System Dynamics Society

2024
Policy Council Meeting

June 26, 2024

11:00 - 12:30 New York Time

CHECK-IN

What is your favorite music?

QUESTIONS OR COMMENTS

Enter HU in chat OR enter your question or comment

http://bit.ly/SDSpcnotes

2024 Policy Council Meeting - June 2024

0:05 Welcome and Agenda (Allyson)
0:05 Motions (Allyson)
0:20 MIT, French Chapters (Peter)
0:10 Dashboard and Exec Director Report (Rebecca)
0:15 Conference Report (John)
0:15 ISDC2024 Policy Council Meeting Agenda (Allyson)
Adjournment

President's Welcome

Allyson Beall King
Washington State University

- Welcome everyone!
- No meeting in July, two meetings in August!
- We will discuss options for our ISC2024 in person meeting at the end of the agenda.
- The Finance Committee is in search of one additional member, the member must be part of the Policy Council.
- We are pleased to announce a new Student Chapter leadership team. Their meeting will be on Friday at 10am EST on Zoom (show them some support).

2024 PC Motions Summary (Allyson)

VOICE VOTE TODAY

- May Minutes
- Willem Auping for Policy Council Member at Large (2023-2025)
- French Chapter Formation
- MIT Chapter Formation

PASSED (**bold** items passed in or since last meeting)

- (1126) Motion to adopt the updated Participants Code of Conduct for Meetings (Bob)
- (1125) Motion to Empower Executive Director to Offer Additional Conference Scholarships (Bob)
- (1124) Motion to Approve Retirement Membership (Inge)
- (1123) Motion to shift Summer School Scholarship funds to Conference Scholarship (Bob)
- (1121) Motion to start a committee to address the concerns related to the referral process (Lees)
- (1120) Motion to accept Rebecca’s disclosure and not require any act (Lees)
- (1119) Motion to acknowledge the disclosed potential conflicts of interest (Bob)
- (1117) Scott Rockart and Jenson Goh as members of the Strategy Committee (Allyson)

Motion to Approve Policy Council Minutes

April, 2024

Moved by Lees Stuntz

To approve the Policy Council Meeting Minutes May, 2024

Motion to Approve Willem Auping for PC Member at Large

Moved Allyson Beall King

To approve the nomination of Willem Auping, TU Delft, to the position of Policy Council Member at Large for the remainder of the 2023 - 2025 term.

Chapter/SIG Agreement (VP Chapters & SIGs)

Peter Hovmand
Case Western
Reserve University

- Proposed change in Chapter approval procedure
  - Debate between a letter and a more formal affiliate agreement
  - Concern about reducing potential additional legal and financial liability sparked by first US Chapter
  - Proposal to include letter for now, and continue with longer term effort of defining relationship with/strategy for Chapters in monthly meetings of a newly formed Chapter Working Group (Peter Hovmand, Bob Eberlein, Shayne Gary, Tim Clancy).
- Motions
  - Today: MIT Chapter, French Chapter
  - Upcoming: Nordic Chapter, Irish Chapter

Proposed Letter Agreement

Dear [Chapter's Leader/President's Name],

Congratulations! The System Dynamics Society (SDS) Policy Council (board of directors) has voted and approved the [Chapter's Name] affiliation with the System Dynamics Society.

Chapter affiliation with the SDS comes with several expectations:

1. Chapter will maintain independent status as an organization and neither bears any responsibility for the contractual obligations of the other.
2. Chapter will follow any local legal or regulatory responsibilities of the chapter place of operation. It is incumbent upon your chapter to ensure that all activities are conducted in a lawful manner, consistent with local, regional, and national requirements.
3. Chapter will submit an annual report of chapter activities to the SDS including a roster of current chapter members, email addresses, and SDS membership status.
4. Chapter will review and stay up to date on the latest SDS Chapter Guidelines.
5. Chapter will ensure that no more than one member of the Society's Policy Council may serve on the Board or other governing body of Chapter. Should this case arise, it will be resolved by individual resignation or termination of this agreement.
6. Chapter will use SDS logo or other marketing materials in a manner consistent with SDS marketing guidelines.
7. Chapter shall manage its own finances separate from Society and not enter into any agreement for products or services that also involves the Society.
8. Chapter may charge a membership or participation fee for events as it deems appropriate.
9. Chapter agrees to indemnify System Dynamics Society, Inc, and its directors, officers, employees, and affiliates from all claims, including those that arise from a breach of this agreement, a violation of an obligation, or a third party claim..

The System Dynamics Society reserves the right to revoke the chapter's recognition status if it determines that there's a breach of any of the stipulated terms, guidelines, or if the chapter acts in a manner that is not congruent with the mission and values of SDS. Please sign below as acceptance of the terms above and return to the Society office.

Unaddressed Recommendations by the Attorney

Requirements that Would Be a Hardship for Many Chapters (limits are money, time, local law prohibition)

- Chapter should be formed as a separate entity under the state (or jurisdiction) where the affiliate is located. The affiliate should furnish proof to SDS of its due formation.
- Chapter should be required to obtain insurance and to name SDS as an additional insured.
- SDS should not manage any Chapter's membership list. That creates too close of a connection between the two entities.

Additional Issues to Work Through

- Regarding use of the SDS name, logo and other intellectual property, recommendation that we build in license provisions into the Affiliation Agreement. In the event of termination of the relationship with the affiliate, SDS needs to have adequate protections over its name, logo and intellectual property.
- SDS should not manage any finances. That creates too close of a connection between the two entities. *(Note: We do NOT do this for Chapters at this point, but some would find it helpful)*
- The Affiliation Agreement proposed lacks basic contract provisions—governing law, venue, severability (all by way of example). In the event SDS needs to enforce the Affiliation Agreement, this could be problematic.

We propose to proceed with approval of the MIT and French Chapters subject to signing of the proposed Letter Agreement as we work through these issues and determine how best to proceed to balance the desire of Chapters for more support with the desire to reduce liability risk.

Motion to Approve French Chapter

June, 2024

Moved by Peter Hovmand

To approve the formation of the French Chapter, subject to signing of the proposed Letter Agreement.

Motion to Approve MIT Chapter

June, 2024

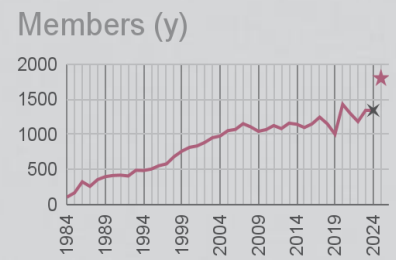
Moved by Peter Hovmand

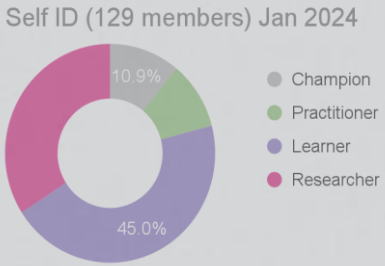
To approve the formation of the MIT Chapter, subject to signing of the proposed Letter Agreement.

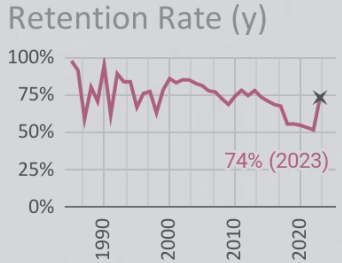
Dashboard of SDS Objectives and Key Results (WIP)

Last Update
2024-05-01

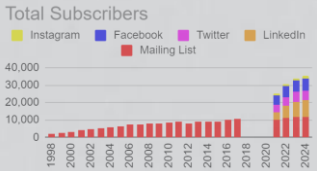
Membership

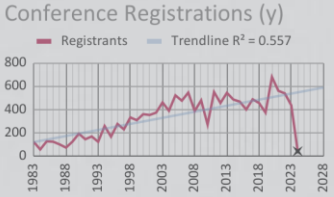




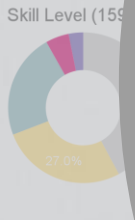


Awareness

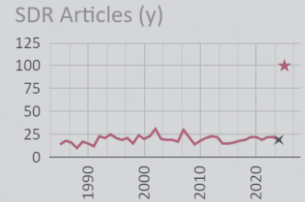


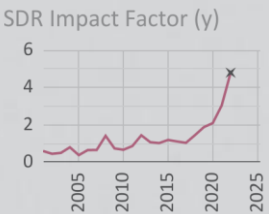


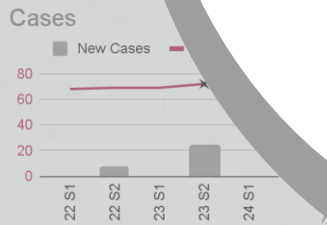
Knowledge & Skills



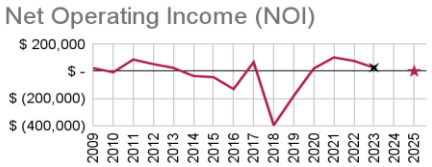
High-quality Outputs

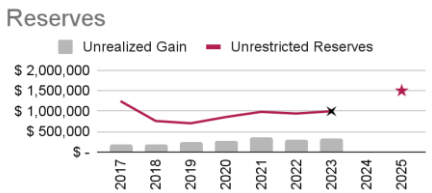


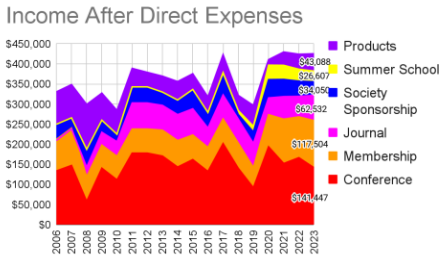




Financial Health





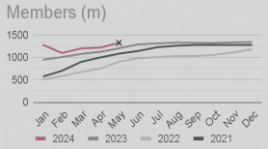


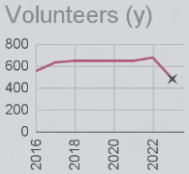
Operational Metrics

Published Articles and % Articles in Top Quartile Journals

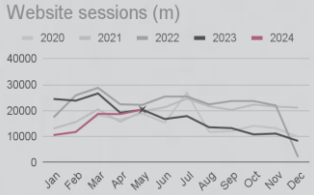
Last Update 2024-05-01

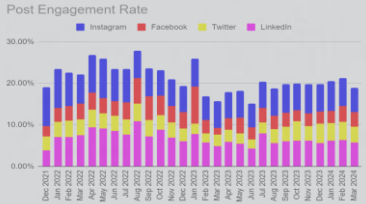
Membership

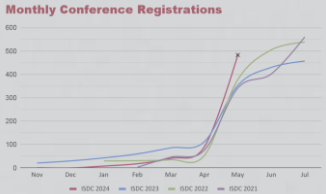


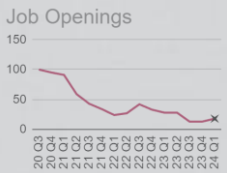


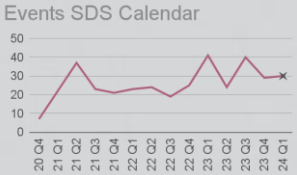
Awareness



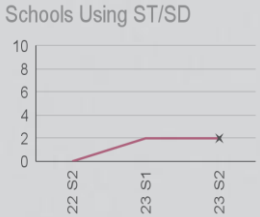


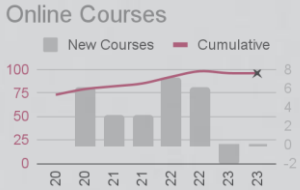


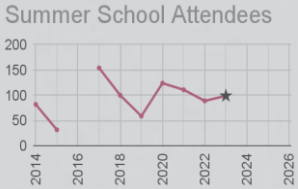




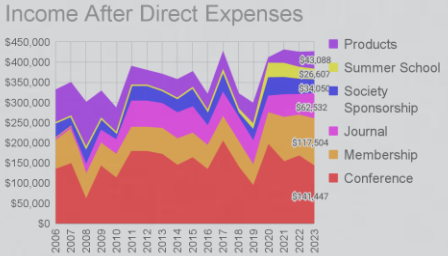
Learning

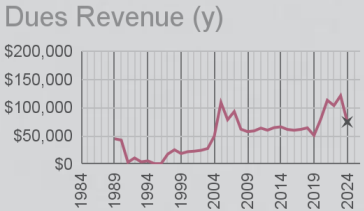


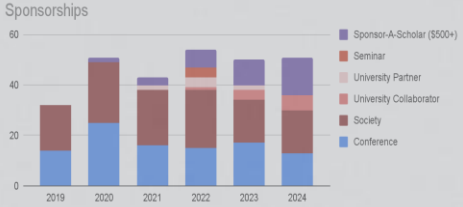




Financials







Gold Transparency 2023 Candid.

Paydex score
80
LOW RISK

Delinquency Predictor Percentile
94
LOW RISK

Financial Stress Percentile
78
LOW-MODERATE RISK

Supplier Evaluation Risk Rating
1
LOW RISK

Executive Director Update

Note: Actual accrued numbers adjusted to exclude unpaid with budgetary assumptions for remainder of year. This is very inexact.

System Dynamics Society

Budget vs. Actuals: FY 2024 Budget - FY24 P&L

January - December 2024

DRAFT

	TOTAL	
	ADJUSTED ACTUAL	BUDGET
REVENUE		
4005 Journal Income	87,842	72,390
4010 Membership Dues	110,360	110,000
4035 Summer School Income	35,600	35,000
4100 Annual Conference (including sponsorships)	317,335	251,405
4400 Product Revenue	50,069	44,450
4429 Service Revenue	5,500	11,000
4491 Learning Revenue	2,805	1,500
4500 Society Sponsorships	39,500	38,000
4600 Other Fundraising	6,010	4,000
4700 Miscellaneous Income	27	
4800 Stewardship Donations	9,500	0
TOTAL REVENUE	**664,549**	**567,745**
Cost of Goods Sold		
5510 Courses Expense - COGS	1,067	
5515 Shipping Freight - COGS	8,010	7,300
5520 INACTIVE Product Fulfillment - COGS	0	0
5820 Product Inventory Purchases - COGS	18,979	10,000
Total Cost of Goods Sold	**28,056**	**17,300**
GROSS PROFIT	**636,493**	**550,445**

- Strong **journal income**, expected to erode in next few years.
- Expected to hit **membership** target, though 16 retired members have asked for extension and just 2 new ones have joined.
- Strong **conference** showing, but not sure if we will see similar results in Schaumburg in 2025
- Other income and inventory are strong.

System Dynamics Society

Executive Director Update

	TOTAL	
	ADJUSTED ACTUAL	BUDGET
EXPENDITURES		
5000 Awards	13,700	13,700
5050 Banking & Credit Card Charges	12,661	15,548
5100 StFF / Field Development Fund	10,000	10,000
5110 Strategy Committee Efforts	0	0
5350 Annual Conference Expenses	101,593	101,329
5360 Summer School Expense	13,500	15,000
5370 Student Chapter Expenses	0	1,000
5400 Insurance	2,706	3,806
5500 Journal Expense	25,554	27,390
5550 Marketing	22,325	34,100
5560 Learning and Programming	0	0
5570 EPresence	31,103	31,250
5600 Miscellaneous Expense	96	500
5640 Professional Development	250	500
5650 Office Expense	6,615	4,525
5660 Stewardship Expenses	-9,500	0
5800 Product Development	172	0
5850 Professional Fees	172,851	173,278
5870 Payroll Expenses	119,757	136,402
6999 Uncategorized Expense	11	
TOTAL EXPENDITURES	**523,396**	**568,328**
NET OPERATING REVENUE	**113,097**	**-17,883**

- Expenditures may come in slightly below budget.
- Net Operating Revenue for 2024 should be much stronger than budgeted.
- We can’t expect this to continue.

System Dynamics Society

Executive Director Update

May 31, 2025 Account Balances		
Schwab Operating	$496,189	$1,072,556
Fidelity	$326,367	
Planned Transfer	$250,000	
Dana Meadows	$384,245	$384,244

- Strong Balance Sheet
- Planning to move $250K cash to investment funds.
- Will move cash back and forth quarterly to get some investment income.

Conference Report (VP Meetings)

John Pastor Ansah
Case Western Reserve University

- ISDC2024 results are very strong.
- We have exceeded our registration budget and expect to return strong contribution to profits.
- Slow registration start due to waiting for submissions to open, but strong later results.
- Strong submissions.
- Exceeded conference sponsorship budget by 25%/

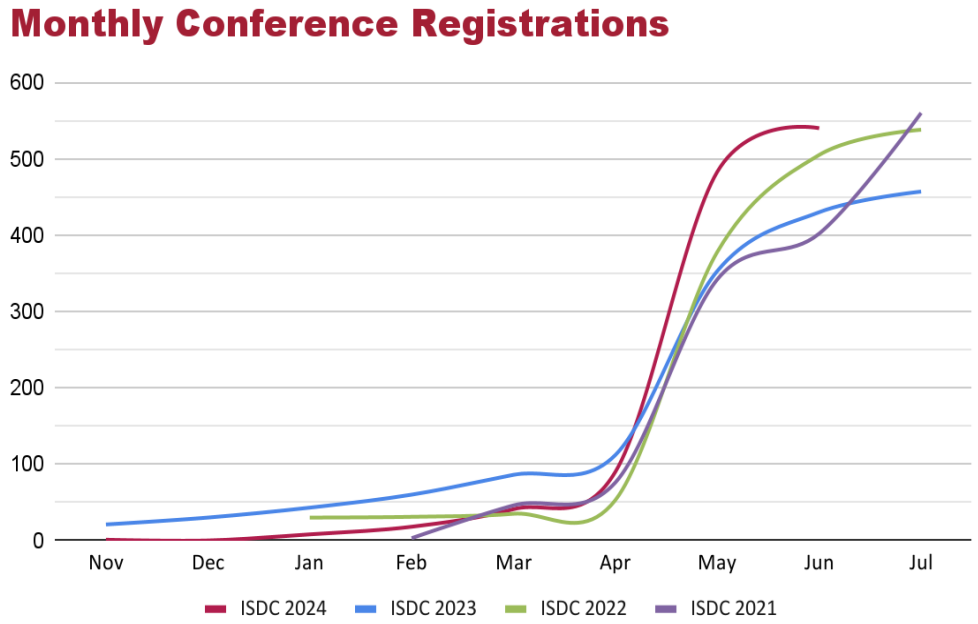
Registrations #ISDC2024

540

Registered Attendees

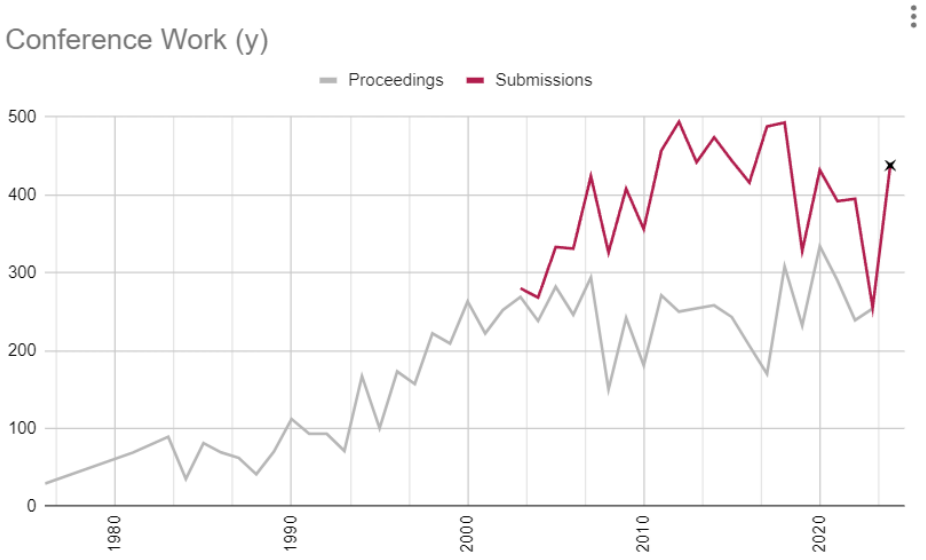
Budget = 510

	Online	In-Person
Student	45	130
Regular	91	274
Total	**136**	**404**



Last updated: Jun 25 by Fernando

Submissions #ISDC2024



- VERY full program
- Higher Registration % of Authors than in past years
  - At capacity limit
    - Plenaries, Parallels, Table Talks, Posters, in-person Workshops
  - WIPS above capacity
- High interest for Table Talks relative to posters.
- No Publishing Assistance Workshop

ISDC2024 Policy Council Meeting Agenda (President)

Allyson Beall King
Washington State University

The Society is doing well! But we can do even better! So…
How can we make best use of our 3 hours together in Bergen?

Some ideas…

- Collective Strategic Planning **< OUR PROPOSAL**
- Collective OKR Updates (Objectives/Key Results)
- Discuss Policy Council Effectiveness
- Consider how best invest our “profits”?
- Something Else?

PROPOSAL: Collective Strategic Planning

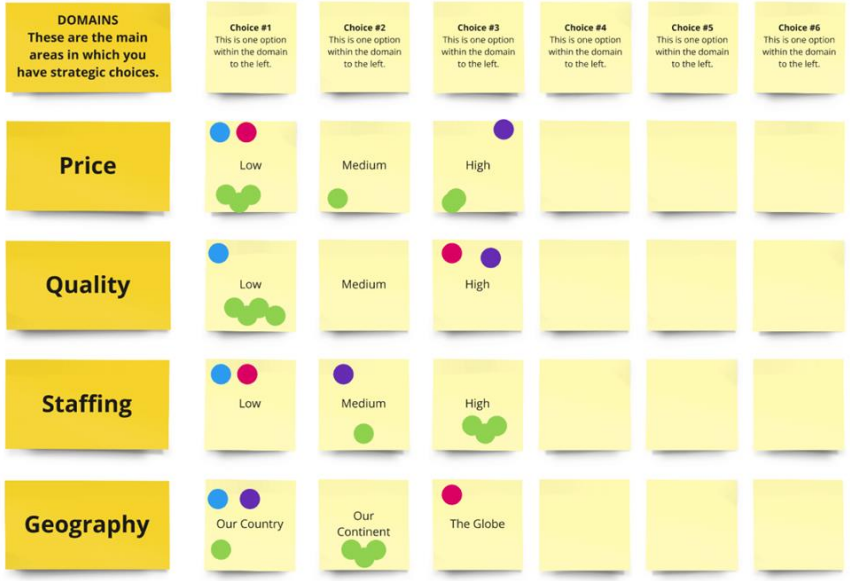
[Miro Board]

Step 1 (45m): Identify major strategic **DOMAINS** (first column).

Step 2 (45m): Identify broad range of **CHOICES** (rows) for each domain. **Dot Vote.**

Step 3 (45m): Identify **Current Strategy** and propose additional possible **STRATEGIES**. **Dot Vote.**

Example: Automotive Industry



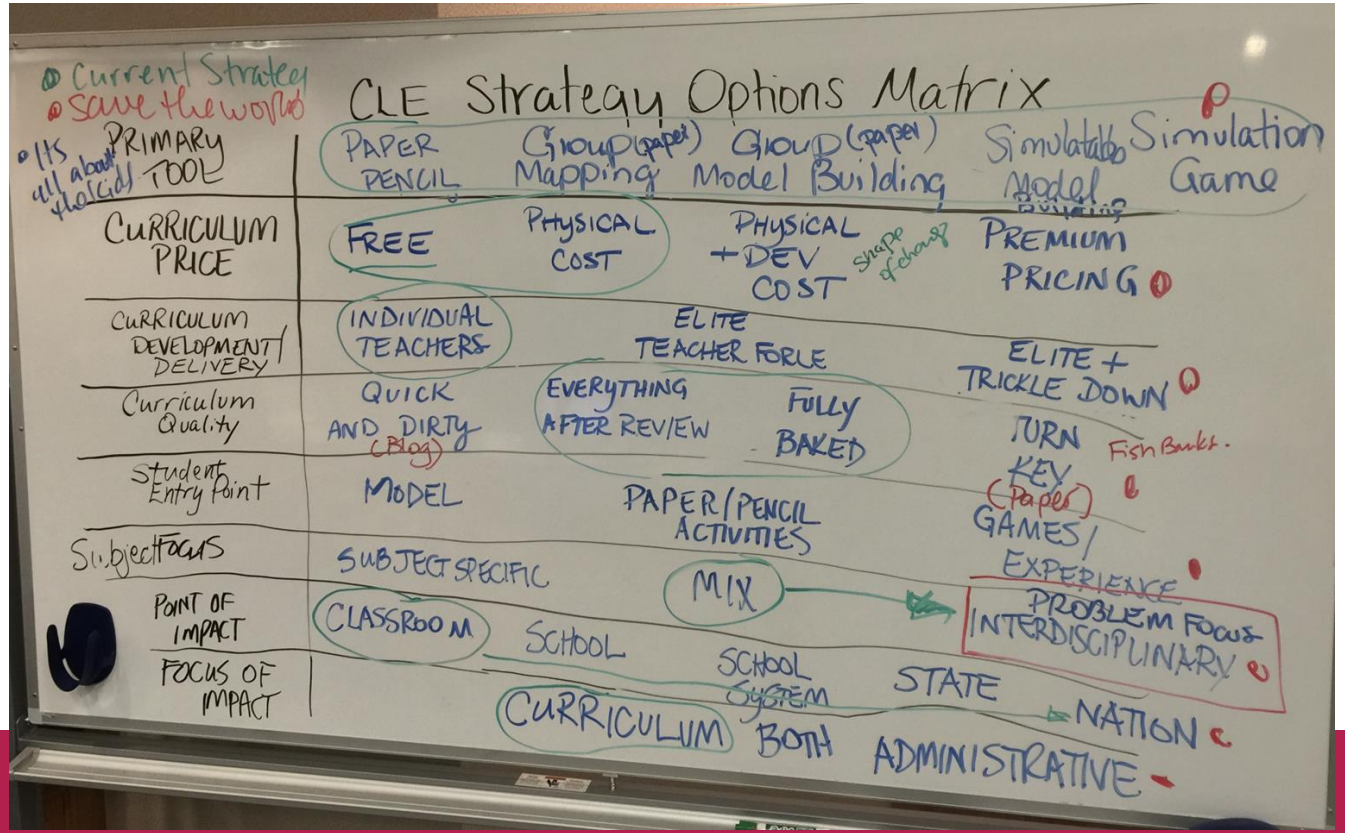
Proposed Strategies

- Current: Low Cost Producer
- Proposed: Lux
- Proposed: Japanese Stealth

PROPOSAL: Collective Strategic Planning

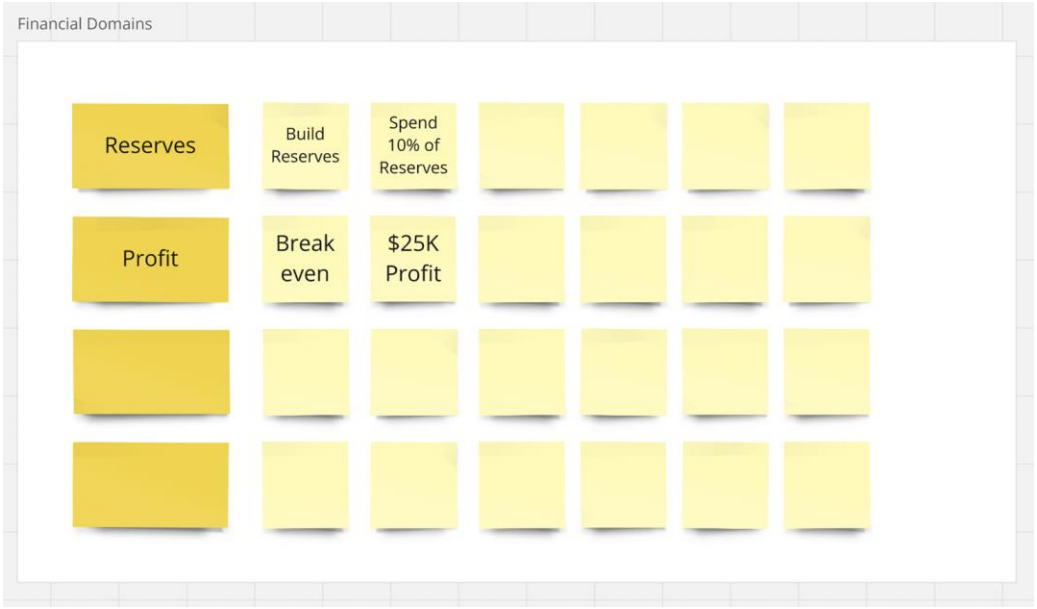
[Miro Board]

Example: Creative Learning Exchange



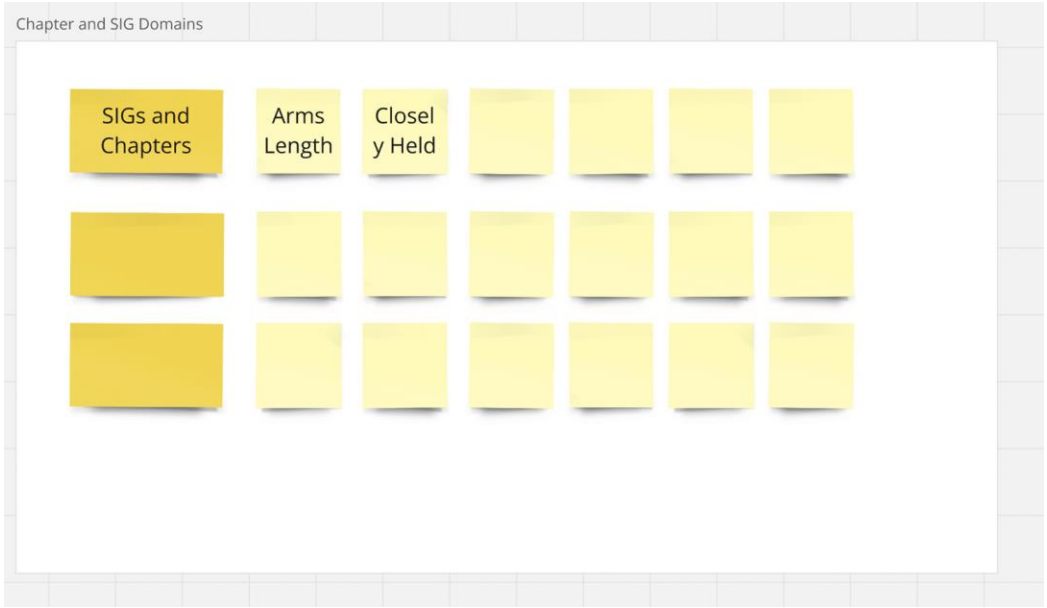
PROPOSAL: SDS Starter Domains

[Miro Board]



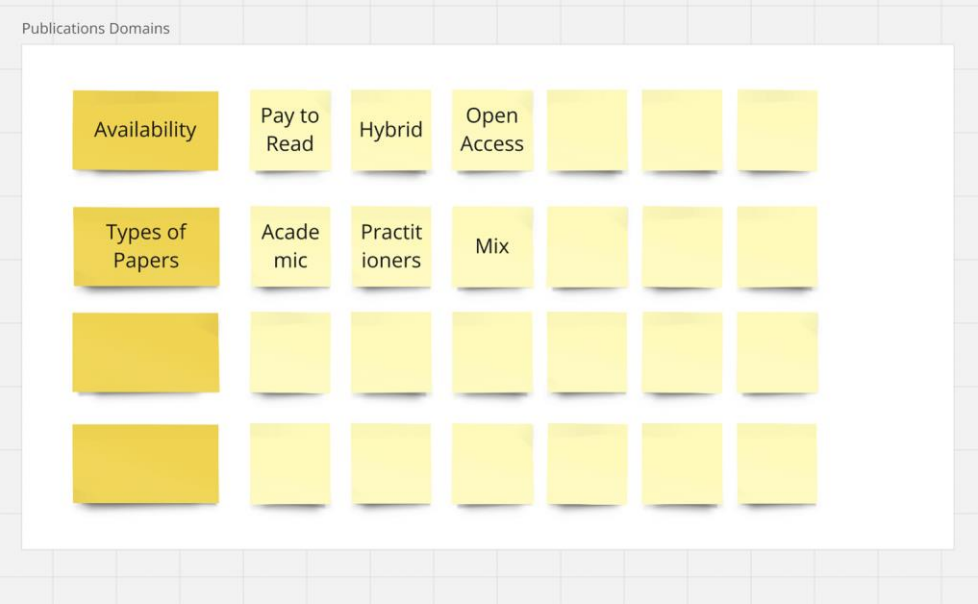
PROPOSAL: SDS Starter Domains

Miro Board



PROPOSAL: SDS Starter Domains

Miro Board



ISDC2024 Policy Council Meeting Agenda (President)

Allyson Beall King
Washington State University

Do you agree that we should use our time together in Bergen for **Collective Strategic Planning?**

Announcements

Adjournment