

March 21, 2003

**JTC 1 TAG - 2002 Results\* (December 1, 2001 - November 30, 2002)**

\*The 2002 JTC 1 TAG results have been reconciled with the audited 2002 ITI results and adjusted to reflect the reporting requirements of the JTC 1 TAG.

	2002 Approved Budget	2002 Projections (7/29/2002)	2002 Projections (10/28/2002)	2002 Results	% Variance between 2002 Approved Budget and 2002 Results	Notes - Variances + / - 10%
<b>Beginning Equity Account</b>	\$182,807	\$240,972	\$240,972	\$240,972		
Dues & Fees	\$313,000	\$265,000	\$260,000	\$260,000	-17%	1
Investments	\$6,670	\$8,000	\$11,000	\$12,204	83%	
SDO Assessments	\$245,700	\$239,700	\$239,700	\$236,701	-4%	
<b>Income</b>	<b>\$565,370</b>	<b>\$512,700</b>	<b>\$510,700</b>	<b>\$508,905</b>	<b>-10%</b>	
IT Maintenance/External Contract Services	\$39,000	\$39,000	\$39,000	\$24,883	-36%	2
JTC 1 Program Contract with ANSI (less mgmt. fee)	\$178,000	\$167,369	\$167,369	\$167,369	-6%	
JTC 1 Reserve at ITI**	\$158,000	\$158,000	\$158,000	\$158,000	0%	
Meetings Support	\$1,500	\$1,500	\$545	\$545	-64%	3
Membership & Subscriptions	\$0	\$891	\$891	\$891		4
Printing	\$125	\$50	\$50	\$0	-100%	5
External Services	\$376,625	\$366,810	\$365,855	\$351,688	-7%	
Travel	\$12,000	\$16,000	\$18,000	\$18,049	50%	6
Postage & Delivery	\$250	\$330	\$250	\$165	-34%	7
Reproduction	\$400	\$212	\$400	\$153	-62%	8
Supplies	\$4,000	\$4,155	\$5,000	\$4,453	11%	9
Telecommunications	\$3,000	\$1,500	\$1,200	\$1,132	-62%	10
Information Tech Services	\$13,372	\$12,571	\$12,338	\$10,224	-24%	11
Operations	\$33,022	\$34,768	\$37,188	\$34,176	3%	
Education & Training	\$5,000	\$3,595	\$3,595	\$3,595	-28%	12
Personnel/Indirect/G&A	\$222,936	\$225,609	\$227,601	\$226,683	2%	
<b>Expense</b>	<b>\$637,583</b>	<b>\$630,782</b>	<b>\$634,239</b>	<b>\$616,142</b>	<b>-3%</b>	
Investments - Unrealized	\$0	\$0	\$0	\$749		
<b>Results of Operations</b>	<b>(\$72,212)</b>	<b>(\$118,082)</b>	<b>(\$123,539)</b>	<b>(\$106,488)</b>		
<b>Ending Equity Account</b>	<b>\$110,595</b>	<b>\$122,891</b>	<b>\$117,433</b>	<b>\$134,484</b>		

**Equity Account (Reserves)**

The equity account was established to serve as a financial fund into which excess revenues (derived exclusively from Dues and Fees) over expenses could be deposited. Periodic review of the account is done through reports to the JTC 1 TAG and ITI management.

The funds held in this account are to be used for such purposes as meeting expenses when such expenses exceed revenues in any given fiscal year(s), funding the JTC 1 TAG Administrator operation for a period of time in the event of the JTC 1 TAG's loss of sponsorship or items not anticipated within the current fiscal year budget. Use of the Equity Account funds shall require prior approval by the JTC 1 TAG and ITI management. No set figure is required to be maintained in the JTC 1 TAG equity account, however, if the account exceeds six months of JTC 1 TAG operating expenses or the account is depleted to a balance below two month's operating expenses, the equity account should be re-examined by the JTC 1 TAG in light of the current Fees.

In 2002, the JTC 1 TAG equity account should have been at least \$102,690.34 and not more than \$308,071.02. [The JTC 1 TAG equity account stands at \$134,484.00 at the end of 2002.]

**Notes on Variances Greater/Less than 10%**

- 1) Dues & Fees - Income: Greater drop in membership than budgeted.
- 2) IT Maintenance/External Contract Services - Expense: IT maintenance expense was less than budgeted.
- 3) Meeting Support - Expense: Cost of hosting meetings was less than budgeted.
- 4) Membership & Subscriptions - Expense: Unbudgeted expense for USNB P-membership on JTC 1.
- 5) Printing - Expense: Expense less than budgeted.
- 6) Travel - Expense: Expense higher than budgeted due to increase in ad hocs and unanticipated travel for Transition Team meetings.
- 7) Postage & Delivery - Expense: Expense less than budgeted.
- 8) Reproduction - Expense: Expense less than budgeted.
- 9) Supplies - Expense: Expense greater than budgeted due to purchase of IT equipment/supplies.
- 10) Telecommunications - Expense: Expense less than budgeted - there were not as many teleconferences as anticipated.
- 11) Info Tech Services - Expense: A support staff member was not hired during the 2002 fiscal year.
- 12) Education - Expense: Expense less than budgeted - staff training not conducted.