

I. Report Date: 5 October 2026

II. Name of Committee: Finance Committee

III. Committee Members: Kate Lambaria (Chair, Fiscal Officer), Kirk-Evan Billet (Assistant Fiscal Officer), Bruce J. Evans (President), Holling Smith-Borne (Vice President/Past President), Lisa Shiota (Chief Financial Officer), Jessica Abbazio (Assistant Chief Financial Officer)

IV. Board Action Required

BAR 1 The Finance Committee recommends updating the Fiscal Policies Handbook Section **5.g Cash Reserves and Surplus Funds; Cash Floors** to provide clearer guidance on determining the cash reserves amount and reflect current practice with sweep accounts.

FPH CURRENT

5.g Cash Reserves and Surplus Funds; Cash Floors

The Administrative, Fiscal Policies, and CFO Handbooks do not address operating surpluses, cash floors, or operational reserves, but the board meeting index says “**cash reserves in savings/checking account maintained in approximately the same as the cost of an MLA annual meeting.** 12-13 June 2008, p. 7.” (The index has additional budget reserve policies from the 1960s to 1990s that are likely not applicable.) In FY19, the annual meeting cost was ca. **\$150,000**; \$145,000 was budgeted for FY20 (including workshop). For perspective, MLA’s auditors at the time, SVA, noted that some of their other client organizations, as part of their liquidity management and reserve and surplus policy, “strive to maintain an operating reserve equal to six months of general expenditures.” (Other non-profit guides mention this ratio.) MLA’s FY19 six-month expenses, after deducting the convention and awards, were around **\$150,000**. (Source: Chief Financial Officer report supplement regarding investments, Denton, 10/2020)

There is no known policy stating that surpluses must go into the MLA Fund. Jerry McBride mentioned it in a 2012 report relating to investments, but this is not known policy. The board voted in October 2019 to create a new subaccount designated “Surplus” in the Fidelity Y94 conservative account, to hold amounts that substantially exceed operational reserves as defined by board policy, with use of funds and transfers to and from that account to be authorized at will by board vote. (Minutes 10/2019, 13.b.) This subaccount is separate from the awards and MLA Fund. The board has also historically voted to use surplus funds to seed or end fundraising campaigns, or fund initiatives.

FPH UPDATES

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~~In 2026, as MLA Office functions were moving from A-R Editions to CHMS and MLA transferred funds from First Business Bank to Capital Bank, an MLA money market account was converted into a sweep account (a money market account tied to a checking account). The cash floor for this account was established at \$125,000, meaning that funds over that amount are automatically swept into the money market account to earn interest. When necessary to maintain the floor of \$125,000, funds automatically sweep back into checking.~~

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BAR 2 The Finance Committee recommends updating Section **8. Conventions** (subsections 8.d, 8.e, and 8.f) of the Fiscal Policies Handbook to address changes in the Silent Auction, conference refund policy, and registration categories.

FPH CURRENT

8.d Registration Fees

Students who are MLA members shall be charged a reduced fee at annual meetings. (Handbook, II.A.5.e)

Conference refunds: The MLA Conference Refund Policy is proposed by the Convention Manager in consultation with the Chief Financial Officer and the MLA Business Office in advance of opening conference registration, and approved by the Board. This allows the policy to adapt as needed based on current circumstances. The policy is then posted to the annual conference website. The Fall 2025 Board Meeting Minutes detail the approved policy for the 2026 conference.

8.e Silent Auction

The funds from the Silent Auction will first cover the costs of the auction tables and any remaining funds will be considered unrestricted. (Minutes, 02/2013, 09.g)

8.f Accompanying persons

The Accompanying Person conference registration rate is available to non-MLA members only. (Minutes, 02/2013, 09.g) People registered as Accompanying Persons are eligible to attend all events at the Annual Meeting. (Minutes, 02/2013, 09.g)

FPH UPDATES

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Students who are MLA members shall be charged a reduced fee at annual meetings. (Handbook, II.A.5.e)

An accompanying persons registration rate was offered up until the 2025 virtual meeting. This rate was available to non-MLA members only and included attendance at all Annual Meeting events (Minutes, 02/2013, 09.g).

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BAR 3 The Finance Committee recommends that the Board approve the MLA Approved Vendor List.

Background: This document represents an update to a list of approved vendors to which MLA makes recurring payments, including outside vendors, recipients of honoraria, Board and Committee members, and other recurring payees, but not one-time payees, such as award recipients or one-year conference vendors. The list will be held at the MLA Office, which will check it as requests for payments are made.

V. Brief Summary of Activities

- The Fiscal Officer and Assistant Fiscal Officer corresponded with committee chairs and special officers regarding the Board's decisions about FY27 budget requests following the Spring 2026 Board meeting.
- Following the Spring 2026 Board meeting, members of the Finance Committee identified transcription and formula errors in the approved budget; these corrections reduced the overall budget deficit from \$216,200 to \$214,500. The Board voted on and passed a BAR related to this budget amendment at the June 11, 2026 monthly meeting.
- The Finance Committee met on September 1 to discuss the role of the Investments Subcommittee, updates on the budgeting process from the MLA Office, unexpected design services charges, Fiscal Policies Handbook revisions, and continued discussions from the Spring Board meeting about membership dues structures.
- Finance Committee members provided insight and guidance into the development of the new Prospectus outlining sponsorship, exhibiting, and advertising opportunities for the 2027 Annual Convention. The Committee submitted a BAR to amend rates approved at the Spring Board meeting to align with rates included in the Prospectus and developed

by the MLA Office, Convention Managers, Development Officers, and Advertising Manager. The BAR was passed via emergency budget action proviso by the President, Vice President, and Recording Secretary in September 2026.

- The Fiscal Officer and Assistant Fiscal Officer corresponded with the Program Committee Chair and members of the Finance Committee about honoraria and gratis registration for speakers, providing insight into policy and past practice. Speaker support continues to be an ongoing area of uncertainty for both the Program and Finance Committees.
- The Fiscal Officer and Assistant Fiscal Officer met to review the Fiscal Policies Handbook and to craft revisions based on previously passed BARs and Committee recommendations. BAR-related revisions included changing references from A-R Editions and the Business Office to Capitol Hill Management Services and the MLA Office, references to publishing agreements with A-R Editions to new agreements with University of Illinois Press (*Notes*) and Bloomsbury (monographic series), and references to Music Cataloging Bulletin becoming Open Access throughout the Handbook. Other updates to the Fiscal Policies Handbook based on previously-passed BARs include the following items, with revisions indicated in purple:

4.c Subventions and support to other organizations

MLA provides support to several organizations and projects that help to fulfill aspects of MLA's mission.

RILM

MLA ~~previously provided~~ a yearly subvention of \$10,000 to the RILM project, which ~~now also included~~ the amount formerly contributed by IAML-US before their merger with MLA in July 2011. ~~In FY27, MLA reduced the subvention to only include the approved amount generated by the Lenore Coral US-RILM Fund (Minutes, Spring 2026, 10.j., 32).~~

7.b.ii MLA/IAML Temporarily Restricted Short-Term Funds Summary

In 2019 and 2020, two short-term board-designated funds emerged, segregated in checking subaccounts, seeded by donations and/or board surplus funds, with no intent to endow the funds, and no permanent balance. The intent was to immediately tap and/or deplete the funds in accordance with any board-approved policies and procedures devised by the Association regarding these funds; they are not subject to the same spending formulas as the Association's endowed funds, unless amended by board vote. Funds could later be converted to regular endowed funds or become fund-raising initiatives.

~~Donation to Fund~~	Description (Asset Type, Amount Determination, etc.)
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MLA Emergency Relief Fund	Remaining funds were redistributed to General Conference Registration Fund and to support mini-grants
Open Access (majority for OA Songbook; some general)	Funds were spent on the OA Songbook and other general OA initiatives. The OA Editor now requests funding as part of the annual budgeting process.

APPENDIX B TO THE FISCAL POLICIES HANDBOOK

RATES THAT ARE SET ANNUALLY

- Amended amounts to reflect dues, convention registration, exhibitor and program advertising, and subvention amounts approved at the Spring 2026 Board meeting
- Updated award amounts approved at the Winter 2026 Board meeting
- Added footnote about change in Appointments Coordinator honoraria:
 “The honorarium for Appointments Coordinator will be reduced to \$750 at a prorated amount for the quarter, to begin in FY27 Q4. The honorarium will then be phased out at the conclusion of that individual's term as Appointments Coordinator in FY29. (Minutes, Spring 2026, 10.j)”

VI. Alignment with the MLA 2022-2030 Strategic Plan Objectives

- The activities of the Finance Committee support all Goal Areas and Objectives articulated in MLA's Strategic Plan by considering how our fiscal priorities and policies relate to organizational goals.

Respectfully submitted,
 Kate Lambaria
 Fiscal Officer, 2026-2027