



BULLETIN
FROM THE
SECRETARY - TREASURER

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BULLETIN NO. 1

January 31, 2018

SUBJ: 2018 Calendar Year Budget

FROM: William T. Reynolds, O.D.

TO: Affiliated Presidents, President-Elects, Secretary-Treasurers, & Executive Directors

DIST: AOA BOT, ED, AED, CFO, Group Center Directors, & Archives

I am pleased to present the 2018 budget for the American Optometric Association (AOA), as approved by the AOA Board of Trustees. It reflects the Board's thorough review of the organization's operations and capabilities as well as the opportunities and challenges facing Optometry, fully in keeping with our obligation to the membership, organizational means and firm adherence to the principles of sound planning and accounting best practices.

This budget is based on anticipated operating costs for member-focused programs, services and initiatives encompassing the four operational pillars – Advocacy, Public Awareness, Tools for Practice Growth and Education. It envisions a need for continued 24/7/365 federal, state, payer and media advocacy and a strong commitment to directly informing the public about the importance of annual eye exams through the Think About Your Eyes national advertising campaign. In addition, it provides members with leading-edge educational resources and tools proven to aid practice success, including AOA MORE (Measures and Outcomes Registry for Eyecare) and new and updated evidenced-based clinical practice guidelines. Together with state associations, the Armed Forces Optometric Society and the American Optometric Student Association, the AOA will aim to assure effective advocacy for optometry into the future by expanding on the early success of our data-driven membership marketing initiative.

Attached are two budget summaries. The first details the 2018 budget by group or functionality (advocacy, membership, communications, etc.). The second details the budget by revenue and expense categories (dues, registration income, employment costs, utilities, etc.).

I hope that you will find this preview of our anticipated 2018 finances useful. If you have any questions, please feel free to contact me (WReynolds@aoa.org) or our CFO, Ryan Hayes (RPHayes@aoa.org).

NO ACTION REQUIRED

**American Optometric Association
2018 Budget By Group
For the Twelve Months Ending December 31, 2018**

	REVENUE	EXPENSE	NET
ADVOCACY			
25100-CONSULTANTS	\$ -	\$ 547,000	\$ (547,000)
25200-GOVERNMENT ISSUES	-	30,300	(30,300)
45100-FGRC FEDERAL RELATION ACTIVITIES	-	21,850	(21,850)
45400-AFOS/SECTION CHIEFS MEETING	-	2,050	(2,050)
45450-AMA/RVS UPDATE COMMITTEE	-	22,300	(22,300)
45820-FGRC PUBLIC AFFAIRS	-	309,000	(309,000)
93500-FEDERAL GOVT RELATIONS SUPPORT	-	2,129,404	(2,129,404)
42210-QUALITY IMPROVEMENT COMMITTEE	-	802,253	(802,253)
25500-KEYPERSON ACTIVITIES	-	12,770	(12,770)
25550-KEYPERSON CONFERENCE	230,000	687,442	(457,442)
25700-AOA PAC COMMITTEE	-	14,725	(14,725)
25760-AOA PAC FUNDRAISING	-	127,300	(127,300)
93800-AOA PAC SUPPORT	-	327,437	(327,437)
TOTAL FEDERAL GOVERNMENT RELATIONS	230,000	5,033,831	(4,803,831)
28000-STATE GOVERNMENT RELATIONS EXEC CMTE	-	22,000	(22,000)
48100-SGRC NCSL/ALEC CONFERENCES	-	141,975	(141,975)
95100-STATE GOVERNMENT RELATIONS SUPPORT	-	370,878	(370,878)
TOTAL STATE GOVERNMENT RELATIONS	-	534,853	(534,853)
24000-TPC EXECUTIVE CMTE	-	15,011	(15,011)
44250-TPC PUBLIC AFFAIRS	-	129,122	(129,122)
44450-TPC MEETING /CAC CONFERENCE	60,000	142,369	(82,369)
93000-THIRD PARTY SUPPORT	-	127,738	(127,738)
TOTAL THIRD PARTY CENTER	60,000	414,240	(354,240)
18000-SPORTS VISION SECTION	-	10,963	(10,963)
16000-CLCS COUNCIL ACTIVITIES	261,118	125,147	135,971
17000-VISION REHABILITATION COUNCIL ACTIVITIES	6,000	9,648	(3,648)
TOTAL SECTIONS/COUNCILS	267,118	145,758	121,360
94500-RENT-ALEXANDRIA	265,083	374,760	(109,677)
TOTAL ALEXANDRIA RENT	265,083	374,760	(109,677)
TOTAL ADVOCACY GROUP	822,201	6,503,443	(5,681,242)
CLINICAL CARE GROUP			
91200-CLINICAL CARE SUPPORT	-	361,343	(361,343)
42410-HEALTH PROMOTION COMMITTEE	-	1,650	(1,650)
41140-CGCC CLIN GUIDELINES REVISION	-	114,815	(114,815)
41510-ETHICAL VALUES IN OPTOMETRY	-	288	(288)
TOTAL CLINICAL CARE	-	478,096	(478,096)
15500-COUNCIL ON RESEARCH ACTIVITY-EXPENSE	-	56,601	(56,601)
15550-COUNCIL ON RESEARCH-SUMMER INSTITUTE	16,000	43,062	(27,062)
TOTAL COUNCIL ON RESEARCH	16,000	99,664	(83,664)
TOTAL CLINICAL CARE GROUP & COUNCIL ON RESEARCH	16,000	577,759	(561,759)
ACOE			
15000-ACOE ACTIVITIES	10,000	208,076	(198,076)
15050-ACOE VA VISITATION	136,012	12,237	123,775
15100-ACOE OD VISITATION	197,371	28,651	168,720
15150-ACOE OT VISITATION	4,500	-	4,500
15200-ACOE RESIDENCY VISITATION	251,388	31,488	219,900
90200-ACOE SUPPORT	-	500,434	(500,434)
TOTAL ACOE	599,271	780,886	(181,615)

**American Optometric Association
2018 Budget By Group
For the Twelve Months Ending December 31, 2018**

	REVENUE	EXPENSE	NET
COMMUNICATIONS AND MARKETING			
22000-COMMUNICATION EXECUTIVE CMTE	-	1,125	(1,125)
92000-COMMUNICATIONS SUPPORT	30,000	228,197	(198,197)
22200-AWARDS	-	10,015	(10,015)
22250-PR SUPPORT	-	438,857	(438,857)
11970-OPTOMETRIC AWARENESS CAMPAIGN	1,642,298	2,176,541	(534,243)
92300-AOA INTEGRATED CONTENT SUPPORT	300,000	1,031,610	(731,610)
TOTAL COMMUNICATIONS AND MARKETING GROUP	1,972,298	3,886,344	(1,914,046)
AFFILIATE RELATIONS & MEMBERSHIP			
19100-OPTOMETRIC RECOGNITION AWARD	3,200	275	2,925
19555-MEMBER SUPPORT AFFILIATE VISITS	-	17,475	(17,475)
19600-MEMBERSHIP ACTIVITIES	-	246,625	(246,625)
19650-SCHOOL VISITS	-	62,152	(62,152)
40000-STUDENT MEMBERSHIP	-	63,832	(63,832)
40390-FACULTY EDU PRGRM AT OM®	-	10,525	(10,525)
91100-MEMBERSHIP SUPPORT	-	499,531	(499,531)
92350-OS.COM WEBSITE	-	47,525	(47,525)
TOTAL AFFILIATE RELATIONS & MEMBERSHIP GROUP	3,200	947,940	(944,740)
ADMINISTRATIVE			
01000-MARKETABLE SECURITIES	720,000	92,000	628,001
02000-MISCELLANEOUS-ASSOCIATION LEVEL	121,200	200,004	(78,804)
02500-TRANSFERS-OTHER-ACOE INDIRECT ALLOCATION	-	(40,000)	40,000
02680-AOA OVERHEAD	-	(446,000)	446,000
49300-ABO ADMINISTRATION	12,000	-	12,000
21900-AOAEXCEL ADMINISTRATION	120,000	-	120,000
TOTAL ADMINISTRATIVE	973,200	(193,997)	1,167,197
ED, LEGAL, & FINANCE			
90000-EXECUTIVE DIRECTOR SUPPORT	-	956,086	(956,086)
95000-OFFICE OF COUNSEL SUPPORT	-	453,790	(453,790)
94000-FINANCE SUPPORT	-	1,036,273	(1,036,273)
TOTAL ED, LEGAL, & FINANCE	-	2,446,150	(2,446,150)
DUES ACCOUNTING			
00010-MEMBERSHIP DUES	16,639,532	276,348	16,363,184
94100-DUES ACCOUNTING SUPPORT	-	233,586	(233,586)
TOTAL DUES ACCOUNTING	16,639,532	509,934	16,129,598
BOARD OF TRUSTEES			
10000-BOARD OF TRUSTEES	-	1,118,905	(1,118,905)
11150-STATE VISITATIONS	-	64,305	(64,305)
26000-INTERNATIONAL AFFAIRS CMTE	-	70,425	(70,425)
TOTAL BOARD OF TRUSTEES	-	1,253,635	(1,253,635)
MAIL, RENT, & PRINT			
94550-RENT-ST. LOUIS	8,400	1,266,710	(1,258,310)
91000-MAIL DEPARTMENT SUPPORT	-	50,045	(50,045)
94700-AOA MARKETPLACE	572,000	358,021	213,979
94800-FULFILLMENT CENTER	-	68,638	(68,638)
TOTAL MAIL, PRINT, & RENT	580,400	1,743,415	(1,163,015)

**American Optometric Association
2018 Budget By Group
For the Twelve Months Ending December 31, 2018**

	REVENUE	EXPENSE	NET
HUMAN RESOURCES			
90700-HUMAN RESOURCES SUPPORT	-	21,120	(21,120)
90850-EMPLOYEE ACTIVITIES COMMITTEE	-	20,400	(20,400)
90800-ADMINISTRATION SERVICES SUPPORT	-	173,726	(173,726)
TOTAL HUMAN RESOURCES	-	215,246	(215,246)
INFORMATION TECHNOLOGY			
94200-INFORMATION TECHNOLOGY CENTER SUPPORT	8,400	902,326	(893,926)
49250-IT TECHNOLOGY DEVELOPMENT	61,767	1,283,254	(1,221,487)
49270-I T OVERHEAD	-	255,140	(255,140)
TOTAL INFORMATION TECHNOLOGY	70,167	2,440,720	(2,370,553)
90750-RESEARCH AND INFORMATION SUPPORT	-	317,974	(317,974)
TOTAL RESEARCH AND INFORMATION	-	317,974	(317,974)
TOTAL INFORMATION TECHNOLOGY & RESEARCH AND INFORMATION	70,167	2,758,694	(2,688,527)
INDUSTRY RELATIONS			
14500-CORPORATE AND INDUSTRY RELATIONS CMTE	50,000	91,840	(41,840)
90100-CORPORATE AND INDUSTRY RELATIONS SUPPORT	150,000	455,858	(305,858)
TOTAL INDUSTRY RELATIONS	200,000	547,698	(347,698)
EDUCATION CENTER			
18675-CE EDUCATION ROUNDTABLE	-	50,000	(50,000)
61000-OM® EDUCATION	100,000	477,024	(377,024)
47410-EYELEARN & GENERAL EDUCATION	-	157,877	(157,877)
TOTAL EDUCATION	100,000	684,901	(584,901)
17500-PARA MEMBERSHIP ACTIVITIES	55,400	183,955	(128,555)
17800-CPC ACTIVITIES	536,494	376,090	160,404
TOTAL PARAOPTOMETRIC	591,894	560,045	31,849
TOTAL EDUCATION & PARAOPTOMETRIC CENTER	691,894	1,244,946	(553,052)
MEETINGS			
18500-FEBRUARY VOLUNTEER MEETING	60,000	117,325	(57,325)
18530-HOTEL REBATES OTHER THAN OM	36,700	-	36,700
18550-OM VOLUNTEER MEETING	-	55,500	(55,500)
23000-OM(R)	3,438,688	2,658,850	779,838
TOTAL MEETINGS	3,535,388	2,831,675	703,713
GRAND TOTAL - NET	\$ 26,103,551	\$ 26,053,768	\$ 49,783

American Optometric Association
2018 Budget by Category
For the Calendar Years Ending December 31, 2018 and 2017

	BUDGET 2018	BUDGET 2017
OPERATING REVENUE		
MEMBERSHIP DUES	\$ 18,259,598	\$ 17,781,482
AMS FEES	61,767	41,001
OTHER MEMBER DUES	60,935	67,631
INDUSTRY FUNDING	2,375,491	2,207,400
ADVERTISING	350,547	405,178
MARKETPLACE SALES	582,000	599,200
RENTAL INCOME	273,483	258,674
ACOE SITE VISITS/FEES	589,271	535,194
REGISTRATION INCOME	1,460,900	1,431,183
EXHIBIT BOOTHS	995,000	1,000,000
OTHER INCOME	370,494	367,004
TOTAL OPERATING REVENUE	25,379,486	24,693,947
OPERATING EXPENSE		
EMPLOYMENT	9,629,139	8,936,798
POSTAGE/TELEPHONE/COPY	457,419	515,663
TRAVEL	2,040,366	2,066,371
MEETING	1,716,133	1,587,216
OUTSIDE SERVICES	4,649,887	4,581,818
PURCHASES/MATERIALS	292,220	348,257
FOOD FUNCTIONS	731,402	686,424
SUPPLIES	45,482	43,196
UTILITIES	114,000	174,000
INSURANCE	143,100	138,140
PROPERTY TAXES	138,600	144,800
INTEREST	304,100	316,000
SOFTWARE/MAINTENANCE	800,741	758,387
ADVERTISING/PROMOTIONS	1,175,811	2,171,544
OTHER	2,136,664	2,041,321
TOTAL OPERATING EXPENSE	24,375,064	24,509,935
EARNINGS BEFORE INVESTMENTS & DEPRECIATION	1,004,422	184,012
INVESTMENT INCOME	724,065	660,000
DEPRECIATION EXPENSE	1,678,704	905,603
NET INCOME/(LOSS)	\$ 49,783	\$ (61,591)