



## Treasurer's Annual Report to the Membership

September 2022

Last year's report was framed by the pandemic and its impact on our financial position. This year, once again, the ACAPT board and finance committee have managed our financial position during challenging times. ACAPT expenditures were focused on providing more programming for our members, while our sources of revenue, including our investment portfolio, remain healthy in spite of a year with dramatic economic ups and downs. The ACAPT Finance Committee meets regularly to review our fiscal standing and ensure that we make responsible financial decisions. I am grateful for the contributions of the members who are Kevin Gard, Kendra Gagnon, and Kristin Greenwood.

In this report, member representatives will find the 2020 and 2021 ACAPT Statement of Activities and Statement of Financial Position. The reports from 2020 and 2021 are full year reports generated after the end of the ACAPT fiscal year (Jan-Dec) and subsequently reviewed through audit. We also provide a snapshot of our expenditures and revenue for 2022 to date.

Here are some additional highlights of ACAPT's financial activities over the past year and those anticipated in the months ahead that will close out 2022:

1. **Membership:** Our membership year runs from July 1 – June 30. For the 2021-2022 membership year, 257 (95%) of DPT programs were ACAPT members. As of mid-September, 247 (89%) DPT programs are ACAPT members. Of this, 10 were not members last year, while 236 have renewed.
2. **Non-dues revenue:** As a result of programs such as our Leadership Compass<sup>®</sup>, webinars, the Annual Physical Therapy Education Leadership Conference, career center, our partner program, a generous grant from the Josiah Macy Jr. Foundation, and our many exhibitors and sponsors, we project at least 33% in non-dues revenue by year's end.
3. **Strategic initiatives:** As you will see in our 2022 [annual report](#), we are making great strides in achieving a number of our objectives. We have allocated over \$814,000 towards academic innovation that includes the launch of our [Center for Excellence](#), contracting with Virtual Atlantic who will translate the annual [Institutional Profile Survey](#) results and other measures within our excellence framework into data visualization points. We have allocated over \$180,000 toward Diversity, Equity and Inclusion efforts which includes the National Equity, Diversity and Inclusion Commission Summit held at The Ohio State University earlier this year. The results of the Summit and work ahead will provide guidance to member programs and herald much needed change. Finally, we've allocated nearly \$114,000 toward initiatives that include advocacy and strategic partnerships with external organizations.
4. **Reserves:** Our investments experienced some loss earlier in the year as a result of the economic market but have rebounded in August. We remain well above our target to hold in reserve at least 40-55% of our current budget.

Highlights of projected activities for 2023:

- Launching our Center for Excellence platform which will include data visualization and a new Association Management System with Learning Management Software.
- A new partnership for data-sharing and greater investment with our clinical partners



- NEDIC post-summit task forces developing actionable items for every member program to incorporate to increase enrollment, retention, and graduation rates of racially and ethnically diverse student populations and increasing the number of racially and ethnically diverse faculty and leadership.
- Leadership and professional development programs for new program directors and new directors of clinical education
- Educational programming to include a simulation training course for rehab professionals and a symposium on teaching and learning clinical reasoning
- Completion of a digital version of the new blueprint for excellence draft for member review. The blueprint for excellence will be a single definitive source clarifying the elements critical to quality education and the expectations for faculty and students in physical therapy education
- Advocacy for physical therapy education
- A new organizational structure that is responsive to member needs, emerging issues and opportunities, and that produces needed outcomes and deliverables.

We will continue to grow and expand our services for members but only with everyone's support. This year we undertook a project to forecast the financial implications of ACAPT's growth and to model future budgets and cashflow. This modeling made it clear that ACAPT must raise dues to sustain itself. In 2011 the ACAPT Finance Committee established our existing dues structure of \$2,500. ACAPT uses dues as its primary source of revenue to provide member institutions with the resources they need to ensure excellence in physical therapy education. The cost of providing these resources and managing our association increases annually both because of changes in our organization and because of changes in the value of a dollar. Dues and the income from ELC are the major sources of ACAPT revenues but these two sources are not sufficient to ensure the longevity and the ability of our organization to provide meaningful advocacy and member services into the future.

Below is a simple snapshot of the magnitude of positive change that has occurred within ACAPT over these ten years, most explicitly in the last three years.

Dues support the creation of resources: Dues are used to provide our members with the resources they need to ensure excellence in physical therapy education and in a decade's time the resources being provided by ACAPT continue to grow. Some of these resources include the products from our nine consortia, timely webinars on pedagogical and curricular issues, a robust website, the COVID teaching resources, advocacy efforts with CAPTE, the APTA and organizations in higher education, representation participation in the Education Leadership Partnership (ELP) and the Leadership Compass<sup>®</sup>.

Dues and operations: The last few years the work of ACAPT has increased to meet the needs of members. The ACAPT staff has grown from a single Executive Director to four individuals (3 FTE) including our full-time Executive Director, a part-time Communications & Data Strategist/Special Projects Lead, a full-time Education and Events Coordinator, and a part-time Database and Office Administrator. In July 2020 ACAPT's contract for management services with APTA ended and ACAPT moved from an association management services (AMS) structure to an independent organization that included new headquarters and contracts for services such as HR, IT, and accounting. As a result, ACAPT's costs associated with the management of day-to-day operations from leased space to technology increased by 46%. Since then, we have continued to expand our services and support to meet member needs, resulting in an additional 28% for management and operations. .



Dues and the future: ACAPT's future signature initiatives including those tied to our strategic plan such as the deliverables from the 2022 NEDIC summit, the building of a data repository aligned with the criteria for excellence framework, increased educational and leadership development offerings, implementation of the Vision for Excellence co-created by the Education Leadership Partnership, purchase of a learning management system, and more deliverables that provide for best practices, guidelines, and standards will all require a significant financial commitment.

Dues in comparison to our peer organizations: Benchmarking data against peer associations such as the Physician Assistant Education Association (PAEA) and Association of Colleges of Pharmacy (ACP) shows that this increase in dues is consistent with or still falls below their dues structures (see below).

American Association of Medical Colleges - \$65,000

Association of Schools and Programs of Public Health - \$35,000

Association of Colleges of Pharmacy - \$29,000

American Dental Education Association - \$25,000

Association of Schools and Colleges of Optometry - \$20,000

Association of Colleges of Nursing - \$5,539 (\$2,770 in the first year)

Physician Assistant Education Association - \$4,275 (\$2,915 for developing or international)

In order to continue positive future potential for ACAPT we must continue to fund that future and have financial practices that prepare member institutions for increases beyond a yearly motion.

Dues and inflation: A 2011 dollar is currently worth \$1.35 (Bureau of Labor and Statistics Consumer Price Index (CPI) inflation calculator) This means that if dues were tied to the CPI and the rate of inflation, they would be \$3,363.76 today. The expenses tied to the ACAPT budget including salaries, benefits, rent and legal and management fees have all increased in line with inflationary rates and a dues increase is needed to keep pace.

The Finance Committee and the ACAPT Board identified a need to move dues toward \$5,000. Both approved the following tiered approach to dues increases:

1. Increase by a modest \$750 per year beginning July 1, 2023 to come closer to financial needs of ACAPT recognizing we can continue this year to balance need with reserves. ACAPT 2023 dues will be \$3,250.
2. A second dues increase of \$750 in 2025 will bring ACAPT dues to \$4,000
3. A third and final dues increase of \$750 in 2027 will result in dues of \$4,750

Without the modest dues increases proposed over the next several years ACAPT will need to further explore additional fees for the services now offered as part of the membership dues.

My thanks again to the members of the ACAPT Finance Committee for their diligence and work. We welcome anyone with an interest in serving on our committee to reach out at [acapt@acapt.org](mailto:acapt@acapt.org).

Julia Chevan, PT, DPT, PhD, MPH  
ACAPT Treasurer



## Statement of Activities

Note: ACAPT budgeting year starts on January 1 and ends on December 31.

Revenue	12/31/2020 (audited)	12/31/2021 (audited)	8/31/2022 YTD
Membership dues	\$573,746	\$613,114	\$414,948 <sup>#</sup>
Meeting registrations	\$91,875	\$169,915	\$7,412*
Exhibitor fees	\$15,250	\$32,913	\$53,000*
Abstract submission	\$4,053	\$4,361	*
Other income	\$1,144	\$7,762	\$32,109
<b>TOTAL REVENUE</b>	<b>\$686,068</b>	<b>\$828,065</b>	<b>\$507,469*</b>
<b>Expenses</b>			
Program services*			
Clinical education	\$38,758	\$36,397	\$80,734
Research and Development; previously Outcomes & assessments	\$35,372	\$43,804	\$135,768
Strategic partnerships	\$91,733	\$71,269	\$60,507
Member engagement	\$73,061	\$163,915	
Leadership development	\$38,758	\$53,055	\$82,790
Volunteer engagement	\$39,377	\$48,016	
Education research	\$17,958	\$37,512	\$43,864
Diversity, Equity & Inclusion			\$106,727
<b>Total program services</b>	<b>\$328,228</b>	<b>\$453,968</b>	<b>510,390</b>
Supporting activities			
Management and Operations	\$99,804	\$244,812	\$36,210
Membership development	\$130,481	\$143,892	
<b>Total supporting activities</b>	<b>\$230,285</b>	<b>\$388,704</b>	<b>\$36,210</b>
<b>TOTAL EXPENSES</b>	<b>\$558,513</b>	<b>\$842,672</b>	<b>546,600</b>
<b>Operating Profit</b>	<b>\$142,183</b>	<b>(\$70,338)</b>	<b>(\$39,131)</b>
<b>Total investment income/(loss)</b>	<b>\$54,047</b>	<b>\$72,171</b>	<b>(\$100,479)</b>
<b>Net income</b>	<b>\$196,230</b>	<b>\$1,833</b>	<b>(139,611)</b>

Clinical education: clinical education activities such as those facilitated by the NCCE, SIPTEC and board-appointed tasks forces.

Research & Development: activities that promote the collection and reporting of data and trends.

Strategic partnerships: activities that include advocacy and relations with stakeholder organizations.

Leadership development: activities that promote professional development for members including ELC, the student honor society activities, member awards & recognition, and educational workshops.

Education research: activities focused on education research, to include GAMER, mini-GAMER, and the Ed Research Network

Diversity, Equity & Inclusion: activities like the NEDIC Summit to increase diversity and promote equitable, inclusive practices in the workforce and student population

Management and Operations: includes staffing, office lease, HR, IT, accounting services, board and volunteer support, marketing, supplies and other general operating expenses. The total is allocated across all programs.

Membership development: member recruitment and retention activities now incorporated in management & operations.

\* ELC 2022 revenue and expense not yet recorded

# Membership Dues showing only ½ of the total received with the other ½ as deferred revenue. ACAPT uses accrual accounting which records revenues and expenses when a transaction occurs rather than when money is exchange.



**Statement of Financial Position**

Assets	12/31/2020	12/31/2021	8/31/2022 (YTD)
<b>CURRENT ASSETS</b>			
Cash	\$795,030	\$324,498	\$456,494
Accounts receivable	\$71,140	\$28,388	\$10,116
Total current assets	\$874,411	\$352,886	\$466,610
<b>OTHER ASSETS</b>			
Security deposit - Lease	\$6,310	\$6,310	\$6,310
Investments	\$958,377	\$1,530,527	\$1,430,048
Prepaid expenses	\$8,241	\$14,488	\$13,252
Total other assets	\$964,687	\$1,551,326	\$1,449,610
Total assets	\$1,839,098	\$1,904,212	\$1,916,220
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$8,182	\$762	\$7,757
Deferred revenue	\$295,199	\$327,705	\$478,277
Accrued expenses	\$19,739	\$500	
Accrued payroll liabilities		\$57,435	\$10,886
Total Liabilities	\$323,121	\$386,401	\$496,920
Unrestricted net assets	\$1,319,747	\$1,517,810	\$1,558,911
Net Income	\$196,230	\$1,833	(\$139,611)
Total liabilities and net assets	\$1,839,098	\$1,904,212	\$1,916,220