

**Memorandum of Understanding:  
The Society for Risk Analysis and Its European Section  
December 2006**

**Representation at SRA Council**

1. Once the minimum threshold requirement is met (see #2 below), the European Section of SRA (SRA-E) may have one councilor who serves a three year term on the SRA Council. The councilor shall be elected by the society membership during its regular election process. For the councilor position, the SRA Nominations Committee shall request that SRA-E provide, within a specified time frame, the names, contact information, and biographies of at least two European candidates who are members of SRA and SRA-E. If SRA-E does not propose at least two candidates within the specified time frame, SRA-E will forfeit its councilor seat for one full term. The elected SRA-E councilor shall be an *ex officio* member of the SRA-E Executive Committee if not already a member. Alternatively, the Executive Committee of SRA-E may appoint a *Liaison Officer* of its choice to attend the SRA Council meetings. This would not be an elected SRA councilor.
2. A minimum threshold number of 300 section members that are also members of SRA are needed by SRA-E to earn a seat on the Council. The counting of SRA-E members shall be determined by the SRA Secretariat annually on November 1<sup>st</sup>. Should the section membership drop below 300 for a consecutive period of three years, the SRA-E council seat shall be vacated until such time as the section membership increases again to at least 300 members for at least two consecutive years.
3. The SRA-E Councilor or *Liaison Officer* shall be reimbursed for travel costs associated with attending the SRA mid-year council meeting (typically held in June). This includes reimbursement for standard class airline travel (minimum 14-day advance purchase required), ground transportation, and hotel accommodations. As with all SRA councilors, the SRA-E Councilor or *Liaison Officer* will not be reimbursed for travel-related costs to the December Council meeting (which is held during the annual meeting). Reimbursement for the June Council meeting will be provided from the SRA budget.
4. The President of SRA shall select a representative of the SRA council each year to serve as a liaison to the SRA-E Executive Committee. This representative will be someone other than the SRA-E Councilor or *Liaison Officer*. At a minimum, the duties of this representative will be to (a) monitor adherence to and implementation of the MOU by SRA and SRA-E, and (b) provide a mid-year and annual report to the SRA Council of the SRA-E annual meeting and implementation of the MOU. The SRA representative to SRA-E shall be reimbursed for travel costs associated with attending the SRA-E annual meeting (pursuant to the stipulations in #3 above).

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**Annual Budget and Finances**

1. SRA-E shall be financially independent from SRA, except for the limited provisions and temporary incentives provided below. SRA-E may generate and retain income from the annual SRA-E meeting or SRA-E workshops that are sponsored by the European Section or any other events, projects, and activities of SRA-E. If joint SRA and SRA-E functions are held, all income generated will be allocated in adherence with SRA policies and procedures. If risk capital is needed to cover SRA-E conference costs at the planning stage, this will be provided from the SRA-E budget.
2. SRA-E shall be responsible for drafting its own annual section budget each year. The SRA-E annual budget shall be developed as part of a three year projected budget to clarify future budget expectations. The accounting for all SRA-E funds will be fully open and subject to good accounting practices. The SRA-E Treasurer shall submit an annual budget (projected and/or actual expenses and revenues) and full account to the SRA Secretariat and Treasurer(s) according to a deadline set by the SRA Treasurer(s). The SRA Secretariat and Treasurer(s) will work with the SRA-E Treasurer to develop an annual section budget, as necessary.
3. If, at any time, SRA-E seeks financial support from SRA, the SRA-E Treasurer will submit a detailed proposal and cost estimate for such funding at least two months prior to the SRA mid-year or December Council meeting. The proposal and cost estimate will be evaluated initially by the SRA Secretariat and Treasurer(s) for completeness, and then voted upon by the SRA Council. Consistent with SRA's policies and procedures for all funding requests, requests for financial support by SRA-E are not a guarantee of funding from SRA. SRA-E will be accountable to SRA for the portion of its annual income provided by SRA and will provide a written report to the SRA Council regarding the use of such funds at least two weeks prior to the December Council meeting.
4. To provide a temporary incentive for SRA-E to continue to recruit new SRA members, a per-member reimbursement shall be provided for new members based on the number of members above a threshold of 300, as determined annually by the SRA Secretariat on November 1<sup>st</sup>. The reimbursement arrangement above this threshold is as follows for 2006: SRA-E will retain 50% of the membership fee for each additional member after subtracting out the cost of the journal *Risk Analysis* and, where appropriate, the chapter or specialty group fees. SRA-E will retain 40% of the remaining membership fee in 2007, 20% of the remaining membership fee in 2008, and 10% of the remaining membership fee in 2009. Starting in 2010, SRA-E shall not retain any remaining membership fees.
5. In 2007, SRA-E will institute annual membership dues for SRA-E members (dues amount to be determined by SRA-E). The SRA Secretariat will collect these dues and transfer 100% of these funds to SRA-E. Prior to 2010, during the time that SRA provides a temporary incentive to SRA-E for recruiting new SRA members, the transfer of these funds will occur within 30 days upon receipt of SRA-E's projected

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annual budget (per item #2 above). After this time period, when SRA is no longer providing such an incentive, the transfer of these funds will occur on a quarterly basis.

**Secretariat**

1. SRA-E shall establish its own Secretariat no later than January 1, 2007 to provide improved support to European members, to facilitate the operations of the SRA-E Executive Committee, and to assist with annual meeting planning and other events. The SRA-E Secretariat fees shall be paid from the SRA-E annual budget. The SRA Secretariat (Burk & Associates) will provide reasonable assistance or guidance to SRA-E within regard to establishing the SRA-E Secretariat. Duties of the SRA-E Secretariat will include: maintaining the database of European members; responding to inquiries from European members; assisting the SRA-E President in preparing agendas, minutes of meetings and organization of SRA-E meetings; acting as a long-term resource to administer the SRA-E bank account and support the Treasurer; assisting in the organization of, and provision of publicity for, the annual European conference or other meetings; and acting as a repository for the SRA-E organizational memory. All SRA members will receive SRA-E annual meeting announcements.
2. SRA will provide temporary financial assistance to support the development and maintenance of the SRA-E website, subject to the terms and conditions below. In 2006, the SRA Council approved up to \$10,000 to support SRA-E website activities. Based on future SRA budgets for this line item, which are subject to Council approval, SRA will provide up to \$8,000 in 2007, up to \$6,000 in 2008, and up to \$4,000 in 2009. These funds will be paid from the SRA annual budget and shall be used only for SRA-E website support. Any additional website costs will be paid from the SRA-E annual budget for these years. Starting in 2010, SRA will not provide any further financial support for SRA-E website activities (all costs will be paid from the SRA-E annual budget). To remain eligible for any website funds, SRA-E shall provide the SRA Secretariat and Treasurer(s) with a detailed report of how such funds were spent in the prior year as well as a detailed proposal and cost estimate for future funding requests, within a specified deadline set by the SRA Treasurer(s). If SRA-E fails to meet the specified deadline or does not provide a detailed report or proposal, it will forfeit its eligibility for website funds for that year. All website funds will be paid by the SRA Secretariat within 14 days of receipt of an appropriate invoice(s) from SRA-E.
3. The Executive Committees of SRA and SRA-E and the Secretariat(s) will work together to strengthen their working relationships and to solve any future issues or disagreements that arise. As part of this effort, the SRA-E Executive Committee will nominate three people through whom communication of SRA-E will be channeled to SRA. The SRA Executive Committee will also nominate the contact person(s) to correspond with SRA-E. Representatives of SRA and SRA-E will respond to correspondence from each other within five working days. If disagreements arise, they will promptly be brought to the attention of the Presidents, who will work together to help resolve them.

