Report of the Executive Director

BECAUSE THE MLA OFFICE IS FIVE BLOCKS FROM WHAT WAS the World Trade Center and now is "ground zero," my view of 2001 has been largely shaped by the events of 11 September. An account of the staff's experiences on that day can be found in the Winter 2001 issue of the *MLA Newsletter*. For the first time in the twenty years I've spent at the MLA, we closed the office abruptly, and it remained closed for a week. Access to the online *Job Information List* was delayed, the Search Committee charged with selecting the new executive director postponed interviews, and most of the committees due to convene in the fall decided to meet in the spring. The horror and sadness of the day remain, but many of us have a heightened sense of community because of the extraordinary experience we shared. And we value the calls, letters, and e-mail messages we received from members who were aware of our location and wanted to know if we and the office were all right.

Despite the obvious difficulties we all experienced in 2001, the MLA had a good year. The auditor's report that follows notes that the association concluded the fiscal year 2000–01 with an increase in its unrestricted net assets of $294,917. Since the MLA's rent doubled in 2000–01, this surplus was particularly welcome. Preoccupied by other concerns, my colleagues and I let the 29 September anniversary of the move from Astor Place to Broadway pass unnoticed, but we have been making good use of the new space, which we believe will continue to serve the association's needs in the years ahead. A report on MLA activities in 2001 follows.

MLA Publications

Book Publication Program

The book publication program continues to provide important revenue and fulfills one of the chief goals of the association's founders: to pro-

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duce quality publications that support teaching and research. David G. Nicholls, who joined the staff in August as director of MLA book publications after Martha Noel Evans retired, reports that the books issued in recent years earned positive reviews and that there is lively interest among MLA members in the Approaches to Teaching and the Texts and Translations series. He also notes that close to four hundred scholars wrote for MLA books or evaluated proposals for them in 2001. The titles of the books the association published in 2001 follow:

Banti, Anna. *"La signorina" e altri racconti*. Ed. Carol Lazzaro-Weis.
Banti, Anna. *"The Signorina" and Other Stories*. Trans. Martha King and Carol Lazzaro-Weis.
Daugherty, Beth Rigel, and Mary Beth Pringle, eds. *Approaches to Teaching Woolf's* To the Lighthouse.
Kliman, Bernice W., ed. *Approaches to Teaching Shakespeare's* Hamlet.
Kovalevskaya, Sofya. *Nigilistka*. Ed. Natasha Kolchevska.
Kovalevskaya, Sofya. *Nihilist Girl*. Trans. Natasha Kolchevska with Mary Zirin.
Sargent, M. Elizabeth, and Garry Watson, eds. *Approaches to Teaching the Works of D. H. Lawrence*.
Vollendorf, Lisa, ed. *Recovering Spain's Feminist Tradition*.
Wong, Sau-ling Cynthia, and Stephen H. Sumida, eds. *A Resource Guide to Asian American Literature*.

Thirteen other books are in production, and over seventy titles are in development. The publication staff is also preparing new editions of two of our best-selling titles, the *MLA Handbook* and *Introduction to Scholarship*.

MLA International Bibliography

Two staff changes deserve notice. First, Barbara A. Chen joined the MLA staff as director of Bibliographic Information Services and editor of the *MLA International Bibliography* in April 2001. She replaced Terence Ford, who left in February to become the head of research databases at the Getty Research Institute. Second, I am sorry to report that Susan Lincoln, who worked on the bibliography staff for twenty years and helped shape the thesaurus, died on 2 January 2002.

Chen reports that we concluded the indexing of the 2000 print bibliography with 61,483 records, an increase of 10.6 percent over the number of records we indexed for the 1999 print volumes. Included among these records are citations of articles in thirty-nine electronic journals and of electronic monographs that are parts of series. Indexing continues to be done by MLA staff members and scholar bibliographers from the field. Of the eighty-nine MLA members who contributed to the 2000 bibliography, seventy-one were senior bibliographers; eighteen were graduate students.

With the 2000 edition, we expanded the scope of the bibliography to include rhetoric and composition and the history, theory, and practice of teaching language and literature at the college level. We indexed 1,332 records on rhetoric and composition, 845 on the teaching of language, and 589 on the teaching of literature. We also added fifty-seven journals on these subjects to the publications we usually cover. A special print publication of the entries on rhetoric and composition was prepared for members of the Conference on College Composition and Communication. Support for this project came from the Andrew W. Mellon Foundation.

In addition, the Mellon foundation is funding improvements in the coverage of scholarship about Arabic, Hebrew, Persian, and Turkish languages and literatures. To do this work, we hired specialists in Arabic, Persian, and Turkish and added fifty-two journals that publish studies of these languages and their literatures to those we have included in the past. Coverage in the bibliography will also be enhanced by a third Mellon grant, which supports retrospective indexing of a group of thirty-four language and

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literature journals selected for inclusion in JSTOR, an electronic archive of scholarly journals. We are indexing each journal from volume 1, number 1, through the present. The indexed citations will be found in JSTOR and in the electronic versions of the bibliography. This is a two-year project that began in fall 2001.

PMLA

Carlos Alonso, who assumed the editorship of *PMLA* in July 2000, has been working to reverse the downturn in submissions to the journal. His January 2001 editor's column discussed this trend. He also wrote to the executive committees of all MLA divisions and discussion groups, inviting committee members to submit articles to *PMLA* and to encourage others to do so. A number of members responded to his appeals. As a result, during the first eight months of 2001, the journal received 219 submissions, compared with 133 in the same period last year. Two special topics with deadlines in the spring of 2001 also bolstered submissions—America: The Idea, the Literature (coordinated by Djelal Kadir) attracted twenty-four articles and Imagining History (coordinated by Tilottama Rajan and Linda Woodbridge) fifty-one.

The January, March, May, and October issues each had at least four regular articles. The special topic Globalizing Literary Studies appeared in January 2001 and generated a number of positive responses from readers. Regular essays continue to be supplemented by special features. Members' submissions led to the publication of one text in the series Criticism in Translation and two in the series Little-Known Documents. Under the rubric Theories and Methodologies, ten invited commentaries appeared; under The Changing Profession, six; under Letters from Librarians, one; and under The Book Market, one.

Editorial Activities

The editorial office, which Judy Goulding directs, has responsibility for editorial, typesetting, manufacturing, and design elements of association publications; for the sales and marketing of association books; for the *PMLA* review process; for the compilation of the *MLA Newsletter*; and for membership development. Goulding also works with me on press relations and on the MLA radio series, *What's the Word?*

In addition to overseeing *PMLA* acquisitions, the editorial department provides copyediting, proofreading, design, typesetting, and print production for this journal, the MLA's book program, the ADE and ADFL bulletins, the *MLA Newsletter*, and *Profession*. The association's periodicals, most of the Roman-alphabet volumes in the Texts and Translations series, and miscellaneous other material are typeset in-house, which gives us greater control over the final product and more freedom in scheduling. The typesetting unit also scans and enhances photographs and artwork; makes regular updates and conversions to HTML for material on the MLA Web site; and converts computer files to a typeset format for the print version of the *MLA International Bibliography*. A major challenge in 2001 was typesetting the Chinese version of the Nobel Prize Lecture by Gao Xingjian, which appeared in the May issue of *PMLA* and which was formatted in *Microsoft Word* and then scanned as art.

This year the department prepared the MLA's first electronic-only publication (the manual for *Editor for the Macintosh*) and the first title in Russian in the Texts and Translations series. In progress for this series is the first title in Urdu. Goulding and other staff members are also working on a new edition of the *MLA Handbook* and planning for the development of an electronic version of current issues of *PMLA*. Except for the five most recent volumes, the full run of the journal will be available in electronic form by December 2002 through JSTOR.

MLA Radio Series, *What's the Word?*

Goulding and I work with the members of the MLA Radio Committee on the production of

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What's the Word?, which aired for the first time in April 1997. Developed because MLA members wish to reach an audience outside the academy, the radio series is designed to showcase teacher-scholars in the field and to convey to the public-radio audience what the study of language and literature is about. Thus far 404 MLA members have participated in the programs. In September 2001, 125 stations in twenty-nine states carried the series, along with the In Touch Network, Inc., which serves the blind in the United States and Canada. Armed Forces Radio broadcasts the programs in 159 countries, and this year public radio in New Zealand began airing the series on stations that reach 92 percent of the New Zealand population. The programs produced between 1997 and 2001 are audio-streamed at the MLA Web site. They are available for use by individuals and in the classroom. Tapes of each program are available on request.

The following new programs aired in 2001:

"King Arthur." Participants: David D. Day, Alan Gaylord, Herbert Tucker, Cynthia Wall
"Movie Versions of *Hamlet*." Participants: Diana Henderson, Barbara Hodgdon, Kenneth Rothwell
"Psalms." Participants: Margaret Hannay, Geoffrey H. Hartman, Alicia Ostriker
"Recent Nobel Prizewinners." Participants: Robert D. Hamner, Luiza Moreira, Edward W. Said
"Confronting a Foreign Culture." Participants: Dan Davidson, Margaret Dunaway, Gerd Gemünden
"Life Writing and Persons with Disabilities." Participants: Carlos J. Alonso, Michael Bérubé, Nancy Mairs
"Orphans." Participants: George Levine, Gary Scharnhorst, Judith Wilt
"Cuban Writing, on the Island and in Exile." Participants: Isabel Alvarez-Borland, Agnes Lugo-Ortiz, Gustavo Pérez Firmat
"Postapartheid South African Literature." Participants: Vilashini Cooppan, Rob Nixon, Mark Sanders
"Heritage Languages." Participants: Anita Norich, William Paden, Guadalupe Valdés
"Anglophone Canadian Writers." Participants: Donna Bennett, Russell Brown, Donna Heiland
"Computers in the Classroom." Participants: Gail Hawisher, Douglas Morgenstern, John Unsworth
"On the Road, the American Road." Participants: Leo Braudy, Ann Charters, Michael Wood
"Love Poetry II." Participants: Lee Edelman, Sara Suleri Goodyear, Stephen Nichols
"Language and Literature in Quebec." Participants: Barbara Havercroft, Leanore Lieblein, Jane Moss
"Famous Endings." Participants: Richard Millington, Gerald Prince, Donald Rackin

MLA Convention

Director of Convention Programs Maribeth Kraus plans for and organizes the MLA's annual convention and other association conferences. The convention office receives and handles convention session proposals from divisions, discussion groups, allied and affiliate organizations, and individual MLA members. It prepares all materials for the Program Committee and tells MLA members of the committee's decisions on special-session proposals. The office helps compile the Program issue of *PMLA*, oversees the scheduling of convention sessions, and communicates with session organizers. In addition, Kraus inspects the meeting sites and negotiates contracts with airlines, hotels, and other service providers (busing, security, child-care, and audiovisual companies) in convention cities.

The convention office also works with representatives of allied and affiliate organizations; acts as liaison with the directors of the regional MLAs and the Committee on the Status of Women in the Profession; and oversees hotel and travel arrangements for MLA committees, which use approximately eight hundred room-nights a year in New York City.

Kraus reports that the final count of attendees at the 2001 convention in New Orleans was

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over 8,700. We had anticipated larger attendance, but some members were reluctant to travel as a result of the events of 11 September. Many members thanked us for locating the book exhibit in the foreign language hotel at the 2001 convention. Hereafter, insofar as local circumstances allow, we will alternate the placement of the book exhibit between the English and foreign language hotels.

Job Information Service

David Laurence, director of English programs and the Association of Departments of English (ADE), and Elizabeth Welles, director of foreign language programs and the Association of Departments of Foreign Languages (ADFL), share responsibility for administering job-related activities. They work in this area with the Committee on Academic Freedom and Professional Rights and Responsibilities and the ADE and ADFL executive committees. The MLA did not provide formal assistance to hiring departments and job seekers until well into the twentieth century, and the activity changed as the association grew and the job market became increasingly competitive.

Currently, the association provides a number of job services. Probably the most important is the online *Job Information List*. Access to the *JIL* is obtained through membership in ADE or ADFL or by individual subscription. In 2001–02 individual subscribers number 1,884 (1,230 request the English list, 572 the foreign language list, and 80 both lists). The number of individual subscribers has been declining as the option for free access through departmental membership in ADE and ADFL has become more widely understood. In 1997–98, when the *JIL* first appeared as an electronic database, individual subscribers totaled 5,789 (3,763 took the English list and 2,022 the foreign language list). In 2000–01 individual subscribers numbered 3,690 (2,319 requested the English list, 1,259 the foreign language list, and 112 both lists).

Again this year, high demand on the first days the online list became available created access problems. And once again, within a few days, demand subsided to levels the Web server could accommodate. We sought advice from consultants on the problem of initial heavy demand. One consultant remarked that the site was being hacked, which is to say that the levels of demand were as high as those seen in efforts to disrupt a site deliberately.

Another important service the MLA provides hiring departments and candidates is the Job Information Center at the annual convention. Almost five hundred departments signed in with the center at the 2001 convention in New Orleans. Once departments sign in, job candidates can come to the center and retrieve the hotel room number or other information about the location of a prearranged convention interview. The center also provides an interview area used by departments that choose not to conduct interviews in hotel rooms. This year, in an effort to eliminate long lines and ensure the accuracy of information given to job candidates about the locations of their interviews, the staff developed a computer system to create and print out lists of the information. The new system worked extremely well, and job seekers encountered very short or no lines, even on the afternoon of 27 December and the morning of 28 December.

In addition, ADE and ADFL organize convention sessions about the job search and the needs and interests of departments in different kinds of institutions. Current and former department chairs also counsel job seekers at the convention, and the MLA organizes a workshop for those who wish to explore employment opportunities in business, government, and the not-for-profit sector.

This year the Executive Council authorized the development of statistical representations of the academic job search in English and foreign languages that project employment possibilities. These one-page models are designed to help undergraduates, graduate students, and PhDs understand the chances new and previous cohorts of PhDs have of finding full-time tenure-track

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jobs in four-year colleges and universities in a specific year. The models, which for the first time make visible the previous cohorts of PhD recipients who seek academic employment, will be published in 2002 and can be updated each year.

English and Foreign Language Programs; ADE and ADFL

English Programs

Surveys continue to be an important activity. David Laurence is working on two studies that should be available in December 2002. One is a guide to doctoral study in English and foreign languages, which focuses on admission and program requirements, fellowship and teaching-assistantship support, health and other benefits, and employment placements. The other study looks at the placement of PhDs who received doctorates between 1 September 2000 and 31 August 2001. The Center for Survey Research at Indiana University, Bloomington, is conducting this survey.

ADE

ADE counted 749 departments as members in 2000–01 and attracted a total of 185 representatives from 156 colleges and universities to the summer seminars. The annual workshops for new chairs attracted more than thirty participants to each seminar. Seminar West was cohosted by Mark Hennelly, chair of the English department at California State University, Sacramento, and Linda Morris, chair of the English department at the University of California, Davis. Seminar East was hosted by Barry Kroll, chair of the English department at Lehigh University. Featured at each seminar were papers discussing the changing shape of institutions of higher education and the role of and prospects for the English department and the study of English in the new "university of excellence."

ADE ad hoc committees continue to study topics of special interest to the field. The Ad Hoc Committee on Institutional Governance studied the sources of negative views of the faculty and the faculty's role in institutional governance that have appeared in recent higher education reports. The committee's analysis appeared in the Fall 2001 issue of the *ADE Bulletin*. Currently, an ad hoc committee is studying declines in the numbers of baccalaureate degrees in English from 1994 to 1997. This committee expects to complete its report in March 2002.

Foreign Language Programs

Surveys are also important to foreign language departments. Elizabeth Welles is overseeing a two-stage study funded by the Andrew W. Mellon Foundation and called "Models of Good Practice: A Study of Innovation in Foreign Language Programs in United States Colleges and Universities, 1995–99." During the first phase of the project, all foreign language departments were studied, with help from Roper Starch Worldwide. A partial report of the findings, titled "Successful College and University Foreign Language Programs, 1995–99: Part 1," appeared in *Profession 2001*.

Equally important is information about the value of studying foreign languages. To respond to this need, the Advisory Committee on Foreign Languages and Literatures developed a brochure titled *Knowing Other Languages Brings Opportunities*. Demand for the brochure has been so great that this year we reprinted 120,000 copies of it. The committee is working on a complementary publication, on the advantages of knowing foreign languages for various careers. The committee is also trying to increase the number of specialists in Asian languages and literatures in the association. It sponsored a breakfast at the 2000 convention for members in the field of East Asian languages, who were asked to identify ways the MLA might better serve this community. Out of this meeting came a request for an additional division in East Asian languages and literatures, which the Executive Council approved.

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ADFL

ADFL continues to serve the needs of foreign language departments. At the end of June 2001, 905 departments were members of ADFL, and the summer seminars, hosted by Middlebury College and the University of Texas, Austin, attracted 140 departmental representatives. Of particular importance this year is the Spring 2001 issue of the *ADFL Bulletin*, which is titled *Chairing the Foreign Language and Literature Department, Part 2*. This update of the 1994 ADFL handbook for chairs includes essays about teaching students with learning disabilities, using technology in research and teaching, and incorporating the less-commonly-taught languages in departments of Western languages.

Prizes

Each year before the Presidential Address, the association recognizes outstanding achievements in scholarship. In 2001 we awarded fifteen prizes, including the William Riley Parker Prize for an outstanding essay in *PMLA*. Welles, who works with the Committee on Honors and Awards in administering the prizes, notes that 434 titles competed for the fourteen book prizes. The competitions for the James Russell Lowell Prize and the MLA Prize for a First Book drew 185 (43%) of these titles. The Lois Roth Award for a translation of a literary work attracted 50 (12%) of the submissions, and 199 (46%) competed for eleven other book awards.

Reimbursement grants for travel to the MLA convention are available each year to advanced graduate students. We received 171 applications for reimbursement in 2001. Of the 150 grants authorized, 132 were awarded.

Special Projects

Conference on the Relation between English and Foreign Languages in the Academy: Constructing Dialogue, Imagining Change

The MLA and New York University are cosponsoring a unique conference, to be held at NYU during 12–14 April 2002, for representatives of departments of English and foreign languages, including comparative literature. Conference participants will consider opportunities for English and foreign language departments to collaborate, what the fields of English and foreign languages have in common and how they differ, the factors that brought the two fields to where they are, and new directions in their relation. Discussion group topics include bridging English and foreign language majors, film and media studies, gender studies, humanities requirements, language and literature programs in various types of institutions, the role of comparative literature, and the service missions of English and foreign language departments.

JSTOR Collection of Language and Literature Journals

The MLA has been working with JSTOR, a not-for-profit organization established in 1995 by the Andrew W. Mellon Foundation, to identify a group of language and literature journals for conversion from print to an electronic format. JSTOR's mission is archival: it creates electronic versions of the back issues of scholarly journals and distributes the digital copies to libraries. A grant from the Mellon foundation is supporting this effort. Thus far, the following journals have signed contracts with JSTOR and will participate in the project:

Alif
Boundary 2
Chinese Literature: Essays, Articles, Reviews
College Composition and Communication
College English
Comparative Literature
Diacritics
French Review
German Quarterly
Hispania
Hispanic Review
Italica

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Journal of African Cultural Studies
Journal of the Association of Teachers of Japanese
Language
MELUS
Modern Language Journal
Modern Philology
New England Quarterly
New German Critique
PMLA
Poetics Today
Rhetoric Review
Social Text
Tulsa Studies in Women's Literature
Twentieth Century Literature

We are negotiating arrangements with several other journals, and I hope that the final list will be longer. Among the journals we hope to include is *Zhurnal Ministerrstva narodnogo prosvischenija*. In this case, we need to locate a full run of the journal that can be digitized.

Coalition on the Academic Workforce

I have been working with representatives of twenty-two associations in the Coalition on the Academic Workforce (CAW). CAW's purpose is to discourage the growing use of part-time, adjunct, and temporary faculty members in higher education. Last year nine organizations joined the MLA in surveying departments in their fields on the use of part-time and adjunct faculty members and graduate student teaching assistants. A report on departments that responded to the MLA's survey of English and foreign language departments is available at the MLA Web site; a summary of what we learned appears in *Profession 2001*. CAW members presented a session on the survey findings at the 2002 convention of the Association of American Colleges and Universities and have begun to plan a conference on the effects that the employment of large numbers of part-time teachers has on retention and attrition rates among undergraduate students.

Advocacy Efforts

The MLA carries out its advocacy efforts with other organizations by means of coalitions that maintain offices in Washington and employ staff members who are in regular touch with members of Congress. Participating organizations support these coalitions through contributions. Decision making is shared.

On issues affecting the humanities, the MLA works with colleagues in the National Humanities Alliance (NHA). This year the NHA focused attention on increasing the budget of the NEH, and the effort was successful. On 5 November 2001, President Bush signed HR 2217, the fiscal year 2002 interior spending bill, which included increases for both the NEH and the NEA. In addition, the NHA wrote Representative Stephen Horn, who chairs the House Committee on Government Reform, to express concern about executive order 13233, on presidential records. The NHA letter will become part of the official record of the committee's hearing on this matter.

On issues affecting languages and international and area studies, the MLA works with colleagues in the Joint National Committee for Languages and the National Council for Languages and International Studies. Congress approved funding for language programs (bilingual education and the Foreign Language Assistance Program) in the Elementary and Secondary Education Act.

Association Administration and Membership

Associate Executive Director Regina Vorbeck oversees MLA operations, which include three departments: the Information Technology Center, Member and Customer Services, and Personnel and Office Management. The Information Technology Center maintains the MLA's various electronic records and communication systems, which are essential to the internal administration of the association. The department made a

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number of changes this year. It switched the e-mail system from *cc:Mail* to *Lotus Notes* and changed the MLA's Internet service provider from PSINet to Globix. Vorbeck also reports that the department moved the convention registration process from the mainframe to a network database and implemented an on-site registration process at the New Orleans convention that was processed remotely on our internal network in New York.

The MLA Web site continues to be developed by staff members in the Information Technology Center and by external consultants. Use of the site has been growing, and a map that will aid visitors in their navigation of the site is being designed. Between September and December 2001, 2,852 individuals used the Web site to register for the 2001 convention; since September 2001, 1,633 people have joined the MLA or renewed their membership on the Web. In 2000 we received 698 orders over the Web for 1,307 MLA publications. This fall we hired the firm e-guana.net, Inc., to analyze our Web usage statistics. We learned that from January through November 2001, there were 1,440,416 visits to the MLA site, and 14,602,853 pages were accessed. Those 1,440,416 visits were from 580,259 IP addresses.

Member and Customer Services, which maintains the MLA's membership records, reports that membership rose to 30,039 in 2001. This represents a small increase of 0.4 percent over membership in 2000. Of the MLA's 30,039 members, 20,410 (68%) are regular members, 6,886 (23%) are student members, and 2,743 (9%) are life members.

The search for a new executive director began in the fiscal year 2000–01. The Executive Council named a search committee at its October 2000 meeting, and active recruitment began in January 2001. In October 2001 the Executive Council offered the position to Rosemary G. Feal, who will begin her term as executive director in August 2002. Other recruitment efforts this year included the searches for a new director of Bibliographic Information Services and for a new director of MLA publications.

This is my seventeenth and last annual report. I have enjoyed being part of the MLA during a particularly interesting time, and I could not have wished for better companions. An extraordinary group of officers and council and committee members provided leadership for the association during this period. And there has been nothing that my colleagues on staff—intelligent, resourceful, creative, lively, good-humored, and hardworking—could not do.

Phyllis Franklin

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Modern Language Association of America

Balance Sheets, August 31, 2001 and 2000

	NOTES	2001	2000
ASSETS:			
Cash and cash equivalents		$ 4,722,847	$ 6,715,179
Investments—at market	2	2,586,541	3,037,943
Accounts receivable (less allowance for doubtful accounts of $24,900 in 2001 and $27,081 in 2000)		2,877,721	2,517,673
Payments receivable—contracts and grants		–	4,167
Inventories—at cost (less allowance for oversupply of $338,745 in 2001 and $296,612 in 2000)		364,997	530,167
Prepaid expenses, deferred charges and other assets		1,797,875	2,264,465
Furniture and equipment—at cost (less accumulated depreciation of $1,243,142 in 2001 and $2,150,502 in 2000)		675,039	344,623
Leasehold improvements—at cost (less accumulated amortization of $195,592 in 2001 and $1,192,980 in 2000)		2,738,285	1,952,798
Leased property under capital leases (less accumulated amortization of $265,321 in 2001 and $277,523 in 2000)	5	255,919	136,481
TOTAL ASSETS		$16,019,224	$17,503,496
LIABILITIES AND DEFERRED REVENUE:			
Loan payable	3	$ 537,742	$ 688,249
Accounts payable and accrued expenses		709,265	1,395,507
Deferred rent payable	5	605,445	554,637
Obligations under capital leases	5	271,204	146,036
Total liabilities		2,123,656	2,784,429
Deferred revenue		1,616,320	1,607,001
Total liabilities and deferred revenue		3,739,976	4,391,430
NET ASSETS:	7		
Unrestricted net assets		7,813,614	7,518,697
Temporarily restricted net assets		4,424,285	5,552,020
Permanently restricted net assets		41,349	41,349
Total net assets		12,279,248	13,112,066
TOTAL LIABILITIES, DEFERRED REVENUE AND NET ASSETS		$16,019,224	$17,503,496

See notes to financial statements.

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Modern Language Association of America

Statements of Activities for the Years Ended August 31, 2001 and 2000

	NOTES	2001		2000	
CHANGES IN UNRESTRICTED NET ASSETS:					
Revenues:					
Membership dues		$1,808,701		$1,785,993	
Membership and library subscriptions		824,392		899,743	
Advertising and exhibit revenue		597,520		560,969	
Publications sales and royalties		8,058,080		8,072,318	
Annual meeting registrations and sundry sales		735,643		670,897	
Job information subscriptions		497,304		453,113	
Computer center service sales		149,556		138,673	
Dividends and interest	2	365,486		447,506	
Contracts and grants		–		–	
Contributions		7,314		6,480	
Other		71,500		79,300	
Total			$13,115,496		$13,114,992
Net assets released from restriction	5		942,394		392,025
Total unrestricted revenues			14,057,890		13,507,017
Expenses:					
Bibliography and publications		5,425,502		5,088,771	
Convention and special meetings		942,833		954,683	
Scholarly and professional activities		3,579,779		3,049,253	
Membership development		614,099		596,600	
Total program expenses			10,562,213		9,689,307
Management, governance, and general	4, 5		2,961,750		2,568,618
Total expenses			13,523,963		12,257,925
RESULTS OF OPERATIONS			533,927		1,249,092
Relocation expenses	5		(129,522)		(837,255)
Net (loss)/gain on investments	2		(109,488)		119,119
CHANGE IN UNRESTRICTED NET ASSETS			294,917		530,956
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:					
Contributions and grants		54,358		2,031,779	
Dividends and interest	2	368,443		345,970	
Net (loss)/gain on investments	2	(608,489)		295,602	
Royalties		347		2,023	
		(185,341)		2,675,374	
Net assets released from restrictions	6	(942,394)		(392,025)	
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS			(1,127,735)		2,283,349
CHANGE IN NET ASSETS			(832,818)		2,814,305
NET ASSETS AT BEGINNING OF YEAR			13,112,066		10,297,761
NET ASSETS AT END OF YEAR			$12,279,248		$13,112,066

See notes to financial statements.

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Modern Language Association of America

Statements of Cash Flows for the Years Ended August 31, 2001 and 2000

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (832,818)	$2,814,305
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	575,750	587,495
Net loss/(gain) on investments	717,977	(414,721)
Loss on disposal of fixed assets	41,733	–
Contribution of marketable securities	(10,880)	(8,760)
(Increase)/Decrease in:		
Accounts receivable	(360,048)	84,099
Payments receivable—contracts and grants	4,167	15,296
Inventories	165,170	57,800
Prepaid expenses, deferred charges and other assets	466,590	(628,751)
Increase/(Decrease) in:		
Accounts payable and accrued expenses	(686,242)	931,601
Deferred rent payable	50,808	554,637
Deferred revenue	9,319	(211,790)
Net cash provided by operating activities	141,526	3,781,211
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(1,603,129)	(2,137,050)
Purchase of investments	(605,354)	(1,742,021)
Proceeds from sale of investments	344,379	1,454,376
Net cash used in investing activities	(1,864,104)	(2,424,695)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loan	–	706,082
Repayment of loan	(150,507)	(17,833)
Principal payments of capital lease obligations	(119,247)	(120,142)
Net cash (used in) provided by financing activities	(269,754)	568,107
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,992,332)	1,924,623
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,715,179	4,790,556
CASH AND CASH EQUIVALENTS, END OF YEAR	$4,722,847	$6,715,179
SUPPLEMENTAL DATA:		
Interest paid	$ 33,820	$ 17,890
Supplemental schedule of noncash investing and financing activities:		
New capital lease obligations	$ 284,610	$ –

See notes to financial statements.

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Modern Language Association of America

Notes to Financial Statements for the Years Ended August 31, 2001 and 2000

1. Nature of Operations and Summary of Significant Accounting Policies

The Modern Language Association of America (the "Association" or "MLA") is a not-for-profit organization which was founded in 1883 to promote study, criticism and research in English and other modern languages and their literatures. An international association of approximately thirty thousand scholars and teachers, the Association is concerned with the professional interests of its members and with enriching the teaching of language and literature in colleges and universities.

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Association are described below:

Basis of Presentation—The financial statements of the Modern Language Association have been prepared on the accrual basis and in accordance with Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-For-Profit Organizations" ("SFAS No. 117").

Among other things, SFAS No. 117 requires that a not-for-profit organization's financial statements report the amounts for, and changes in, each of three classes of net assets—permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets—based on the existence or absence of donor-imposed restrictions.

Temporarily restricted net assets are available for awards, prizes, publications, and other projects summarized in note 7.

Permanently restricted net assets are invested in perpetuity, the income from which is expendable to support awards.

Use of Estimates—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Taxation—The Association is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code, except as to its net unrelated business income.

Revenue Recognition—Dues and library subscriptions are deferred and recognized as revenue over the applicable membership and subscription periods, as services are rendered and the related costs are incurred. Revenues from contracts and grants which represent amounts restricted for specific research or other projects, and contributions are recognized as revenues when all related conditions are substantially met, or when received if unconditional. They are classified as unrestricted, temporarily restricted, or permanently restricted based on donor stipulation.

Memberships—Membership in the MLA is open to those who are interested in the study and teaching of the modern languages and their literatures. Memberships in the Association of Departments of English (ADE) and in the Association of Departments of Foreign Languages (ADFL), MLA affiliates, are institutional and are open to administrators of English and foreign language departments. Membership dues earned from MLA, ADE and ADFL memberships for the years ended August 31, 2001 and 2000 were $1,433,081, $228,285, $147,335, and $1,406,682, $227,020, $152,291, respectively.

Furniture, Equipment and Leasehold Improvements—Furniture, equipment and leasehold improvements are carried at cost less accumulated depreciation and amortization. Depreciation of furniture and equipment is provided over the estimated lives of the respective assets on a straight-line basis. Amortization of leasehold improvements is provided over the lesser of the estimated useful life of the improvement or the life of the lease, on a straight-line basis. In 2001, assets totalling $2,563,747 with related accumulated depreciation of $2,522,014 were removed from the accounts and records of the Association.

Investments—Investment securities are carried at market value.

Inventories—Inventories, which consist principally of books and publications, are carried at the lower of cost or market. The first-in, first-out (FIFO) cost assumption is used.

Cash Equivalents—Cash equivalents are comprised of highly liquid investments that mature in three months or less from date of purchase.

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2. Investments

	2001	2000
U.S. Trust Master Treasury Fund, money market fund	$ 849,746	$ 919,300
General American Investors Stock	45,266	–
Warburg Pincus Capital Appreciation Fund	71,320	128,740
Warburg Pincus Emerging Growth Fund	–	35,652
EuroPacific Growth Fund	16,468	21,368
Selected American Shares	92,071	27,405
Acorn Fund	109,495	78,213
Morton Cohen Fund, money market fund and U.S. Treasury Notes	32,699	29,857
Aldo & Jeanne Scaglione Fund, various mutual funds	1,247,661	1,698,106
Katherine Singer Kovacs Fund, money market fund and U.S. Treasury Notes	75,141	65,787
Marraro Fund, money market fund and U.S. Treasury Notes	35,000	32,014
Fenia and Yaakov Leviant Fund, money market fund and U.S. Treasury Notes	10,174	–
Other	1,500	1,501
TOTAL	$2,586,541	$3,037,943

The investment composition is as follows:

	2001	2000
Money market funds	$ 911,310	$ 968,521
Mutual funds	1,537,014	1,989,485
U.S. government obligations	92,951	79,937
Stocks	45,266	–
	$2,586,541	$3,037,943

Total net investment income is comprised of the following:

	2001	2000
Dividends and interest	$733,929	$ 793,476
Net gains/(losses)	(717,977)	414,721
	$ 15,952	$1,208,197

3. Loan Payable

In July 2000, the Association received a $700,000 loan from a bank with interest at 10.09%. The term of the loan is 48 months with payments due monthly. Interest expense paid for the years ended August 31, 2001 and 2000 was $63,489 and $6,082, respectively. The loan is secured by all assets of the Association.

Maturity of the loan is as follows:

YEAR ENDING AUGUST 31	
2002	$166,647
2003	184,518
2004	186,577
	$537,742

4. Retirement Benefits

After two years of continuous employment at the MLA, eligible employees may participate in a retirement annuity plan established with Teachers Insurance and Annuity Association, and College Retirement Equities Fund (TIAA/CREF). The Association contributes 8% of the employee's salary to an individual account established in the employee's name. Individuals may voluntarily contribute to the plan within Internal Revenue Service guidelines. Pension expense for the years ended August 31, 2001 and 2000 was approximately $339,000 and $310,000, respectively.

5. Leases

During 2000, the Association relocated its offices and entered into a long-term lease agreement for its office facilities which expires in July 2015. The lease contains escalation clauses relating to real estate taxes and other building expenses. Under the lease agreement, the Association received a six month rent abatement, which has been deferred and will be amortized over the term of the lease. The future minimum annual rent commitment under this lease is as follows:

YEAR	
2002	$ 1,143,750
2003	1,143,750
2004	1,143,750
2005	1,150,000
2006	1,218,750
Thereafter	11,429,688
Total	$17,229,688

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The Association has leases for certain office equipment which are classified as capital leases. For the years ended August 31, 2001 and 2000 $39,104 and $11,808, respectively, represents interest expense on these leases and $130,257 and $119,231, respectively, represents lease amortization expense and both are included as management, governance, and general in the accompanying financial statements.

Future minimum lease payments under office equipment leases are as follows:

YEAR ENDING AUGUST 31	
2002	106,905
2003	85,728
2004	85,728
2005	71,466
2006	10,780
Total minimum lease payments	360,607
Less amount representing interest	(89,403)
Present value of minimum lease payments	$271,204

The Association also leases certain computer components and duplicating equipment under various month-to-month rental agreements. Expense under these operating lease agreements totaled $94,642 and $64,987 for the years ended August 31, 2001 and 2000, respectively.

6. Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2001	2000
Purpose restriction accomplished:		
Survey of Good Practice in Foreign Language Departments	$39,911	$117,477
Foreign language enrollments survey	–	1,678
Awards and prizes	22,913	25,181
Scaglione fund maintenance	24,767	13,557
International membership dues	235	225
Staffing in Undergraduate Humanities Programs	13,235	16,765
MLA International Bibliography expansion	379,326	169,275
JSTOR Collection of Modern Language and Literature Journals	462,007	47,867
	$942,394	$392,025

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7. Restricted Net Assets

The changes in temporarily restricted net assets are as follows:

	BALANCE, SEPTEMBER 1, 2000	ADDITIONS (NOTE 1)	RELEASED FROM RESTRICTIONS	BALANCE, AUGUST 31, 2001
Modern Language Materials Revolving Fund	$ 92,385	$ 347	$ –	$ 92,732
John Louis Haney Fund	35,104	3,414	–	38,518
Marraro Prize Income Fund	10,665	3,486	500	13,651
Good Neighbor Fund	1,204	–	235	969
Morton Cohen Award Fund	9,857	2,842	–	12,699
Katherine Singer Kovacs Prize Fund	65,787	10,354	1,000	75,141
Elliot Gilbert Fund	2,581	150	–	2,731
Aldo & Jeanne Scaglione Award Fund	1,698,106	(423,809)	26,636	1,247,661
Professional Education Assistance Fund	6,913	7,817	6,913	7,817
Scaglione Publications Subvention	–	12,631	12,631	–
Lois Roth Award Fund	648	38	–	686
Fenia and Yaakov Leviant Memorial Prize in Yiddish Culture	–	10,319	–	10,319
Phyllis Franklin Award for Public Advocacy in the Humanities	–	17,005	–	17,005
Promotion of the Profession	2,147	1,704	–	3,851
Mellon Foundation grants	3,626,623	155,126	881,244	2,900,505
NEH	–	13,235	13,235	–
TOTAL TEMPORARILY RESTRICTED NET ASSETS	$5,552,020	$(185,341)	$942,394	$4,424,285

	BALANCE, SEPTEMBER 1, 1999	ADDITIONS (NOTE 1)	RELEASED FROM RESTRICTIONS	BALANCE, AUGUST 31, 2000
Modern Language Materials Revolving Fund	$ 90,362	$ 2,023	$ –	$ 92,385
John Louis Haney Fund	31,324	3,780	–	35,104
Marraro Prize Income Fund	8,939	1,726	–	10,665
Good Neighbor Fund	1,429	–	225	1,204
Morton Cohen Award Fund	8,236	2,621	1,000	9,857
Katherine Singer Kovacs Prize Fund	59,912	6,875	1,000	65,787
Elliot Gilbert Fund	2,446	135	–	2,581
Aldo & Jeanne Scaglione Award Fund	1,243,667	471,917	17,478	1,698,106
Professional Education Assistance Fund	8,181	6,913	8,181	6,913
Scaglione Publications Subvention	6,450	3,629	10,079	–
Lois Roth Award Fund	1,601	47	1,000	648
Promotion of the Profession	–	2,147	–	2,147
US Department of Education	–	1,678	1,678	–
Mellon Foundation grants	1,806,124	2,155,118	334,619	3,626,623
NEH	–	16,765	16,765	–
TOTAL TEMPORARILY RESTRICTED NET ASSETS	$3,268,671	$2,675,374	$392,025	$5,552,020

Permanently restricted net assets as of August 31, 2001 and 2000 are as follows:

Marraro Prize Fund	$21,349
Morton Cohen Award Fund	20,000
Total permanently restricted net assets	$41,349

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Independent Auditors′ Report

Modern Language Association of America:

We have audited the accompanying balance sheets of the Modern Language Association of America (the "Association") as of August 31, 2001 and 2000 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Association at August 31, 2001 and 2000 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
December 7, 2001

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