

2025 Budget Narrative

Preamble

Pursuant to the NCA Bylaws and NCA's policies and procedures, the National Office prepared the 2025 Budget and this summary of specific budgeted items. Several basic principles were followed when constructing this budget. First, the 2025 budget and summary (as with the 2024 budget and summary) reflect realistic and informed projections of revenue and expenses for the coming year. Secondly, the 2025 budget adheres to very conservative assumptions regarding likely revenues for the association while also working to adjust expenses to reflect anticipated needs and expectations accurately. Third, this budget was constructed to reflect the association's actual material operating revenues and expenses and remove items and funds that do not factor into the operations, such as investment income and investment fees, from operating projections. Finally, the 2025 budget shows our Investment Reserve Funding needed to fund the 2025 budget. This is consistent with the prior year's budgeting.

In 2024, the National Office began efforts on the revenue and expense sides of the budget that informed our assumptions for the 2025 budget. This includes a new Executive Director for the organization, a position for a new IDEA Director, and a dedicated Membership Director; expanding the products and services to benefit our members and other convention attendees; and evaluating/renegotiating/bidding contracts to ensure the best value and service for NCA and our members.

The proposed budget reflects an increase in membership dues and convention rates for 2025 to account for contracted increased costs from our annual convention and salaries & benefits to the National Office staff. These increases help decrease the amount we pull from the investment reserves to be more sustainable moving forward. This puts NCA in a more favorable position to execute the Association's mission, Strategic Plan, and IDEA Strategic Plan.

Revenue

The 2025 budget projects total operating revenue of \$3,458,972, less than the \$3,546,625 projected in 2024 (~3% decrease).

First, NCA's revenue projections for 2025 do not include investment income. Investment income is not part of our operations and should not be counted on year to year to sustain operations. Instead, we have balanced the budget with the funding needed to pull from our investments to maintain operations and achieve strategic planning priorities. The Investment Reserve Funding needed for Strategic Planning Priorities is \$150,000, which is \$150,000 less than the \$300,000 budgeted in 2024. This Strategic Planning Priority is to fund an IDEA Director as a full-time staff member. The Investment Reserve Funding needed to sustain operations is \$559,191, which is ~\$400,000 less than the \$940,940 projected in 2024. Overall, this decreases investment reserve funding to \$709,191 in 2025, approximately a \$530,000 decrease compared to 2024.

Second, membership dues are a significant source of NCA's operating revenue. A substantial factor that typically influences membership levels is the location of NCA's Annual Convention. NCA's budgets are usually forecasted conservatively to account for location-specific attributes and historical patterns. From 2018-2023 (five fiscal years), NCA averaged ~\$697,000 in membership dues revenue. 2020 is excluded from this projection since a 50% discount was applied to all membership levels due to the pandemic. This was in hopes of retaining NCA members during this difficult time. The National Office conservatively budgeted NCA membership dues revenue

for 2025 at \$810,384, a conservative estimate based on prior years' budgeted amounts. This assumes the retention of the current active members. We are also budgeting for a ~16% increase in membership dues fees across all levels to account for increased costs to the Association and to be more in line with other comparable learned societies.

Third, NCA generates income from our **student organizations** through membership fees, chapter renewals, and merchandise sales. The 2025 budget forecasts revenue of \$210,000, an increase of \$15,000 compared to the 2024 projected budget. This projected increase factors increased prices for LPH and SCH membership fees in 2024.

Fourth, the 2025 budget assumes a decrease in miscellaneous revenue. Specifically, for **career advertisements** (e.g., the NCA Career Center, COMMNotes, and *Spectra*), revenue has been decreasing since the end of 2023, and we are projecting to earn \$138,250 in 2024; therefore, the anticipated budget for 2025 has been reduced to \$138,250 from the 2024 budget of \$174,750. We have also decreased our Contributions budget in 2025 from \$75,000 in 2024 to \$5,000 as we originally planned to make a push for unrestricted contributions to the organization in 2024, but after further discussions with the Finance Committee and EC, feel that this is not a worthwhile effort as NCA has not historically produced significant donations. Also, for 2025, we expect to earn a similar amount as in 2024 in the Program Revenue, Extra Interest Group Affiliation, and other revenue that factor in minor adjustments to the budget.

Fifth, much of NCA's **convention revenue** comes from registration fees. The 2023 convention was hosted in National Harbor, Maryland. We used a three-year average of convention attendance as a base to develop our convention registration attendance number for 2025. We increased convention registration costs to members by ~50%, decreased registration costs to students by ~3%, removed early bird rate differences in pricing, and removed the price change for on-site registration to assist in recouping rising convention-related costs in 2025. The specific rates can be seen below. The 2025 budget projection is \$1,218,838 in convention revenue, a 7% increase from 2024.

Proposed convention registration fees for 2025:

		2024 Fee	Proposed 2025
Discounted Student:	<i>Early Bird</i>	\$100	
	<i>Regular</i>	\$155	\$150
	<i>On-site</i>	\$210	\$150
Member:	<i>Early Bird</i>	\$220	\$325
	<i>Regular</i>	\$270	\$400
	<i>On-site</i>	\$325	\$400
Non-member:	<i>Early Bird</i>	\$590	\$650
	<i>Regular</i>	\$650	\$715
	<i>On-site</i>	\$705	\$715

Sixth, most of NCA's publications revenue comes from journal royalties from Taylor & Francis and EBSCO. In 2025, the budget reflects a conservative estimate of expected revenue based on our historically received

royalties. In addition, NCA receives considerable support from Taylor & Francis for its editor stipends; roughly 80 percent are supported by T&F. In all, NCA projects revenue from publications for 2025 to be \$1,042,000, a 6% decrease from 2024.

Revenue Category	2024 Budget	2025 Budget
Membership Dues	\$810,000	\$810,384
Student Organizations	\$195,000	\$210,000
Convention	\$1,142,375	\$1,218,838
Publications	\$1,105,000	\$1,042,000
Miscellaneous Revenue	\$294,250	\$177,750
Total	\$3,546,625	\$3,458,972

Expenses

The 2025 budget projects total operating expenses of \$4,168,163, approximately a 13 percent decrease from our 2024 projection of \$4,787,565. Notably, this decrease is predominantly due to the ongoing restructuring of National Office departments, reducing salaries & benefit costs by over \$300,000, looking for more affordable options in the location of the 2025 Leadership Retreat to move the meeting outside of the Washington, DC metro area to a more affordable location, grantmaking reductions outlined in the below Research Department budget outline, and reductions in professional services & IT costs by looking at more affordable options for the Association and utilizing the expertise of volunteer members.

Salaries & Benefits

As is the case for most service-oriented organizations (e.g., membership associations and learned societies), NCA's largest expense in this category is **compensation, benefits, and taxes**. Compensation includes salaries for 13 full-time staff members and a part-time Finance Associate. The 2025 budget includes a salary increase pool for the staff consistent with cost-of-living adjustment as specified in NCA's policies and potentially for a modest merit-based increase or bonus. Some benefits, including retirement contributions and FICA, are tied directly to salaries. Other benefits cost the same amount for everyone or differ across individuals based on variables other than salary. These include health, dental, and life insurance. NCA is projecting 2025 **Salaries & Benefit** expenses of \$1,761,000 for compensation, benefits, and taxes: in 2024, NCA projected expenses of

\$2,070,500 in this category (~15 percent decrease). This decrease is predominately due to the ongoing restructuring of National Office departments due to the Executive Director transition.

Please note that Salaries and benefits are spread among all departments based on the level of effort in each functional area (G&A, Executive Office, Convention, Research, Membership, and Communications). While the Executive Director's time is spread among all functional areas, some staff are budgeted to their home department as most of their time is spent there. For example, all employees assist with the Convention.

General & Administrative Expenses

NCA is projecting 2024 general and administrative expenses to be \$1,090,867. Expenses in this category were projected at \$1,190,514 in 2024 (~ an 8 percent decrease).

General and administrative expenses include building maintenance (e.g., utilities, janitorial services, alarm monitoring), technology (e.g., phone, internet, technical maintenance fees, computer supplies), real estate taxes, credit card and other professional fees, legal, accounting, human resources and design services, organizational insurance, training, and general office expenses. Though the expenses are capitalized and reflected in our depreciation budget, we have budgeted for building renovations and a new website as major investments in NCA's future in 2025.

Executive Office Expenses

NCA is projecting 2025 executive office expenses to be \$531,420. Expenses in this category for 2024 were projected at \$663,570 (~20 percent decrease).

The major categories of expenses in this area are for **meetings and events** and **governance/National Office travel**. In 2025, NCA plans to have the January Leadership Retreat and August Executive Committee meetings and all planned National Office Travel. To support governance meetings, events, and National Office and governance travel, NCA is projecting expenses for 2025 to be \$94,000, a decrease from \$152,500 budgeted for 2024. This decrease is primarily due to the 2025 Leadership Retreat moving outside of the Washington, DC area to save costs.

Other **governance** expenses include dues for partner advocacy organizations and sponsorships of other meetings and events, officer initiative funds, interest group funding, national awards, and organizational dues. These expenses are projected to be \$173,270 for 2025.

Research

NCA is projecting 2025 Research expenses to be \$690,270. Expenses in this category for 2024 were projected at \$842,831 (~18 percent decrease).

NCA's most significant expense for Research is from **grant-making**, including grants for the annual NCA Doctoral Honors Seminar, the NCA Institute for Faculty Development (the "Hope" conference), Student Caucus Travel Grants, Advancing the Discipline Grants, Research Cultivation Grants, Communication Pedagogy Grants, and the Chairs' Summer Institute. For 2025, the budget projects \$129,750 for grant-making. The 2024 budget projected \$259,000 (~50 percent decrease). This decrease is accounted for by the reduction in Advancing the Discipline

Grants from \$30,000 to \$10,000, reducing Student Caucus Travel Grants from \$90,000 to \$30,000, removing the grant to the host University for the Mid-Career Writing Retreat as NCA will develop an in-house alternative, reducing the Hope Conference to a \$5,000 grant from \$16,500 and reducing the Chairs' Summer Institute to a \$2,000 grant to cover speakers and facilitators while holding it virtually.

Another large portion of the Research budget is expenses for editor stipends for the twelve journals, totaling \$184,000. Taylor and Francis covers most of this expense per our royalty agreement.

Academic & Professional Resources expenses include career center ads, archives, travel for staff members, CIDD expenses, subscription costs for journal printing, and public programs, which will be held virtually moving forward.

Membership

NCA is projecting 2025 Membership expenses to be \$325,525. Expenses in this category for 2024 were projected at \$421,575 (~23 percent decrease).

In prior years, NCA did not have a dedicated Membership Department until 2024. Moving forward, the National Office has re-established the Membership Department with a Director of Membership to serve the membership base better. Adding new costs for member recognition, student programming, additional member communication and outreach, and budgeting for additional technology enhancements for our association management system totaling ~62,000. This is a decrease of ~\$50,000 as some technology enhancements (upgrades to the database) were one-time costs in 2024 and will not be incurred in 2025.

Convention

NCA is projecting 2025 annual convention expenses to be \$1,027,629. Expenses in this category for 2024 were projected at \$1,101,100 (~7 percent decrease).

The most significant **convention** expense is for AV services, which are included in the site charges. Food and beverage is used for several events, including, among others, the welcome reception, the convention planners' meetings, the International Scholars' Reception, and the IDEA Council reception. Professional services expenses include a meeting planning consultant, a photographer, sign language interpreters, temporary personnel, movers, webinar services, keynote speaker & on-site IT support. The budget decrease from 2024 to 2025 is due mainly to engaging a consulting firm that works on commission to bring more exhibitors, advertisers, and sponsors to support the convention and to expand the products and services to benefit our members and other convention attendees in 2025. The goal is to restructure the current commission rates to reduce the cost to NCA. We also removed the budget in 2025 for LA reimbursement to help defray Convention expenses.

Communications

NCA is projecting 2025 communication expenses to be \$502,452. Expenses in this category for 2024 were projected at \$567,975 (~12 percent decrease).

Communications incur production and distribution costs for membership communications and outreach, as well as media subscriptions (the cost of providing members with access to journals, both electronic and print). Expenses of **video production** are also included in this category.

Expense Category	2024 Budget	2025 Budget
General & Administrative Expense (e.g., compensation; office expenses; professional fees and services)	\$1,190,514	\$1,090,867
Executive Office (e.g., governance; meetings & events; travel)	\$663,570	\$531,420
Research (e.g., program grants, student organizations, public programs, editor stipends)	\$842,831	\$690,270
Membership	\$421,575	\$325,525
Convention	\$1,101,100	\$1,027,629
Communications (e.g., <i>Spectra</i> ; video production)	\$567,975	\$502,452
Total	\$4,787,565	\$4,168,163