

**NCMA - FY 08 STATEMENT OF ACTIVITIES AND COMMENTARY FOR MAY 2008**

**EXECUTIVE SUMMARY**

The Month's results are summarized as follows:

	MAY Actual	MAY Budget	MAY Variance	MAY Variance %
<b>Revenues</b>	422,089	375,489	46,600	12.4%
<b>Expenses</b>	464,982	427,807	(37,175)	-8.7%
<b>Net Income - pre investment income, other and taxes</b>	(42,893)	(52,318)	9,425	-18%

The favorable variance in May revenues results primarily from higher than budgeted revenues in Membership (Group), Education (NES, Books), and Advertising (Career Programs, CM Magazine, Corporate Sponsorship and Educational Partners). This favorable variance in May revenues is partially offset by lower than budgeted revenues in Membership (Individual), Education (Audio Seminars), and Advertising (Resource Guide and Website) and Certification (Exam Fees).

The unfavorable variance in May expenses results from higher expenses in Governance (Board of Directors), Component Relations (Communities of Practice), Administration - (Computer, Postage and Professional Development expenses), Building (Utilities), Finance (Credit Card processing costs), Education (LDP), Education (NES), and Creative Services (CM Magazine, Corporate Sponsorships and Educational Partners). This unfavorable variance is partially offset by lower expenses in Administration (Marketing), Education (Audio Seminars and Books) and Certification (Exam Expenses).

The Year to Date results are summarized as follows:

	YTD Actual	YTD Budget	YTD Variance	YTD Variance %
<b>Revenues</b>	5,633,542	5,594,298	39,244	0.7%
<b>Expenses</b>	5,378,065	5,418,318	40,253	0.7%
<b>Net Income - pre investment income, other and taxes</b>	255,477	175,980	79,497	45%

The favorable variance in YTD revenues results from higher than budgeted revenues in Membership (Group), Education (Books), Advertising (Resource Guide, Career Programs, Website, and Educational Partners), and Meetings (GCMC and WC).

This favorable variance in YTD revenue is partially offset by lower than budgeted revenues in Membership (Individual), Education (NES and Audio Seminars) Advertising (CM Magazine), Certification (Exam Fees) and Meetings (ADC and Executive).

The favorable variance in YTD expenses results from by lower expenses in Administration (Marketing - WC, GCMC, Executive, Education, Membership, Certification, Creative Services), Membership (Fulfillment timing), Education (NES, Audio Seminars, e-Learning - variable), Creative Services (Journal - mail costs), Certification - (General Program and Exam Fees), and Meetings (ADC - lower speaker and variable costs, Executive - cancellation, and WC - lower F and B and Convention rental expense).

This favorable variance in YTD expenses is partially offset by higher than budgeted expenses in Governance (BOD), Component Relations (Communities of Practice), Administration (Professional Development, Recruitment, Computer costs and Travel), Building (Utility and Janitorial costs), Finance (Temporary Staff, Credit Card processing costs) Education (Books - variable), Creative Services (G & A - temporary staff, Resource Guide, CM Magazine, Website, and Educational Partners - variable).

**Year to Date Salaries and Benefits**

	Actual	Budget	Variance	Variance %
Aggregate Salaries and Benefits for the year to date are as follows:	1,558,933	1,650,297	91,364	5.5%

The favorable variance on Salaries and Benefits is principally a result of the FY 08 budget assuming higher starting salaries for employees hired over the past year, a change in the staff configuration, and vacancies for varying periods in Certification, Meetings and Creative Services, partially offset by temporary staff costs.

**NCMA - FY 08 PART B DETAILED COMPARISON OF ACTUAL AND BUDGET FOR MAY 2008**

	Month ACTUAL May 2008	Month BUDGET May 2008	Variance \$	Variance %	Commentary on Variances
<b>Revenues</b>					
Component Relations					
Leadership Mid-Year/Summit	0	0	0		
	0	0	0		
Membership					
Membership Dues	104,510	109,716	(5,206)	-5%	YTD Actual \$1,074,309 - Budget \$1,206,876
Initiation Fees	3,330	3,500	(170)	-5%	YTD Actual \$38,170 - Budget \$38,500

PART B DETAILED COMPARISON OF ACTUAL AND BUDGET FOR MAY 2008					
	Month ACTUAL May 2008	Month BUDGET May 2008	Variance \$	Variance %	Commentary on Variances
Associate Dues	2,250	2,265	(15)	-1%	YTD Actual \$21,855 - Budget \$24,915
Retired Dues	1,305	2,704	(1,399)	-52%	YTD Actual \$23,390 - Budget \$29,744
Group Memberships	39,005	28,148	10,857	39%	May revenues include - GSA Great Lakes - \$8,100, Group Meggitt - \$6,000 Raytheon, Tuscon \$5,700, Concurrent Tech Corp \$4,940 Jacobs Engineering \$3,045, and Lockheed Martin \$1,530 GSA DC - \$3,681 YTD Actual \$374,173 - Budget \$309,628
Affinity Programs	1,624	1,437	187	13%	
Merchandise Sales	0	0	0		
<b>Total Membership and Chapter Relations</b>	<b>152,024</b>	<b>147,770</b>	<b>4,254</b>	<b>3%</b>	YTD Actual \$1,544,007 - Budget \$1,625,470
Education					
NES	81,925	61,620	20,305	33%	Fifteen seminars held in May - 14 chapter hosted and 1 National Solicitations: - Leatherstocking - 54 attendees, Frederick 68, Space City Houston 124, Jacksonville 14, St.Louis Gateway 42, Red River Valley 20, Greater Johnstown 36, Dayton 50 - est, Northeast Indiana 37, Old Dominion 17, and Picatinny 73 Project Management: Puget Sound 14 Contract Negotiations: - Los Angeles - South Bay 93 Leadership - Tysons Corner 13 Nationally Hosted - Vandenberg - Solicitations - 48 Budget - Five chapter hosted - 49 attendees @ \$99 each, Two Nationally Sponsored - 30 attendees @ \$305 and Two Nationally Hosted - 30 attendees @ \$295 each, Balance represents NES book sales Actual - Two seminars - Contract Law Basics - 78 sites and Pricing Basics - 37 sites - line also includes CD sales. Budget - Two seminars - 100 sites for each Continued strong sales of General Business and Federal Knowledge modules
Audio Seminars	24,460	37,000	(12,540)	-34%	
Books	11,479	9,888	1,591	16%	
E-Learning	3,720	5,075	(1,355)	-27%	V Campus on-line courses
Leadership Development	0	0	0		
<b>Total Education</b>	<b>121,584</b>	<b>113,583</b>	<b>8,001</b>	<b>7%</b>	
Advertising					
Resource Guide	0	7,500	(7,500)	-100%	Timing - Sold by third party - YTD Actual \$138,155, Budget \$75,000
Career Programs	53,350	40,416	12,934	32%	CM Jobs.com revenue YTD revenue includes: CM Jobs.com - YTD Actual \$521,725, Budget \$449,826 Career Fair - April - World Congress - Actual \$8,100, Budget \$3,600 Career Fair - November - GCMC - Actual \$21,350, Budget \$6,000 Advertising Sales - YTD Actual \$519,671, Budget \$557,400
CM Magazine	55,233	50,400	4,833	10%	YTD Actual \$90,248, Budget \$55,000
Website	1,000	5,000	(4,000)	-80%	Timing - Sold by third party - YTD Actual \$67,500, Budget \$68,000 May revenues represent - Navigant Consulting - \$10,000 and PAE Group - Lockheed Martin - \$4,500
Corporate Sponsorships	14,500	0	14,500		Timing - Sold by third party - YTD Actual \$99,000, Budget \$65,500 May revenues represent AMA Federal Learning Inst - \$9,000 and Federal Publications Seminars - \$9,000
Educational Partners	18,000	3,500	14,500	414%	
Reprints	1,002	500	502	100%	
<b>Total Advertising</b>	<b>143,085</b>	<b>107,316</b>	<b>35,769</b>	<b>33%</b>	
Certification					
CPCM	1,400	1,090	310	28%	
CFCM/CACM	2,827	2,825	2	0%	
CCCM	600	625	(25)	-4%	
CSCM	150	0	150		Certified Schedules Contract Manager - New designation
Miscellaneous/CMBOK	0	0	0		
Examination Fees	0	2,280	(2,280)	-100%	Budget anticipated switch to Kryterion under whose system customers pay NCMA directly. This changeover from Prometric to Kryterion began in May and will be reflected for the first time in June 2008
<b>Total Certification</b>	<b>4,977</b>	<b>6,820</b>	<b>(1,993)</b>	<b>-29%</b>	

PART B DETAILED COMPARISON OF ACTUAL AND BUDGET FOR MAY 2008					
	Month ACTUAL May 2008	Month BUDGET May 2008	Variance \$	Variance %	Commentary on Variances
Meetings					
ADC Conference	0	0	0		
GCMC Conference	0	0	0		
Executive	0	0	0		
World Congress	419	0	419		Late CTE registration adjustments
<b>Total Meetings</b>	<b>419</b>	<b>0</b>	<b>419</b>		
Other Revenue					
Miscellaneous	0	0	0		
<b>Total Other Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Total Revenue</b>	<b>422,089</b>	<b>375,489</b>	<b>46,450</b>	<b>12%</b>	
			150		
<b>Expenses</b>					
Governance					
Board of Directors	9,766	2,233	(7,533)	-337%	Timing on claims - YTD Actual \$113,771, Budget \$95,389 FY 08 Full year budget is \$112,540
Committees	506	630	124	20%	
Advocacy	165	0	(165)		Amortization of PR software costs
<b>Total Governance</b>	<b>10,438</b>	<b>2,863</b>	<b>(7,574)</b>	<b>-265%</b>	
Component Relations					
Chapter Support	8,337	9,119	782	9%	Chapter rebate accrual - \$7,566. Balance is pins and shipping
Awards	298	728	430	59%	
Board of Advisors	0	2	2	100%	
Council of Fellows	0	8	8	100%	
Communities of Practice	3,354	0	(3,354)		COPS tool kits and printing re COPS e-zine
Leadership Mid-Year/Summit	0	0	0		
<b>Total Component Relations</b>	<b>11,989</b>	<b>9,856</b>	<b>(2,133)</b>	<b>-22%</b>	
Administration					
Salaries and Benefits	95,080	74,192	(20,888)	-28%	Three Additional staff in Component Relations (1) and Marketing (2) - both departments included in this line and pan NCMA vacation accrual adjustment
Administration	49,529	43,575	(5,954)	-14%	Higher computer expenses (Results Direct Content Management System and CRM support), higher postage and professional development costs partially offset by lower equipment lease costs.
Building	14,522	12,360	(2,162)	-17%	Higher utility/custodial/condo costs than budgeted - budget was prepared before these were known. In addition the line item includes mortgage interest on the new offices (\$6,083) and building amortization (\$4,663).
Finance	19,864	17,381	(2,483)	-14%	Higher bank and credit card processing charges
Marketing	16,256	19,002	2,746	14%	Deferral of CM Subscription program - May includes attendance at DOD and GSA conferences
<b>Total Administration</b>	<b>195,251</b>	<b>166,510</b>	<b>(28,741)</b>	<b>-17%</b>	
Membership					
Salaries and Benefits	22,767	30,182	7,415	25%	Open customer service position now filled and different staff mix from that budgeted
General and Administrative	0	0	0		
Membership Services	5,870	4,380	(1,490)	-34%	Higher postage and printing costs
Communities of Interest	0	0	0		
<b>Total Membership and Chapter Relations</b>	<b>28,637</b>	<b>34,562</b>	<b>5,925</b>	<b>17%</b>	
Education					
Salaries and Benefits	25,901	23,894	(2,007)	-8%	Allocation of Director of Education and Certification and 100% of Program Administrator costs. (Budget included allocation of CKO)
General & Administrative	299	100	(199)	-199%	Amortization of education related software and conference call charges
NES	35,800	31,927	(3,873)	-12%	Seminar costs and materials. Budget assumed a higher number of National Hosted/Sponsored seminars which have a higher cost base than Chapter seminars. The adverse variance on costs is therefore lower than

PART B DETAILED COMPARISON OF ACTUAL AND BUDGET FOR MAY 2008					
	Month ACTUAL May 2008	Month BUDGET May 2008	Variance \$	Variance %	Commentary on Variances
Audio Seminars	10,095	15,520	5,425	35%	would be expected given the higher than budgeted revenues for the month
Cost of Books	2,415	6,329	3,914	62%	Lower revenues, lower variable costs
E-Learning	3,211	3,213	2	0%	Comprises cost of books sold - reduced by credit from supplier on prior month book purchases
Leadership Development	8,500	1,097	(7,403)	-675%	V Campus - Commission on sales and audio visual production costs
					Includes late costs from World Congress, Materials - \$4,846, Awards - \$2,375 and amortization of licenses. YTD Actual \$43,923, Budget \$43,972.
Committees	0	0	0		
<b>Total Education</b>	<b>86,221</b>	<b>82,080</b>	<b>(4,141)</b>	<b>-5%</b>	
<b>Creative Services</b>					
Salaries and Benefits	36,233	42,293	6,060	14%	Change in the staff mix
General and Administrative	0	0	0		
Board of Advisors Directory	0	0	0		
Resource Guide	0	2,063	2,063	100%	No revenues, no commission
Career Programs	4,000	4,000	0	0%	Fixed flat rate fee per month of \$4,000 for CMJobs.com
CM Magazine	46,922	43,445	(3,477)	-8%	Higher revenues, higher commission and higher printing and postage costs
BPA Audit	0	242	242	100%	Service discontinued
Journal	0	0	0		
Website	841	1,967	1,126	57%	Commission and internet hosting costs
Corporate Sponsorship	5,450	0	(5,450)		Current commission on sales and bonus commission adjustment in accordance with new contract
Educational Partners	5,560	963	(4,597)	-477%	Current commission on sales and bonus commission adjustment in accordance with new contract
Reprints	0	0	0		
<b>Total Creative Services</b>	<b>99,006</b>	<b>94,973</b>	<b>(4,033)</b>	<b>-4%</b>	
<b>Certification</b>					
Salaries and Benefits	12,484	16,583	4,099	25%	Represents allocation of Director of Education and Certification and total salary costs of a full-time Education Program Administrator. Budget also included CKO allocation.
General Program Expenses	1,254	1,148	(106)	-9%	Certification CD production costs and Kryterion amortization
Certification Board	0	0	0		
CPCM	0	60	60	100%	
CFCM/CACM	0	225	225	100%	
CCCM	0	75	75	100%	
Exam Expenses	0	1,920	1,920	100%	See comments above regarding the delay in changing to Kryterion
<b>Total Certification</b>	<b>13,738</b>	<b>20,011</b>	<b>6,273</b>	<b>31%</b>	
<b>Meetings</b>					
Salaries and Benefits	19,464	16,952	(2,512)	-15%	
General & Administrative	238	0	(238)		Depreciation of audio visual equipment and conference call charges
ADC Conference	0	0	0		
GCMC Conference	0	0	0		
Executive	0	0	0		
World Congress	0	0	0		
<b>Total Meetings</b>	<b>19,701</b>	<b>16,952</b>	<b>(2,749)</b>	<b>-16%</b>	
<b>Total Expenses</b>	<b>464,982</b>	<b>427,807</b>	<b>(37,175)</b>	<b>-9%</b>	
			0		
<b>Net Gain/(Loss) before Investments and Taxes</b>	<b>(42,893)</b>	<b>(52,318)</b>	<b>83,625</b>	<b>-160%</b>	
<b>Investments</b>					
Investment Revenue	2,940	8,000	(5,060)		
Realized Gain (loss)		0	0		
Unrealized Gain (loss)	15,221	3,000	12,221		Unrealized gains in domestic and international equities partially offset by unrealized losses in fixed income
Investment Fees	917	0	917		
<b>Net Investment Revenue</b>	<b>17,245</b>	<b>11,000</b>	<b>6,245</b>		
<b>Net Gain (loss) before Income Taxes</b>	<b>(25,649)</b>	<b>(41,318)</b>	<b>15,670</b>		

PART B	DETAILED COMPARISON OF ACTUAL AND BUDGET FOR MAY 2008																						
	Month ACTUAL May 2008	Month BUDGET May 2008	Variance \$	Variance %	Commentary on Variances																		
Income Tax Expense	0	0	0																				
<b>Net Gain (loss) after Income Taxes</b>	(25,649)	(41,318)	15,670																				
			0																				
<b>Aggregate Salaries and Benefits</b>	211,929	204,096																					