Finance Committee Report

Presented by: Julia George, Treasurer
2010-2011 Finance Committee Members

- Rula Harb, MS, RN, Massachusetts Area IV
- Diane M. Sanders, RN, BC, MN, CNA, Washington, Area I
- Mark Majek, MA, PHR, Texas, Area III
- Cynthia Burroughs, BA, MA, PhD, Arkansas, Area III
- Daniel Hudgins, North Carolina, Area III
Finance Committee Charge

- Financial Policies
- Budget
- Financial Statements
- Audit
- Investments
- Liability Insurance
## Finance Strategy

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<th>Initiatives</th>
<th>Outcomes</th>
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<tr>
<td>Financial Planning</td>
<td>• Financial stability</td>
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<tr>
<td></td>
<td>• Internal source of funds</td>
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<td>• Financial resource allocation aligned with mission</td>
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<tr>
<td>Investment Management</td>
<td>• Optimum return on investments</td>
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<tr>
<td>Internal Control Risk Management</td>
<td>• Asset protection</td>
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Reserve Compared to Operating Expense In $,000’s
Source of Funds

- NCLEX: 82%
- NURSYS: 4%
- Learning Extension: 3%
- Investments: 10%
- Other Revenue: 1%
Use of Funds

- NCLEX: 61%
- Program Services: 17%
- Info Technology: 5%
- Governance: 2%
- Admin Services: 2%
- Communications: 2%
- Occupancy: 2%
- NNAAP/MACE: 1%
- NURSYS: 6%
- E-Learning: 2%
Use of Funds for Program Services to Support the Membership

- Annual Meeting ($593,000)
- Midyear Meeting ($310,000)
- Support 16 Committees ( $970,000)
- Educational Conferences ( $642,000)
- Resource Fund ($225,000)
- Data Integrity Project ( $987,000)
Financial Performance Summary

- Reserve position that provides an internal source of funds
- Balanced operating budgets
- Budgets linked to the mission and the strategic plan
- Investment returns equal benchmarks
- Unqualified audit opinion from the independent accountants
- Strong internal control practices