

Executive Director's Message

2022 Financial Report

George M. Segall, MD – Executive Director, American Board of Nuclear Medicine

The ABNM fiscal year is January 1 through December 31. A full audit is conducted every two years by a certified public accounting firm, UHY. The firm conducts a less extensive financial review in alternate years. In 2022, UHY reviewed ABNM's financial statements for the year ending December 31, 2021. The report dated August 16, 2022, noted total assets of \$4,831,116 with an increase of \$449,485 compared to the prior year. The report also noted that ABNM financial statements conformed to generally accepted accounting principles, and that no material modifications were required.

The United States Income Tax Return, Form 990, filed by all non-profit organizations, is publicly available. The returns filed by the ABNM can be found on the IRS website <https://apps.irs.gov/app/eos/>.

The ABNM started 2022 with a budget of \$799,623 in operating (non-investment) income. At the end of the year, the estimated operating income was \$937,931. Income was above budget mostly due to a larger than expected number of physicians paying examination application fees, and more diplomates paying MOC fees.

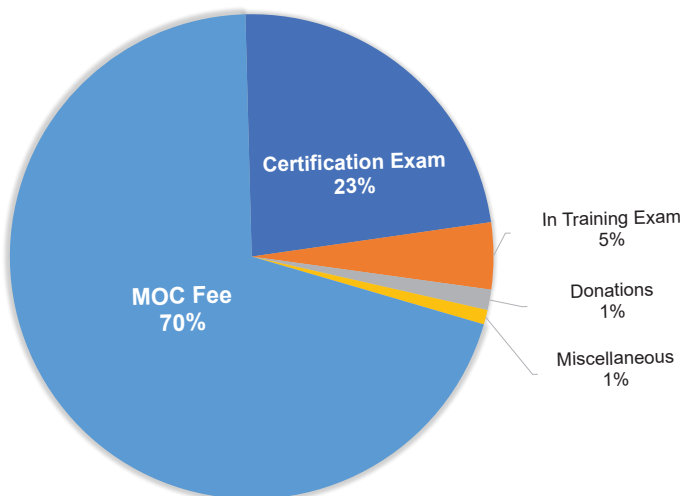
The ABNM started 2022 with a budget of \$878,449 in operating expense, which was \$34,673 (4.1%) over than the amount budgeted for the previous year. At the end of the year, the estimated operating expense was \$974,548, mostly due business related travel which resumed post-COVID, as well as increased web expenses.

The ABNM ended 2022 with a net operating income of -\$36,617, versus \$31,054 the prior year.

A breakdown of the major income and expense categories for 2022 is shown in the following diagrams.

2022 Operating Income

The largest percentage of income (70%) was derived from the Maintenance of Certification (MOC) annual fee. The annual fee was \$150 when it was instituted in 2007. It was increased to \$175 in 2010. The fee was increased to \$400 in 2012 to eliminate additional registration fees paid by diplomates for the MOC examination (and CertLink, which was launched in 2018). The annual MOC fee was

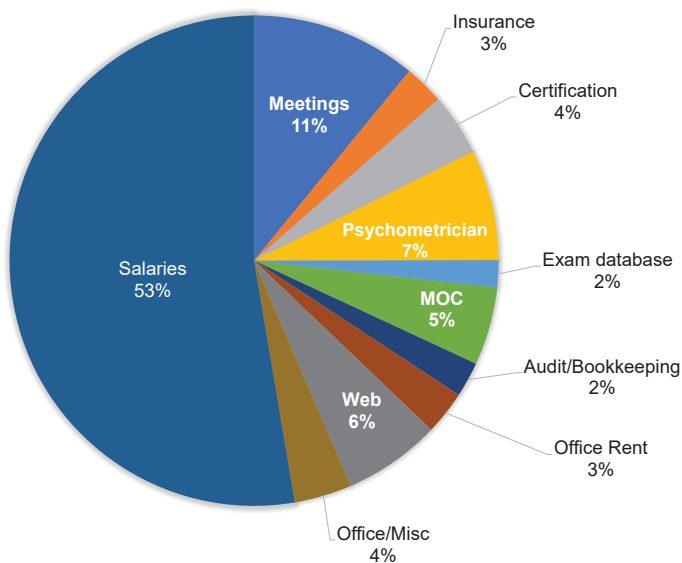


increased to \$500 in 2019 after 6 years without an increase because inflation made it impossible to maintain a balanced operating budget without an increase, despite reducing the number of staff in the ABNM office from 4 to 3 full-time employees.

Due to COVID related decrease in travel and meeting expense, diplomates received a \$50 credit in 2021 and 2022, effectively reducing the annual MOC fee to \$450.

2022 Operating Expense

The largest expense was salary for five employees (3.5 FTE), including the Executive Director (0.25 FTE), Associate Executive Director (0.25 FTE), Administrator, MOC and Examinations Program Manager, and Diplomate Relations and Communications Program Manager. Salaries were 53% of total expense in 2022. ABNM operations and exam production is handled by ABNM staff in St. Louis, and by directors located throughout the United States using email and conference calls.



The ABNM has \$3.51 million (as of December 31, 2022) in an investment portfolio managed by Wells Fargo Advisors. The investment portfolio is the ABNM's reserve fund for unexpected financial difficulties, as well as major new initiatives. The value of the portfolio decreased 11.2% during 2022, which is a smaller decrease than the 18.1% decline in the S&P.

The ABNM has two annual meetings per year. Due to the impact of COVID-19, meetings were held virtually rather than in-person in 2020 and 2021.

To lower operating expenses related to in-person meetings, the ABNM has decided to have one in-person meeting and one virtual meeting in 2023. Having a virtual meeting will make it possible to extend the \$50 credit given to diplomates in the prior two years for COVID-related decrease in travel expense and maintain the annual MOC fee at \$450.