of a statement of SCAR’s achievements (it’s ‘track record’) (published August 2007);
(iv) Finalisation of the implementation plans of the 5 SCAR Scientific Research Programmes (done January 2006).
(v) Finalisation of SCAR’s scientific plans for the IPY (done April 2006).
(vi) Becoming a Company (April 2008) and Charity (due July 2008).

Assuming that SCAR’s Charity status is awarded in July 2008, all of the instruments required for approaching funding agencies will be in hand.

4.2 Application of the Finance Strategy (WP 42 from XXIX SCAR)

The strategy of soliciting funds for targeted activities has continued, for instance $25,000 was solicited from NOAA for the SOOS meeting in Bremen in 2007 and another $25,000 from the same source for the SOOS meeting in St Petersburg in 2008. In addition, SCAR was awarded €30,000 from ICSU for a summer school in ice sheet modelling in 2009. $10,000 has also been offered by the International Polar Foundation towards the costs of the Fellowship programme (the 6th continent fellowship initiative). Proposals have been sent to the Total Foundation (for MarBIN) and the European Commission (for observing systems). SCAR is able to trade not only on the SCAR ‘brand’ but also on the ICSU ‘brand’, which may help in some countries where SCAR is not well known.

It is because we provide seed corn funds to our activities that those running these activities are able to attract extra funds. Therefore, success in winning extra funds for targeted activities should not be used to reduce requests for SCAR funds. The new funds add capabilities in key areas, enabling us to do more.

Gifts have been rare (one of $5,000 in recent years, to ACE).

Where feasible we aim for a modest overhead in the form of ‘grant management fees’ (the overhead on the Sloan contract is 15%).

The EXCOM meeting in Washington recognised the difficulties in attracting external funds and agreed the Secretariat should proceed with the formation of a Development Committee (Board of Donors). EXCOM noted that if experts (Board of Donors) were invited to attend a meeting to advise SCAR on how to raise money they should not be
expected to pay their way, at least not in the first instance, and agreed to allocate a $5k seed corn contribution from the 2008 budget to fund a meeting of the proposed Development Committee. This meeting was not held because it was thought more important to use the money to pay for a meeting of an ad hoc group to review the relationship between SCAR and the ATCM/CEP.

**Recommendation: Create a Development Committee.**

To enable SCAR to receive funds the Rules of procedure were adapted to include the following statement: “The Charity may solicit gifts, including equipment and expertise, donations, and grants from corporations, foundations, government agencies and individuals, may set up a Development Committee to oversee this process, and will publicly recognise what has been received, from whom, and how it is to be used.”

A paper was also developed on SCAR guidelines for accepting donations (WP 36).