

## Treasurer's Report to the HOD July 10, 2011

AACP's Treasurer Keith Herist along with COO Daniel Cassidy presented to the 2012 Budget to the AACCP Board. The agenda included a review of financial trends, major operating and financial assumptions, emerging opportunities and capital investments.

The Board adopted the 2012 Budget summarized below and accepted the preliminary budget projection for 2013.

### 2012 Budget Summary

For 2012, revenue is budgeted to be \$12,099,000 and expenses \$12,063,000 resulting in net revenue of \$36,000 or .6% of total revenue. The comparative results and projections are as follows:

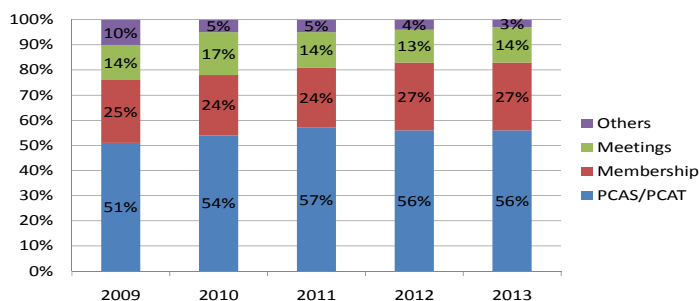
	FY2009	FY2010	FY2011	FY2012	FY2013
	Actual	Actual	Forecast	Estimate	Estimate
Revenue	\$10,241	\$11,166	\$11,642	\$12,099	\$12,115
Expenses	\$10,103	\$10,627	\$11,238	\$12,063	\$12,165
Net from Operations	\$138	\$539	\$404	\$36	(\$50)

### Major Budget Assumptions:

#### Revenue:

An institutional dues increase of \$3,000 per school plus one new school  
PCAS revenues consistent with the prior year; PCAT testing fees up significantly  
Conservative estimates for meeting registrations; continued softening of sponsorships  
TEVA grant monies moved into 2012 from 2011 (\$100,000)  
NPF Research Awards entirely self-funded (2<sup>nd</sup> year in a row)

### Sources of Revenue

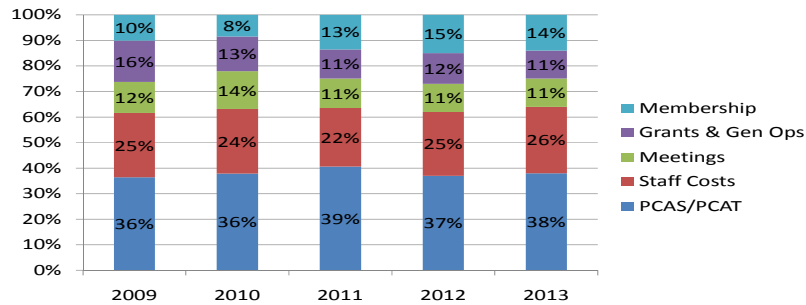


#### Expense:

Member needs assessment (\$50,000) – NEW  
Congressional Fellow support of CMS Innovations Center (\$25,000) - NEW  
Operating under new PharmCAS management agreement with Liaison

Employee-benefit premiums at or below prior year levels  
 Staff positions – Membership Manager plus two administrative positions (\$120,000 prorated)

## Summary of Expenses

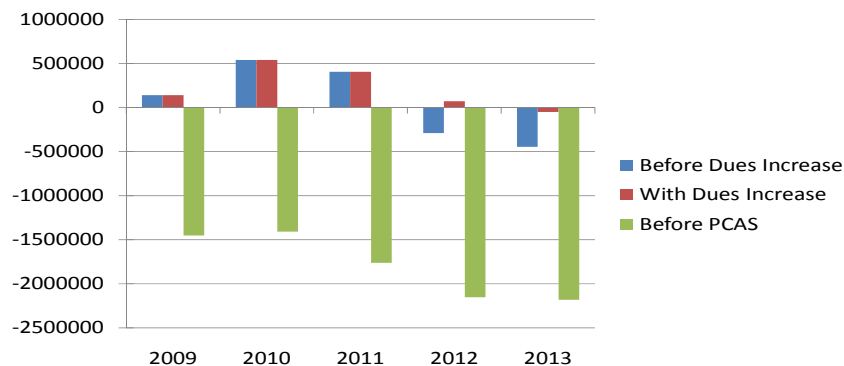


Emerging Opportunities (see attached “Emerging Opportunities Analysis and Recommendations”):

- Academic Research Fellows Program (\$0 operating expense in 2012; potentially \$100,000 in first program year)
- Milestone Exams (\$20,000 budgeted in 2012 for assessing the market ; revenue model in future years contingent on business plan)
- Standardized APPE Evaluation (e.g. Clinic-Eval) (\$0 operating expense in 2012; potentially \$225,000 in first program year and revenue model contingent on business plan)
- Program, Curriculum, and Assessment Consulting Service (\$5,000 for feasibility evaluation in 2012; potentially \$25,000 in first program year)
- \* Academic Practice Partnership Initiative – II (Experiential Education quality and capacity)
- \* Teams Leadership Development (Deans & Department Chairs)

\* APPI-II and Dean-Department Chair Development have already received attention leaving the other four needing specific planning and implementation attention.

## Comparing Net Revenue from Operations



### 2013 Major Budget Assumptions:

Revenue:

Three new schools

PCAS revenues consistent with the prior year; PCAT testing fees level

Meeting registrations moderately higher due to 2011 results and Orlando site  
 TEVA grant renews for another year  
 Sub-tenant lease is terminated early in anticipation of starting construction on new office space re-design

Expense:

No new staff positions budgeted at this time and employee benefit premiums increase 10%  
 No congressional fellow; will have a Scholar in Residence  
 Higher annual meeting costs  
 PharmCAS expenses increase due to higher WebAdMIT and background check fees  
 No expenses budgeted for new emerging opportunities at this time.

2012 Capital Budget		
Item Description	Amount	Notes
Computer & Hardware equipment upgrades	\$60,000	Software and hardware additions
Leasehold Improvements	\$5,000	Preliminary office space re-design
Leasehold Improvements	TBD	Architect & construction build-out